



Control Number: 26715



Item Number: 75

Addendum StartPage: 0

# WORKFORCE AND SUPPLIER DIVERSITY FORM

26715

Actual = [Total HUB(6) procurement + Total Small Business procurement]/Total Company procurement			
	Actual for Previous FY	Actual for Current FY	Percentage change
Construction Contracts (1)	0	0	-
Commodities Contracts (2)	853	404	- 53 %
Other Services (3)	61,495	4,311	-93 %
Professional Services Contracts (4)	0	0	-
Major Equipment (5)	2,789	43,071	1444 %
Other	195	0	-100 %

- (1) **Construction** -- Construction done by general contractors and special trade contractors which includes new work, additions, alterations, reconstruction, installations, repairs, remodeling, renovating, and repair of office buildings. Heavy construction other than buildings such as pipelines, communication and power lines, sewer and water mains, asphalt and concrete construction of roads, trenching, cable laying, conduit construction, land clearing and leveling.
- (2) **Commodities** -- All materials, goods or tangibles purchased to conduct business, not including fuel or purchased power contracts and major equipment purchases and rentals.
- (3) **Others Services** -- All specialty work, special circumstances that required contract labor, special consultants or other non-defined services. Examples include audio/visual, staffing services, landscaping, forestry, tree trimming, art and decorative services, janitorial, travel/lodging, automotive repair, and photography.
- (4) **Professional Services** -- Contracted professional services which include legal, consulting, health, engineering, accounting, advertising/marketing, architectural, real estate, computer services, research and analysis, education/training, insurance, surveying services, weather services, environmental, financial, etc.
- (5) **Major Equipment** -- Includes all major equipment purchases and rentals including but not limited to transmission and distribution equipment, power plant equipment, substation equipment, heavy construction equipment, fleet requirements, etc.
- (6) **HUB** -- Business enterprises that are 51% owned and controlled by U.S. citizens who are socially disadvantaged because of their identification as members of certain groups, including African-American, Hispanic, Native American, or Asian Pacific and Women as defined in the Texas Government Code § 481.101(1).
- (7) **Other** -- Any commodity or service not covered by the above categories.

PUBLIC UTILITY REGULATION COMMISSION

10:10:46

## WORKFORCE AND SUPPLIER DIVERSITY FORM

### Introduction:

The following plan is filed to comply with the requirements of the Public Utility Regulatory Act Substantive Rule 26.85 and the Public Utility Commission ***Project No. 21170 and 26715 - Compliance Proceeding for Telecommunications Utilities' Five-Year Plan to Enhance Diversity of its Workforce and Increase Opportunities for Small and Historically Underutilized Businesses.*** Lipan Telephone Company, Inc. (The Company) recognizes the benefits to our customers, our community and our Company of having diversity in the workforce and of increasing the amount of business the Company does with small and historically underutilized businesses (HUB) operating in our community. The Company is proud of its record of enhancing the diversity of our workforce. Over the past several years we have seen what we consider, given the extent possible in our community, to be improved statistics in our workforce numbers and progress in the amount of business the Company does with small and historically underutilized businesses in our community.

As a Company, we were organized and chartered to provide telecommunications services to a rural Texas service area. As citizens living and as a business operating within the community we serve, the management and employees of the Company continue to seek opportunity to make progress in the areas of diversifying the workforce and utilizing the products and services of small and historically underutilized businesses. However, our commitment to employing and purchasing from within the community we serve when and where possible far outweighs attempting to achieve an improved statistical number in these areas just for reporting purposes.

As a small, rural telephone Company, we have and must recognize a fiduciary duty and responsibility to our customers, employees and shareholders to make good, sound economic policy decisions as well as our community responsibility to purchase goods and services within our own community when possible. By the very nature of the service area we serve, we are sometimes limited in the local availability of certain telecommunications equipment and products and must go outside our communities for these mandatory purchases. Therefore, when possible, the Company contracts with local businesses to provide the goods and services that are available in our communities.

This report describes the progress that has been made during the past year with regard to the Company's Five-Year Plan to Enhance Workforce Diversity and Increase the Opportunities for Small and Historically Underutilized Businesses.

## **WORKFORCE AND SUPPLIER DIVERSITY FORM**

**Describe the specific initiatives, programs, and activities undertaken under the plan during the preceding year:**

Although new employment opportunities with the Company were few, the Company is committed to employing a diverse workforce with emphasis on recruiting, training and employing individuals with the education and skill-sets needed from within the local community. The effort to identify small and historically underutilized businesses and the effort to communicate our business needs is at an all time high for the Company. The Company's service region has a relative few HUB suppliers that serve our area with the products needed to meet our business needs. The results do not represent the additional efforts made by the Company to identify and communicate procurement opportunities to HUBs. The Company also continued to stay abreast of the products, services and businesses that qualified under the HUB definition through community resource participation and through use of the state's HUB directory.

In accordance with the five-year plan submitted to the commission last year, the Company has undertaken the following initiatives, directives and activities during the last year:

1. The Company has attempted to identify local organizations with minority membership emphasis and communicate through these organizations any proposed business and/or employment opportunities with the Company.
2. The Company has attempted to identify local organizations with female membership emphasis and communicate through these organizations any proposed business and/or employment opportunities with the Company.
3. The Company has attempted to identify local educational institutions and communicate through educational employment outreach programs the employment opportunities available for minority and female students. The Company has attempted to work with educational institutions to establish a work-for-credit intern program. These type programs may be established through local high school and/or community or surrounding area colleges.
4. Any available business and/or job opportunities were posted on the Company website and/or through local community media.
5. Any available job opportunities requiring telephony experience were posted on industry organization website, if available.

