

City of Seattle Disparity Study Questions and Answers

This document answers common questions the City has received about the City of Seattle's Disparity Study. It helps explain what the study found, what it means, and what the City is doing in response. To better understand these questions and answers, we recommend reading the Executive Summary of the [Disparity Study](#) first. It gives a big-picture view of how the study was done, what the data shows, and the main takeaways.

1. What is a disparity study and why did the City conduct one?

In late 2021, the City hired Colette Holt & Associates to look at how we're doing when it comes to working with women- and minority-owned businesses (WMBEs). The study analyzes data to determine whether WMBE firms are underutilized and collects evidence of race and gender-based barriers to full participation of WMBEs on City contracts. Additionally, the study provides recommendations to improve efforts in a legally compliant manner.

2. What did the study find?

The [final report](#) indicates that the City is performing well, with high utilization rates of WMBE vendors—often exceeding availability in several categories. However, the study also found areas of disparity, including the fact that spending categories generating the most WMBE contract dollars do not always align with the City's primary spending categories. The study provides recommendations for improvements to the City's WMBE programs.

3. What is the City's response to the study's findings?

The City is reviewing the report and its recommendations with its WMBE Leads and the [WMBE Advisory Committee](#). We're also planning listening sessions with the business community to hear their thoughts and better understand how the recommendations might affect them. After gathering this input, the City will develop a plan to put the recommendations into action.

4. Does the Disparity Study include P-Card purchases?

No. The study only includes purchases over \$50,000.

5. One recommendation from the Disparity Study is for the City to require firms to be certified by the Office of Minority & Women Business Enterprise (OMWBE) as an MBE, WBE, or DBE in order to count toward its WMBE goals. When the City moves forward with this, will the City still allow WMBE self-identification?

Businesses will still be permitted to self-identify as WMBEs in the [City's Procurement Portal](#) (OpenGov). These businesses will continue to have access to City resources like technical help and support. However, when the City moves forward with requiring certification through the Office of Minority & Women's Business Enterprises (OMWBE), only certified firms will count toward the City's WMBE aspirational spending goals.

6. What resources does the City have available to support WMBEs with OMWBE certification?

The City partners with local organizations [Tabor 100](#) and [Business Impact NW \(BINW\)](#) to provide free technical assistance and business support. These organizations help businesses navigate the OMWBE certification process and offer on-demand training and support—both in-person and remotely.

Learn more about the City’s technical assistance program here:

[Women- and Minority-Owned Businesses - Purchasing and Contracting | seattle.gov](#)

7. What are the primary NAICS codes for City spending?

NAICS stands for North American Industry Classification System. It’s a way to group businesses by the type of work they do. The City uses these codes to track what kinds of goods and services it buys and to help understand which industries are getting City contracts. The top NAICS codes for City spending are:

Construction
236210 – Industrial Building Construction
237310 – Highway, Street, and Bridge Construction
238210 – Electrical Contractors and Other Wiring Installation Contractors
238990 – All Other Specialty Trade Contractors
238220 – Plumbing, Heating, and Air-Conditioning Contractors
Services
541519 – Other Computer Related Services
541330 – Engineering Services
541511 – Custom Computer Programming Services
561720 – Janitorial Services
562910 – Remediation Services
Goods
423430 – Computer and Computer Peripheral Equipment and Software Merchant Wholesalers
423690 – Other Electronic Parts and Equipment Merchant Wholesalers
423210 – Furniture Merchant Wholesalers
484220 – Specialized Freight (except Used Goods) Trucking, Local
423110 – Automobile and Other Motor Vehicle Merchant Wholesalers

8. How is the City helping smaller firms access working capital?

The City will research the possibility of expanding the Technical Assistance contracts to include resources to provide working capital and explore partnership opportunities with the City’s Office of Economic Development.

9. What is the difference between Quick Pay and Prompt Pay?

Quick Pay refers to the potential of paying vendors every two weeks, which is faster than the City’s standard Prompt Pay policy. Prompt Pay typically follows standard net terms (e.g., Net 30).

10. What does “unbundling” projects mean?

Unbundling refers to breaking larger projects into smaller, more manageable scopes of work.

This approach creates more opportunities for smaller firms to compete for and participate in City contracts.

11. What is the City’s plan for centralizing WMBE program administration in FAS Purchasing and Contracting?

The Disparity Study recommended centralizing WMBE program administration. Since Disparity Study data gathering began in 2021, FAS has invested in centralized procurement systems such as OpenGov and Masterworks, which support centralized procurement and data collection. FAS will continue exploring additional avenues to provide centralized services for our customers.