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THE WHITE HOUSE
WASHINGTON

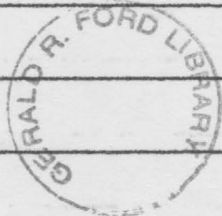
5/3/75
Date

TO: JOHN CALHOUN _____
HAZEL CORNWELL _____
PAT HUGHES ✓ _____

FROM: STAN SCOTT

ACTION: Pat - Schedule this
meeting + return file
to me.

Just on calendar





UNITED STATES DEPARTMENT OF COMMERCE
Office of Minority Business Enterprise
Washington, D.C. 20230

1 May 1975

MEMORANDUM FOR Members of the Interagency Council
for Minority Business Enterprise

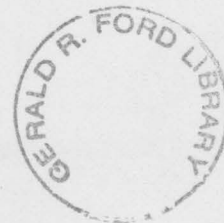
Subject: Transmittal of Council Meeting Minutes.

Attached are the minutes of the March 13, 1975, meeting of the Interagency Council for Minority Business Enterprise. Special attention should be paid to the ACTION ITEMS (Attachment 1 to minutes).

The next Council meeting is scheduled for June 12, 1975, 9:30 a.m. to 11:00 a.m., in Room 4830, Main Commerce Building. Council Chairman Tabor asks that you set aside that time on your calendar and plan to attend.

A. F. Williams
Executive Director
Interagency Council for
Minority Business Enterprise

Attachment

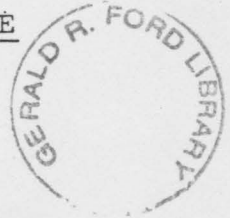


ACTION ITEMS

INTERAGENCY COUNCIL FOR MINORITY BUSINESS ENTERPRISE

March 13, 1975 Meeting

General Action Items



1. Each agency was requested to reexamine their funding capabilities to determine whether they could meet the funding goals established by the Education and Training Task Force.
2. A special meeting of the Steering/Executive Committee will take place on Tuesday, April 15, at 10:00 a.m., subsequently postponed to May 6, at 3:00 p.m., to deal with the following matters:
 - a. Indian procurement.
 - b. Recommendation of Procurement Task Force with respect to 10% across the board increase in agency MBE procurement goals.
 - c. Recommendations of Recession Impacts Working Group.
3. The next regular meeting of the Steering/Executive Committee will be June 4, 1975, (10:00 a.m. to 12:00 noon) and of the Council June 12 (9:30 a.m. to 11:30 a.m.).

Specific Action Items

1. The Procurement Task Force was requested to consider the possibility of a 100% set-aside competitive program solely for minority firms. The suggestion was made by the NASA representative.
2. The Procurement Task Force was requested to investigate a proposal for a 10% increase in agency minority business procurement goals as one way of ameliorating recession impacts. Recommendations resulting from the PTF considerations to be presented at the special Executive/Steering Committee meeting May 6.
3. The Chairman of the Interagency Council agreed to send a letter to key agencies with minority concession opportunities requesting their candid appraisal of the concessions program in the past and future possibilities with respect to each agency's activity.

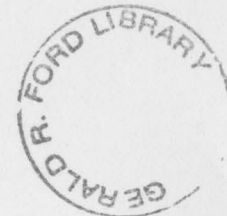
4. The Procurement Task Force Chairman was requested to draft a letter to the National Minority Purchasing Council asking that they expedite dissemination of their list of 8(a) contractors to the regional purchasing councils.
5. The OMBE Director and Procurement Task Force Chairman were requested to confer with SBA and Interior to resolve questions concerning the socio-economic aspects of 8(a) involvement by reservation Indian businesses as set forth in the Procurement Task Force report. A revised Task Force recommendation will be presented to the Executive Committee.
6. The Department of Commerce will prepare a letter for Under Secretary Tabor's signature to Paul O'Neill, OMB, exploring the possibility of joint action with the Chairman to request greater agency support of MBOCs.
7. The Department of Labor was requested to chair an ad hoc working group to review the recommendations of the previous MBOC working group, particularly with respect to forming a permanent MBOC Task Force within the Interagency Council.
8. The Recession Impacts Working Group was requested to report on its findings and recommendations at a special meeting of the Executive/Steering Committee (prior to the next IAC meeting).

17 March 1975

INTERAGENCY COUNCIL FOR MINORITY BUSINESS ENTERPRISE

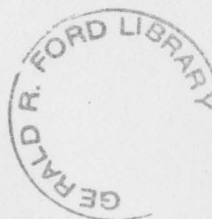
Chairman: Honorable John K. Tabor
Under Secretary of Commerce

Meeting of 13 March 1975



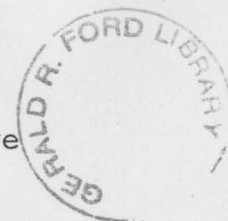
<u>Department or Agency</u>	<u>Members of the Council</u>	<u>Person(s) Actually Attending</u>
White House	Honorable Stanley S. Scott Special Assistant to the President	No representative
White House	Honorable Fernando E. C. DeBaca Special Assistant to the President for Spanish-speaking Affairs	No representative
Department of Agriculture	Honorable J. Phil Campbell Under Secretary of Agriculture	Mr. J. P. Bolduc Deputy Assistant Secretary for Administration
Department of Defense	Honorable Arthur I. Mendolia Assistant Secretary of Defense (Installations and Logistics)	Mr. Harvard W. Powell Director, Small Business and Economic Utilization Policy (I&L)
Department of Health, Education, and Welfare	(Vacant) Under Secretary of Health, Education, and Welfare	Dr. John R. Ottina Assistant Secretary for Administration and Management Mr. Jim Denny Director, Division of Minority Business Assistance

<u>Department or Agency</u>	<u>Members of the Council</u>	<u>Person(s) Actually Attending</u>
Department of Housing and Urban Development	Honorable James L. Mitchell Under Secretary of Housing and Urban Development	Honorable Robert T. Wallace Deputy Under Secretary Mr. Harold Payne Director, Manpower and Business Opportunities Mr. Mayfield K. Webb (Observer)
Department of the Interior	Honorable John C. Whitaker Under Secretary of the Interior	Mr. Ed Shelton Director, Office for Equal Opportunity Mr. George K. Mori Minority Business Enterprise Specialist Mr. James W. McKoy, Jr. Interior Manager Trainee
Department of Justice	Honorable Laurence H. Silberman Deputy Attorney General	Mr. William H. O'Donohue Chief, Administrative Services Group
Department of Labor	Honorable Richard F. Schubert Under Secretary of Labor	Mr. Theodore Goldberg Assistant Comptroller Office of Grant and Procurement Policy
Department of State	Honorable Robert S. Ingersoll Deputy Secretary of State	Mr. Demetri Paris Special Assistant Supply and Transportation Div.



3.

<u>Department or Agency</u>	<u>Members of the Council</u>	<u>Person(s) Actually Attending</u>
Department of Transportation	Honorable John W. Barnum Under Secretary of Transportation	Mr. Robert Brown, Jr. Assistant to Deputy Secretary
Department of the Treasury	Honorable Edward C. Schmults Under Secretary of the Treasury	Mr. Charles Schaefer Procurement Analyst
ACTION	Honorable John L. Ganley, Jr. Deputy Director	Mr. Bart J. Crivella Acting Director, Office of Minority Affairs
American Revolution Bicentennial Administration	Mr. Sidney Eiges Assistant Administrator for Resource Development	Mr. Sidney Eiges
Office of Economic Opportunity	Honorable Bert Gallegos Director Designate	No representative
Environmental Protection Agency	Honorable John R. Quarles, Jr. Deputy Administrator	No representative
Energy Research and Development Administration	Mr. Norman Vinson Contract Management Specialist Division of Procurement	Mr. Norman Vinson
Export-Import Bank of the United States	Honorable Walter C. Sauer First Vice President and Vice Chairman	Mr. John D. Bierman Deputy Senior Vice President
Federal Energy Administra- tion	Honorable Frank G. Zarb Administrator	Mr. Jack Koser Interagency Liaison Officer Mr. Don Guier Office of Small Business



4.

<u>Department or Agency</u>	<u>Members of the Council</u>	<u>Person(s) Actually Attending</u>
General Services Administration	Honorable Dwight A. Ink Deputy Administrator	Honorable Michael J. Timbers Commissioner Federal Supply Service Mr. Ciro Farina Deputy Assistant Commissioner, Transportation and Public Utilities Mr. Mike Snodgrass Acting Director, Socio-Economic Policy Staff Mr. Robert T. Marcus Director, Concessions Division
Interstate Commerce Commission	Honorable A. Daniel O'Neal Vice Chairman	Honorable A. Daniel O'Neal Mr. John H. O'Brien Attorney Mr. Bernard Gaillard Attorney
Office of Management and Budget	Mr. Walter D. Scott Associate Director for Economics and Government	Ms. Naomi Mitchell Management Analyst
Office of Minority Business Enterprise	Mr. Alex Armendaris Director	Mr. Alex Armendaris Mr. Walter Larke Sorg Assistant Director for National Programs Ms. Jill Gross Program Officer



<u>Department or Agency</u>	<u>Members of the Council</u>	<u>Person(s) Actually Attending</u>
National Aeronautics and Space Administration	Honorable George M. Low Deputy Administrator	Mr. George J. Vecchietti Assistant Administrator for Procurement
National Science Foundation	Mr. Lowell J. Paige Acting Deputy Director	Mr. Eugene D. Rosen Minority Business Officer
U. S. Postal Service	Honorable Robert H. McCutcheon Assistant Postmaster General for Procurement Supply Department	No representative
Small Business Administra- tion	Honorable Louis F. Laun Deputy Administrator	Honorable Robert H. McCutcheon Mr. Peter P. Evanko Procurement Program Manager
Veterans Administration	Honorable Odell Vaughn Deputy Administrator	Honorable Louis F. Laun Mr. Harold K. Fletcher Associate Administrator for Procurement Assistance Mr. Albert B. Carter, Jr. Director, Office of Government and Industry Relations
		Mr. Robert Poe Deputy Director, Supply Services
<u>TASK FORCES</u>	<u>CHAIRMEN</u>	
Bicentennial Working Group	Mr. Sydney Eiges Assistant Administrator for Resource Development American Revolution Bicentennial Administration	Mr. Sydney Eiges



6.

