

# Business and Finance Purchasing Department



## Diversity and Small Business Program

# ASU's Diversity and Small Business Programs



- Have Management Support
- Goals: Track and Report Dollar Spend to ASU Management, University Departments, Community Agencies, Sponsored Research Partners, and other stakeholders.
- Member of Local Supplier Diversity Councils and Chambers of Commerce.

## WE ENCOURAGE THE FOLLOWING:



- Participation of small, disadvantaged businesses in the purchases of all university goods and services.
- Fair Opportunity to compete with large and national firms.

# Goals



- ASU is a Research 1 University, and the Purchasing Department works closely with the Office for Research and Sponsored Projects Administration (ORSPA) to support small and diverse businesses.
- ASU is encouraged to reach its spend goals through purchasing goods and services from:
  - Small
  - Disadvantaged
  - Veteran-Owned
  - Service Disabled Veteran-Owned
  - Minority Institutions
  - HUBZone
  - Women-Owned Businesses



# Definition of a Small Business



- 100 Full Time Employees or less or
- \$4 Million dollars or less in its last fiscal year
- State of Arizona Requirements, Not Federal
- Includes all Ethnic groups (Female, Male, Small and Diverse)

# Small Business – Future Impact



- Provide approximately 75% of new jobs added to the economy which will increase future ASU students in all ethnic and gender (enrollment) categories.
- Projected to employ 50.1% of private sector workforce.

## Small Business – Future Impact (cont.)



- Provide 40.9% of sales in goods and services in the US.
- Account for 39.1% of jobs in high technology sectors.
- Represent 97% of all U.S. exports.

# Diversity and Small Business Program Characteristics



- University-Wide Involvement.
- Small Business, Women-owned Business and MBE Development.
- Tracking and Auditing.



# Definition of a Diverse Business



- Must be recognized as one of the five ethnic classifications:
  - African Americans
  - Alaskans
  - Asians
  - Latinos
  - Native Americans
- Certified by a certifying agency or self-certification (where permitted)
- 51% owned and operated
- Must be active in the business

# Diverse Suppliers Classifications for ASU



African-Americans

Asian - Pacific Americans

Alaskan Natives

Hispanic Americans

Native Americans

Plus: Service Disabled Veteran, Veteran, Minority  
Institutions, HUB Zone and Women Owned

# Reasons to Increase Business with Diverse Firms



	<u>2000</u>	<u>2050</u>
• Disadvantaged population	32%	52%
• Disadvantaged Owned firm	14%	38%
• Gross receipts	3.2%	9.3%
• Number of employees	4.4%	29.5%

# Population of U.S.



## 2000

- White 68%
- Black 13%
- Hispanic 13%
- Asian 4%
- Other 2%

## 2050

- White 49%
- Black 14%
- Hispanic 25%
- Asian 8%
- Other 5%



# Metrics



## Fiscal 2016

Total Expenditures	\$715,450,645
• Diverse & Small Bus.	\$131,678,503
• Diverse Business	\$ 7,732,435

# Overview



- Assist Research & Development in doing business with protected class suppliers.
- OKED/ORSPA
- Assist PI's in preparing Small Business Subcontracting Plans (SBSPs)
- Monitor subcontractors and report to Federal agencies.

# Overview

(cont.)



- Provide all campuses with access to qualified, protected class suppliers.
- Educate, train and support internal and external stakeholders.
- Provide suppliers with access to procurement opportunities at ASU.

# Ways to Find Small and Diverse Businesses



- Contact the Diversity and Small Business Programs Office [bonnie.freeman@asu.edu](mailto:bonnie.freeman@asu.edu) or 480.965.6778
- Contact Your Commodity Buyer(s)  
<https://cfo.asu.edu/commodity-buyers-directory>
- Visit the Purchasing Website: [www.asu.edu/purchasing](http://www.asu.edu/purchasing)



# Conclusion



Small, Minority, Women-owned and HUBZone businesses, despite their proven track record of delivery and quality, are still largely under-utilized and under-represented in the marketplace.

Increasing these opportunities strengthens the nation's economy and promotes free enterprise, offers increased competition, provides an expanded tax base, and lessens unemployment by creating new jobs.