



EXECUTIVE ORDER NO. 18-03

PROMOTING DIVERSITY AND INCLUSION OPPORTUNITIES FOR OREGON MINORITY-OWNED, WOMEN-OWNED, SERVICE-DISABLED VETERAN OWNED, AND EMERGING SMALL BUSINESSES

Section 1. Background

On February 6, 2012, Executive Order No. 12-03 ordered state agencies to set targets and implement other initiatives for promoting diversity and equal opportunity for disadvantaged and emerging small businesses.

On June 25, 2015, Governor Kate Brown signed into law House Bill 3303, which establishes a Service-Disabled Veteran certification. The Certification Office for Business Inclusion and Diversity (COBID) certifies eligible minority-owned, women-owned, service-disabled-veteran-owned, and emerging small businesses, hereinafter referred to as "COBID Certified Firms." Small businesses within Oregon continue to be a vital and dynamic sector of the economy. Oregon is committed to creating an environment that supports the ingenuity and industriousness of COBID Certified Firms.

Agencies subject to this Executive Order include all state agencies, boards, and commissions that are within the Executive Branch, as defined by ORS 174.112. State agencies, cities, counties, and other public entities outside the scope of this Executive Order are encouraged to develop, implement, and participate in the policies and processes outlined in this Executive Order, as appropriate and to the extent allowable by law.

NOW THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

Section 2. Policy.

It is the policy of the State of Oregon, for the purpose of promoting economic equity in public contracting, that all state agencies shall increase the percentage of state-funded contract dollars within each agency that are awarded and paid to COBID Certified Firms. Additionally, for contract opportunities over \$10,000, agencies shall solicit quotes or invite bids from a minimum of at least one minority-owned business, one woman-owned business, one business that a service-disabled veteran owns, and one emerging small business, whenever possible. Agencies are strongly encouraged to consider COBID Certified Firms for contract opportunities under \$10,000 as well.



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Increasing the percentage of state-funded contract dollars awarded to COBID Certified Firms, paired with other equitable economic initiatives, will support Oregon's efforts to improve entrepreneurial opportunities for minority-owned, women-owned, service-disabled-veteran-owned, and emerging small businesses, either as prime contractors or subcontractors. These efforts reflect Oregon's commitment to oppose all forms of discrimination and demonstrate its intent to create an environment that supports economic growth in all sectors.

It is imperative to maintain accurate data on the participation of COBID Certified Firms, track progress, and ensure that Oregon's entrepreneurial opportunities are accessible to all.

The policy announced in this Executive Order shall not result in any preferential treatment, advantage, or disadvantage for any particular business in obtaining contracts with the State of Oregon.

Section 3. Responsibilities.

Governor's Office of Diversity, Equity, and Inclusion's Policy Advisor for Economic and Business Equity:

- a) The Governor's Policy Advisor for Economic & Business Equity (Office of Diversity, Equity, and Inclusion), established by ORS 200.025—hereinafter referred to as the "Governor's Policy Advisor"—shall monitor the progress of each agency on a quarterly basis and request annual reports from each agency for review. The Governor's Policy Advisor will provide feedback on the progress of the goals and initiatives set by agency directors, and will be in communication on an ongoing basis to continue collaborative work in obtaining increased utilization of COBID Certified Firms.
- b) The Governor's Policy Advisor shall provide assistance to agency directors in the development of initiatives, and business or community engagement plans, as necessary.
- c) The Governor's Policy Advisor shall provide Executive Order guidelines and report templates to agencies to ensure consistency in reporting.