TASK FORCES

CHAIRMEN

Person(s) Actually Attending

Concessions Task Force

Mr. Walter A. Meisen
Acting Commissioner
Public Buildings Service
General Services Administration

Mr. William R. Campbell, Jr.
Acting Assistant Commissioner
for Buildings Management

Data Subcommittee

Mr. B. William Rock
Chief, Information Analysis Branch
Field Operations and Administration
Division
Office of Minority Business Enterprise
Department of Commerce

No representative

Education and Training
Task Force

Dr. John R. Ottina
Assistant Secretary for
Administration and Management
Department of Health, Education,
and Welfare

Dr. John R. Ottina

Mr. Barry W. Haley
Management Analyst

MBOC Working Group

Mr. Theodore Goldberg
Assistant Comptroller
Office of Grant and Procurement
Policy

Mr. Theodore Goldberg

Mr. John T. Lynch
Chairman, Minority Business
Opportunity Committee,
Minneapolis, Minnesota
(Vice Chairman)

Procurement Task Force

Honorable Michael J. Timbers
Commissioner
Federal Supply Service
General Services Administration

Honorable Michael J. Timbers

Working Group: Minority
Business Procurement on
Federally Assisted Pro-
jects

Mr. A. F. Williams
Deputy Director for Interagency
Affairs
National Programs Division
Office of Minority Business Enterprise
Department of Commerce

Mr. A. F. Williams



7.

TASK FORCES

Recession Impacts Working
Group

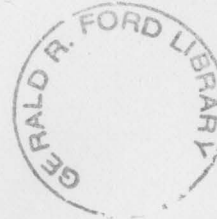
CHAIRMEN

Honorable John K. Tabor
Under Secretary of Commerce

Person(s) Actually Attending

Honorable John K. Tabor

Mr. Sherman Funk
Chief, Program Research and
Development
Office of Minority Business
Enterprise
Department of Commerce



MINUTES OF THE MARCH 13, 1975, MEETING
OF THE
INTERAGENCY COUNCIL FOR MINORITY BUSINESS ENTERPRISE

The Interagency Council meeting was convened by its Chairman, John K. Tabor, Under Secretary of Commerce, at 9:30 a.m., on March 13, 1975, in Room 4830, Main Commerce Building. Chairman Tabor welcomed the Council members and their representatives.

1. Presidential Memorandum and Agency Responses:

The Chairman commented on President Ford's memorandum of December 11, 1974, stating that because of the economic recession the need to assist minority entrepreneurs was greater now than in the past. He then summarized the agency responses to the memorandum, stating that if there was any shortcoming in the reports it was in the failure of the agencies to undertake new initiatives. This in itself was no problem, however, if the old programs were going well and were strengthened with renewed commitments. He pointed out that today's meeting might provide an opportunity to renew agency commitments and suggested that upgrading procurement goals might be one way, particularly in light of the recession.

Art Williams reviewed the agency responses in more detail. He noted particularly the initiatives of the Department of Agriculture and NASA in establishing special offices for minority business assistance. Also, EPA's program to encourage minority involvement in testing of water and air was given special mention.

Mr. Tabor then requested that each agency representative bear in mind an additional commitment that their agency might undertake which could be acted upon later in the meeting. He suggested an increase of 10 percent in agency procurement as a possibility.

2. MBOC Support Program: OMBE Director Alex Armendaris reported that the program to provide executive support for MBOCs was well underway. Ten full-time executive director personnel slots have been identified through the efforts of SBA, HEW, DOD, VA and GSA. The staff should be in place shortly after April 1. Mr. Tabor added his thanks for the cooperation of the agencies, stating that this program should be of great assistance to the minority enterprise effort.



2.

3. Reports of Task Force Chairmen: The reports of the following Task Forces are incorporated as part of these minutes and are attached hereto:

Procurement Task Force
Data Subcommittee
Education and Training Task Force
MBOC Working Group
Bicentennial Working Group
Working Group: Minority Business Procurement
on Federally Assisted Projects

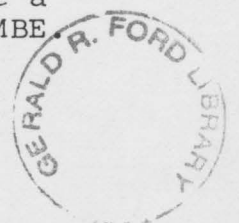
The comments below either amplified or were in addition to the respective Task Force reports:

a. Procurement Task Force: Chairman Timbers, in summarizing his report, stated that he thought the increase of 10% in 8(a) contracts suggested earlier by the Chairman was attainable but that more assistance to minority firms would result from an increase in competitive contracts. Although the amount of these contracts could not be quantified, the revised Form 61, targeted to be in use by December 1975, would make it possible at least to determine when minority firms receive subcontracts. Mr. Tabor requested Art Williams to see that when this new initiative is instituted each Under Secretary be apprised of its thrust to assure fullest possible cooperation with its objectives.

Mr. George J. Vecchietti of the National Aeronautics and Space Administration (NASA) suggested the possibility of a 100% set-aside competitive program solely for minority firms. It was agreed this was a good idea but would require legislation. Mr. Tabor requested that the Task Force explore more fully the ramifications of this suggestion and report back to the next Council meeting on what might be required to implement it.

Mr. Timbers stated that the National Minority Purchasing Council (NMPC) is computerizing a list of competent 8(a) contractors for the use of the regional purchasing councils. Mr. Tabor requested Mr. Timbers to draft a letter from him to the NMPC asking them to expedite the dissemination of their information as another anti-recession program.

Mr. Timbers' request on behalf of the Task Force for approval by the Council to continue the pilot sponsorship program through December 31, 1975, was moved by Mr. Laun, seconded and unanimously approved. SBA will designate a high level official to coordinate this program with OMBE.



3.

With respect to the Task Force's request for Council approval of special criteria to be applied to reservation Indians, Mr. Armendaris stated his concern that the socio-economic aspects would be given preference over entrepreneurship. He also expressed concern that there would be no time limit to 8(a) participation by Indian firms. After considerable discussion, the Chairman requested Mr. Armendaris and Mr. Timbers, with Interior and SBA, to resolve any difficulties on this matter.

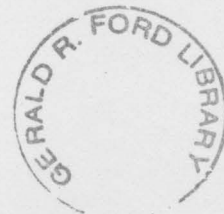
The Chairman then requested a motion to permit the Executive Committee to take action on behalf of the Council in this connection. Such motion was made, approved and carried unanimously.

b. Concessions Task Force: Mr. Campbell, representing Chairman Meisen, emphasized the need to explore concession opportunities in other than GSA buildings. Mr. Tabor stated that the Under Secretaries would shortly be receiving a letter requesting their candid appraisal of how the concessions program has gone in the past and what might be possible in the future with respect to each agency's activity. This in turn would provide a basis for determining the future work of the Task Force.

Mr. Campbell commented on the possible effect of the Randolph-Sheppard Act revisions on the placement of minorities in concessions. He stated that the impact did not appear to be as great as he indicated previously; that there would be a saving clause with respect to concessions previously owned by minorities; and that the Amendment was stated in preferential rather than exclusive terms. Mr. Tabor noted also that many concessions simply could not be handled by blind persons.

c. Data Subcommittee: In the absence of Chairman William Rock, Arthur Williams delivered the Subcommittee report. Mr. Tabor underscored the need to be aware of the new data Form 91 which would be in use after the beginning of FY 76.

d. Education and Training Task Force: Chairman John Ottina noted that committees two and four of his Task Force had not been successful in attracting sufficient funds to carry out the recommendations of the earlier Task Force with which they were charged. He asked every agency to reexamine their efforts in support of the work of the Task Force and its committees. Mr. Tabor asked each agency to undertake such a reexamination.



4.

e. MBOC Working Group: Mr. Ted Goldberg described the efforts and rationale of the group in arriving at its recommendations. He described some of the problems of the MBOCs in carrying out their mission: (1) dependence on voluntary support which is often lacking because of agency failure to emphasize the program's importance; (2) lack of adequate staff support; (3) insufficient stature of the MBOC Chairman; (4) inadequate information on procurement possibilities; (5) poor knowledge of the OMBE and MBOC programs by MBOC members; (6) MBOC members can speak for only part of their agencies; (7) reporting difficulties; (8) little outreach by MBOCs; and (9) OMBE-OMB coordinating problems.

Mr. Lynch of the Minneapolis MBOC then described what he believes to be the most important of the 20 recommendations from the working group:

(1) OMB should reconfirm the national commitment to minority enterprise by taking affirmative measures to encourage greater FEB/FEA support for the work of the MBOCs.

