



AMERICAN WATER

Frequently Asked Questions – FAQ's

What is a diverse supplier?

A diverse supplier is defined as a U.S. privately held company that is 51% owned and operated by a woman, minority, veteran, or person with a disability. The following categories make up the American Water Supplier Diversity list: Women, African American, Asian American, Hispanic American, Native American, Alaskan Native, Veterans, Disabled Veterans, People with Disabilities.

How is a diverse supplier added to our Supplier Diversity Program?

All diverse suppliers need to self-register their companies and keep their diverse supplier certification up-to-date on our Supplier Diversity Portal at: <https://amwater.quantumsds.com/>. Registration in the Supplier Registration & Supplier Diversity Reporting Portal does not mean that your company is an approved supplier.

When there is a need, our sourcing professionals utilize our Supplier Portal at <https://amwater.quantumsds.com/> to identify new vendors. As you create your company profile on the Supplier Portal, note that a detailed and current profile on the database will allow our sourcing professionals to find you easily.

*Potential and current suppliers can register on the Supplier Diversity Portal

How does a diverse supplier register on the Supplier Diversity Portal?

Diverse Suppliers will copy and paste <https://amwater.quantumsds.com/> into their URL. They will follow simple step-by-step instructions for receiving a log-in and password, how to enter basic company information and how to upload their diverse supplier certification.

What does someone do if they have lost their Supplier Diversity Portal login and/or password?

Simply click the link for lost/forgotten login or password. Quantum Support will automatically generate an email to them with their login information and/or password re-set.

I Registered in your database, what's next?

By registering, you are visible to sourcing professionals, throughout the company. Make sure your info is up-to-date and comprehensive of any new products and services you offer in our [vendor registration portal](#). When an opportunity exists for which, you qualify, we will contact you directly. This can sometimes be a lengthy process and your patience and understanding are appreciated.

What is the purpose of the Supplier Diversity Portal?

Tier 2 Reporting System: Prime/Tier I suppliers should report quarterly both direct and indirect Sub/Supplier/Tier II Supplier spend at <https://amwater.quantumsds.com/>.

Sourcing of new and existing diverse suppliers: Sourcing professionals in Supply Chain and Supplier Diversity as well as authorized company users have access to thousands of diverse suppliers able to meet their unique business needs 24-hours a day.

Diverse Supplier Database: The system is a one-stop shop for all potential and current diverse suppliers to keep their business capabilities updated and upload their diverse certifications.

Interactive Communication Tool: Supplier Diversity, Merchants and Vendor Offices can communicate to diverse suppliers using the portal. Any Company users can request and monitor current diverse supplier certifications, email pertinent information, and provide our business units qualified and certified diverse suppliers.

What is Quantum SDS?

Quantum SDS is the 3rd party supplier that holds our platforms for the Supplier Diversity Portal and certification storage and verification applications for American Water Works Service Company, Inc., its subsidiary and affiliated companies.

Does Quantum SDS or Supplier Diversity have anything to do with the supplier on-boarding process?

No. All supplier on-boarding is administered by Supply Chain through the Coupa system to add supplier to the vendor master. If applicable, suppliers may be required to register in the ISN Network system to report and track their safety reportables.

Please note: Diverse suppliers must be registered on our Supplier Diversity Portal to be included in our Supplier Diversity Program and to have their diverse spend counted.

Does American Water Guarantee Work for Diverse Suppliers?

No. We do not guarantee work for any supplier. We are committed to providing access and opportunity for diverse suppliers to compete for our businesses.

What diverse certifications are accepted by American Water?

For purposes of the Program, we look for suppliers who have been certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Veteran Business Enterprise (VBE), Service-Disabled Veteran Business Enterprise (SDVBE), Disabled Veteran Business Enterprise (DVBE), Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE), Disability Owned Business Enterprise (DOBE), Disadvantaged Business Enterprise (DBE) or Historically Underutilized Business (HUB). Additional information can be found at <https://www.amwater.com/corp/About-Us/Supplier-Diversity/>.

Please note that **small business** Tier 2 spend is also tracked in the diversity reporting system but does not count toward the diversity spend goal targets.

Why is certification important to American Water?

Supplier Diversity is a critical part of our Supply Chain Strategy. To be eligible for the American Water's Supplier Diversity Program, the business must certify as (at least) one of the following through the Supplier Clearinghouse, Department of General Services, or another third-party certifying agency. To uphold the integrity of our supplier diversity development process, we require that all suppliers seeking to participate in it be certified as a women or minority-owned business by one of our recognized certifying agencies.

