

State of Indiana
Department of Administration



Indiana Veteran–Owned Small
Business (IVOSB) Program
Annual Report

FISCAL YEAR 2020-2021

Indiana Veteran-Owned Small Business Enterprises Program Overview

On July 1, 2013, Senate Enrolled Act 564, which was effective July 1, 2013¹ allowing veteran-owned small businesses to cross-certify in the State of Indiana using their federal certification. This codified Executive Order 13-04. Beginning July 1, 2016, the State of Indiana established a system to certify veteran-owned small businesses independently of the federal process, in addition to the cross-certification option available. The State also expanded the definition of "Veteran" to honor those still serving and those in the National Guard and removed other barriers to certification.²

In November 2018, the IVOSB certification program was housed in the Indiana Department of Administration (IDOA) Division of Supplier Diversity (DSD). Previously, the DSD was only responsible for certifying Minority and Women Business Enterprises (MBE/WBE), since November 2018, per IDOA Commissioner's decision, DSD resumed the responsibility for certifying IVOSBs as well.

Governor's Commission on Supplier Diversity

Effective July 1, 2020, the name of the "Governor's Commission on Minority and Women's Business Enterprises" changed to the "Governor's Commission on Supplier Diversity" through the legislation amendment of HB 1081. With this change, together with the MBE/WBE program, IDOA DSD reports the IVOSB program measures and implementation to the Commission.

The Governor's Commission on Supplier Diversity held three (3) quarterly meetings in 2021. The first quarterly meeting took place on February 26, 2021, and for the first time in the Commission's history, due to the Governor's Commission on Supplier Diversity's invitation, the Presidents, or the designees of the State Educational Institutions ("SEIs") were present and reported their supplier diversity commitments and initiatives. On April 30, 2021, per Chairman Wilson's request, the Commission held an additional ad-hoc meeting. This special meeting was completely dedicated to the diverse vendors who brought up various issues to the Commission and IDOA's attention and addressed the challenges they faced during the pandemic. The meeting was held electronically and was attended by over 100 businesses who had an opportunity to directly ask the questions and receive answers from the Commission members and the representatives of the IDOA. Both Commissioners and IDOA DSD gave comprehensive overview of the Disparity Study 2020, the progressions of the Study, and the work that the Disparity Study subcommittee

¹ IC 5-22-14-11(a)(1)

² IC 5-22-14-3.5(a)(b); IC 5-22-14-2.5; length of Indiana residency requirement removed

did while the Study was underway. Detailed utilization numbers of the MBE/WBE and IVOSB vendors were provided in the Commission meeting minutes that were published on DSD's [webpage](#) after the Commission adopted them.

DSD's Major Projects

Electronic Certification: The electronic certification system was launched February 27, 2021 and the last day to submit a paper application to the IDOA DSD was March 31, 2021. As of April 1, 2021, the Division has only been accepting electronic certifications and either destroying the records of the application submitted via paper after April 1, 2021 or returning the application documentation to the vendors via mail.

DSD actively promoted the e-certification project to the vendor community via social media, electronic blasting system, and through partners for MBE/WBEs and Indiana Veteran Owned Small Businesses. DSD posted training materials and tutorials on the [website](#) to help businesses transition from paper to electronic application smoothly and efficiently.

Disparity Study: IDOA made sure to include IVOSBs in the State of Indiana's Disparity Study for the first time in the Study's history. IDOA commissioned BBC Research & Consulting ("BBC") to conduct a Disparity Study to assess whether MBE, WBE and IVOSB businesses faced any barriers as part of the State of Indiana's contracting processes. BBC completed the Disparity Study and made the [report](#) publicly available in March of 2021. IDOA also had extensive public outreach from 2019-2021 to ensure that there was efficient participation from all the stakeholders in the Study process. IDOA and BBC Research & Consulting ("BBC"), the consultant firm that carried out the Study, held public meetings in the beginning of the Study, in the interim, as well as at the end of the process. IDOA held 3 different webinars to discuss the findings for the Study and final results.

The key takeaways from the Disparity Study 2020 were:

- There were substantial disparities for MBE and WBE groups on no-goals contracts.
- There was evidence of barriers for minority- and woman-owned businesses.
- The results of the 2020 Study were largely consistent with the 2016 Disparity Study.
- There was enough evidence to warrant consideration of continued use of MBE/WBE goals.

As a result of the Study, the Commission established the annual goals on February 26, 2021. Three factors were taken into consideration for goal establishment: base figure, past participation, and obstacles to business ownership with the following weighted average.

The Commission began the process of determining new overall annual MBE/WBE goals by establishing base figures for the goals based on data from an availability analysis BBC conducted as part of the 2020 State of Indiana Disparity Study. The availability analysis estimated the percentage of State of Indiana contract and procurement dollars minority and woman-owned businesses are ready, willing, and able to perform based on the specific characteristics of relevant businesses located in the relevant geographic market area (“RGMA”) and the specific characteristics of the contracts and procurements executive branch agencies and SEIs award.