(2) The Interagency Council should also reconfirm its support for the minority enterprise effort through letters encouraging greater regional office participation; better goal setting; top level staffing of MBOCs; suggesting methods for local support of the MBOCs; and better reporting.

(3) An Interagency Council newsletter keeping MBOCs aware of each other's activities should be instituted.

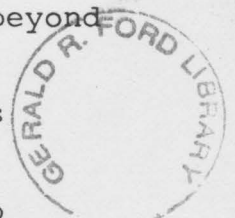
(4) The Interagency Council should establish a permanent MBOC Task Force chaired by OMB with OMBE, GSA, SBA, Labor and Commerce representation.

(5) OMBE should undertake increased training of MBOC Chairmen and FEB Executive Assistants.

(6) Staff support for MBOCs should be increased beyond the 10 already selected.

(7) The National and Regional Purchasing Councils should tie in more closely with the MBOCs.

(8) OMBE and OMB should concentrate on efforts to improve MBOCs through increased staff support and should undertake field trips to FEBs and MBOCs to improve communications.



5.

Discussion of the recommendations focused on establishing a permanent Task Force and a letter from the Inter-agency Council asking the Under Secretaries of member agencies to reconfirm their agencies' commitments. Frank Hodsoll called attention to an OMB communication stating that it would have no objection to Council action in this regard. Mr. Tabor stated he thought OMB's involvement should be explored further with Paul O'Neill, OMB. Mr. Goldberg suggested that if a permanent Task Force were established and if Labor were appointed Chairman, it should be limited in time.

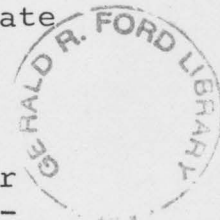
A formal resolution was then presented to (1) establish a permanent Task Force (as described in (4) above, but with the addition of HUD), (2) direct the Chairman to write to all the Under Secretary Council members asking them to encourage greater participation in MBOC activities by their agencies' local offices, and (3) requesting the Chairman to confer with Paul O'Neill, OMB, to get maximum affirmative action by OMB in this undertaking.

The question was raised by Mr. Powell (DOD) as to whether an MBOC Task Force was really needed. Interior suggested that one good reason for a Task Force was to have a body which could review the report of the working group. Mr. Laun (SBA) suggested that the Task Force be set up specifically for the task of making a final report on the working group's recommendations to the Interagency Council at its next meeting. This change was incorporated into the resolution which was then adopted with one opposing vote (Mr. Powell, DOD) as follows:

1. Create an ad hoc task force (consisting of representatives of OMB, OMBE, SBA, GSA, DOD, Labor and HUD) to (i) discuss the desirability and feasibility of implementing the MBOC working group recommendations presented at the Council meeting, and (ii) review progress in increasing the dynamism and use of MBOCs in the field.

2. Authorize the Under Secretary to write a letter to Council member agencies requesting them (i) to send a directive to their regional and field offices to stimulate MBOC action, and (ii) to establish MBE agency goals for MBOCs and, to the extent not already done, an office as a point of contact for this effort.

3. Authorize the Under Secretary to take up this matter with Paul O'Neill of OMB with a view to seeking OMB concurrence in and support for the initiative.



6.

f. Recession Impacts Working Group: Mr. Funk presented an oral report of the Recession Impacts Working Group. He stated that a further session of the group would take place during the following week and a full report would follow. Discussion centered around the benefits to minority firms from an increase of 10% in 8(a) procurement. Mr. Laun stated SBA would have no problem in processing the additional load if the contracts were spaced out over the fiscal year. However, it was pointed out by several representatives that this was very difficult for the agencies to do. A motion to have the final report of the recession working group submitted to the executive committee and to grant that committee full authority to act on such report on behalf of the Council was then made, seconded, and adopted.

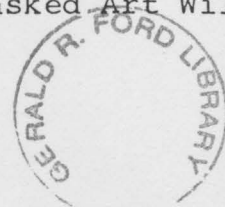
g. Bicentennial Working Group: Mr. Eiges reported the Bicentennial Commission's licensing authority provided an opportunity for minority business participation and that, in fact, two licenses had already been given to minority-owned firms to manufacture bicentennial items. He also stated that minority firms could make unlicensed items.

The Commission is encouraging State and local groups to take measures to include minority business participation, particularly in the area of construction.

h. Working Group: Minority Business Procurement on Federally-Assisted Projects: Art Williams presented the report for the working group. He described briefly the work of his group in conducting a study of the laws, regulations, contracting procedures and data from five agencies, using the information obtained, and in preparing a questionnaire for distribution to all agencies requesting data and comments on agency actions in this area. This information would, in turn, be disseminated to State OMBEs and other OMBE organizations to assist them in developing a program to get minority involvement in projects involving Federal grants-in-aid.

Other Business:

FGAA Request: Art Williams presented background information with respect to the request by the Federal Government Accountants Association for some type of agency action to allow FGAA members free time to assist minority-owned business. The Chairman suggested that FGAA's request should be cleared first with the Civil Service Commission and asked Art Williams



7.

to chair a working group (consisting of representatives of the Civil Service Commission, Post Office and Agriculture) to provide recommendations on this subject to the Council at its next meeting.

Next Council Meeting: The Chairman announced the next Council meeting will be held on June 12, 1975, from 9:30 a.m. to 11:00 a.m. The Executive Committee will meet on June 4.

Special Executive Committee Meeting: The Chairman set 10:00 a.m. on April 15 as the date for a meeting of the Executive/Steering Committee to consider the following items discussed during the meeting:

(1) Special consideration for Indian businesses with regard to 8(a) procurement.

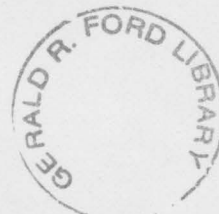
(2) Increase in 8(a) goals by 10%.

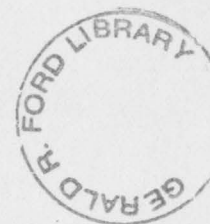
(3) Recommendations of the Recession Impacts Working Group.

Close: The Chairman thanked the agency representatives for their support and attendance at the meeting.

Attachments

1. Action Items
2. List of Attendees
3. Task Force Reports
 - Procurement Task Force
 - Data Subcommittee
 - Education and Training Task Force
 - MBOC Working Group
 - Bicentennial Working Group
 - Working Group: Minority Business
 - Procurement on Federally Assisted Projects





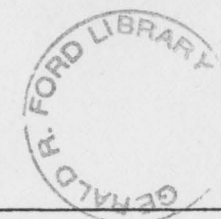
DATA SUBCOMMITTEE
ON MINORITY BUSINESS ENTERPRISE

- I. Report on Federal Performance in
Minority Business Enterprise (First half fiscal year 1975)
- II. Revised MBE 91 Reporting Form

March 13, 1975

March 13, 1975

SUMMARY OF FEDERAL FUNDING FOR MINORITY BUSINESS DEVELOPMENT
MID-YEAR FY 75 (JULY 1, 1974 - DECEMBER 31, 1974)

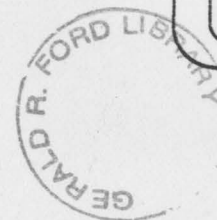


Agency	<u>1/</u> 8(a) Procurement	Direct and Subcontract Procurement	Loans and Loan and Bond Guarantees	Grants	Total
Action	67,054	-	-	-	67,054
Agriculture	319,357	Unknown	-	-	319,357
Atomic Energy Commission	208,377	3,580,000	-	-	3,788,377
Commerce, Dept. of	1,447,082	16,600,000	81,000	5,302,066	23,430,148
Defense, Dept. of	53,355,659	47,970,000	-	-	101,325,659
EEOC	122,600	-	-	-	122,600
Environmental Protection Agency	210,413	6,400,000	-	-	6,610,413
General Services Admin.	20,141,823	687,117	-	-	20,828,940
Health, Ed. & Welfare	2,039,235	15,157,000	-	-	17,196,235
HUD, Dept. of	961,291	40,410,677	-	-	41,371,968
Interior, Dept. of	716,964	640,000	-	-	1,356,964
Labor, Dept. of	157,466	3,498,000	-	-	3,655,466
NASA	3,313,937	5,741,000	-	-	9,054,937
OEO	114,000	-	-	5,216,000	5,330,000
Postal Service	1,262	-	-	-	1,262
Redevelopment Land Agency	1,182,759	-	-	-	1,182,759
SBA	62,669	-	141,800,000	-	141,862,669
State (AID) Dept. of	305,658	2,332,000	-	-	2,637,658
Transportation, Dept. of	8,797,718	148,000	-	-	8,945,718
Treasury, Dept. of	21,668	220,000	-	-	241,668
Veterans Admin.	5,195,340	5,489,000	-	-	10,684,340
Justice, Dept. of	9,934	1,204,000	-	-	1,213,934
National Weather Service	4,398	-	-	-	4,398
Exec. Office of President	24,999	-	-	-	24,999
Consumer Prod. Safety Comm.	214,494	-	-	-	214,494
TOTAL.....	98,996,157	150,076,794	141,881,000	10,518,066	401,472,017

