OSIG’s SWaM Audit Offers Paths to Program Expansion

In a recent audit of Virginia’s Small, Women-owned, and Minority-owned (SWaM) Business Certification program, the Office of the State Inspector General (OSIG) offered six findings and recommendations for enhanced effectiveness and program expansion.

Initiated in 2002 to ensure small, minority- and women-owned businesses have the same opportunity to compete for commonwealth contracts as do larger corporations, OSIG conducted a SWaM performance audit to identify issues and opportunities for improvement that could ultimately boost small business success across the state.

OSIG recommends tightened tracking and reporting of state agencies that fail to meet SWaM benchmarks, as well as a compensation study of the SWaM Certification Division. It also recommends researching the feasibility of implementing a minimal SWaM application fee, similar to SWaM programs in Washington, D.C. and elsewhere, to reduce the high number of incomplete applications received and create an additional funding source for equitable employee compensation.

“The SWaM program has driven success for thousands of Virginia small businesses, as nearly 37 percent of commonwealth spending since 2012 has been allocated to SWaM companies,” said Acting State Inspector General Michael C. Westfall. “We appreciate the collaboration with the Department of Small Business and Supplier Diversity (DSBSD) during this audit, and look forward to the program’s continued growth as it strives to meet even higher spend goals.”

“Enhancing the participation level of small, women-owned and minority-owned businesses in the commonwealth is one of our top priorities at DSBSD. It is in this spirit of true collaboration that we stand in agreement with the recent OSIG recommendations. Over the past few years, our agency has successfully forged the way for hundreds of small businesses in the commonwealth to expand their economic footprint. Any recommendation or action plan that creates additional economic avenues for small companies is one we stand behind fully,” said DSBSD Director Tracey Wiley.

For more information or to view the DSBSD SWaM Certification Program Performance Audit report, visit OSIG’s website at www.osig.virginia.gov.

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Established in 2012, the Virginia Office of the State Inspector General (OSIG) manages the State Fraud, Waste and Abuse Hotline; conducts investigations and performance audits of state agencies; provides training and standards for the commonwealth’s internal audit divisions; and conducts inspections and reviews of Behavioral Health and Developmental Services-run facilities and programs.