Administrative

What is the cost of annual membership?
- Annual membership cost is $10,000. New members pay an additional induction fee of $850 to cover the cost of the induction.

How often does the BDR meet?
- Virtual meetings are monthly and face-to-face meetings are two times a year. For convenience, generally the face to face meetings are held around the same time as the WBENC Salute (March) and the annual BDR Summit (August). In addition there are a number of subcommittees which also hold virtual meetings on a regular basis.

What does the BDR do?
- BDR’s vision is to Lead, influence, and shape supplier diversity excellence globally.
- The mission is to drive supplier diversity excellence through best practice sharing and thought leadership.
- BDR develops and publishes pertinent supplier diversity information on an annual basis.
- In discussions, the members review common issues, opportunities and strategies. Often the practices of BDR members set precedent for supplier diversity program management by developing and identifying emerging ideas/trends to sustain the supplier diversity initiative.

If my company applies in an “off” year would we not become a recognized BDR member until the following year?
- Generally new members are inducted every other year (even numbered years), however if a company reaches the billion dollar threshold and applies in an ‘off’ year the BDR can be flexible in reviewing and admitting the company to BDR membership in an ‘off’ year and the company would be recognized in that year.

Spend

Does BDR include/recognize Tier II spend?
- Having a viable Tier II program is a requirement for BDR membership. Tier II spend is tracked and counted separately from the billion dollar spend needed to become and maintain membership.

Why does the BDR only accept specific certifications?
- In order to ensure a consistent and rigorous validation of diverse ownership for corporations, in the US BDR has adopted NMSDC*, WBENC*, NGLCC*, NVBDC* and Disability:IN as the certification required to count toward the billion dollar annual Tier I spend. Outside the US, certification by approved international Non-Government Organizations (NGOs) ** is accepted. Members review certification requirements periodically and vote to determine which processes will be accepted by the organization.

* NMSDC is the National Minority Supplier Development Council, WBENC is the Women’s Business Enterprise National Council, NGLCC is the National Gay Lesbian Chamber of Commerce, and NVBDC is the National Veteran’s Business Development Council.

**Approved international NGOs are Centro de Integração de Negócios (INTEGRARE) in Brazil, and NMSDC international affiliates consisting of the Canadian and Aboriginal Minority Supplier Council (CAMSC), the South African Minority Supplier Diversity Council (SASDC), Minority Supplier Development UK (MSDUK), Minority Supplier Development China (MSDChina), and Supply Nation in Australia.
What if our business recognizes certifications other than the ones recognized by BDR?
What is done with that data?
- A company can track other types of supplier certifications based on their business model and needs, however that spend is not included in the corporation’s initial billion dollars that is provided for audit and membership.

Why doesn’t the BDR include small and other categories in the billion dollar threshold?
- The BDR recognizes and asks companies to report spend they track against other goals typically included in diversity programs such as small businesses. However, spend from these other categories is not counted in the audit. Not all companies have government contracts or the associated goals associated with the small business administration and subcategories of spend.

Is spend outside the US with US based NMSDC/WBENC/NGLCC certified suppliers included toward the “Billion”?
- Yes, BDR’s goal is to facilitate the growth of US based diverse suppliers and support the US economy. With many US based multinationals focused on markets outside the US, the ability to count spend outside the US is critical and this spend counts toward the billion dollar threshold.

Does BDR have a global component? How is diverse spend that is recognized by outside US definitions treated/considered?
- BDR membership is currently focused on US supplier utilization. BDR does have a global committee working to partner our efforts with global advocacy organizations and corporations to understand and meet the growing diversity efforts outside of the US. As each region and country is unique in their emphasis and goals we are respectful that the associated demographic definitions differ. For this reason, currently the BDR does not designate what corporations can include in their reported global diversity spend but rather is using this information to provide benchmark standards for future global expansion.

Does BDR include, in Tier I, spend that is processed through 3rd party managed service providers?
- BDR spend definitions are aligned with most industry standard interpretations of what is considered Tier I vs. Tier II. Basically direct payments to suppliers providing goods and services to a corporation are considered Tier I spend. There are some very limited instances when a supplier, such as American Express, processes payments to a corporation’s certified diverse businesses on behalf of that corporation. In this example, all four of the following criteria apply:

1. the contract for services and transaction is directly between the corporation and the certified diverse supplier
2. the prime does not make the purchase decision
3. the prime does not select the supplier
4. the prime has no direct relationship with or responsibility to manage the supplier being utilized

In the majority of cases where a corporation is using a 3rd party managed service provider or has consolidated services under a larger, non-diverse supplier, the contract is between the corporation and the managed service provider and payments made to the certified diverse suppliers sub-tiers by the managed service provider is considered Tier II.

If there are specific instances that member companies want to have reviewed BDR’s audit committee and the 3rd party audit service can provide additional direction.
How is the data validated/audited?

- Data submitted to meet the $1 Billion spend threshold for annual membership is submitted to a third party auditor and includes:
  - A detailed list of Tier 1 spend by supplier to reach at least $1 Billion, with the diverse status of each supplier flagged as certified by WBENC, NMSDC, NGLCC, NVBDC, or USBLN.
  - All of the suppliers included in a corporation’s initial $1 Billion must be certified by WBENC, NMSDC, NGLCC, NVBDC, or Disability:IN. BDR members must provide certification support for at least $250 million in spend for the initial $1 Billion threshold. In addition, the certification status of the remaining suppliers included in the initial $1 Billion threshold may be checked at random by the auditor if questions arise. Spend with any supplier not currently certified is omitted from the initial $1 Billion.
  - Corporations must provide documentation to support the actual disbursements for at least $250 million of the initial $1 Billion. This documentation is linked to the Accounts Payable system and includes the supplier’s name, supplier’s vendor number, transaction date, check/wire transfer number, and amount disbursed. In addition, should questions arise on one or more suppliers, the auditor may ask the corporation to document additional disbursements beyond the $250 million.

What additional information, other than spend is required to apply?

- The BDR application for membership is reviewed and updated on a periodic basis. Selected information must be provided regarding a corporation’s supplier diversity initiative. In general, this information includes but is not limited to: Supplier Diversity mission statement, Supplier Diversity organization structure/chart, CEO policy statement, procurement operating policies and procedures linked to Supplier Diversity, certification requirements, information on the corporation’s Tier II process/data, and data on all other diverse/small business spend also tracked under the program, national membership in NMSDC and WBENC, Supplier Diversity website, and Supplier Diversity brochures/marketing materials. In renewal years, information outlined in #12 above is provided along with spend data for all other categories and Tier II as well as updates to any of the other items that may have changed from the initial application (i.e. organization chart and team members).

Business Case

What is the value in becoming a BDR member (ROI/business imperative)?

- Celebrate/mark milestone of achieving $1.0 billion in diverse spend with certified M/WBEs on a first tier basis.
- Lead, influence and shape supplier diversity excellence globally as one of only a few corporations globally that have achieved this benchmark.
- Drive supplier diversity excellence through best practice sharing and thought leadership.
- Develop information for publication on supplier diversity
- Assist in developing and identifying emerging ideas/trends to sustain the supplier diversity initiative.
- Benchmark with major corporations (Members and non-members)
- Develop methods to enhance the growth of M/WBEs and corporate MWBE spend
- Venue to explore new concepts and processes for supplier diversity- innovation
- Bring enhanced value to your supplier diversity initiative.
- Develop valuable relationships that assist in continuing a World Class initiative.
In addition, membership places corporations among those considered “World Class” in supplier diversity and establishes them as leaders in the development of strategies and processes that drive supplier diversity excellence.