1/ 8(a) Procurement reported by SBA



U.S. DEPARTMENT OF COMMERCE
OFFICE OF MINORITY BUSINESS ENTERPRISE



MINORITY BUSINESS ENTERPRISE PROGRAM DATA FORM

DEPARTMENT/AGENCY

Prepared By:

(Name and Title of Agency Representative)

Approved By:

(Name and Title of Agency Approving Authority)

Submission Date:

(Date of Submission)

MBE 91 PROGRAM DATA FORM INSTRUCTIONS



I. General Instructions:

- A. For each Column include the total Number of Contracts, Grants, or Loans and their total Dollar value in Thousands of Dollars.
- B. If your agency cannot identify the data to complete the minority columns then label the column "unknown". All other columns should be completed based on GSA Form 37 or similar internal report systems.
- C. Consultant-Software Contracting consists of the purchasing of professional services from a for-profit business to obtain research and development assistance, technical or management advice, feasibility studies, computer management services, or analytic and scientific data which results in an end product of a report, printout, plan, study or other document. It does not include the purchase of hardware equipment, physical components, keypunching cards or tangible goods and property. The National Roster of Minority Professional Consulting Firms contains a functional index of twenty-three services which are classified as consulting-software services for the purpose of this definition: These services are:

Accounting	Family Planning	Manpower and Labor
Advertising	Finance	Marketing and Sales
Black Community Services	Health Services	Public Relations
Business Development	Housing	Science & Technology
Communication/Media	Indian Community	Security Systems
Computer Science Service	Insurance	Architecture, Building and
Economic Development	Managerial & Technical	Construction Engineering
Education	Assistance	Spanish Community
		Urban Sciences

- D. Other procurement should include all remaining procurement awards to Profit and Non-profit Businesses.
- E. Business Loans and Guarantees should indicate the race/ethnic breakdown. If exact figures are not available give best estimates.

II. Special Instructions

1. Section 1, Part I, column 1 includes all agency procurement excluding 8(a) contracts. Contracts made through GSA should be included.

II. Special Instructions (contd)

2. Section 2, Part I, column 1 should include: Business Loans & Guarantees, Equal Opportunity Loans & Guarantees, Displaced Business Loans & Guarantees, Local Development Corporation Loans & Guarantees, Lease Guarantees and Line of Credit Guarantees.
3. Section 2, Part III, Columns (5) and (6) should include both Time and Demand Deposits.
4. Section 2, Part III, identify from column (6) and attach hereto the following information:
 - Name of each Minority Bank and Savings & Loan Association
 - Present total Dollar Amount Deposited
5. Section 3, Columns 2 and 3, identify and attach hereto the following minority grant information:
 - Grantee/recipient name
 - Location (City/State)
 - Grant Description (one line)
 - Ethnic/racial composition of grantee
 - Dollar Value



FY _____ PROGRAM DATA FORM

Section 1. Minority Business Procurement (Amount in Thousands of Dollars)

Department/Agency _____

Period Covered: FROM: _____ TO: _____

☐ Report of Actual ☐ Goal Report



Type of Procurement	PART I - TOTAL DIRECT PROCUREMENT						PART II		PART III SUBCONTRACT PROCUREMENT			
	Total of all agency Procurement excluding 8(a) and procurements reported by another agency		Small Business Portion of Column (1)		Minority Business Portion of Column (1)		Total 8(a) Procurement for Minority Business		Total Subcontracts Made By Non-Minority Prime Contractors		Portion of Column (5) Made to Minority Firms By Non-Minority Prime Contractors	
	(1)		(2)		(3)		(4)		(5)		(6)	
	Number	Dollars	Number	Dollars	Number	Dollars	Number	Dollars	Number	Dollars	Number	Dollars
A. Total												
B. Consultant Software Procurement							XXXXXX	XXXXXX	XXXXX	XXXXX	XXXXX	XXXXX
C. Construction Procurement							XXXXXX	XXXXXX	XXXXX	XXXXX	XXXXX	XXXXX
D. Other Procurement							XXXXXX	XXXXXX	XXXXX	XXXXX	XXXXX	XXXXX

FY _____ Program Data Form

Section 2. Minority Business Capital Development Program Data (amount in thousands of dollars)

Department/Agency: _____
Period Covered: From: _____ To: _____

☐ Report of Actual ☐ Goal Report



Race/Ethnic Category	Part I Business Loans & Loan Guarantees				Part II Surety Bond Guarantees				Part III Bank and S & L Deposits	
	Total Number and Dollar value of all business loans and loan guarantees		Portion of Column (1) made to Minority Business Borrowers		Total Number and Dollar value of all surety bond guarantees		Portion of column (3) made to Minority Business		Total Dollar value of funds deposited in banks and S & L Association	Portion of column (5) deposited in minority banks and S & L Assoc.
	(1) Number	(1) Dollar	(2) Number	(2) Dollar	(3) Number	(3) Dollar	(4) Number	(4) Dollar	(5) Dollar	(6) Dollar
A. Total										
B. Total Black	xxxx	xxxx			xxxx	xxxx			xxxx	xxxx
C. Total Spanish-Speaking	xxxx	xxxx			xxxx	xxxx			xxxx	xxxx
D. Total Indian	xxxx	xxxx			xxxx	xxxx			xxxx	xxxx
E. Total Other Minority	xxxx	xxxx			xxxx	xxxx			xxxx	xxxx

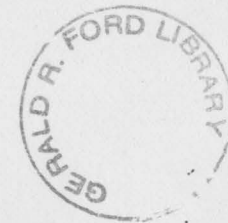
See General and Special Instructions

FY _____ Program Data Form

Section 3. Minority Business Grant Program Data (amount in thousands of Dollars)

Department/Agency: _____
Period Covered: From: _____ To: _____

☐ Report of Actual ☐ Goal Report



Type of Grant	Grants ^{1/}					
	Total Number and Dollar Value of all Grants		Portion of Column (1) made to Minority recipients to promote minority business development		Portion of Column (1) made to non-minority recipients to promote Minority Business Development	
	(1)		(2)		(3)	
	Number	Dollar	Number	Dollar	Number	Dollar
A. Non Education & Training Grants						
B. Education & Training Grants						

^{1/} See General and Special Instructions



Interagency Task Force on Procurement for Minority Businessmen

Presented
to the
Interagency
Council on Minority
Business Enterprise

March 13, 1975

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Foreword

Under the auspices of the Interagency Council on Minority Business Enterprise, the Interagency Task Force on Procurement for Minority Businessmen was established to ensure the provision of the Federal Government's procurement opportunities to minority business firms. The Procurement Task Force provides a forum in which Federal procuring agencies can initiate, coordinate, and implement policies and procedures to assist in the development of viable, self-sustaining minority businesses. Since the beginning of fiscal year 1974, the Procurement Task Force has initiated several landmark programs which will have a significant impact on the future of the Government-wide Minority Business Enterprise Program. To fulfill the mission of the Task Force, member agencies have attempted to coordinate their efforts to mobilize their resources.

I would like to express my gratitude to the members of the Task Force for their exceptional support and cooperation. Individual, as well as agency, commitment has been demonstrated by their participation.

I urge each member agency to reaffirm its commitment to accomplish the objectives of the Procurement Task Force, and I look forward to our continued success.

Sincerely,



M. J. TIMBERS
Chairman
Interagency Task Force on
Procurement for Minority Businessmen
Commissioner
Federal Supply Service
General Services Administration

Membership of the Procurement Task Force

Chairman

Michael J. Timbers
Commissioner, Federal Supply Service
General Services Administration

Vice Chairman

Harvard W. Powell
Director for Small Business and Economic Utilization Policy
Department of Defense

Executive Secretary

Richard Clinkscales
National Coordinator for Market Development
Office of Minority Business Enterprise
Department of Commerce

Agency Representatives

ACTION

Elmer F. Lange, Deputy Associate Director of ACTION for SCORE and ACE

Agency for International Development

Raymond J. Torrey, Special Assistant for Small Business

Agriculture, Department of

J. Fred King, Chief, Rural Minority Business Division
Dean T. Smith, Assistant Director, Office of Operations

Bureau of Indian Affairs

Gordon Evans, Acting Chief, Division of Indian Business Enterprises

Cabinet Committee on Spanish-Speaking People

Dr. Fernando Foyo, Senior Research Analyst

Commerce, Department of

James P. Maruca, Program Officer, Contract Compliance Unit

Community Services Administration

James E. Taybron, Contracting Officer, Procurement Division

Energy Research and Development Administration

Hilary J. Rauch, Assistant Director, Contracts Division

Environmental Protection Agency

Margie A. Wilson, Minority Business Enterprise Specialist

Federal Energy Administration

Jack Koser, Interagency Liaison Officer

General Services Administration

Wade Belcher, Assistant Chief, Professional Services Contracts Branch,
Public Buildings Service
Mike Snodgrass, Acting Director, Socio-Economic Policy Staff,
Federal Supply Service

Health, Education and Welfare, Department of

James A. Denny, Director, Division of Minority Business Assistance

Housing and Urban Development, Department of

Lloyd Davis, Director, Office of Voluntary Compliance

Interior, Department of

George K. Mori, Office of Equal Opportunity
Edward Shelton, Director, Office of Equal Opportunity

Justice, Department of

William O'Donoghue, Chief, Administrative Services Group

Labor, Department of

Theodore Goldberg, Assistant Comptroller for Grant and
Procurement Policy

National Aeronautics and Space Administration

Ken Kier, Small Business Advisor
William E. Stuckmeyer, Chief, Operations and Review Division

