Oregon State University

Annual Report, Contracting and Purchasing with Historically Underrepresented Businesses
<table>
<thead>
<tr>
<th></th>
<th>Capital Construction, including subcontracting</th>
<th>Goods &amp; Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>C. Minority Business</td>
<td>$156,585.10</td>
<td>$31,035.73</td>
<td>$187,620.83</td>
</tr>
<tr>
<td>Č. Women Business</td>
<td>$1,956,443.55</td>
<td>$1,031,449.62</td>
<td>$2,987,893.17</td>
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<tr>
<td>C. Emerging Small Bus.</td>
<td>$1,199,339.33</td>
<td>$1,643,407.74</td>
<td>$2,842,747.07</td>
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<tr>
<td>Total Cert. MWESB</td>
<td>$3,312,367.98</td>
<td>$2,705,893.09</td>
<td>$6,018,261.07</td>
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<tr>
<td>Self-Identified and Other</td>
<td>$1,496,580.11</td>
<td>$21,896,272.58</td>
<td>$23,392,852.69</td>
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<tr>
<td>Total M, W, E &amp; SI</td>
<td>$4,808,948.09</td>
<td>$24,602,165.67</td>
<td>$29,411,113.76</td>
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</tbody>
</table>

Total MWESB subcontractor combined purchased off the OSU Office Depot Contract

<p>| Total Cap Const.             | $111,603,248.88                             |
| Total Goods &amp; Services       | $154,158,835.46                             |
| Total Expenditures Combined  | $265,762,084.34                             |</p>
<table>
<thead>
<tr>
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<th>Goods &amp; Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>C. Minority Business</td>
<td>0.14%</td>
<td>0.02%</td>
<td>0.16%</td>
</tr>
<tr>
<td>C. Women Business</td>
<td>1.76%</td>
<td>0.67%</td>
<td>2.43%</td>
</tr>
<tr>
<td>C. Emerging Small Bus.</td>
<td>1.08%</td>
<td>1.07%</td>
<td>2.15%</td>
</tr>
<tr>
<td>Total</td>
<td>2.98%</td>
<td>1.76%</td>
<td>4.74%</td>
</tr>
<tr>
<td>Self-Identified and Other</td>
<td>1.34%</td>
<td>14.21%</td>
<td>15.55%</td>
</tr>
<tr>
<td>Total of 1-4</td>
<td>4.32%</td>
<td>15.97%</td>
<td>20.29%</td>
</tr>
<tr>
<td>Capital Construction,</td>
<td>Goods &amp; Services</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>C. Minority Business</td>
<td>3</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>C. Women Business</td>
<td>11</td>
<td>27</td>
<td>38</td>
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<tr>
<td>C. Emerging Small Bus.</td>
<td>27</td>
<td>22</td>
<td>49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>55</strong></td>
<td><strong>96</strong></td>
</tr>
<tr>
<td>Self-Identified and Other</td>
<td>13</td>
<td>833</td>
<td>846</td>
</tr>
<tr>
<td><strong>Total of 1-4</strong></td>
<td><strong>54</strong></td>
<td><strong>888</strong></td>
<td><strong>942</strong></td>
</tr>
</tbody>
</table>

Note: Because the OUS policy and form to collect the data wasn't in effect until 11/15/11, the Capital Construction data was obtained by request to several key general contractors. Many did not have the data readily available.
OSU PaCS MINORITY, WOMEN-OWNED AND EMERGING SMALL BUSINESS OUTREACH 2011/12
Background and Key Objectives

As a unit within Oregon State University (OSU), an institution that strives to build the advancement of diversity within its organization, Procurement and Contract Services (PaCS) supports the provision of business opportunities to Minority, Women-Owned and Emerging Small Businesses (MWESB). In order to support this key initiative within the mission of the university, PaCS endeavors to contribute to that initiative by focusing on the following objectives:

- Increase MWESB awareness of business opportunities with OSU
- Include MWESB firms in raising vendor awareness of how to effectively do business with OSU
- Increase MWESB participation in responding to business opportunities
- To the fullest extent feasible, increase business conducted with MWESB vendors while fulfilling the governing rules for competition of the procurement of goods and services and construction contracts

