

Contact: Colleen DeHart
Office: (312) 996-3661
Email: dehartc@uillinois.edu

January 18, 2012

University of Illinois develops supplier diversity mission statement
Goal: 20 percent of allowable spending to businesses owned by minorities, females and persons with disabilities

CHICAGO — The University of Illinois would double spending with businesses owned by minorities, women and people with disabilities under a proposal that will be considered by the Board of Trustees at its Jan. 19 meeting in Chicago.

The proposed mission statement is expected to be approved by trustees, who have supported increasing diversity in University contracts for construction, supplies and other goods.

Under the mission statement's goal, 20 percent of allowable University spending would go to diversity vendors. The new goal is double what the University awarded to diversity vendors in 2011, and represents approximately \$150 million of \$748.5 million in allowable spending.

To be eligible, vendors would have to be certified under the state's Minority and Female Business Enterprise (MAFBE) Program or certified as diversity vendors by state and other governmental bodies.

The MAFBE program was created by the state legislature to promote diversity, and sets goals to ensure that businesses owned by minorities, women and people with disabilities are included in the procurement process. MAFBE vendors must be certified by the state and have an annual sales volume of less than \$75 million; a diversity vendor has no restriction on annual sales volume but must be certified by city, county, state, quasi-governmental or national certificate bodies.

Under the proposal, University staff would identify and contact qualifying businesses about the supplier diversity program and also increase efforts to inform faculty and staff of the goal to increase diversity among suppliers. The participation goal would be reviewed and updated periodically in accordance with state-level data on the number of qualifying businesses in the area.

"An increase in all diversity spending, including MAFBE, will help to strengthen the overall diversity of the University community," said Michael Bass, senior associate vice president and deputy comptroller for the Office of Business and Finance.

In September 2010, the Board passed a resolution to double MAFBE capital participation rates, with a goal of 22 percent for construction-only projects on the Chicago campus, and 15 percent on the Urbana and Springfield campuses.

During fiscal year 2011, the University saw payments to MAFBE vendors increase by almost \$11 million, from \$21 million in fiscal 2010 to nearly \$32 million. The number of MAFBE vendors increased 24 percent on the Urbana-Champaign campus, and increased 75 percent in Chicago.

In addition to the increased participation goal, the mission statement would require that the University determine whether a separate goal should be enacted for small businesses owned by military veterans and disabled veterans. The state of Illinois recently passed a bill establishing a goal that 3 percent of state procurement contracts be awarded to small businesses owned by veterans and disabled veterans. The University is waiting on the state to develop rules for the new program before it proceeds.

The mission statement was created in response to recommendations the Bronner Group, a Chicago consulting company that analyzed the University's diversity vendor program and reviewed supplier diversity programs at other 30 universities. Bronner's report was presented at the Dec. 2, 2011, Board meeting.

The Board hired Bronner to review the MAFBE program in late 2010, after a review showed that MAFBE participation had remained flat for several years.

###

The University of Illinois is a world leader in research and discovery, the largest educational institution in the state with more than 77,000 students, 22,000 faculty and staff, and campuses in Urbana-Champaign, Chicago and Springfield. The U of I awards more than 19,000 undergraduate, graduate and professional degrees annually.