Office of Minority Business Enterprise

Frank H. Carpenter, Business Development Specialist
Art Williams, Deputy Assistant Director, OMBE

Small Business Administration

Harold K. Fletcher, Associate Administrator for Procurement Assistance
Winford B. Smith, Director, Office of Business Development

State, Department of

Demetri Paris, Special Assistant, Supply and Transportation Division

Transportation, Department of

James A. Hyslop, Assistant Director of Installations and Logistics

Treasury, Department of
Thomas P. O'Malley, Assistant Director, Office of Administrative
Programs for Procurement and Personal Property Management

U. S. Commission on Civil Rights
James B. McDaniel, Project Director, Office of Program and Policy Review

U. S. Postal Service
Peter P. Evanko, Procurement and Supply Program Manager,
Plans and Management Division
Edward M. Tamulevich, General Manager, Facilities Procurement
Division, Real Estate and Buildings Department

Veterans Administration
Clyde C. Cook, Director, Veterans Canteen Service

Status Report on Procurement Task Force Objectives

8(a) Contract Goals

Pursuant to agreements by SBA and each procuring agency, the Government-wide 8(a) goal for fiscal year 1974 was set at \$250 million. Further, SBA determined that one of its major fiscal year objectives would be to promote the graduation of more 8(a) firms from the program because only 19 8(a) firms had achieved viability since the inception of the program. By fiscal yearend, actual 8(a) contract awards exceeded \$272 million.

In fiscal year 1975, the Government-wide 8(a) contract goal was placed at \$275 million. Individual agency goals were set by mutual agreement of SBA and each agency in an effort to match individual goals with agency capabilities. By December 1974, agencies awarded an estimated \$99 million in 8(a) contracts, representing approximately 35 percent of the fiscal year goal. To ensure that the FY 1975 8(a) goal is achieved by yearend, each procuring agency has been encouraged to increase the momentum of its 8(a) contracting activity.

Regulatory Initiatives on Behalf of Minorities

One of the initial fiscal year 1974 PTF goals was to develop a program to increase minority participation in competitive procurements. The Task Force determined that, in addition to improving agencies' source lists and public relations efforts, the most effective method of accomplishing this objective would be to develop certain minority business enterprise requirements for incorporation in the Federal Procurement Regulations (FPR). Draft proposals of three regulatory provisions were submitted to the Interagency Procurement Policy Committee for interagency clearance and publication.

The proposals are:

1. A competitive affirmative action requirement prescribing that each agency establish minority business enterprise programs in appropriate procuring activities.
2. A document certification provision which will permit the identification of minority business firms in agency solicitations.
3. A modification to Optional Form 61 which will provide minority subcontracting data to procuring agencies.

The affirmative action plan and the document certification provision will be published in the Federal Register by May 1975. The revised OF 61 is expected to be incorporated in the FPR by December 1975. In the interim period, a notice of the forthcoming revision of the form will be published in the Federal Register at the same time as the other two regulatory documents.

National Marketing Program

In May 1974, the Interagency Council on Minority Business Enterprise formally approved a new PTF initiative to develop a National Marketing Program to assist 8(a) contractors. Through close Task Force coordination with Mr. Richard Clinkscapes, National Coordinator for Market Development, OMBE, and Mr. Robert Stuart, Chairman of the National Minority Purchasing Council (NMPC), a program was developed which would substantially complement SBA, OMBE, and Procurement Task Force efforts in this area. Each agency of the PTF agreed to compile a list of their most competent 8(a) contractors for submission to the NMPC. Upon receipt of these lists, the NMPC will send copies to the appropriate Regional Purchasing Councils (RPC's) which will contact those 8(a) firms whose goods or services their members purchase. Wherever possible the RPC's will initiate action to do business with the 8(a) firms and will assist these minority firms to develop their members' commercial markets.

Direct Construction Procurement Action Plan

Following the incorporation of the direct construction procurement responsibilities of the Construction Task Force with the Procurement Task Force, a working group was formed under the chairmanship of James A. Hyslop (DOT). The Group developed a series of construction-related initiatives which were adopted by the Task Force for individual agency implementation. The Direct Construction Procurement Action Plan is an eight-part scheme to stimulate minority business participation in Federal construction procurements. The initiatives are:

1. To establish the direct construction working group. -Accomplished.
2. To establish individual agency 8(a) construction goals. -To date, responses have been received from 14 agencies; goals have been set by seven agencies.

3. To establish agency goals of awarding one or more major architectural/engineering contracts to minority firms. - Pending receipt of data from individual agencies.
4. To establish agency goals of awarding one or more major construction contracts to minority firms. - Pending receipt of data from individual agencies.
5. To participate in training of OMBE funded organization personnel. - Pending provision of OMBE training schedules.
6. To obtain industry input on surety bonding problems. - Liaison has been established with the surety bonding industry in an ongoing effort to solve the bonding problems of minority construction contractors.
7. To establish liaison with minority construction contractor organizations. - Liaison has been established with several minority construction contractor organizations to ensure Government responsiveness.
8. To establish fast payment procedures and standardize progress payments. - Most agencies have procedures in effect.

Action has been initiated to monitor the implementation of each of these items.

Action Items for Interagency Council Consideration

Pilot Sponsorship Project

As a PTF objective for both fiscal years 1974 and 1975, the Pilot Sponsorship Project has been an effort by SBA, OMBE, VA, and GSA to coordinate the delivery of procurement, marketing, financial, management, and technical assistance to certain minority manufacturing firms participating in the 8(a) program. A Sponsorship Working Group, chaired by Clyde C. Cook (VA), was delegated the responsibility to coordinate and monitor the project. Nine 8(a) manufacturers (four for VA and five for GSA) were chosen initially to participate in the program. These sponsored firms would be provided concentrated assistance by the appropriate participating agencies to ensure their attainment of viability in the commercial marketplace. The participating agencies would maintain open channels of communication to ensure full interagency cooperation.

In a report by Mr. Cook presented to the Procurement Task Force on December 3, 1974, many of the shortcomings of the sponsorship effort were documented. Although the project was intended to be an intensified cooperative effort in which agencies would work closely together and exchange vital information for the ultimate benefit of the sponsored firms, effective coordination has not occurred.

Mr. Cook's report concluded in part that:

- a. Selection of firms for 8(a) assistance must be based on sound business plans which reflect realistic goals.
- b. In-depth analyses should be made of every 8(a) firm to determine actual assistance requirements.
- c. Interagency coordination is essential to deliver management, technical, financial, and marketing assistance required by 8(a) firms.
- d. The 8(a) program is hampered by the lack of a team approach in planning the delivery of Government assistance. Necessary data for timely assistance is difficult to obtain.
- e. Agencies with centralized control of their programs find it difficult to coordinate assistance with agencies which have decentralized controls.
- f. Not all 8(a) firms are willing to take basic steps to ensure minimally acceptable operations.

- g. SBA's emphasis on overall business development of 8(a) firms will have limited effect since SBA controls only part of the total assistance program.
- h. If the 8(a) program is to achieve its objective, responsibility and accountability must be established in a single agency, and in a single program official within that agency.
- i. Unless the problems of divided responsibilities and lack of a coordinated delivery system are identified and resolved, the 8(a) program will fail.

Based on the limited progress of the sponsored firms, resulting in large part from the lack of a team approach to the planning and delivery of Government assistance, the Pilot Sponsorship Program will not achieve a significant measure of success unless immediate concerted action is taken by the Procurement Task Force, and more especially, the four participating agencies.

Based on the findings of the Working Group report and on the subsequent formal comments submitted by Task Force members, recommendations on the future course of the Sponsorship effort have been developed.

The Procurement Task Force recommends the following for Interagency Council consideration and adoption.

1. That the Pilot Sponsorship Project be continued through December 31, 1975.
 - a. During this period resources will be delivered in accordance with known needs.
 - b. The number of sponsored firms will be kept at the current level; no new firms will be added. The current number of firms is seven.
2. That a high level official in SBA be delegated the authority to coordinate all delivery mechanisms required by the sponsored firms. This overall responsibility will include the coordination of all necessary interagency resources to accomplish the objective of the Pilot Sponsorship Program.
 - a. GSA and VA, as the sponsoring procuring agencies, will have the responsibility to deliver procurement requirements and technical production assistance.
 - b. OMBE will have the responsibility to deliver management, market-

- ing, and technical assistance to four sponsored firms.
- c. SBA will have the responsibility to deliver management, marketing, and technical assistance to three sponsored firms.
 - d. SBA will have the responsibility to deliver financial assistance to all of the sponsored firms.
 - e. The vital interagency coordination and accountability required by this effort will necessitate a full commitment from the highest levels of each agency.
3. That after December 31, 1975, a final report on the progress of the Pilot Sponsorship Project be prepared by the Working Group for submission to the Procurement Task Force and the Interagency Council. An interim status report will be prepared and submitted to the Task Force and the Council after June 30, 1975.

Special Criteria for Participation of Reservation Indian Firms in the 8(a) Program

The following special criteria are proposed for participation of reservation Indian firms in the 8(a) program. These special criteria are offered in an effort to institutionalize the existing "different rules" which, in fact, are already applied to reservation Indian businesses. These special criteria are necessitated by the substantial differences between reservation Indians and other socially or economically disadvantaged persons.

