



Supplier Diversity Spending Initiative

November 2012

Business Center South

UNLV Purchasing and Contracts Supply Chain Inclusion And Tier I Update

This summary will focus on our progress since the December 2010 email from of the Vice Chancellor of Administrative & Legal Affairs, Bart Patterson, to the university presidents. This summary, including Exhibits, provides information regarding UNLV's Supplier Inclusion program and documents the challenges, the established goals, the progress towards those goals, and other items relevant to our supply chain inclusion efforts for UNLV.

Presidential Goals

In response to Mr. Patterson's email, Purchasing drafted a memorandum dated December 2010 (attached as Exhibit A for reference) outlining challenges, processes, goals, and additional strategies relevant to Supplier Inclusion to discuss with President Smatresk. On February 14, 2011 UNLV Purchasing met with President Smatresk to discuss the memorandum. The goals proposed incorporated the three major goals suggested by Vice Chancellor Patterson. With the President's approval, Purchasing put in place the campus goals for the year.

In July 2012 Purchasing met with President Smatresk to provide an update of the goals set on February 14, 2011 and to establish a new set of goals. The memorandum, July 2012 Update of the Purchasing and Contracts Supplier Inclusion Goals, is attached as Exhibit B for reference. Purchasing is currently working on the goals established for FY13 as outlined in the memo. One of this year's goals is the quarterly interview and featured introduction of a local MWDBE supplier. These featured suppliers will be showcased on the Purchasing webpage to introduce them to the campus community. The first interview is already available on the webpage.

Supplier Registration

Purchasing developed and launched an Online Supplier Registration System in July 2011 (FY12). The implementation of the system provides a fully automated method for suppliers to input and manage their business information and for Purchasing to record and track MWDVBE, SBE, and local business status. The system enables the purchasing staff to better focus their bidder's lists to those commodities the supplier has indicated that they are capable of providing. More detailed information regarding the supplier registration system and its attributes is provided in the December 2010 Update attached as Exhibit A.

Since the initial launch at the beginning of FY12, there are 2,100 completed registrations in Supplier Registration as of October 1, 2012. The system currently has the following number of suppliers who self certified their status as minority/women/disabled veteran owned businesses (MWDVBE):

Minority	114
Women	202
Veteran	51
Total	367 (17.5% of the total registered)

The numbers of MWVDBE suppliers that registered in FY12 were:

Minority	80
Women	146
Veteran	33

To date in fiscal 2013, the number of MWVDBE who have registered in Supplier Registration is:

Minority	34
Women	56
Veteran	18

Prior to the implementation of Supplier Registration, MWDVBE supplier data was recorded from the paper form completed by the supplier. Though this data was recorded, it was not mandatory or efficient for the supplier to keep this information updated. Supplier Registration allows the supplier to have instant access to their business profile and to update appropriately. Thus, maintaining, recording, and reporting MWDVBE status and other important supplier information (i.e. insurance and licensing certificates, contact name, email addresses, commodity selection) has been simplified and automated.

Bidding Opportunity Notifications

Our Online Supplier Registration System provides a field for all suppliers to list what goods or services they are capable of providing as well as their ownership status. This allows for targeted notifications of bidding opportunities to those businesses matching the solicitation requirements.

Below is a summary for Fiscal Year 2012 solicitations inclusive of the number of solicitations issued, the number of suppliers notified, the number of responses we received, and how many MWDVBE suppliers were notified and awarded contracts.

The 50 solicitations issued in FY12 resulted in 77 awards of which 16 were to diverse suppliers. Approximately 21% of the total awarded solicitations went to diverse suppliers. We received 216 responses of which 55 were from diverse suppliers equating to 25% of our responses came from diverse suppliers.

	Number of Solicitations Issued	Number of Suppliers Notified of Solicitation	Number of Diverse Suppliers Notified	Number of Responses Received	Number of Responses Received from Diverse Suppliers	Number of Solicitation Awards	Number of Awards to Diverse Suppliers
Bids	31	300	40	118	22	44*	5
RFPs	19	293	36	98	33	33*	11
TOTALS	50	593	76	216	55	77*	16

*Some solicitations resulted in multiple awards

Tier I Reporting for FY12

Regional Business Development Advisory Council (RBDAC)

Each year Purchasing provides statistics of their Tier I, Women (WBE) and Minority (MBE) spend to the RBDAC (Regional Business Development Advisory Council). RBDAC is a committee created by the state legislature during the 2003 session tasked with proposing and implementing programs and procedures to encourage and promote the use of local businesses owned or operated by disadvantaged persons, particularly in the area of contracting and procurement by public agencies in Clark County. Every two years UNLV, CSN, and most of the purchasing departments of the local city and county governments report to the Nevada State

Legislature the annual spend each has done with minority suppliers. Below is the information provided for FY11 and FY12 for UNLV.

