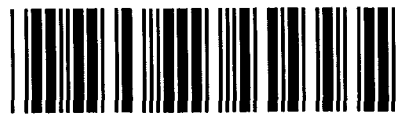


Control Number: 28691



Item Number: 8

Addendum StartPage: 0



*Heading For New Horizons*

RECEIVED

2003 DEC -2 AM 10: 54

PUBLIC UTILITY COMMISSION  
FILING CLERK

November 26, 2003

Public Utility Commission of Texas  
Attn: Filing Clerk  
1701 N. Congress Avenue  
Austin, Texas 78701

RE: §26.85 – Annual Report – Workforce & Supplier Diversity Report, Project #28691

Enclosed for filings are an original and four (4) copies of South Plains Telephone Cooperative, Inc.'s Workforce and Supplier Diversity Report for 2003.

If you have any questions, please give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Scotty Hart".

Scotty Hart  
General Manager

Enclosures

**South Plains Telephone Cooperative, Inc.'s  
WORKFORCE AND SUPPLIER DIVERSITY REPORT**

| Occupational Categories   | NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR |                |        |           |        |                  |        |          |        |       |        |                 |        |   |
|---------------------------|--|----------------|--------|-----------|--------|------------------|--------|----------|--------|-------|--------|-----------------|--------|---|
|                           | Combined<br>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    | 7  | 6              | 1      |           | 5      | 1                | 0      | 0        | 1      | 0     | 0      | 0               | 0      | 0 |
| Professionals             | 2  | 2              | 0      |           | 2      | 0                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Technicians               | 2  | 2              | 0      |           | 2      | 0                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Sales Workers             | 0  | 0              | 0      |           | 0      | 0                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Office and Clerical       | 10   | 0              | 10     |           | 0      | 7                | 0      | 0        | 0      | 4     | 0      | 0               | 0      | 0 |
| Craft Workers (Skilled)   | 5  | 5              | 0      |           | 5      | 0                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Operatives (Semi-skilled) | 3  | 2              | 1      |           | 2      | 1                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Laborers (Unskilled)      | 1  | 1              | 0      |           | 1      | 0                | 0      | 0        | 0      | 0     | 0      | 0               | 0      | 0 |
| Service Workers           | 7  | 7              | 0      |           | 4      | 0                | 1      | 0        | 2      | 0     | 0      | 0               | 0      | 0 |
| Previous Year Totals      | 39   | 25             | 14     |           | 22     | 9                | 1      | 0        | 2      | 5     | 0      | 0               | 0      | 0 |
| Year Totals               | 37   | 25             | 12     |           | 21     | 8                | 1      | 0        | 3      | 4     | 0      | 0               | 0      | 0 |

**South Plains Telephone Cooperative, Inc.'s  
WORKFORCE AND SUPPLIER DIVERSITY REPORT**

| <b>Actual = [Total HUB(6) procurement + Total Small Business procurement]/Total Company procurement</b> |  | <b>Actual for Previous FY</b> | <b>Actual for Current FY</b> | <b>Percentage change</b> |
|---|--|-------------------------------|------------------------------|--------------------------|
| Construction Contracts (1)  |  | 0%                            | 0%                           | 0%                       |
| Commodities Contracts (2)   |  | 0%                            | 0%                           | 0%                       |
| Other Services (3)  |  | 63.2%                         | 48%                          | <15.2%>                  |
| Professional Services Contracts (4)   |  | 23.1%                         | 27%                          | 3.90%                    |
| Major Equipment (5)   |  | 4.8%                          | 15%                          | 10.2%                    |
| Other   |  | 12.8%                         | 8%                           | <4.8%>                   |

**(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.

**South Plains Telephone Cooperative, Inc.'s  
WORKFORCE AND SUPPLIER DIVERSITY REPORT**

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

- A. Employ a diverse workforce emphasizing local community employment. Initiatives related to this objective are listed below:
  - 1. Continue the current hiring practices that have been very successful in achieving work force diversity.
  - 2. Identify local organizations with minority membership emphasis and communicate through these organizations employment opportunities with the Cooperative.
  - 3. Identify local organizations with female membership emphasis and communicate through these organizations employment opportunities with the Cooperative.
  - 4. Provide workforce diversity related employee training.
  - 5. Offer available work-related training to employees.
  - 6. Offer available advancement opportunities to employees.
- 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. Identify local organizations with minority business membership emphasis and participate or communicate through these local organizations business opportunities with the Cooperative.
  - 2. Identify local organizations with female-owned business membership emphasis and participate or communicate through these local organizations business opportunities with the Cooperative.
  - 3. Post contracting opportunities with local community media.
- 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. Identify local organizations with small business membership emphasis and participate or communicate business opportunities available with the Cooperative.
  - 2. Post contracting opportunities with local community media.

**South Plains Telephone Cooperative, Inc.'s  
WORKFORCE AND SUPPLIER DIVERSITY REPORT**

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

South Plains is proud of its record to enhance the diversity of our workforce and the utilization of small and historically underutilized businesses where available and when appropriate in the communities we serve.

South Plains, as a small, rural telephone company, must recognize our fiduciary duty and responsibility to our members to make good, sound economic policy decisions as well as our community responsibility to purchase goods and services within our own communities when possible and employ a workforce that corresponds to the diversity of those we serve.

**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 Cooperative has identified the following goals or initiatives to reflect its objectives in the areas of employment, procurement and business activities.

- A. South Plains maintains a commitment to employ a diverse workforce with emphasis placed on recruiting, training and employing individuals with the education and skill-sets needed from within the local community.
- B. South Plains strives to utilize historically underutilized businesses (HUBs) for the procurement of goods and services, especially when the HUB is affiliated or located within its local or surrounding communities. The Company strives to stay abreast of the availability of certain products, services, and businesses that qualify under the HUB definition through community resource participation and involvement and through use of the state's HUB directory. The Company also strives to communicate to the HUB-community the opportunity for doing business with South Plains. This initiative will continue to be promoted by local participation and communication with organizations that HUBs belong to as well as posting of applicable information for HUBs that are independently investigating products or contract opportunities.
- C. South Plains also aims to utilize small businesses other than those defined as HUBs in the procurement of goods and services. With the company's emphasis on utilizing and promoting local or surrounding area business economic growth, South Plains plan to continue its involvement in local, county, and state organizations that promote the use of small businesses.

**South Plains Telephone Cooperative, Inc.'s  
WORKFORCE AND SUPPLIER DIVERSITY REPORT**

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

The workforce diversity report for year-end 2003 reflects the results of the efforts and the focus of the South Plains Telephone Cooperative's plan to enhance the workforce diversity. There was a net decrease of two employees during the year. This consisted of a net loss of one Caucasian female and one Hispanic female. A Caucasian male was replaced by an Hispanic male. The Hispanic male category was 8.1% and the Hispanic female category was 10.8% for 2003.

South Plains Telephone Cooperative, Inc. continues to focus on developing relationships with suppliers and professional services providers that are small, and historically underutilized businesses operating in our community. We continue to operate under the philosophy of making good, sound, economic decisions as well as our community responsibility to purchase goods and services within our communities, when possible.

As you can see on the South Plains Telephone Workforce and Supplier Diversity Form, the Construction Contracts category remained 0 due to no contracts being awarded and South Plains Telephone performs the construction projects with employees rather than awarding contracts. The Commodities Contracts category remained at 0 due to no purchases being made in this area. There was a decline in the Other Services and Other categories due to decreased spending in these areas. There was an increase in the Professional Services Contracts and Major Equipment categories.