I. Section 8(a) Program Policy

Along with the established 8(a) program policy of enhancing the capabilities of socially or economically disadvantaged firms to achieve a competitive and profitable position in the marketplace, the 8(a) program policy for reservation Indian businesses will accommodate other objectives such as employment. Reservation Indian firms may be allowed to participate in the 8(a) program for an indefinite period of time if the circumstances so justify. The determination of longevity will be mutually decided by SBA and the procuring activity on a case by case basis in accordance with VII, below.

II. Applicability

These special criteria apply only to reservation Indian firms which SBA has determined to be capable of achieving economic viability at some point in the future. Socio-economic objectives will be considered secondary to profit-motive objectives in business planning. These criteria in no way exclude non-reservation Indians from normal participation in the 8(a) program as established and conducted for economically disadvantaged firms.

III. Business Planning

A reservation Indian firm must submit a business plan to SBA demonstrating how participation in the 8(a) program will foster or expand its capabilities to participate in the economy as a self-sustaining profitable business, and as appropriate, in some other manner economically advantageous to the reservation.

IV. Procurement Support

Because long range requirement commitments are anticipated for reserva-

tion Indian firms, no such firm will be approved for participation in the 8(a) program without prior written agreement from the procuring agencies which will be called upon to support the firm with contracts. (It is recognized that such procuring agency commitments are made subject to uncontrollable circumstances.)

V. Financial, Management, Technical, Employee Training, and Other Support

Because financial, management, technical, and employee training and other support will, in all likelihood, be required in substantial amounts and over long periods, no reservation Indian business plan will be approved without written agreement from those organizations or agencies which will be called upon to provide the needed assistance. In any event, at least the following agencies will be required to agree in writing to provide the types of assistance called for in the business plan for which they have responsibility:

- A. SBA financial assistance officials
- B. OMBE
- C. BIA (especially for all Federal reservation Indian firms)
- D. Department of HEW

VI. Overall Responsibility

SBA will have overall responsibility for determining the purposes and objectives to be achieved by participation of the reservation Indian firm in the 8(a) program. Additionally, SBA will have responsibility for specifically identifying the nature and extent of resource assistance required from each of the agencies identified in V above and for obtaining the requisite written commitments. One official in SBA should be responsible to coordinate the delivery of necessary Federal assistance to reservation Indian firms.

VII. Quarterly Review

For the first two years of participation by a reservation Indian firm in the 8(a) program, those agencies whose agreements were obtained at the initial planning and approval stage will be convened quarterly by SBA to review the Indian firm's progress in accordance with its stated objectives. Agency recommitment of resources in accordance with original or adjusted needs will be made at these quarterly reviews.

EDUCATION & TRAINING FOR MINORITY BUSINESS ENTERPRISE

GOALS

THE GOALS OF THE TASK FORCE ARE TO IMPLEMENT THE RECOMMENDATIONS CONTAINED IN THE REPORT ON EDUCATION AND TRAINING FOR MINORITY BUSINESS ENTERPRISE.

LISTED BELOW ARE THE FIVE (5) SUBCOMMITTEES THAT REPRESENT THE BREAKOUT OF THE TEN MAJOR RECOMMENDATIONS WHICH ARE CONTAINED IN THE TASK FORCE REPORT.

SUBCOMMITTEE NO. 1

- STATE & LOCAL MECHANISMS
- FORTY (40) LOCAL DELIVERY SYSTEMS

SUBCOMMITTEE NO. 2

- MINORITY ENTERPRISE CURRICULA
- TWO YEAR DEGREE
- FELLOWSHIPS, SCHOLARSHIPS AND LOANS
- IDENTIFY FEDERAL FUNDS

SUBCOMMITTEE NO. 3

- CAREER AWARENESS - TWELVE (12) PILOTS
- CAREER AWARENESS - SIX (6) PILOTS

SUBCOMMITTEE NO. 4

- PRIVATE ENTERPRISE COMMITTEE

SUBCOMMITTEE NO. 5

- SOCIAL, CULTURAL, ECONOMIC, AND HISTORICAL DIFFERENCES



BUDGET REQUESTS

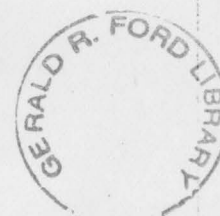
(Amount in blocks indicates dollars committed)

	I	II	III	IV	V
COMMERCE/OMBE	22,000	90,000	450,000	75,000	150,000
	170,000	30,000			
HEALTH, EDUCATION & WELFARE	33,000	110,000	1,350,000	50,000	150,000
HOUSING & URBAN DEVELOPMENT	0	0	0	75,000	0
INTERIOR	0	0	0	0	150,000
JUSTICE	9,000	0	0	0	0
LABOR	57,000	0	450,000	0	0
SMALL BUSINESS ADMINISTRATION	32,000	100,000	450,000	0	150,000
VETERANS ADMINISTRATION	23,000	0	0	0	0
TOTALS	176,000	300,000	2,700,000	200,000	600,000
	289,000	30,000	1,800,000	ZERO	150,000



EDUCATION & TRAINING FOR MINORITY BUSINESS ENTERPRISE

<u>DEPARTMENT/AGENCY</u>	<u>AMOUNT REQUESTED</u>	<u>AMOUNT COMMITTED</u>	<u>PERCENTAGE COMMITTED</u>
COMMERCE/OMBE	787,000	200,000	25.4%
HEALTH, EDUCATION & WELFARE	1,693,000	1,350,000	80.0%
HOUSING & URBAN DEVELOPMENT	75,000	0	0.0%
INTERIOR	150,000	150,000	100.0%
JUSTICE	9,000	9,000	100.0%
LABOR	507,000	507,000	100.0%
SMALL BUSINESS ADMINISTRATION	732,000	0	0.0%
VETERANS ADMINISTRATION	23,000	23,000	100.0%
TOTALS	3,976,000	2,239,000	56.3%



U. S. DEPARTMENT OF LABOR

Office of the Assistant Secretary
Washington

MAR 7 1975

TO: THE INTERAGENCY COUNCIL FOR MINORITY BUSINESS ENTERPRISE

FROM: Task Force on Minority Business Opportunity Committees
(MBOCs) *19*

SUBJECT: Final Report on Minority Business Opportunity
Committees (MBOCs).

INTRODUCTION

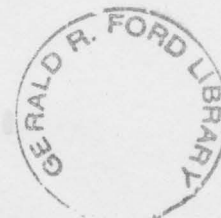
The Task Force on Minority Business Opportunity Committees (MBOCs) was established on December 5, 1974, by the Interagency Council for Minority Business Enterprise for the following purposes:

- . To study ways to increase MBOCs' effectiveness at the local level.
- . To analyze why Council and national agency decisions regarding minority enterprise are not filtered down to field offices and MBOCs.
- . To prepare a report of findings and recommendations for presentation to the Interagency Council on March 13, 1975.

APPROACH

The Task Force reviewed the interrelationships involved in the overall MBOC program, including those between:

- . MBOCs and their minority business community.
- . Federal officials on MBOCs and their national agency headquarters.
- . MBOCs and the Federal Executive Board or Association.
- . MBOCs and the Office of Management and Budget (OMB) and the Office of Minority Business Enterprise (OMBE).
- . The Interagency Council and its member agencies.



2.

BACKGROUND

Minority Business Opportunity Committees (MBOCs) are Standing Committees of the 25 Federal Executive Boards (FEBs) and of 10 of the 99 Federal Executive Associations (FEAs) located in major cities with significant minority population. They were established by and operate under the initiative of the Executive Office of the President to enable heads of Federal agencies to improve Federal management communication and collective action on a broad range of national and local program priority areas. Minority business opportunity has been established as a national priority and major theme for FEB and FEA activity for the past three years.

FEBs and FEAs are dependent on voluntary participation and commitment by individual Federal agency heads located in the field. The Office of Management and Budget (OMB) provides direction and coordination for the FEB and FEA system. The Office of Minority Business Enterprise (OMBE) in the Department of Commerce provides minority business enterprise program guidance and assistance to FEBs, FEAs and MBOCs through participation in the OMB review and monitoring system, and through OMBE's national and regional office staff support.

MBOCs are encouraged to plan and implement a full range of minority business enterprise initiatives at the local level. These initiatives include competitive and non-competitive procurement, deposits of Federal funds in minority-owned banks, minority-owned concessions in Federal and Federally supported facilities, construction contracts, and education and technical assistance to minority businessmen. MBOCs are also encouraged to involve the private sector and minority business community in its effort to promote MBE.

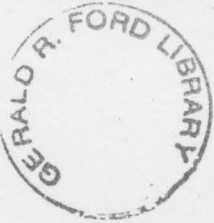
ASSUMPTIONS

The findings and recommendations of the Task Force on Minority Business Opportunity Committees are based on the following assumptions or stipulations:

- . The MBOC is a mechanism through which representatives of regional/local Federal activities can encourage each other to support Minority Business Enterprise (MBE), exchange ideas as to how to do so more effectively, and coordinate the efforts of their activities in support of MBE with the minority community.

3.