	Total Spend	WBE Spend	MBE Spend	Total WBE/MBE Spend	WBE/MBE Spend as a % of Total Spend
FY11	\$69,292,323	\$2,732,122	\$653,202	\$3,385,325	4.89%
FY12	\$61,954,208	\$2,368,197	\$1,020,045	\$3,388,242	5.47%

A partial listing of our MWBE suppliers and how much we spent with them in FY12 is provided:

Supplier Name	Status	Goods/ Services	FY12 Spend Over \$50,000
Institute Career Development	MBE/ Asian	Training Programs	\$139,201.21
Premier Staffing Solutions, Inc.	MBE/ African American	Staffing	\$111,808.30
Jose Luis Torres	MBE/ Hispanic	Painting/Drywall Svcs	\$110,300.00
Rafael Construction, Inc.	MBE/ Hispanic	Construction	\$81,948.29
Newegg.com	MBE	Computer/Peripheral	\$68,471.08
Shi International	MBE/ Asian	Computer Hardware/Software	\$61,035.63
Premier Pest Control	MBE/ Asian	Pest Control	\$60,809.50
APR Consulting, Inc.	MBE/ Asian	Staffing	\$57,781.60
Ryan Mechanical	WBE	Commercial Plumbing	\$167,859.00
Ideal Unlimited Electrical	WBE	Electrical/Wiring	\$153,688.00
Encode, Inc.	WBE	Software	\$149,832.06
Digital Information Services	WBE	Software	\$91,790.23
US Didactic, Inc.	WBE	Lab Equipment	\$80,000.00
A&B Environmental, LLC	WBE	Environmental Services	\$79,546.00
Rapid Color, Inc.	WBE	Printing Services	\$77,238.00
Greenwood/Asher & Associates	WBE	Executive Search Svcs.	\$73,566.50
Cashman Equipment	WBE	Equipment Rental	\$60,234.77
Silver State Golf Carts	WBE	Campus Golf Carts	\$50,772.50

Tier 2

Reporting

UNLV provided their first annual report of Tier 2 spend activity to the Board of Regents at the March 2012 meeting. The report followed the published guidelines of the then current NSHE Procedures and Guidelines Manual Chapter 5, Section 2 Purchasing Policy. The original NSHE reporting requirements were not explicit as to the reporting timeframe, the format of suppliers' submissions, and report due dates. As such, UNLV strived to submit reports to the Board of Regents that adhered to the letter and spirit of the Tier 2 reporting guidelines.

Since then there have been two revisions to this section of the manual (Now titled – Purchasing and Related Procedures). The revisions to the manual have addressed the reporting period

timeframe to now be “the most recently completed fiscal year”. However, the report format and the report due date to the Regents were not specifically addressed. At this time, UNLV Purchasing will be prepared to submit our annual Tier 2 report at the March 2013 board meeting in the same format as submitted in March 2012.

In response to the most recent changes to the manual, Purchasing has included language in its solicitations to address the updated reporting requirements. Attached as Exhibit C is the language that is now included in UNLV’s solicitation documents. Using the recent changes as a guide, we have inserted in our current bid documents that the suppliers must be prepared to submit Tier 2 usage reports to UNLV Purchasing by September 15 following the most recent completed fiscal year to ensure we have the reporting information in a timely manner. Existing contracts over \$1,000,000 do not contain these recent Tier 2 reporting provisions. UNLV is not intending to go back to our existing contracted suppliers to renegotiate our current contract terms but will address any necessary adjustments at renewal periods. For example, the current Food Service Contract with Aramark was executed prior to the most recent update. Contractually we have agreed to accept Aramark’s annual data based on their fiscal year period reporting (October through September) by January for submission at the March meeting.

EXHIBIT A
UNLV Supplier Diversity Update December 2010

I. BACKGROUND

NSHE Initiatives

NSHE has given priority to making progress on supplier diversity activities in the near term. There have been several presentations to the Board of Regents Cultural Diversity committee on this issue, and on November 10, 2010, Vice Chancellor Bart Patterson wrote the following e-mail to all NSHE Presidents.

Presidents,

We have been making steady progress in implementing the Supply Chain Inclusion program that was approved by the Board of Regents. I will be briefly reporting that progress at the December CDC meeting.

Among other things, we have developed a broader database of vendors, established current baseline spending on minority, women owned and disadvantaged firms, proposed a Tier 2/Subcontractor reporting clause (currently under review by the Business Officers) and we are working on developing a consistent format for registration of MWDBE companies and categorizing spending.

We are now at the stage of the Program for Supply Chain Task Force representatives to discuss with you and your business officers initial goals to set for the current year.

Those goals should include:

1. How to increase spending with MWDBE companies, perhaps measured by increasing the number of vendors or amount of purchasing;
2. Outreach; and
3. Internal communication of goals.

Your Supply Chain representative will be contacting your office to arrange a meeting. I will assist however I am needed in setting these goals. Thanks.

Bart

Current Challenges

The campus has seen a 27% state general fund budget reduction since FY07, and the administrative areas of the campus have seen much higher reductions than the academic side of the institution. It is important to recognize this level of cuts has consequences. Purchasing has had four positions eliminated during these reductions. While the budget has been reduced the overall activity of the department has not significantly dropped. Due to reductions in both operating budget and staffing levels, Purchasing is unable to specifically dedicate individual staff members totally to diversity efforts, although portions of existing staff time do support such efforts, along with other competing demands.

Nevada State Law does not provide for set asides or quotas to be given to disadvantaged businesses. The current economic situation may also cause a concern to arise from suppliers that do not meet this criterion especially if they have fallen on hard economic times.

Supplier data, including whether they are minority, local, etc. or not, is all self reported (honor system), and may or may not turn out to be accurate. We have requested an electronic feed of data from local sources (i.e. the local

Chambers) that would include information on those diverse suppliers that have met an external qualifications review, so that we could have accurate and verified information. To date these organizations are unwilling to give us access to their databases. Our data is as accurate as the vendor is in keeping us informed. While we have built strong relationships with the local Chambers and other organizations, the lack of centralization among them, results in individual inquiries to each to gather potential supplier contacts.

