FY2012 Annual SWaM Procurement Plan

Date of Submission: Fri Aug 26 18:09:16 EDT 2011

1. Agency/Institution Official Name: University of Virginia
   Address: PO Box 400202, Charlottesville, VA 22904

2. Agency Code: 207
   Sub-Agency Code(s): 246, 209 (Construction only)

3. Agency Head: Teresa Sullivan
   Phone Number: (434) 924-3337
   Email Address: cc@virginia.edu

4. Secretariat: Education

II. SWAM Goals

1. List your FY2012 SWaM expenditure goals for Small, Women- and Minority-Owned businesses as a percentage of your projected discretionary expenditures. Goals should include your projected sub-contracting expenditures if applicable. FY2011 goals were pre-filled from your FY2011 SWaM plan. FY2011 SWaM expenditures were system-generated from the SWaM Dashboard.

<table>
<thead>
<tr>
<th></th>
<th>MBE</th>
<th>WBE</th>
<th>SBE</th>
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</thead>
<tbody>
<tr>
<td>FY2011 Agency SWaM Goals</td>
<td>5 %</td>
<td>6 %</td>
<td>31 %</td>
</tr>
<tr>
<td>FY2011 Agency Actual Expenditures</td>
<td>5.37 %</td>
<td>6.50 %</td>
<td>28.76 %</td>
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<tr>
<td>Total FY2012 Projected SWaM Spend Goals</td>
<td>5 %</td>
<td>6 %</td>
<td>31 %</td>
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(Percentage based on Discretionary Budget)
2. Describe the process for determining your SWaM goals and issues that have been taken into consideration for determining these goals:

The University's SWaM goals are determined by examining current SWaM spend performance and by forecasting upcoming major procurements and construction projects. Issues that have been taken into consideration include a decline in capital construction activity, which will affect all SWaM spend, and an increase in SWaM status expirations, which has particularly affected the small business category. Accordingly, the University has kept its agency SWaM goals for FY 2012 at the FY 2011 levels.

III. Designation of SWaM Procurement Champion(s)

A. Purchases and Supply Division
Name: Les Haughton
Title: Director, Supplier Diversity
Mailing Address: PO Box 400202, Charlottesville, VA 22904
Telephone/Fax: (434) 924-7174
E-mail Address: lh7sn@virginia.edu

B. Building and/or Construction Division (if applicable)
Name: Les Haughton
Title: Director, Supplier Diversity
Mailing Address: PO Box 400202, Charlottesville, VA 22904
Telephone/Fax: (434) 924-7174
E-mail Address: lh7sn@virginia.edu

IV. Policies and Procedures
1. Please specify the number of procurement personnel you have on staff:
   Division of Goods and Services: 15
   Division of Construction: 8

2. Do you have major construction projects or purchases planned for FY2012? Yes
   If so, identify the project or purchase:
   1: Name of the project/purchase: UVa-Wise Library
      Type: Construction
      Anticipated Posting Date: Sept/Oct 2011
   2: Name of the project/purchase: South Slaughter Hall Renovation
      Type: Construction
      Anticipated Posting Date: Nov/Dec 2011
   3: Name of the project/purchase: East Chiller Plant
      Type: Construction
      Anticipated Posting Date: July 2011
4. Name of the project/purchase: North Grounds Recreation Center Renovation and Addition
Type: Construction
Anticipated Posting Date: TBD

3. Does your Agency set aside the following solicitations for DMBE certified businesses?
   Solicitations under $5,000: No
   Solicitations between $5,000 and $50,000: No
   Solicitations between $50,000 and $100,000: No
If you answered, "NO" to any category, please state why those solicitations are not set-aside:
   Given the University's lack of ability to use remedies based on race or gender, the use of set asides does not insure results different from those that we now experience. In fact, if set asides are used, there is a risk of denying the opportunity to an MBE or WBE firm.
   For the last three years, the University has focused on the use of contract vendors for as many purchases as possible. SWaM vendors are well represented on standing contracts and in the UVa Marketplace e-procurement system available to the more than 2,000 decentralized shoppers at the University.
   Finally, in an effort to create a more level playing field for MWBE firms, the University has adopted a policy of using competitive negotiation rather than low bid as a delivery for procurement opportunities.

4. Approximately how many solicitations did you have in FY2011 in the following categories: Solicitations under $5,000: 124,656
   Solicitations between $5,000 and $50,000: 3,897
   Solicitations between $50,000 and $100,000: 287

5. For solicitations in excess of 100,000, who is responsible for review of the Small Business Subcontracting Plans and proof of payment to the subcontractors?
   Name: Lorie Strother
   Title: SWaM Contract Administrator
   Contact Information: (434) 243-2373; ljs8n@virginia.edu

6. What method is used to track the payments to subcontractors by prime contractors?
   The University currently relies on self-reporting by subcontractors; however, we plan on implementing a formalized monthly tracking system in FY 2012 in which all contractors will submit payments made to subcontractors. This information will be collected electronically, at the same time, and in the same format.

7. Are proposals from prime contractors evaluated with weighted value assigned based upon the Small Business subcontracting plan submitted by the prime? Yes

8. How do you monitor the progress of the goal performance under the Small Business Subcontracting plan?
   We confirm with the prime contractor that the actual contracts are in place with those firms that were originally indicated in their proposals. We currently monitor this information on a quarterly basis.
9. Are meetings held with prime contractors during the project to specifically monitor the small business subcontracting plan? Yes
   If yes, how often during the project? Varies according to size and complexity of the project.