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**Department of Administrative Services (DAS) and Business Oregon
Certification Office for Business Inclusion and Diversity (COBID):**

- a) Within 90 days of execution of this Executive Order, DAS shall provide a report of all active contracts with non-certified firms to COBID and the Governor's Policy Advisor. COBID shall use this report to offer those firms an opportunity to apply for certification within the State of Oregon.
- b) Within 60 days of receiving the above report, COBID shall contact all listed non-certified firms to offer the opportunity to apply for certification within the State of Oregon, and shall track the results of that effort. Results shall be provided to the Governor's Policy Advisor.
- c) COBID shall collaborate with DAS and agencies to develop and implement initiatives on an annual basis, with the goal of increasing the number of COBID Certified Firms, with focus on specific geographic and industry areas as needed. This goal will be based on an annual average, compared with the previous year.
- d) On or before June 30, 2018, and thereafter on a yearly basis, DAS shall identify and make available to all agencies data indicating geographically located businesses by industry and commodity, and those that are current COBID Certified Firms. The purpose of this data is to identify areas where each agency can implement and increase community engagement efforts to solicit additional COBID firms.
- e) DAS shall provide an annual briefing to all agency directors at the third quarterly all-agency meeting, which includes updated information on geographically located businesses by industry and commodity. The purpose of this data is to develop annual community or small business engagement plans for each agency.
- f) DAS shall provide training to all agency management and personnel with contract administration responsibilities on the requirements of its statewide policy related to utilization of COBID Certified Firms and the current statewide procurement system.



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Agencies:

Initiatives.

- a) Each agency shall develop an annual community and small business engagement plan that supports the requirements of this Executive Order.
- b) Agencies shall collaborate with the Governor's Office of Diversity, Equity, and Inclusion; COBID; and DAS to develop and implement initiatives to promote equity in contracting, and to increase the number of available COBID Certified Firms, resulting in increased contracts (purchases) awarded to such firms.
- c) Agencies shall evaluate, clarify, and mitigate restrictive definitions and requirements in the procurement process to facilitate participation of all firms available and qualified to do business with the state without regard to age, color, disability, marital status, national origin, race, religion or creed, sex or gender, sexual orientation, veteran status, or any other status protected by law.
- d) When conducting a Request for Proposal, agencies must use the Statewide Request for Proposal template (as provided by DAS) for all competitive procurements.

Training.

- a) Agencies shall ensure training of all management and personnel with contract administration responsibilities on the requirements of the DAS statewide policy related to utilization of COBID Certified Firms and the current statewide procurement system.

Tracking/Reporting.

- a) Agencies must track all awarded and paid dollars to COBID Certified Firms for all contracts (purchases) regardless of the size of contracts.
- b) Agencies should diligently record all businesses invited to submit a proposal. For contract opportunities over \$10,000, when and where available, agencies shall invite a minimum of at least one minority-owned



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business, one woman-owned business, one business that a service-disabled veteran owns, and one emerging small business. Agencies are strongly encouraged to consider COBID Certified Firms for contract opportunities under \$10,000.

- c) On a quarterly basis, beginning with the first quarter ending September 30, 2018, agencies shall submit two reports as follows, using the DAS provided template:

Activity Report. Report solicitations with COBID Certified Firms and actual utilization to the Governor's Policy Advisor on a quarterly basis. Activity reports shall include the following:

1. Each solicitation
2. COBID Certified Firms invited
3. COBID Certified Firms that submitted proposals
4. COBID Certified Firms that were awarded

Spend Report. Agencies shall at a minimum report contractor spend, and shall report spend at all other levels where feasible. Spend reports shall include the following:

1. Total state-funded contract dollars awarded and paid
2. Total state-funded contract dollars awarded and paid to COBID Certified Firms

Agencies shall submit Activity and Spend reports no later than 30 days following the close of each quarter on March 31, June 30, September 30, and December 31.

Section 4. Term.

- a) This Executive Order shall expire on December 31, 2022.



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- b) This Executive Order hereby supersedes and replaces in total Executive Order No. 12-03 issued on February 6, 2012, by Governor John A. Kitzhaber.

Done at Salem, Oregon, this 22nd day of March, 2018.



Kate Brown

Kate Brown
GOVERNOR

ATTEST:

Dennis Richardson

Dennis Richardson
SECRETARY OF STATE