Outreach

For more than five years now UNLV's Purchasing Department (Purchasing) has been reaching out to the local organizations which assist and support small and diverse businesses including the Urban, Latin, and Asian Chambers of Commerce, the Nevada Minority Supplier Development Council, The Nevada Procurement Outreach Program, and the Nevada Small Business Development Center. The aim of these interactions is to alert the organizations of bidding opportunities at UNLV which they in turn share with their members. Additionally, Purchasing participates in annual supplier diversity events with other local government agencies. These events allow for direct interaction between local suppliers and the government agencies. Purchasing's management is also an active member of the RBDAC (Regional Business Development Advisory Council) which is a committee developed by the legislature created during the 2003 session to propose and implement, programs and procedures to encourage and promote the use of local businesses owned or operated by disadvantaged persons, particularly in the area of contracting and procurement by public agencies in Clark County. Every two years UNLV along with CSN and most of the purchasing departments of the local city and county governments report to the Nevada State Legislature the annual spend each has done with minority suppliers.

Present Vendor Data Collection Method

The current process for prospective vendors is to obtain, complete, and submit a paper application to the Purchasing office for processing. The information included in the paper form must be manually input into the vendor data collection system. Should a vendor need to update the information they have on file, they must complete and resubmit another paper form for processing. Most vendors have not embraced this process and have instead allowed their information to become static.

All vendors are set up to receive payment from the university by paper check at the address they indicate. This process, too, is manual and extremely resource intensive.

II. ONGOING ENHANCEMENTS AND PROCESS DEVELOPMENT

Technology

How to do Business

Purchasing's web page contains a section on "How to do Business" with UNLV which provides suppliers the information needed to begin transacting with the university. This section of our web page contains a listing of topics of interest for all suppliers including a specific section to assist small disadvantaged business concerns. The web page also contains a search feature which allows campus users to search for small disadvantaged businesses currently active in our supplier database.

Automated Requisitioning System -MUNIS

In late 2006, Purchasing implemented an automated requisitioning system "MUNIS", and this fall semester we upgraded the system to a web based version that is easier to use and maintain. This system not only automated the requisitioning process for campus, but provided a more robust vendor table allowing for the tracking of data specific to vendors such as minority status, licensing information, insurance/bonding certificates, and email addresses. Being able to store this type of information has significantly improved our reporting capabilities. To date UNLV is the only NSHE institution with this type of automation.

Development of an On-line Supplier (vendor) Registration System

All supplier information maintained and used must be accurate and up to date. The current vendor information in many cases is not maintained or easily updated. In an effort to be more effective and efficient in maintaining our

data we have begun creating a web based supplier registration program. The supplier information will update information into the current requisitioning system (MUNIS). Purchasing will be able to record and update several data points for all suppliers. Some of the key data will be name, address, licensing certificates (i.e. contractor's license, small business concern certifications, local business licenses), types of good/services they can provide (commodity coding), insurance coverage information, ownership -allowing the suppliers to self report whether they are minority, women owned, local, etc., remit information and more. This program will not only allow for the centralization of supplier information in a single storage location and format, but will also allow the suppliers to manage their data including contact and location information, the service or products they provide, and whether they want to be alerted electronically when business opportunities at UNLV become available. This feature will also link our vendors to options for electronic funds transfers for vendor payments (a coordinated new initiative with the Controller's office that will roll-out in the second quarter of 2011).

Once the registration system is implemented, Purchasing staff and the rest of campus will be able to access supplier information online. The ability to create bidder's lists by searching for the types of goods and services the suppliers have registered they can provide (i.e. marketing consultants, electricians, janitorial supplies, interpreting services) will allow a more efficient and effective means of developing bidder's lists as well as provide more reporting capabilities. Suppliers are empowered to keep their records current eliminating the manual input and time consumption of Purchasing staff. This vendor registration system is targeted to be fully functional in second quarter of calendar year 2011.

III. OTHER PROPOSED ACTIVITIES MOVING FORWARD INTO CALENDAR YEAR 2011

Standardize NSHE Vendor Databases: UNLV and UNR Purchasing Departments jointly will be developing codes that can be used by all institutions to enable System level as well as institutional level use. Standardization of our data points will provide us with the information needed for reporting purposes. Standardization will include the development of definitions for small disadvantaged businesses (modeling those used by the Federal Government) and the development of commodity codes (codes used to distinguish what goods or services suppliers offer). Projected completion date for standardized commodity codes is 1/31/11.

Highlighting Diverse Suppliers on Purchasing Web Site: Purchasing plans to introduce diverse suppliers periodically on their webpage (similar to a short interview). First "interview" planned for January 2011 with at least one supplier featured each quarter of calendar year 2011.

Request assistance and support from VP Diversity and Inclusion Office to help disseminate information to MWDBE vendors on doing business with UNLV. The VP Diversity Office is very familiar with many of the community's businesses already and will be a good partner to help promote any supplier diversity initiatives along with their current areas of focus. Purchasing has and will continue to work with this office.

Continue to participate in outreach opportunities. Purchasing will continue their participation with local chambers and other organizations on doing business with UNLV.

Draft Communications to Campus and Suppliers from the President: To promote a unified approach to supplier inclusion, it is essential that the President demonstrate support of the initiative and lead the message to the campus colleges and departments. To this end, the Purchasing Department proposes:

- Upon Go Live of the online supplier registration system, Purchasing would encourage, and be willing to contribute, to the drafting of an announcement by the President to the campus promoting the benefits of the new system and to stress the importance of its use.
- A letter from the President to the local Chambers of Commerce introducing the new supplier registration system and encourage their members to register. The memo should explain how the automated registration will benefit the Chambers' members including the ability to develop concise bidder's lists and the ease of electronic invoice payments based on the timely and accurate data submitted and maintained by the vendor.
- The partnering of the Purchasing Department and the President's office in drafting campus communications to be ready for distribution starting in the Spring 2011 semester. The communications would focus on the

need for campus departments to consider the impact they can have on supplier inclusion with discretionary spend through their procurement decisions, including the PCard.