We report our spend with certified diverse suppliers to the public utility commissions and other stakeholders. We cannot report the spend of self-certified or expired certifications. Your company getting certified helps us meet our diversity spend goal targets.

What are the participating American Water locations?

American Water Service company and all regulated state operations are included in the national supplier diversity strategy. Click [here](#) to view the list of regulated state operations.

What does it cost for a supplier to become diverse certified?

Approximately \$350-\$1000 annually and varies depending on certifying organization, region, and size of company.

A supplier may gain details on pricing specific to their business by visiting certifying agency websites.

We require that diverse-owned businesses acquire third-party certification to be a part of our supplier diversity program.

Here are some of the certifications that we accept:

National Organizations

- **Women's Business Enterprise National Council (WBENC)**
<https://www.wbenc.org/>
Certifying women-owned business enterprises
- **National Minority Supplier Development Council (NMSDC)**
<https://nmsdc.org/>
Certifying minority-owned business enterprises
- **Disability:IN**
<https://disabilityin/>
Certifying disability-owned, veteran-disability-owned, and service-disabled veteran-disability-owned businesses
- **National LGBT Chamber of Commerce (NGLCC)**
<https://www.nglcc.org/>
Certifying LGBT-owned businesses
- **National Veteran Business Development Council (NVBDC)**
<http://nvbdc.org/>
Certifying Veteran and Service-Disabled Veteran-owned businesses
- **National Veteran-Owned Business Association (NaVOBA)**
<https://navoba.org/>
Certifying Veteran and Service-Disabled Veteran-owned businesses

Government Organizations

- **U.S. Small Business Administration (SBA)**
<https://www.sba.gov/>
Certifying HUBZone businesses and classifying small businesses of all types. All diversity types must be certified through a separate organization. For instance, the SBA has approved WBENC as a third-party certifier for Women-Owned Small Business certification as part of the SBA's WOSB Federal Contracting Program.

- **U.S. Department of Veterans Affairs Office of Small and Disadvantaged Business Utilization (OSDBU)**
<https://vip.vetbiz.va.gov/>
Certifying Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses

Regional

- **Women's Business Enterprise Council (WBEC)**
<http://www.wbecouncil.org/>
Certifying women-owned business enterprises
- **Eastern Minority Supplier Development Council (EMSDC)**
<http://emsc.org/>
Certifying minority-owned business enterprises
- **U. S. Department of Transportation DBE Program (US DOT)**
<https://www.transportation.gov/partners/small-business/dbe-program>
Certifying DBEs that are for-profit small businesses where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.
- **Unified Certification Program (UCP) Program**
<https://www.transportation.gov/osdbu/disadvantaged-business-enterprise/dbe-uniform-certification-application>
Certifying Disadvantaged Business Enterprise (DBE) business enterprises
- **Supplier Clearinghouse**
<http://www.thesupplierclearinghouse.com/>
Certifying Disabled Veteran Business Enterprise (DVBE), LGBT Business Enterprise (LGBTBE), Minority Business Enterprise (MBE), Small Business Administration (8(a)), Women Business Enterprise (WBE), and Women/Minority Business Enterprise (WMBE) businesses.

Quantum Glossary of Diversity Classifications

Minority Business Enterprise (MBE)

A business is defined as a Minority Business Enterprise (MBE) if they are a privately held company that is at least 51% ethnic minority owned. Ethnic minority owned is defined as any business having owner(s) belonging to the following minority groups: African American, Hispanic-American, Native American, Asian American, Asian Subcontinent American, and Pacific Islander American. The minority/ethnic owner(s) of the business must be active in management and daily business operations.

Small Disadvantaged Business (SDB)

A Small Disadvantaged Business (SDB) is a small business that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged. Businesses must be certified by the Small Business Administration (SBA) to qualify for SDB status.

Minority and Women Business Enterprise (MWBE)

A business is defined as a Minority and Women Business Enterprise (MWBE) if they are a privately held company that is at least 51% ethnic minority women owned. Ethnic minority owned is defined as any business having owner(s) belonging to the following minority groups: African American, Hispanic-American, Native American, Asian American, Asian Subcontinent American and Pacific Islander American. The minority/ethnic and women owner(s) of the business must be active in management and daily business operations.

Women Business Enterprise (WBE)

A business is defined as a Women Business Enterprise (WBE) if they are a privately held company that is at least 51% women owned. The woman owner(s) of the business must be active in management and daily business operations.