- . The MBOC has few resources separate from or additional to those of the local Federal activities. If strong National Agency commitment is not expressed, it is counterproductive to give the MBOC missions or to establish objectives and achievement goals for the MBOC for which it has neither the resources nor the authority to fulfill.
- . The MBOC can only achieve that which can be accomplished by the resources which regional/local Federal activities are able and willing to devote to the local MBE effort. It is unrealistic to expect that many regional/local Federal activities will feel able to commit necessary resources to the MBE effort in the absence of an explicit commitment by parent national level agencies, a commitment made effective through implementing directives and achievement goals operative on their regional/local activities.
- . The MBOC cannot achieve objectives, no matter how desirable, if they require actions by regional/local Federal activities which are not fully consistent with the missions and authorities of the local activities as established by parent national level agencies.



The balance of the report is composed of two parts: (1) Findings -- a statement of the problems and their causes as identified by this task force; and (2) Recommendations. We recognize, of course, that not all MBOCs suffer from all ills enumerated below and that the intensity differs from MBOC to MBOC.

FINDINGS

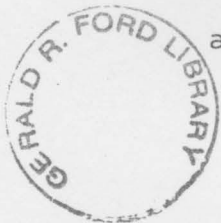
1. Many MBOCs have been unable to effectively carry out their primary mission: to coordinate and mobilize local Federal agency efforts to increase minority business procurement, concession and business education and training opportunities, and to increase Federal deposits in minority financial institutions. Even fewer MBOCs have been able to effectively extend their outreach and minority business development efforts to local and State Governments and the private sector.
2. MBOCs depend on voluntary support from the local Federal establishment to achieve their missions; such support is frequently lacking.

- 4.
3. National agencies have not generally communicated a high level commitment and support to their field offices for the MBOC program. Even fewer have provided their local officials with the incentives required.
4. MBOC activities require staff support and program direction. The lack of these to assist the MBOC Chairman and Subcommittee Chairmen to implement their program activities is a serious problem.
5. Few agencies have established MBE goals at the national or local levels whereby MBOC activity becomes a local vehicle for agency use in accomplishing their goals.
6. The MBOC Chairman is usually not a member of the FEB or its policy committee. Hence, he is not a member of the local Federal policy making body and lacks stature.
7. MBOC stimulation of agency procurement from local minority enterprises has been greatly restricted by lack of advance information about local agencies' procurement and construction plans.
8. The caliber of individuals appointed by agencies to the MBOC is frequently less than a senior level person. Too often an agency's MBOC representative is too low in grade level and position to commit resources of the agency he represents, and lacks knowledge of all his agency's MBE related objectives and programs.
9. Sometimes the agency representative to the MBOC does not have delegated authority to represent or speak for his entire agency, but rather he may represent only one of its many divisions or sub-agencies.
10. There is a lack of initiative or understanding by local Federal officials of how to use the MBOC to assist them in achievement of their own agency MBE objectives. It appears that few agencies have established MBE goals at the national or local levels whereby MBOC activity can become a local vehicle for accomplishing their goals.
11. The OMBE form MBE 91 has been used as the basis for FEB/MBOC reporting on program goals and accomplishments on an agency by agency basis. This form covers minority business contract awards, etc., but does not provide detailed data as to planned procurements. Such information is not maintained generally by many of the large

5.

procuring agencies. We note that the Interagency Council's Procurement Task Force has pending publication in the Federal Register, a proposal to permit minority identification in all solicitations.

12. Mechanisms and procedures to establish MBE performance standards and achievements at the field level are generally nonexistent. This is viewed as a deficiency of the national agency's planning of MBE performance. A result is fragmented, uncoordinated agency performance at national and field levels. Agency effectiveness on MBE becomes dependent on an individual official's commitment and initiative.
13. Initiative and superior performance in the MBE area by field officials is not reinforced by agency incentive award systems or included in personnel evaluation criteria.
14. In many agencies there is no central office or person responsible for tracking and managing necessary actions to be taken in response to Interagency Council, OMBE, or MBOC initiatives and program plans.
15. There is little communication and outreach to the minority business community by MBOCs.
16. The roles of the Office of Minority Business Enterprise (OMBE) as lead agency, the Office of Management and Budget (OMB) and the Federal Executive Board (FEB) in their relationship to the MBOC are unclear. Support for MBOCs from these sources is frequently viewed by MBOCs as inadequate.



a. OMBE

- (1) OMBE field office support for MBOCs varies from city to city and is frequently less than desired by the MBOC Chairman and Subcommittee Chairmen.
- (2) OMBE is responsible for collecting all MBOC program data and assessing performance. The current (MBE 91) form used for this purpose is confusing to many. More importantly, the local agencies are unable or unwilling to complete the data form without assistance and direction from their national agency headquarters. Further, it does not provide advance detailed information as to local procurement and construction plans.

6.

- (3) OMBE national staff coordination of Inter-agency Council (IAC) and MBOC activities is limited by insufficient staff resources.
- (4) OMBE national and field staff is overburdened. Frequently, those who serve as MBOC Executive Secretaries/Directors have additional regional administrative and program responsibilities for other OMBE programs, which lessens the amount and quality of the time spent on their MBOC assignments.

b. OMB

- (1) OMB has a system of Washington based Field Representatives (with one assigned to each of the ten standard Federal regions). MBOC Chairmen look to OMB for support and an indication of the Administration's commitment to the minority enterprise program. However, there is a minimum of contact between the OMB representative and the FEB/MBOC Chairmen. FEB Chairmen, on behalf of the FEB membership, report directly to OMB, yet OMB is somewhat reluctant to direct the FEB internal organizational structure or management system in ways which would strengthen the FEB support of MBOC; e.g., ask an FEB Chairman to appoint a stronger MBOC Chairman or replace a weaker one.
- (2) Many MBOC Chairmen want earlier scheduling of the OMB/FEB meeting when next fiscal year priorities and goals are announced. This will permit MBOCs to set their priorities and goals for July 1 reporting and initiating.
- (3) Most MBOC Chairmen feel that they do not get useful feedback and communication from OMB or OMBE on their MBOC reports of plans and accomplishments.

c. FEBs/FEAs

- (1) Some MBOC Chairmen do not feel that the FEBs/FEAs or their Chairmen are committed to the MBOC goals and program.
- (2) MBOC Chairmen perceive FEBs/FEAs as being more closely tied to national MBE policy

levels through OMB than OMBE. They look to OMB for support and indications of the Administration's commitment to MBE. OMB and its field representatives have little or no contact with MBOCs. As a result, the MBOC Chairmen lack reassurance and opportunities to get adequate feedback on OMB policy on and assessments of MBOC activities.

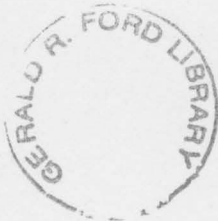
RECOMMENDATIONS

Consistent with the President's letter of December 11, 1974, national agencies should reassess their efforts to promote minority business development. A critical element of agency MBE effort must be directed at providing adequate support to MBOCs.

INTERAGENCY COUNCIL ACTIONS

As appropriate, the following actions by Interagency Council member agencies should be pursued:

1. A directive should be sent from each agency head or its Interagency Council member to all national and field sections or offices. It should:
 - Reinforce the agency's commitment to MBE and the MBOC concept and establish MBE goals and objectives.
 - Require that a senior level person be appointed as MBOC member who will actively participate in MBOC activities. He should represent and be able to commit the resources of all local divisions of the agency. If the latter is not possible, multiple senior level agency representation is required.
 - Identify the various forms of support the agency can provide to the MBE program and the MBOCs, to include competitive and 8(a) contracts, as well as indirect opportunities available from agency grants or contracts with State and local governments, minority bank deposits and concessions and training programs.
 - Encourage field officials to make agency skills available to minority businessmen (managerial, legal, safety, tax, financial, training, etc.) as part of the MBE program.



8.

- . Require a regular MBO type reporting system with quantitative data on field accomplishments in the above areas.
- 2. A national MBOC newsletter should be published on a regular basis to provide MBE program guidance and ideas and to increase communication among MBOCs. The publication should cover: specific MBOC activities and successes; OMBE or other MBE activities and program ideas; information on interagency agreements, Interagency Council activities and initiatives; national agency and White House minority enterprise efforts. The newsletter might be staffed by an Interagency Council MBOC Task Force or OMBE.
- 3. The IAC should improve communications and overall coordination between it and MBOC activities. A permanent MBOC task force is recommended to monitor implementation of these recommendations and serve as a major contact point for MBOCs. Additional functions would be added as appropriate.

NATIONAL AGENCY ACTIONS

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- 1. Each national agency should establish MBE goals and objectives, generically and quantitatively, with a view to allocating goals to various field and national office subdivisions for achievement. Field offices should have to respond to their own national agency MBE goal setting and performance requirements. National agencies should also monitor their local offices' MBE performance to assure responsiveness to national MBE goals.
 - 2. Each national agency should designate or establish one office which will be responsible for establishing MBE policy and coordinating the agency's overall MBE/MBOC program. The Director of this coordinating office should have sufficient authority, powers and access to the agency head or member of the Interagency Council (Under Secretary or similar level official) to manage a strong MBE program and gather support within his own agency.
 - 3. National agencies should provide training/information seminars for their MBOC representatives. Such training should be similar to that already conducted by Department of Labor, and have the support and participation of the Interagency Council member and his senior staff.

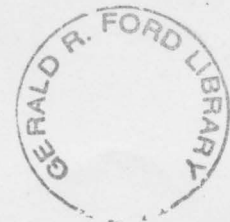
9.