- A taped interview to be published on YouTube featuring the President interacting with a diverse supplier the university is currently doing business with.

IV. RECOMMENDED SUPPLIER DIVERSITY GOALS FOR CALENDAR YEAR 2011

The proposed goals listed below suggest an approach based on the NSHE's focus on accountability and reporting of diverse supplier inclusion in the procurement process. These goals also support UNLV's continuing effort to broaden the base of suppliers that participate in the university's bidding and contracting processes.

1. Commit to Go Live with the online supplier registration system by Q2 2011. The implementation of the system will provide a fully automated method for vendors to input and manage their business information and for Purchasing to record and track MWBE, SBE, and local business status. In addition, the system will provide the opportunity for vendors to participate in EFT payment through the Bank of America Paymode X service. This electronic payment method will be encouraged initially, but will eventually (with at least one-year notice) be a requirement for doing business with the university.
2. Prioritize resources to increase communication. As part of the transition from a paper based to fully electronic method of contact with the Purchasing office, we are committed to dedicating resources to assist those in this new technology, to market the advantages of the new system, and to accept feedback and implement solutions based upon it.
3. Increase enrollment of diverse suppliers in vendor data collection. Purchasing will increase the number of minority, woman, disabled, and veteran owned business enterprises by 20%. Much of the increase will be realized by the ability to accurately track vendor status through the online registration system. An emphasis, however, will be placed on also expanding the types of services and goods those suppliers can provide the university.
4. Expand awareness of and exposure to university bidding opportunities. The information contained in the online supplier registration system will enable the Purchasing staff to create bidder's lists focused on the goods/services needed by campus departments. Once the supplier has provided their information into the self serve supplier system, we will be able to target bidding notifications directly to suppliers that offer those particular services. Using as a baseline our current successes in this area, Purchasing endeavors to increase bidding notifications to diverse suppliers by 50%.

EXHIBIT B
July 2012 Update of the
Purchasing and Contracts Supplier Inclusion Goals
Presented to President Smatresk on February 14, 2011

During our meeting with the President on February 14, 2011, Purchasing's memorandum dated December 2010 (attached for reference) was discussed. The memo outlined challenges, processes, goals and additional strategies relevant to Supplier Inclusion.

Challenges identified in the memo, which are still applicable, include the reduction in staff and resources in Purchasing available to dedicate to the Supplier Inclusion initiative, the lack of legislative or NSHE mandates in the form of quotas relating to contract award, the added difficulty the current economic crisis has had on diverse and small businesses, and the current practice of accepting self certifying information from our suppliers.

The memorandum also outlined areas of significant progress and success in relation to Supplier Inclusion including a detailed "How to do Business" instructional posted on our website, the full implementation of an automated system for purchase order processing, and the historical and ongoing commitment of our department to outreach and engagement. Purchasing continues to reach out to our local Chambers of Commerce, attend annual supplier diversity events with other local governmental agencies, and participate in the Regional Business Development Advisory Council (RBDAC). Purchasing's management is an active member of the RBDAC which is a committee created by the legislature during the 2003 session tasked with proposing and implementing programs and procedures to encourage and promote the use of local businesses owned or operated by disadvantaged persons, particularly in the area of contracting and procurement by public agencies in Clark County. Additionally every two years UNLV, CSN, and many of the local city and county government purchasing departments report to the Nevada State Legislature the annual spend each has realized with minority suppliers.

Progress of Stated Goals from February 2011:

Purchasing outlined several goals for our Supplier Inclusion Program. The major goals we defined, and our current status with each, are noted below.

- Goal 1. *Commit to Go Live with the online supplier registration system by Q2 2011. The implementation of the system will provide a fully automated method for vendors to input and manage their business information and for Purchasing to record and track MWBE, SBE, and local business status. In addition, the system will provide the opportunity for vendors to participate in EFT payment through the Bank of America Paymode X service. This electronic payment method will be encouraged initially, but will eventually (with at least one-year notice) be a requirement for doing business with the university.***

Current Status: COMPLETED

One of our department's most significant accomplishments this year was the successful launching of the online supplier registration system in October 2011. This system completely automates the registration and data collection process of our suppliers replacing the paper based process. The system provides an efficient and effective tool to assist suppliers in keeping their records accurate and up to date.

Goal 2. *Prioritize resources to increase communication. As part of the transition from a paper based to fully electronic method of contact with the Purchasing office, we are committed to dedicating resources to assist those in this new technology, to market the advantages of the new system, and to accept feedback and implement solutions based upon it.*

Current Status: **COMPLETED**

Although Purchasing has experienced a drastic reduction in staffing levels the past several years, we were committed to prioritizing our resources to the development of the supplier registration system. The system has been developed and is currently being utilized by many suppliers as well as individuals on campus. The system has been designed to be extremely intuitive and flexible to accommodate a broad user base. In addition, dedicated staff is trained and available to assist those that require assistance. A formal announcement to the campus community regarding the system and all of its functionality will be distributed this fall. We have already received feedback from suppliers, Accounts Payable, campus departments, as well as our own buying staff.