The Commission considered information about the base figures and potential adjustments and has determined it is appropriate to adjust the base figures to account past participation of minority- and woman-owned businesses to perform the State of Indiana work and barriers minorities and women face in Indiana related to business ownership, because those factors are clearly and quantifiably related to the availability of minority- and woman-owned businesses for State of Indiana work and the ability of executive branch agencies and SEIs to meet the overall annual MBE/WBE goals in the future. The Commission adjusted the base figures for past participation of minority- and woman-owned businesses and business ownership barriers using the following calculation:

Overall annual goal = 0.25 (0.5 (base figure) + past participation) _ 0.25 (availability adjusted for business ownership). New goals went into effect on July 1, 2021³:

- Construction: Minority - 7%, Women - 5%, Veteran - 3%.
- Goods and Services: Minority - 8%, Women - 13%, Veteran - 3%
- Professional Services: Minority - 8%, Women - 11%, Veteran - 3%
- Weighted Average Goal: Minority - 8%, Women - 10%, Veteran - 3%

Additionally, there were other considerations for the IDOA to improve the supplier diversity program:

1. **Data collection.** IDOA uses the Pay Audit system to collect data on subcontracts that are associated with the prime contracts that it awards. However, the agency only collects data on subcontracts that certified MBE/WBEs perform. Collecting data on all subcontracts will help ensure that IDOA monitors the participation of minority- and woman owned businesses in its work accurately, assesses what subcontract opportunities exist for those businesses, and is able to identify additional businesses that could become certified.
2. **Public Works contracts.** Although IDOA used MBE/WBE contract goals to award many contracts and procurements during the study period, the Public Works Division did not use such goals to award any of its contracts. IDOA should work with the Public Works Division to consider using MBE/WBE contract goals in awarding construction

³ The Governor’s Commission on Supplier Diversity did not change the Indiana Veteran Owned Small Business goals as the IVOSB goals are set by the IC 5-22-14-11(a)(1) at 3%.

- and construction-related professional services contracts to better encourage the participation of minority- and woman-owned businesses in that work.
3. **Utilization of different businesses.** According to the information to which the study team had access, during the study period, state agencies awarded \$177 million worth of contracts and procurements to minority- and woman-owned businesses, but those dollars went to only 97 different businesses, only 34 of which were minority-owned. IDOA could consider using bid and contract language to encourage prime contractors to partner with subcontractors and suppliers with which they have never worked, which might help encourage the participation of a larger number of minority- and woman-owned businesses in IDOA work.
 4. **Growth monitoring.** IDOA might consider collecting data on the impact that the MBE/WBE Program has on the growth of minority- and woman-owned businesses over time. Doing so would require it to collect baseline information on MBE/WBE-certified businesses—such as revenue, number of locations, number of employees, and employee demographics—and then continue to collect that information from each business on an annual or semiannual basis.

Indiana Veteran-Owned Small Business (IVOSB) Program Update

Certification: During the 2021 Fiscal Year (July 1, 2020 – June 30, 2021), a total of 103 firms were certified by the State of Indiana as Veteran-Owned Small Businesses bringing the current total of certified entities to 286.

Contract Compliance: The Contract Compliance team advocates for MBE/WBE/IVOSB subcontractors on State of Indiana contracts who cannot resolve with prime vendors. The team must ensure that prime percentage obligations are met according to the MBE/WBE/IVOSB sections of the signed contract clauses. DSD is the final approval authority on requests to change subcontractor participation plan, so the vendor education, whether it is the primary contractor or the subcontractor, is crucial.

DSD contract compliance team continues to proactively audit state contacts with the MBE/WBE and IVOSB subcontractor utilization. In 2021, there have been total of 105 compliance reviews, most of them with the subcontractor participation plan change and the Good Faith Effort (GFE) reviews. DSD Contract Compliance Managers attended 25 pre-proposal meetings and presented the information on the tier two MBE/WBE and IVOSB utilization

Business Development & Outreach: DSD compliance team regularly publicize procurement and bidding opportunities with the State of Indiana. Bid notices and due dates are electronically sent out to over 4,000 recipients on a weekly basis. Special project announcements and procurement

opportunities are separately sent out, as well as posted on the Division’s website: <https://www.in.gov/idoa/mwbe/2488.htm>.

So far, in 2021, the Division of Supplier Diversity participated in sixty (60) different outreach-based events, thirty-one (31) of which were presented by DSD. The events that we hosted varied from webinars to business conferences and workshops. By these efforts alone, we have been able to connect with nine-hundred and twenty-seven (927) attendees.

DSD’s 2021 business conference season theme is Transforming Your Vision. The 13th Annual Business Conference took place on Thursday, October 7, 2021, from 8:00 a.m. to 3:00 p.m. EST at the Indiana Government Center South Conference Center, 402 West Washington Street, Indianapolis, IN. Over 200 vendors attended the conference, which was held in person for the first time after the pandemic.