Women Owned Small Business (WOSB)

A business is defined as a Women Owned Small Business (WOSB) if they are a privately held company that is at least 51% women owned. The woman owner(s) of the business must be active in management and daily business operations. The supplier must be considered a small business as defined by the Small Business Administration (SBA) for size standards.

Economically Disadvantaged Women Owned Small Business (EDWOSB)

A business is defined as an Economically Disadvantaged Women Owned Small Business (EDWOSB) if they are a privately held company that is at least 51% women owned and who are economically disadvantaged. The woman owner(s) of the business must be active in management and daily business operations. The supplier must be considered a small business as defined by the Small Business Administration (SBA) for size standards.

Veteran Business Enterprise (VBE)

A business is defined as a Veteran Business Enterprise (VBE) if they at least 51% owned by one or more veterans. The veteran owner(s) of the business must be active in management and daily business operations.

Service-Disabled Veteran Business Enterprise (DVBE)

A business is defined as a Service-Disabled Veteran Business Enterprise (DVBE) if they at least 51% owned by one or more veterans disabled in the line of duty. The disabled veteran owner(s) of the business must be active in management and daily business operations.

Veteran Owned Small Business (VOSB)

A business is defined as a Veteran Owned Small Business (VOSB) if they at least 51% owned by one or more veterans. The veteran owner(s) of the business must be active in management and daily business operations. The business must be considered a small business as defined by the Small Business Administration (SBA) for size standards.

Service-Disabled Veteran Owned Small Business (SDVOSB)

A business is defined as a Service-Disabled Veteran Owned Small Business (SDVOSB) if they at least 51% owned by one or more veterans disabled in the line of duty. The disabled veteran owner(s) of the business must be active in management and daily business operations. The business must be considered a small business as defined by the Small Business Administration (SBA) for size standards.

Small Business Enterprise (SBE)

A business is defined as a Small Business Enterprise (SBE) if they meet certain economic criteria. Size standards vary by industry and are based on the number of employees or the number of annual receipts the business has.

Historically Underutilized Business Zone (HUBZone)

A business is defined as HUBZone certified if they meet the following criteria: A business located in a "historically underutilized business zone," owned and controlled by one or more U.S. Citizens, and at least thirty-five percent (35%) of its employees must reside in a HUBZone. It must appear on the list of Qualified HUBZone Small Business Concerns maintained by the SBA.

HUBZone.

35% of the firm's total **workforce** must reside in a HUBZone.

We work with HUBZone businesses, as well as these small businesses who have additional certification for diversity type:

Small Disadvantaged Business (SDB) | Veteran-Owned Small Business (VOSB) | Woman-owned Small Business (WOSB) | Service-Disabled Veteran-Owned Small Business (SDVOSB) | Alaska Native Corporations (ANCs) | Historically Black Colleges and Universities (HBCU) | Minority Institutions (MI)

Lesbian Gay Bisexual Transgender Business Enterprise (LGBTBE)

A business is defined as LGBTBE certified if they at least 51% owned, operated, managed, and controlled by a LGBT person or persons who are either U.S. citizens or lawful permanent residents. The business exercises independence from any non-LGBT business enterprise.

Disabled Person Owned Business (Disabled)

A business is defined as a Disabled Person Owned Business if they are at least 51% owned, operated, controlled, and managed by a person(s) with a disability.

Disadvantaged Business Enterprise (DBE)

A business is defined as a Disadvantaged Business Enterprise (DBE) if they are a privately held company that is at least 51% ethnic minority owned or women owned. Ethnic minority owned is defined as any business having owner(s) belonging to the following minority groups: African

American, Hispanic-American, Native American, Asian American, Asian Subcontinent American and Pacific Islander American.

Alaskan Native Corporation (ANC)

An Alaska Native Corporation or ANC means any Regional Corporation, Village Corporation, Urban Corporation, or Group Corporation organized under the laws of the State of Alaska in accordance with the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, et seq.)

8a

SBA (8a) is an ownership/diversity certification sponsored by the Small Business Association (SBA) of the United States government.

HBCU

Historically Black Colleges and Universities (HBCUs) were established prior to 1964 with the intention of offering accredited, high-quality education to African American students across the United States.

AbilityOne

The AbilityOne Program is a federal program to assist people who are blind or have other significant disabilities find employment by working within a national network of Nonprofit Agencies that sell products and services to the U.S. government. AbilityOne certification indicates a business is at least 51% owned, operated, controlled, and managed by a person(s) with a disability.