Goal 3. *Increase enrollment of diverse suppliers in vendor data collection. Purchasing will increase the number of minority, woman, disabled, and veteran owned business enterprises by 20%. Much of the increase will be realized by the ability to accurately track vendor status through the online registration system. An emphasis, however, will be placed on also expanding the types of services and goods those suppliers can provide the university.*

Current Status: **COMPLETED**

Since the implementation of the Supplier Registration System we more than doubled (>100%) the number of newly registered diverse suppliers in our data base from the prior year. The numbers of diverse suppliers added for FY11 and the first three quarters of FY12 are presented below:

FY 11

Minority suppliers	33
Women	45

FY 12 (7/1-3/31/12)

Minority suppliers	66
Women	108
Veterans	29

Goal 4. *Expand awareness of and exposure to university bidding opportunities. The information contained in the online supplier registration system will enable the Purchasing staff to create bidder's lists focused on the goods/services needed by campus departments. Once the supplier has provided their*

information into the self serve supplier system, we will be able to target bidding notifications directly to suppliers that offer those particular services. Using as a baseline our current successes in this area, Purchasing endeavors to increase bidding notifications to diverse suppliers by 50%.

Current Status: 50% increase in notifications to suppliers in general was attained. However, only a 4% gain was attained in notifications to diverse suppliers.

The registrants' information available in the online supplier registration system is being used to generate automated bidders lists used to notify our suppliers of bidding opportunities. The information captured in the system is extremely effective in identifying potential suppliers for all solicitations. The chart below demonstrates some of the success we have had in raising awareness of and participation in the bidding process. There was a significant increase in the number of suppliers notified of opportunities in FY12 in comparison with the suppliers notified in FY11 (over 50% increase). As more suppliers register online and provide accurate information about their businesses, we anticipate a continual increase in the number of notifications sent and submittals received for our solicitations. In addition, the notifications are better focused considering that the bidders lists generated will target suitable suppliers based on their current data records.

In fiscal year 2012, the total number of notifications to diverse suppliers increased only slightly (4%). Although there was a significant increase in the number of new diverse suppliers registered from the previous year, the bidding requirements for the bids we administered were not always a match with the services and/or goods provided by the diverse suppliers who registered.

Bidding Opportunity Notifications:

		Number of Awarded RFPS/Bids	Number of Suppliers Notified of RFP/Bid	Number of Diverse Suppliers Notified of RFP/Bid	Number of RFP/Bid's Responses Received	Number of Diverse Suppliers Responding to RFP/Bid	Number of Diverse Suppliers Awardees
FY11	Bids	15	166	28	86	23	1
	RFPs	9	103	23	61	23	6
	Total	24	269	51	147	46	7

FY12 Thru 3 rd quarter	Bids	21	185	23	83	13	2
	RFPs	14	219	30	76	28	5
	Total	35	404	53	159	41	7

Progress of Other Proposed Activities:

In addition to the four major goals listed above. Purchasing suggested additional goals to consider for the year. The status of those goals is provided below.

Standardize NSHE Vendor Databases:

Purchasing has been very active in assisting the NSHE in developing consistent definitions to be used by all NSHE institutions for minority, women, veteran, disabled, and local business enterprises, universal contract and purchase order terms, and streamlining the supplier registration process. In particular:

A. - Develop a list of commodity codes to be used by all institutions: - **COMPLETED**

The list was developed and shared with UNR and CSN. To date UNLV is the only institution that has implemented the list and is using it in conjunction with our supplier registration system.

B. – Develop standard definitions for small disadvantaged businesses - **COMPLETED**

The definitions were developed with UNR, CSN and others and are now part of the NSHE policies and procedures.

Highlight Diverse Suppliers on Purchasing Website: – NOT COMPLETED

Due to current staffing levels and more pressing commitments this goal was not started.

Request assistance /support from VP Diversity and Inclusion: – CONTACT WAS MADE ON SEVERAL OCCASIONS. HOWEVER, THE SUGGESTED ITEMS WERE NOT IMPLEMENTED

Subsequent to the February meeting with President Smatresk, Purchasing contacted the Vice President for Diversity Initiatives to discuss key points and action items which were agreed upon by the President. Due to a leadership transition in the Diversity Initiatives office the meeting did not take place. However, after the appointment of Luis Valera as the VP for Diversity Initiatives and Government Relations a meeting was held between Purchasing management and Diversity staff. During the meeting, the action plan approved by the President was discussed and we briefly reviewed several purchasing related diversity goals. As the main mission of VP Valera's office is outreach and communication of the campus' commitment to Inclusion, he and his staff agreed to consider the goals which included: announcements to the local Chambers of Commerce, correspondence to the UNLV campus, and possibly a YouTube interview of the President voicing support of the supplier inclusion initiative. Vice President Valera asked that we allow his staff the opportunity to review the material and that a follow up discussion would occur to discuss ways to promote collaboration and the accomplishment of the goals. Though delayed, a follow up meeting has been scheduled for July 2012. It is important that this dialogue continue with the goal of identifying where our two groups can leverage resources and work towards common goals.

Participation in outreach opportunities: - COMPLETED

As previously stated in this update, we have participated in several outreach events including the annual Institute for Supply Management's, Supplier Opportunity Faire as well as events sponsored by our local Chambers and other local government agencies.

Draft communications to campus and suppliers from the President: - POSTPONED UNTIL FALL 2012

The registration system was launched with a soft approach allowing campus users and many of our suppliers to utilize the system prior to the formal launch. This approach was used to gather feedback prior to a public announcement. As we formally launch the system this fall, endorsement by the President will be sought.