At the Business Conference, the Division of Supplier Diversity covered content that focused on leading and managing a business successfully, adopting contingency plans, and offered various business resources on how to obtain and sustain contracts while being a certified State of Indiana MBE/WBE and IVOSB. This year’s conference featured information from our government, corporate and community partners, some of the State of Indiana state agencies as well as highlighting the best practices of successful prime contractors and subcontractors.

DATE	EVENT	PROMOTIONS
March 10, 2021	Disparity Subcommittee Meeting	External e-blast, social media, partner solicitation
March 16, 2021	Indiana Energy Association Meeting	Webinar - Attendees
March 17, 2021	IDOA DSD Certification Webinar	External e-blast, social media, partner solicitation
March 18, 2021	2020 Disparity Study Results Public Webinar	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
March 30, 2021	Ivy Tech - External Diversity Advisory Council Quarterly Meeting Webinar	Webinar - Attendees
March 31, 2021	XBE Meeting	Virtual meeting
April 6, 2021	Ball State University 2021 Community Virtual Diversity Vendor Fair	External e-blast, social media, partner solicitation
April 13, 2021	Indiana Black Expo Partner Meeting	Virtual meeting

DATE	EVENT	PROMOTIONS
April 15, 2021	2020 Disparity Study Results Public Webinar	External e-blast, social media, partner solicitation
April 21, 2021	Ball State University Diversity Vendor Chat Webinar	Webinar - Attendees
April 22, 2021	INDOT Certification Webinar	External e-blast, social media, partner solicitation
April 28, 2021	Ball State University Diversity Vendor Chat Webinar	Webinar - Attendees

DATE	EVENT	PROMOTIONS
April 29, 2021	IDOA DSD Pay Audit Webinar	External e-blast, social media, partner solicitation
April 30, 2021	Governor's Commission on Supplier Diversity Special Meeting for Vendor Community Public	External e-blast, social media, partner solicitation
May 5, 2021	Ball State University Diversity Vendor Chat Webinar	Webinar - Attendees
May 12, 2021	Ball State University Diversity Vendor Chat Webinar	Webinar - Attendees

DATE	EVENT	PROMOTIONS
May 19, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
May 19, 2021	IDOA DSD Certification Webinar	External e-blast, social media, partner solicitation
May 20, 2021	2020 Disparity Study Results Public Webinar	External e-blast, social media, partner solicitation
May 26, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
June 2, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
June 9, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
June 10, 2021	Indiana Black Expo – Creating Strategic Partnerships to Grow Your Business Webinar	External e-blast, social media, partner solicitation
June 12, 2021	InnoPower Minority Business Week - Shinning Star Awards/VIP Reception	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
June 16, 2021	Indianapolis Airport Authority Equity Insights Fireside Chat Webinar	External e-blast, social media, partner solicitation
June 16, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
June 17, 2021	InnoPower - Building an Ecosystem for Minority Businesses to Expand and Thrive in Indiana Panel	External e-blast, social media, partner solicitation
June 22, 2021	Doing Business with IndyGo in 2021 Webinar	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
June 22, 2021	US Minority Contractors Association: Hammond Development Corporation Webinar	External e-blast, social media, partner solicitation
June 23, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
June 23, 2021	Doing Business with IndyGo in 2021 Webinar	External e-blast, social media, partner solicitation
June 24, 2021	IDOA DSD Pay Audit Webinar	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
June 30, 2021	Ball State University Diversity Vendor Chat Webinar	External e-blast, social media, partner solicitation
July 8, 2021	DSD Awareness Trainings with State Agencies	Social Media
July 12, 2021	Indiana Black Expo – Governor’s Reception & Panel Discussion	External e-blast, social media, partner solicitation
July 15, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation
July 22, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation

DATE	EVENT	PROMOTIONS
July 29, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation
August 5, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation
August 19, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation
September 2, 2021	DSD Awareness Trainings with State Agencies	External e-blast, social media, partner solicitation

Indiana Veteran Owned Small Business (IVOSB) Utilization

The success of the IVOSB program is measured similarly to the State’s other Supplier Diversity programs with the 3% goal applying to subcontracting opportunities. The Indiana Department of Administration tracks the activity of veteran businesses as prime contractors as an indicator of additional success.

Prime Awards: During this past Fiscal Year (July 2020 through June 2021), the State awarded over \$2.01 million in contracts to veteran business enterprises as prime contractors.

Subcontracting Awards: From July 2020 through June 2021, the Indiana Department of Administration conducted solicitations cumulatively valued above \$1.3 billion, which resulted in approximately \$43.1 million committed to veteran business enterprises.

Contract Value	3% Goal Target	Actual Committed Dollars to IVOSB	Achieved Committed % (Goal 3%)
\$1,369,760,139.90	\$41,092,804.20	\$43,176,717.64	3.15%

Total Awards – Prime Awards and Subcontracting Awards: In total, the State spent over \$10 million with State-certified IVOSBs.

Time Frame	% Achieved	Subcontracting Committed Award Dollars	Prime Awarded Dollars	Grand Total of Awarded Dollars to IVOSB
July 1, 2020 – June 30, 2021	2.75%	\$43,176,717.64	\$2,018,381.74	\$45,195,099.38