## **WORKFORCE AND SUPPLIER DIVERSITY FORM**

**Make an assessment of the success of each of the specific initiatives, programs, and activities listed above:**

As a small, rural telephone Company, we have and must recognize a fiduciary duty and responsibility to our customers, employees and shareholders to make good, sound economic policy decisions as well as our community responsibility to purchase goods and services within our own community when possible. By the very nature of the service area we serve, we are sometimes limited in the local availability of certain telecommunications equipment and products and must go outside our communities for these mandatory purchases. Therefore, when possible, the Company contracts with local businesses to provide the goods and services that are available in our communities. As such, it is difficult to determine the success of any of the initiatives detailed above. Due to the size of the Company's procurement amount, a significant fluctuation could be a product of a non-recurring purchase such as heavy equipment or machinery that falls within the HUB definition. As such, it is difficult to assess the success of a specific program without considering these non-recurring items. The Company feels that all of its efforts to increase the diversity of its workforce and increase HUB usage has been successful considering geographic limitations. Refer to the HUB information and Workforce Diversity information included in this filing for a comparison of each from the prior year.

## WORKFORCE AND SUPPLIER DIVERSITY FORM

**Describe the initiatives, programs, and activities the utility will pursue during the next year to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses:**

The initiatives, programs, and activities the Company will pursue during the next year to increase the diversity of its workforce and to increase procurement opportunities for small and historically underutilized businesses will be consistent with those initiatives, programs and activities identified in the initial Workforce Diversity filing. They are as follows:

- A. Employ a diverse workforce emphasizing local community employment. Initiatives related to this objective are listed below.
  - 1. Continue to identify local organizations with minority membership emphasis and communicate through these organizations any proposed employment opportunities with the Company.
  - 2. Continue to identify local organizations with female membership emphasis and communicate through these organizations any proposed employment opportunities with the Company.
  - 3. Continue to identify local educational institutions and communicate through educational employment outreach programs the employment opportunities available for minority and female students. Attempt to work with educational institutions to establish a work-for-credit intern program. These type programs may be established through local high school and/or community or surrounding area colleges.
  - 4. Post available job opportunities on Company website.
  - 5. Post available job opportunities on industry organization website.

## WORKFORCE AND SUPPLIER DIVERSITY FORM

**Continued -**

**Describe the initiatives, programs, and activities the utility will pursue during the next year to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses:**

- B. Utilize historically underutilized businesses (HUBs) in the procurement of goods and services, emphasizing local community service providers. Initiatives related to this objective are listed below.
1. Continue to identify local organizations with minority business membership emphasis and participate or communicate through these local organizations business opportunities with the Company.
  2. Continue to identify local organizations with female-owned business membership emphasis and participate or communicate through these local organizations business opportunities with the Company.
  3. Post contracting opportunities with local community media.
  4. Post contracting opportunities on the Company's website.
- C. Utilize small businesses other than HUB small businesses in the procurement of goods and services. Initiatives related to this objective are listed below.
1. Continue to identify local organizations with small business membership emphasis and participate or communicate business opportunities available with the Company.
  2. Post contracting opportunities with local community media.
  3. Post contracting opportunities on the Company's website.

## **WORKFORCE AND SUPPLIER DIVERSITY FORM**

### **State the specific progress made under the plan filed by the utility:**

As a Company, we were organized and chartered to provide telecommunications services to a rural Texas service area. As citizens living and as a business operating within the community we serve, the management and employees of the Company continue to seek opportunity to make progress in the areas of diversifying the workforce and utilizing the products and services of small and historically underutilized businesses. However, our commitment to employing and purchasing from within the community we serve when and where possible far outweighs attempting to achieve an improved statistical number in these areas just for reporting purposes. As a small, rural telephone Company, we have and must recognize a fiduciary duty and responsibility to our customers, employees and shareholders to make good, sound economic policy decisions as well as our community responsibility to purchase goods and services within our own community when possible. By the very nature of the service area we serve, we are sometimes limited in the local availability of certain telecommunications equipment and products and must go outside our communities for these mandatory purchases. Therefore, when possible, the Company contracts with local businesses to provide the goods and services that are available in our communities.

As such, it is difficult to determine the success of any of the initiatives detailed in the Five Year Plan To Increase Workforce Diversity filed previously with the commission. Refer to the HUB information and Workforce Diversity information included in this filing for a comparison of each from the prior year.

The Company has followed the plan as set forth in the initial filing when attempting to increase its workforce diversity and its utilization of HUBs. As mentioned previously, the effort to identify small and historically underutilized businesses and the effort to communicate our business needs is at an all time high for the Company. The Company will continue to examine its policies and procedures regarding both.



**Exhibit 1**  
**Lipan Telephone Co., Inc.**  
**Workforce And Supplier Diversity Form**  
**PUC Substantive Rule 26.85 (e)**  
**2002 Employee Breakdown**

Number of Employees For 2002													
Job Categories	Combined Total	Company Totals		Caucasian		African American		Hispanic		Asian		American Indian	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Officials and Managers	2	1	1	1	1								
Professionals													
Technicians	4	4		4									
Sales Workers													
Office and Clerical	2		2		2								
Craft Workers (Skilled)													
Operatives (Semi-skilled)													
Laborers (Unskilled)													
Service Workers													
Totals	8	5	3	5	3	0	0	0	0	0	0	0	0
Prior Year Totals	9	6	3	6	3	0	0	0	0	0	0	0	0