Additional Accomplishments of the Purchasing Department

In conjunction with our aforementioned goals, Purchasing identified and implemented additional opportunities to further the objectives of the Supplier Inclusion initiative. These included:

Meet and Greet Sessions: A dedicated member of our staff regularly hosts MWVBE, small, and local suppliers in the Purchasing office to discuss the procurement process and upcoming business opportunities. Many of these contacts are made when attending local supplier outreach events. This one on one interaction has been well received by suppliers unfamiliar with doing business with us.

Partnered with NSBDC: - The Nevada Small Business Development Center (NSBDC) frequently referred clients to us. These contacts were important as they provided us an opportunity to discover new potential suppliers which we encouraged to register in our system for future opportunities as they become available.

Chambers of Commerce: All bidding opportunities administered by Purchasing are sent to the Urban and Latin Chambers of Commerce as well as the Nevada Minority Supplier Development Council. These organizations in turn distribute the notification of bidding opportunities to their members all in an effort to promote increased participation of minority, small, and local businesses.

Enhancement to the online supplier registration system: As the online system was developed and expanded, a new feature called "Registered Supplier Search" was recently added. This tool is available for anyone (including campus departments) to browse our database for registered suppliers. This new enhancement allows for online searches to be performed based on suppliers' name, goods or services they provide, their corporate address, and MWVBE status. Furthermore, this tool will help departments in identifying potential suppliers for informal quotes. This feature will be formally announced to the campus at the beginning of the new fiscal year 2013.

How to do Business with NSHE Purchasing Departments: The recent hiring by NSHE of Akers and Associates was aimed at growing the profile of NSHE's Supplier Inclusion initiative through direct interaction with the business community. NSHE hosted a formal presentation facilitated by Akers and Associates, attended exclusively by small/disadvantaged businesses, during which the Purchasing Departments from UNLV, UNR, and CSN described the process of doing business with each respective university and fielded questions from those in attendance. Many members of the UNLV Purchasing staff attended this event, and interactively participated in the discussion. The topics covered were UNLV's new online registration program, its bidding and contracting process, and its policies and procedures. The event was very successful and generated several follow up meetings with potential suppliers.

Proposed Goals and Commitments for FY13:

In an effort to continue the success we have seen in our Supplier Inclusion Initiative we propose the following goals for FY13:

Goal 1 Continue to enlist the help of the Office of Vice President for Diversity Initiatives and Government Relations to promote the Supplier Inclusion objectives of the campus. Purchasing will schedule and facilitate quarterly meetings with VP of Diversity Initiatives to discuss Supplier Inclusion efforts. During these meeting Purchasing will provide drafts of communications they will be proposing to promote Supplier Inclusion Initiatives. It is important that the VP for Diversity's office assists Purchasing especially in their drafts for the President's office (see Goals 2 and 3) to ensure we are consistent in our communications regarding inclusion initiatives as a campus. If any legislative initiatives should arise to be examined in regards to Supplier Inclusion, the Office of Diversity Initiatives and Government Relations would be considered the primary advocate.

- Goal 2** Formally introduce our online supplier registration system to the local Chambers of Commerce in fall 2012 through a joint memo from Purchasing and the President's Office. The memo should explain how the online registration will benefit the Chamber's members including the ability to develop concise bidder's lists and the ease of electronic invoice payments based on the timely and accurate data submitted and maintained by the supplier.
- Goal 3** Purchasing recommends partnering with the President's office in drafting campus communications focusing on the need for campus departments to consider the impact they can have on Supplier Inclusion with their purchasing decisions including their PCard transactions and informal quotes. The communication can introduce the capabilities of the online registration system and its search functions the departments can use to research potential suppliers capable of supplying the goods and services departments need.
- Goal 4** A Purchasing representative will continue to attend the quarterly meetings of the Regional Business Development Advisory Council (RBDAC). We will participate in the discussions and be actively involved in the Council. Purchasing will provide the biennial reports requested by the legislature. If there are any other requirements established by the Legislature, we will address them as well.
- Goal 5** Purchasing will continue to send representatives to outreach events and participate in outreach opportunities that we determine will be beneficial to our campus and our local supplier community. One major event we plan to participate in is the *Committed to our Community* event sponsored by the LVCVA (Las Vegas Convention and Visitors Authority) on September 14, 2012. In addition we will continue to send notices of bidding opportunities to the local Chambers for dissemination to their members.
- Goal 6** Meet and greet (1 on 1) sessions with potential suppliers will be continued. Purchasing will track each session they conduct this coming fiscal year to establish a base line of this outreach. Moving forward staff will increase this interaction by at least 10% annually.
- Goal 7** Strive to increase the number of diverse suppliers registered in our supplier database by 5% annually.
- Goal 8** Purchasing will highlight a diverse supplier on their webpage each quarter beginning in FY13. The featured supplier will be provided an opportunity to introduce their business to the campus.
- Goal 9** Purchasing will continue to solicit feedback for the online registration system and will utilize their findings to enhance the system as needed.
- Goal 10** Purchasing will submit all reports required by the Nevada System of Higher Education (NSHE) regarding Supplier Inclusion such as the annual Tier 2 & Subcontractor Reporting requirement.

EXHIBIT C

UNLV/NSC Invitation to Bid (IFB) language to satisfy the NSHE Tier 2 reporting requirements, as amended September 2012, for solicitations and contracts awarded that are anticipated to be over \$1,000,000.

Tier 2 Reports: (The following is required when the award is anticipated to exceed \$1,000,000 at any time during the life of the Contract.)