Such seminars should include a discussion of the National MBE program (OMBE, SBA, etc.) of the IAC and the MBOC; and reviews of the agency's MBE programs and agency resources which can be used to assist minority businessmen and of OMBE funded organizations.

4. Planning operations and evaluation systems should be reported on a management by objectives format with limited footnotes rather than the present system whereby the MBE 91 form is used along with lengthy narrative statements. Quantitative data should be the basis for the objectives set by each MBOC.
5. Each national agency should conduct a careful review of its policies, regulations and directives to assure that they do not actually preclude or militate against achievement of MBE goals. Such obstacles should be removed.
6. National agencies should decentralize contracting officer authority to the geographic units as appropriate based on performance standards and policy procedures. Also every agency should seek ways to speed up its processing of 8(a) contracts.
7. Agencies should systematically provide advance procurement and construction information to MBOCs to enable collective Federal planning and coordinated implementation of the MBOC program.
8. National agencies should seek ways to reward their personnel for superior performance on MBE and MBOCs.

OMBE ACTIONS

1. OMBE should conduct periodic training for MBOC Executive Directors/Secretaries and new MBOC Chairmen and FEB Executive Assistants. Emphasis should be placed on ways to improve MBOC linkages with OMBE-funded organizations and other community and minority business assistance groups, in order to ensure better delivery of MBOC resources to minority businessmen.
2. OMBE staff support to MBOCs should be expanded beyond the original 10 cities, if the pilot program is successful.



10.

3. OMBE should seek to coordinate national agency activities in a manner to encourage Regional Purchasing Councils to integrate private sector MBE procurement activities with the public sector activities of MBOCs. The Regional Purchasing Council should be represented on the MBOC.

OMBE/OMB ACTIONS

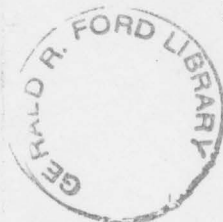
1. OMBE/OMB should assign or recruit on loan or otherwise, adequate professional and clerical staff to implement plans.
2. When possible, OMBE and OMB staff should coordinate on field trips to FEBs, meeting jointly with each FEB/FEA and MBOC Chairman to discuss local needs for OMBE, OMB and/or FEB support required by MBOCs.

OMB AND FEB/FEA ACTIONS

1. OMB should reconfirm to all the FEBs/FEAs that MBE will continue to be a top priority item and major theme in FY 76. Full FEB/FEA support should be given to staffing and operating their MBOCs.
2. OMB should require that each FEB/FEA Chairman include MBOC Chairmen on their FEB Policy Committee.
3. The FEB/FEA Chairman should also be asked to select a strong, top level MBOC Chairman who will actively manage the MBOC. FEB/FEA Chairmen should be asked to replace existing weak MBOC Chairmen or give them additional support from the FEB Executive Assistant or other agency staff resources.
4. OMB should provide more useful feedback and communication to MBOC Chairmen on their MBOC work plans and reports.

SUMMARY

Federal Government commitment to MBE, to be effective, must be conveyed by national-level agencies to their local officials in the form of directives, goals and allocations of resources. Under this system of national support, local Federal officials will more readily achieve their established objectives. This will also motivate and enable greater effectiveness of the MBOC vehicle to achieve IAC policies and program initiatives. Until this is done, the MBOC will have very limited success in achieving its objectives and will remain dependent on local goodwill and commitment by individual Federal officials to achieve the Federal Government's national program of support for minority business enterprise.



COMMITTEE MEMBERS

Theodore Goldberg
Department of Labor

Chairman

John Lynch
Twin Cities MBOC Chairman

Deputy Chairman

Brig/General E. P. Braucher
Commander, Defense Industrial
Supply Agency

Member

John West
GSA

Member

Naomi Mitchell
OMB

Member

Jill Gross
OMBE

Member

Dottie Winn
SBA

Member





AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

736 JACKSON PLACE, N.W.
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(202) 382-1776

March 11, 1975

MEMORANDUM FOR: Members of the Interagency Council
for Minority Business Enterprise

SUBJECT: Report of the Bicentennial Working
Group Meeting of March 10, 1975

The initial meeting of the Bicentennial Working Group of the Interagency Council for Minority Business Enterprise was held at the American Revolution Bicentennial Administration on Monday, March 10, 1975.

Those attending were: Mr. Harvey Alexander Buffalo, Jr., State Department; Mr. Ray McHugh, Veterans Administration; Mr. John Eiland, HUD; Mr. Milton Wilson, HUD; and Mr. Sydney H. Eiges, ARBA and Chairman of the Working Group.

The Working Group on the Bicentennial Initiative, proposed by HUD through Mayfield Webb, concentrated its discussions on ways and means by which the Bicentennial celebration could become a vehicle for expanding minority employment and minority business participation in Bicentennial activities. After discussion, the following five recommendations were adopted:

1. That appropriate minority companies for participation in ARBA's licensing program be identified and encouraged to apply for ARBA licensing for their products.
2. That minority companies producing appropriate Bicentennial items who do not wish to submit them for licensing consideration be encouraged to enter the private sector business market on the usual competitive basis and that support and assistance be provided them for this endeavor.
3. That displays of products produced by minority organizations be collected and attractively

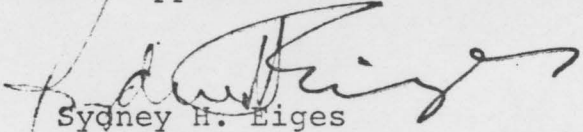


exhibited at various United States Agencies abroad to develop wider markets for them.

4. That the national ARBA office encourage the 50 State Commissions, with assistance from its Federal Regional Directors, to prioritize the necessity of giving business to minority organizations and to encourage them to participate in state licensing programs.
5. Efforts will be made to publicize minority opportunities in the ARBA licensing program in all appropriate Federal Agency publications.

Subsequent to our formal meeting, I had a meeting with Mr. Carlos Campbell, Deputy Assistant Administrator for Resource Development at the ARBA, and he supplied me with some additional and valuable ideas.

There are many uniquely Bicentennial building projects currently underway in all areas of the Nation which provide additional minority employment opportunities under Title 6 of the Civil Rights legislation. The National League of Cities and the National Governors Conference, Carlos felt, could be substantial aid in identifying these projects. Mayor Alioto of San Francisco is Chairman of the National Conference of Mayors and could be asked for support.


Sydney H. Eiges
Chairman
Bicentennial Working Group
Assistant Administrator
for Resource Development
American Revolution Bicentennial
Administration

Please Note:

NEW ADDRESS:
AMERICAN REVOLUTION BICENTENNIAL
ADMINISTRATION
2401 E Street, N. W.
Washington, D. C. 20276





UNITED STATES DEPARTMENT OF COMMERCE
Office of Minority Business Enterprise
Washington, D.C. 20230

3 March 1975

MEMORANDUM FOR The Interagency Council for
Minority Business Enterprise

From: A. F. Williams, Chairman *Williams*
Working Group: Minority Business
Procurement on Federally Assisted Projects

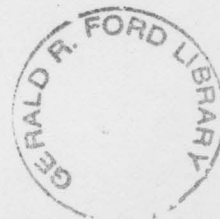
Subject: Progress Report.

The Working Group has had two meetings since the last Council meeting on December 12, 1974. These meetings were held on February 13 and February 27.

At the February 13 meeting, under the aegis of Subgroup #1, initial data covering actions being taken by DOT, EPA and HUD was presented to the Working Group. These data addressed the present program of these three agencies along with appropriate references, i.e., laws, regulations, etc., promulgated for their implementation. Two conclusions were immediately apparent -- we needed data from at least two more agencies and we needed time for the members to review the data already on hand.

Ed Jenkins of EPA, Chairing Subgroup #1, agreed that his group would contact HEW and Labor to get their input and have it available by the next meeting scheduled for February 27.

Subgroup #2 reported receipt of completed questionnaires from 11 of 14 State OMBEs. Review of this input reveals that minorities have enjoyed little or no involvement in contracts and procurement opportunities resulting from Federal grants. The questionnaire appeared to expose them to the possibility of involvement and, in several cases, programs to include minorities are under development. State OMBEs are beginning to bring pressure to bear on State agencies that receive Federal grants in an effort to promote aggressive programs to involve minority businesses in procurement and contracting. This will be a priority subject for discussion at the State OMBE conference scheduled for April 7-10, 1975.



2.

The Working Group met again on February 27. At this meeting, Subgroup #1 provided initial data from HEW and Labor along with back-up material associated with the use of small and minority businesses by agency grantees. After some lengthy discussion of these data and that provided at the meeting on February 13, the following course of action was agreed upon:

Subgroup #1 will develop a format to which the agency data can be reduced that:

1. Describes the agency grant programs that have potential for minority business.
2. Describes the regulations, laws, etc. that implement the program.
3. Describes the grant language, laws and regulations that provide minority business access to contracts, subcontracts, purchase orders, etc. for goods and services made possible by such grants.
4. Includes any innovative developments or procedures which implement the regulations advancing minority business enterprise.

Subgroup #1 will have the data for the five test agencies reduced to the format and disseminated to all member agencies for review and comment. This action is programmed to occur on or before May 1, with an agency response date of May 15.

The resulting data will also be made available to State OMBES as informational material for their use in program development.

