As you know, State policy in this area was originally established in Executive Order 117 (1981). As plans for implementation have progressed, increased responsibilities in the areas of data collection and creation of plans to develop programs in support of minority business enterprise have been placed upon the Commissioner of General Services. In addition, a Governor's Executive Committee on Minority Business Development and an Advisory Council for Minority Business Enterprises have been created.

As part of its responsibility under State policy, the University is required to provide information, assistance and reports and generally to cooperate with the Commissioner of General Services and the Governor's Executive Committee. The Executive Committee has requested all New York State agencies to develop a minority business policy statement that can be annexed to all standard product and service contracts, as well as bid proposals. In accordance with this request, the University has adopted the following minority business development policy statement.

It is the policy of the State University of New York to take affirmative action to ensure that minority business enterprises, i.e., independent business concerns which are at least 51 percent owned and controlled by minority group members (citizens of the United States or permanent resident aliens who are Black, Hispanic, Asian or American Indians), are given the opportunity to demonstrate their ability to provide the University with goods and services at competitive prices.

Effective immediately, the following statement must be included in all campus requests for quotations, bid proposals and contract documents:

It is the policy of the State University of New York to take affirmative action to ensure that minority business enterprises, i.e., independent business concerns which are at least 51 percent owned and controlled by minority group members (citizens of the United States or permanent resident aliens who are Black, Hispanic, Asian or American Indians), are given the opportunity to demonstrate their ability to provide the University with goods and services at competitive prices.
It is the policy of the State University of New York to take affirmative action to ensure that minority business enterprises are given the opportunity to demonstrate their ability to provide the University with goods and services at competitive prices.

The Office of General Services is responsible for providing advice and technical assistance to State agencies to facilitate and increase the participation of interested and qualified minority business enterprises in State purchases that are under individual agency control. Central Administration staff have met with representatives from the Office of General Services' Office of Minority Business Enterprises to discuss ways in which the University can increase minority business participation in the procurement process. As a result of these technical assistance meetings, the following suggestions are offered for consideration at the campus level:

- Establish the practice of including qualified minority vendors on the bidders' mailing list, whenever possible. A current and accurate inventory listing of minority vendors is inherent to any successful minority business development program. The Office of General Services maintains a Minority Business Directory that currently lists approximately 10,000 minority firms capable of doing business in New York State. OGS is in the process of refining a certification process for minority businesses. Campuses experiencing difficulty in identifying and soliciting MBE's in their procurement process should contact the OGS Office of Minority Business Enterprises (518-474-5390).

- Modify campus mailing list application forms to allow vendors to identify themselves as MBE's. A self-identification question would greatly enhance the campuses' ability to measure the involvement of minority firms participating in the procurement process.

- Implement a system for coding campus mailing lists so that minority vendors can easily be identified and included in the bid solicitation process, whether it be formal or informal.
Institute a procedure whereby copies of all bid solicitations are sent to the campus Affirmative Action Office for information and review and to allow opportunity for comment on whether the specifications would unnecessarily restrict minority business involvement.

Continue the practice of eliminating or reducing bonding requirements for most service contracts, as well as eliminating or reducing the amount of deposit checks that are currently required to accompany bid proposals. This kind of action may help small minority businesses that have cash flow problems and thus may not be able to compete on certain contracts.

Establish a policy of releasing contracts in amounts that would provide a greater opportunity for competitive bidding by minority business enterprises.

In addition to these activities, the Office of General Services recommends the utilization of discretionary purchase authority to direct contracts to the minority business community. Discretionary purchases, as defined by the State procurement law, are purchases of less than certain specified dollar amounts, which, as a result, do not require competitive bidding. The discretionary purchasing limits for State agencies are currently $1,500 for commodities and $1,000 for printing. Essentially, within these dollar limits, purchasing agents are allowed freedom in the selection of both the method of procurement and the potential vendors. Thus, discretionary purchases may provide a vehicle for increased utilization of minority business enterprises.

In summary, the State University of New York can and should play an active role in the encouragement of minority business development in New York State. Campuses are urged to take affirmative action in identifying and patronizing minority businesses whenever possible.
If you have any questions concerning this policy, please call Mr. Symanski at 518-473-4276.

Donald D. O'Dowd
Executive Vice Chancellor

cc: Business Officers
   Affirmative Action Officers

This Memorandum addressed to:
   Presidents, State-operated Campuses

Copies for information only to:
   Presidents, Community Colleges
   Deans, Statutory Colleges
   President Coll
   Vice Provost Spencer