Historical and Anticipated Commitment to Tier 2 Supplier Inclusion:

In compliance with NSHE policy, a Bidder responding to any IFB for the purchase of goods or services that is **anticipated to exceed \$1,000,000 at any time during the life of the contract** shall provide the following reporting information in its Bid:

- Bidder's historical and anticipated commitment to Tier 2 MWDBE and local business enterprises. At a minimum, Bidder must provide historical information for the most recently completed fiscal year (July 1 through June 30) and their anticipated commitment to the current fiscal year in which this IFB is issued.
- A listing of Tier 2 suppliers, including local and MWDBE suppliers, that will be given the opportunity to be considered and/or utilized as subcontractors for any work performed as a result of this IFB. The listing must include the following information:
 - The name, city and state; type of Tier 2 status (local, women owned, minority/and or disadvantaged); and any certification of such status including the entity granting the certification if applicable.

This is a reporting requirement and will not be used for evaluating any Bid. However, failure to provide a complete Bid in response to this IFB could result in rejection of the submittal as incomplete.

Annual Tier 2 Reporting Requirements:

Any award from this IFB that results in a contract for goods or services that is **anticipated to exceed \$1,000,000 at any time during the life of the contract** will require the Bidder to provide, at a minimum, annual reports listing expenditures with MWDBE and Local Subcontractors. These reports pertain only to expenditures that are directly attributable to the UNLV prime Contract. The report shall contain the following information:

- The name, city and state; type of Tier 2 status (local, women owned, minority/and or disadvantaged); and any certification of such status including the entity granting the certification if applicable;
- A description of the goods or services purchased; and
- The amount of expenditures with the subcontractor attributed to the prime contract for the most recent completed fiscal year (July 1 through June 30). The reporting information must be available to UNLV by September 15.

Business Center North

BCN Purchasing and Contracts Supply Chain Inclusion

The Nevada System of Higher Education Vendor Diversity Program at Business Center North (BCN) endeavors to seek out, identify and utilize a diverse supply of qualified vendors in providing the services and products purchased by BCN Purchasing. It is important to us to support equal access for Small, HUB Zone, Minority, Small Disadvantaged, Veteran, Service-Disabled Veteran and Women-Owned businesses by providing them equal opportunity to compete for procurement and contracting opportunities. The BCN Purchasing Department uses the federal definitions for classifying these groups. Nevada State Law does not allow for set asides or quotas and does not have a business preference for these special business categories. However, it is BCN Purchasing's goal to develop business relationships with all vendor business types to create positive economic benefits for all of the communities we serve.

BCN Purchasing Vendor Diversity Program's efforts include:

- Outreach – actively seeking diverse suppliers through organizations supporting these business categories.
- Commitment - that small, minority women-owned and veteran-owned businesses are used to the fullest extent possible.
- Encouragement of large contractors to seek and foster minority businesses in partnerships, joint ventures, subcontracts and other opportunities.
- Education of vendors regarding methods of doing business with BCN institutions.
- Inclusion of these business categories on solicitation lists.
- Maximizing opportunities for these business categories.

BCN Purchasing and Contracts Supply Chain Inclusion Program Goals

In December 2010, the BCN Purchasing Department established the following goals. Updated status has been added to each of these goals.

- Develop a pool of diverse suppliers for increased participation in BCN procurement opportunities.
 - BCN Purchasing currently has the following number of suppliers who self-reported their status as small business/minority/women/veteran owned/disabled veteran owned business.

Small Business (SBE)	165
Women Owned (WBE)	81
Minority	38
Veteran/Disabled Veteran(VOBE, DVBE)	19
HUBZone Business (HUB)	6

- Utilizing standardized NSHE Disadvantaged Vendor Enterprise vendor codes, update Advantage vendor database in order to produce accurate DBE spend reporting.
 - This process is ongoing. All DBE vendors are entered into the Advantage database using a flag-check system.
 - Developing and using standardized NSHE Vendor Enterprise vendor codes has not been accomplished as the Advantage system does not have the ability to enter information other than by a check system.
- Promote the use and information update of the DBE registration tool amongst qualified vendors and increase the number of DBE vendor registrations.
 - This process is on-going. All DBE businesses are encouraged to use the web based registration form. Promotion of this form may be through outreach opportunities, solicitations of bids, or quotes and upon request from vendors for future business opportunities.
- Develop and implement an online tool for DBE vendor registration.
 - The web based DBE vendor registration form as well as additional information regarding the Supplier Diversity Inclusion Program can be found on the BCN Purchasing webpage.
- Standardize the practice within BCN Purchasing staff of notifying MWDBE vendors of opportunities to quote or participate in formal solicitations.
 - It is the practice of the BCN Purchasing staff to continually find ways to engage MWDBE vendors with opportunities to quote or participate in formal solicitations.
 - The BCN Purchasing DBE database is sortable by commodity for ease of use when reaching out to the applicable vendors.
 - All formal solicitations are posted on the BCN Purchasing webpage and solicitation notification is posted in the applicable local media.
- Collaborate with advocacy groups in disseminating information of upcoming solicitations.
 - Since April 2009, all BCN Purchasing solicitations have been published in the Sierra Contractor Source, “The Builders Exchange”
 - Currently exploring other avenues in which to accomplish this goal.
- Participate in outreach opportunities.
 - Understanding the Procurement Process workshop hosted by Akers & Associates held September 6, 2012 in Reno.
 - 11th Annual Veterans and Small Business Training and Outreach Conference held April 12th, 2012 in Reno.
 - Understanding the Procurement Process workshop hosted by Akers & Associates held March 21, 2012 in Las Vegas.
- Post DBE prospective vendor information on the BCN Purchasing webpage by commodity group.