10. Does the agency collect the subcontracting payment information electronically from prime contractors? Yes
    If yes, how often? Quarterly
    Do you use DMBE's format to record the payments? No
    Method used? Internally developed electronic reporting system

11. Does your agency counsel prime contractors regarding failure to comply with the subcontracting plan? Yes

12. Does your agency document prime contractor failure to comply with the subcontracting plan? Yes

13. Does your agency SWaM plan include measures to withhold the final payment for failure to meet the subcontracting plan? No

14. What other form of review is being conducted in reference to the small business subcontracting plan?
   Supplier Diversity staff is available to prime contractors to help source qualified vendors for small business subcontracting plans.

V. Diversity Training Events

Does the Agency SWaM Champion or Procurement staff:

1. Hold open house events for small businesses? Yes
   If yes, how many in FY2011? 8

2. Meet with small businesses one-on-one at your facility to discuss policies and procedures and potential business opportunities? Yes
   If yes, how many in FY2011? 36

3. Conduct training events on SWaM and diversity training? Yes
   If yes, how many in FY2011? 7

4. Attend small business outreach events? Yes
   DMBE hosted event (Summit): 1
   DGS Forum: 1
   Minority Supplier Diversity Council Conferences: 3
   DBA Hosted Events: 1
VI. Assessment

1. In FY2011, what has been the most time consuming part of administration of the Small Business initiative from your perspective?
   Keeping track of subcontracting plans and spend, and making sure that DMBE certifications were up-to-date.

2. In FY2011, what have been the top three reasons small businesses have not received some awards you believed they were qualified for but were not selected?
   1. Not having access to or contact with local subcontractors.
   2. Did not respond correctly or omitted information in response to RFP.
   3. Did not respond at all even when contacted about the opportunity by Supplier Diversity staff (too busy, didn't think they would receive award, forgot to respond, etc).

3. In FY2011, what has your Agency done to improve expenditure opportunities for each of the categories represented in the small business program?
   Small Business: Participated in VASCUPP's SWaMFest VI, Hosted "Reset Your Business" and "Vendor Training" workshops aimed at increasing capabilities of SWaM firms, Hosted professional services forums aimed at exposing firms to decision makers at UVa, and Increased vendor access to information about procurement process.

   Women-owned: Participated in VASCUPP's SWaMFest VI, Hosted "Reset Your Business" and "Vendor Training" workshops aimed at increasing capabilities of SWaM firms, Hosted professional services forums aimed at exposing firms to decision makers at UVa, and Increased vendor access to information about procurement process.

   Minorities: Participated in VASCUPP's SWaMFest VI, Hosted "Reset Your Business" and "Vendor Training" workshops aimed at increasing capabilities of SWaM firms, Hosted professional services forums aimed at exposing firms to decision makers at UVa, and Increased vendor access to information about procurement process.

4. In FY2011, did you contact the Department of Minority Business Enterprise for assistance with:
   Initial certification: Yes If yes, how often? 4
   Renewal for a firm: Yes If yes, how often? 10
   Searches for businesses: No If yes, how often?
   To distribute your solicitation notices: No If yes, how often?
5. In FY2011, what was one of your Agency's accomplishments in the Small Business program you feel best demonstrates your agency's efforts? In Fiscal Year 2011, The University of Virginia posted record spend with minority-owned businesses. For the Fiscal Year, UVa spent a total of $22,297,459 with minority-owned businesses, or 5.4% of the discretionary base. This was an increase of $2.6 million over the previous fiscal year's performance, and an increase of $19.5 million since the re-tooling of the University's Supplier Diversity Initiative in 2005. This represents years of best practices implementation, hard work on behalf of the University's Procurement, Supplier Diversity, and Facilities Management staff, and a strategic and sustainable alignment of the business goals of the University and of its diverse supplier base.

Additionally, the University's Treasury Management awarded a contract to Hughes Capital Management (HCM), a minority-owned firm, to manage the short-term investment assets of the University's Medical Insurance Fund. While the University will not be able to report Hughes Capital Management's fees as SWaM spend due to the process by which the funds are managed, this represents five years of work on the behalf of the Supplier Diversity Initiative, HCM, and the Office of Treasury Management to broker an agreement. This opportunity initially arose after the University hosted the Governor's SWaM Financial Services Forum in 2006. More information about this award may be found on the Procurement & Supplier Diversity Services' blog at http://blog.procurement.virginia.edu/2011/05/hcm_contract/.

6. Your comments or suggestions on ways we can improve the Small Business program: DMBE could do a better job of following up with SWaM businesses whose certifications have expired, or are about to expire, and remove businesses that have been sold or have gone out of business from database. Perhaps implement an online form that allows vendors to update contact information themselves. In Fiscal Year 2011, University of Virginia spent approximately $4.8 million with DMBE-expired firms, which represents an additional 1% of SWaM spend that was not able to be reported.

7. Additional Information: Additional construction projects planned for FY2012 include:
   Alderman Road Residence Halls, Buildings 3 and 4 (May 2011)
   Renovation of New Cabell Hall (September 2011)

Completed by: Les Haughton
Signature: 
Date: 8/29/11

Reviewed by: Teresa Sullivan
Agency/Institution Head
Signature: 
Date: 

(The Plan must be reviewed, approved and signed by Agency/Institution Head)