The Oregon Office of Minority, Women and Emerging Small Business (OMWESB) is the authority responsible for providing a certification program for Oregon disadvantaged, minority, and woman-owned and emerging small businesses. Of the 3160 certified firms registered with the OMWESB:

- 37 are located in Benton County, the county in which OSU resides
- 44 are located in Linn County
- 42 are located in Polk County
- 159 are located in Lane County
- 209 are located in Marion County
- 958 are located in Multnomah County

With only 1.7% of all OMWESB certified firms located in Benton County, OSU must focus on the following efforts to accomplish their objectives.

PaCS Policy

The following PaCS policies direct OSU staff in encouraging MWESB participation:

PaCS Policy 316: Under OAR 580-061-0000(f) Code of Ethics, OUS employees will promote competition by encouraging the participation of Oregon businesses, emerging small and minority-owned and women-owned businesses and Qualified Rehabilitation Facilities.

On an annual basis, OSU staff that are responsible for procurements for the university are requested by PaCS to agree to the OUS Code of Ethics, thus agreeing to the above policy.

PaCS Policy 316-001: Affirmative Action:

OAR 580-061-0030 expands economic opportunities for Minority Business Enterprises, Women Business Enterprises and Emerging Small Businesses (MWESB) by offering them the contracting and subcontracting opportunities available through Institution contracts. Notices of all Contracts over $25,000 procured through a competitive process will be provided to the Advocate for Minority, Women and Emerging Small Business through the Oregon University System Procurement Gateway. In accordance with OAR 580-061-0030 (2), OUS shall not knowingly contract with or procure goods and services from an Entity that discriminates on the basis of age, disability, national origin, race, marital status, religion, sex, or sexual orientation.

Collaborative Efforts with OUS

PaCS staff worked with OUS and other Institutions to redevelop the OUS General Conditions for construction contracts. The changes included MWESB subcontracting and reporting requirements of General Contractors. These requirements amount to increased efforts by the General Contractors in their subcontracting activity with
MWESBs for all OSU capital construction projects. This also included a form that will capture such efforts and will be utilized for MWESB reporting to OUS for presentation to the Board of Higher Education.

PaCS worked with OUS and other Institutions to develop the OUS MWESB Policy. This policy went into effect in November 2011 and is now being utilized by OSU.

**Web Presence**

Because OSU is located in the southern heart of the Willamette Valley, within 81 miles of the Portland metropolitan area, it can be a challenge to provide accessible information to the vendor community. PaCS currently advertises all informal, formal, and qualified pool solicitations on the Oregon University System (OUS) procurement website: [https://secure.ous.edu/bid/](https://secure.ous.edu/bid/)

With the assistance of a training developer, we plan to provide more training to vendors on how to do business with OSU through the PaCS website: [http://pacs.oregonstate.edu/vendors](http://pacs.oregonstate.edu/vendors)

This is a highly effective and efficient way to provide readily accessible information to our vendor community. The PaCS newsfeed highlights updates and currently includes notification of the new OUS MWESB policy.

**Business Opportunities:**

OSU Procurement and Contract Services (PaCS) encourages Minority, Women-Owned, and Emerging Small Businesses (MWESB) to respond to the University’s procurement opportunities. Special outreach measures are taken to ensure that PaCS provides MWESB’s with every possible opportunity to respond to procurement opportunities and to provide them with information on how best to do business with OSU. OSU extends outreach efforts through the following measures:

**Advertising Bidding Opportunities**

- PaCS ongoing efforts to reach out to MWESB’s include the following: All formal and informal procurement opportunities are advertised on the OUS website which provides notification to the Advocate for Minority, Women, and Emerging Small Business.
- Construction Contracting utilizes the Career Network publication out of Portland, Oregon. Career Network publishes to a broad spectrum of communities comprised of historically underutilized businesses.