- It is a continual process to try to disseminate DBE vendor information to end users but the BCN Purchasing webpage currently does not list DBE prospective vendor information by commodity group.
- Provide training and vendor information to BCN campus personnel who conduct quote processes
 - BCN Purchasing staff members attend staff meeting with the various BCN institutions and departments to promote DBE spend and to provide DBE vendor information.

Formal Solicitations

BCN Purchasing bid (ITB, RFP) boilerplates have been updated to include the Tier 2 & Subcontractors Reporting Requirements. This information is to be provided by awarded vendor on an annual basis. An Affidavit of Compliance form is required upon submission of bid. The Subcontractor List page is being updated to include a DBE reporting check box. This will help with the tracking of DBE subcontractors.

Currently there is not a system in place to track bidding opportunity notification efforts. All solicitations are posted on the BCN Purchasing webpage for download and participation of any vendor.

Tier 2

BCN Purchasing provided their first annual report of Tier 2 spend activity to the Board of Regents at the March 2012 meeting following the approved guidelines provided. At this time BCN Purchasing is gathering the information to report Tier 2 spend activity for fiscal year 2012.

Summary

This summary mainly focuses on the progress of the Supply Chain Inclusion Program since late 2011. With a shift in leadership within the BCN Purchasing Department, many of the requirements for this update summary were not clearly identified. BCN Purchasing did not participate in any discussion of presidential goals. BCN Purchasing was also not aware of any requirement for Tier 1 reporting. Although it is expected that BCN DBE spend is greater than what has been captured by manual process, the lack of technology and the inability to create valid spend reports has tremendously handicapped BCN in filling these reporting requirements.

CSN

**College of Southern Nevada
Purchasing and Contracts Supply Chain Inclusion
Tier I Update**

In December 2010, then Vice Chancellor of Administrative & Legal Affairs, Bart Patterson, provided guidance to the campuses and presidents regarding goals for Supply Chain Inclusion. This document provides a summary regarding CSN's efforts on its Supply Chain Inclusion program to date. In addition, we are providing information regarding engagement within the College community on the actions related to supply chain inclusion on campus.

President and Senior Administration Commitment:

Dr. Richards, President of CSN has communicated a commitment to providing equal opportunity for minority owned, women owned and other small disadvantaged business entities (MWDDBE) for contracts awarded by CSN. In addition, this commitment has been distributed to the President's Cabinet to illustrate the institutions overall direction and support for this initiative.

Purchasing Office Coordination within External and Campus Communities:

The Director of Purchasing continues to participate in events throughout Southern Nevada to showcase opportunities to do business with CSN, this is specifically accomplished through participation at chamber meetings and luncheons, participation in county and city sponsored vendor showcases, and obtaining listings through public agencies of minority vendors for possible use within CSN.

The Purchasing Department, also met with a sample of College departments that historically expend the largest dollar volume on operating and/or contract services. Through this orientation we provided an overall review of the Board of Regents policy, CSN Presidential commitment, and communicated the need to expand vendor contacts to include those vendors that are within the MWDDBE criteria. In addition CSN will be requiring these departments to participate in outreach efforts through chamber activities and local public agency outreach to expand communication and knowledge of CSN needs for operational materials and services.

Tier I Reporting for FY12

Regional Business Development Advisory Council (RBDAC)

Each year Purchasing provides statistics of their Tier I, Women (WBE) and Minority (MBE) spend to the RBDAC (Regional Business Development Advisory Council). Below is the information provided for FY11 and FY12 for CSN.

	Total Spend	WBE Spend	MBE Spend	Total WBE/MBE Spend	WBE/MBE Spend as a % of Total Spend
FY11	\$35,594,259	\$1,647,658	\$649,354	\$2,297,012	6.45%
FY12	\$33,890,203	\$2,297,126	\$936,394	\$3,233,521	9.54%

A partial listing of our MWBE suppliers and how much we spent with them in FY12 is provided:

Supplier Name	Status	Goods/ Services	FY12 Spend Over \$50,000
KAHL COMMERCIAL INTERIORS	WBE	Facilities – Furniture	\$1,106,660.14
W.G. COMMUNICATIONS GROUP, LLC	WBE	Advertising	\$658,955.90
VEGAS VIEW DW & PAINT INC	MBE/ Hispanic	Facilities – Other Services/Supplies	\$260,946.00
MORENO ELECTRIC	MBE/ Hispanic	Facilities – Other Services/Supplies	\$133,890.00
OSSIS IRON WORKS	MBE/ Hispanic	Facilities – Other Services/Supplies	\$128,946.40
CABINETS BY BAJA INC.	MBE/ Hispanic	Facilities – Other Services/Supplies	\$113,575.00
A & A GRANITE & TILE	MBE/ Hispanic	Facilities – Other Services/Supplies	\$75,060.00
LAGE DESIGN INC	WBE	Facilities – Other Services	\$61,220.00
CIZEK ASSOCIATES, INC	WBE	Consulting Services – HR/Training	\$50,338.12

Tier 2

Reporting

CSN did not initiate any contracts within FY 12 that are subject to the Tier 2 reporting criteria. However, as we seek approval of the Board of Regents at the November 2012 meeting for a renovation of the West Charleston Campus “A and B” Buildings, the College will have a construction project that meets the criteria. The successful vendor will be required to provide purchases of goods or services that align with the MWDBE requirements.