**Solicitation Content**

- All advertised solicitations for procurements of goods and services, require bidders/proposers to certify, as part of the bid or proposal documents accompanying the bid or proposal on a public contract that they have not discriminated against minority, women, or emerging small business enterprises in obtaining any required subcontracts.

**Office Supplies Contracts**

OSU is currently negotiating contracts with two major office supplies firms. The contracts will require MWESB subcontractor data reporting on an annual basis and this information will be provided in the annual OUS MWESB report.

**Outreach and Engagement**

OSU understands the importance of reaching out to those who are interested in working with OSU to respond to solicitations and make contact with the purchasing decision makers at OSU. PaCS participates in networking events and tradeshows where we can meet with individuals representing MWESB firms and discuss how we can explore providing opportunities to these firms. Such events in the past fiscal year included:

- Annual OSU Merchant Expo [http://pacs.oregonstate.edu/merchantexpo](http://pacs.oregonstate.edu/merchantexpo) This year PaCS targeted invitations to MWESBs offering special discounts for these firms. This event is heavily attended by OSU staff and other local public agencies. 2011 Attendance by OSU staff exceeded 650.
• Participation in other MWESB trade shows including:
   Minority Enterprise Development Week Awards Luncheon in Portland
   Governor’s Marketplace 2011 at the Salem Conference Center
   Reverse Vendor Trade Fair in Eugene
   5th Annual Reverse Vendor Trade Show at the Salem Conference Center
   NAMCO Holiday Networking Event at the Rose Garden in Portland

Collaborative Efforts with OSU Departments

With delegated purchasing authority for Business Centers at $25,000, we understand the importance of educating and training the Business Centers to raise the awareness of the impact that their units’ expenditures have on MWESBs and local businesses.

• The PaCS website includes a link to the Governor’s Advocate’s Office to enable the OSU departments a way to quickly identify and locate certified MWESB vendors.

Other Measures:

• MWESB’s are encouraged to obtain certification at the PaCS website at http://pacs.oregonstate.edu/procurement/certified.cfm and are provided with the appropriate governmental link: http://egov.oregon.gov/dcbs/omwesb

Data Collection

This year OSU Business Affairs rolled out a new substitute W-9 form that captures applicable MWESB information for all vendors. Vendors can select all applicable certifications and this information is recorded in the Banner Financial Information System.

Construction contracts are also requiring the collection and reporting of MWESB subcontracting utilization by general contractors as stated in “Collaborative Efforts with OUS” listed above.

Future Initiatives

1. Education and Training for OSU Staff

   Business Services is undergoing recruitment for a Training Developer who will work with PaCS in developing training that will provide more comprehensive information on how OSU leadership, Business Centers and the units they support can better engage in business activity with MWESBs.

   PaCS will utilize the quarterly Business Center Buyer meetings to provide education about how units can identify and work with MWESBs to provide goods and services within their direct purchasing authority.

2. New OUS Equity Contracting and Purchasing Policy

   With the implementation of the new OUS MWESB policy, OSU will utilize Solicitation Efforts as described in the Equity Contracting and Purchasing Policy.

   OSU is also now utilizing evaluation criteria, contract language, and requiring capital construction subcontractor data capturing which we anticipate will impact opportunities for MWESBs in 2012. General Contractors are also now required to provide a management plan for increasing use of MWESB subcontractors.
3. **Identify Opportunities to Engage in Business With MWESBs**

PaCS will reach out to Facilities Services Capital Construction to identify areas where we can work together to provide more information about MWESBs that wish to contract or subcontract on construction projects for OSU.

Resources allowing, investigate the possibility of OSU hosting an outreach, education and engagement event that could bring OSU purchasing and contracting decision makers together with MWESB firms.

4. **Utilization of Subcontractor Reporting in New Supplies Contracts**

Whenever feasible, OSU will include MWESB data reporting requirements in newly developed supplies contracts. Upcoming contracts for consideration will include furniture and floor covering contracts.

5. **Data Collection**

In early 2012 Business Affairs will roll out an initiative to update all OSU vendor records through a mass mailing and web portal. This will provide updated vendor/contractor information, ensuring capture of MWESB firms.