



Control Number: 30240



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Filing Clerk
Public Utility Commission of Texas
1700 N. Congress Avenue
Austin, Texas 78701

RE: Project No. 30240- Annual Progress Report on Five-Year Plan to Enhance
Supplier and Workforce Diversity - Windstream Communications
companies.

Pursuant to Substantive Rule §26.85(e), enclosed for filing are four (4) copies of the
Windstream Communications companies Annual Progress Report on the Implementation
of the Five-Year Plan to Enhance Supplier and Workforce Diversity. The Windstream
companies are Texas Windstream, Inc., Windstream Sugar Land, Inc., Windstream
Communications Kerrville, LLC, Windstream Communications Telecom, LLC and
Windstream Communications Southwest,

Consistent with the requirements of the rule, copies of this report are also being provided
to the following: (1) Governor; (2) Lieutenant Governor; (3) Speaker of the House; (4)
Chair- House Legislative Black Caucus; (5) Chair- Texas Senate Hispanic Caucus; (6)
Chairman-House Mexican-American Caucus.

If you have any questions concerning this report, please contact me at (512)457-9949.

Sincerely,

Jose A. Camacho
Vice-President External Affairs'
Texas and Oklahoma

cc w/ attachment The Honorable Governor Rick Perry
 The Honorable Lieutenant Governor David Dewhurst
 The Honorable Representative Joe Straus
 The Honorable Representative Sylvester Turner
 The Honorable Senator Carlos Uresti
 The Honorable Representative Trey Martinez Fischer

WORKFORCE AND SUPPLIER DIVERSITY FORM
WORKFORCE DIVERSITY
Windstream Communications Companies

Occupational 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	38	37	1	33	1	1	0	3	0	0	0	0	0
Professionals	37	32	5	29	5	1	0	2	0	0	0	0	0
Technicians	145	136	9	110	8	10	1	14	0	0	0	2	0
Sales Workers	37	13	24	11	19	1	3	1	2	0	0	0	0
Office and Clerical	13	1	12	1	12	0	0	0	0	0	0	0	0
Craft Workers (Skilled)	202	202	0	177	0	7	0	13	0	1	0	4	0
Operatives (Semi-skilled)	0	0	0	0	0	0	0	0	0	0	0	0	0
Laborers (Unskilled)	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	2	2	0	2	0	0	0	0	0	0	0	0	0
Previous Year Totals													
	457	404	53	343	48	20	2	33	3	1	0	7	0
This Year Totals	474	423	51	363	45	20	4	33	2	1	0	6	0

NOTE: Double-click on embedded Excel chart to open. Click on a cell or use arrow keys to select an occupational category and ethnic group to update workforce diversity numbers. Do not enter information in Combined Total and Company Totals columns or the This Year Totals row as these will update automatically. Cells left blank will be counted as zero. Click anywhere outside of chart to exit.

WORKFORCE AND SUPPLIER DIVERSITY FORM
HUB/SMALL BUSINESS PROCUREMENT AS A PERCENTAGE OF TOTAL COMPANY PROCUREMENT
Windstream Communications Companies

Actual % = [Total HUB(1) procurement + Total Small Business(2) procurement]/Total Company procurement		Actual % for Previous FY	Actual % for Current FY	Percentage Change
Construction Contracts (3)		1.9400%	10.7449%	453.86%
Commodities Contracts (4)		12.2000%	28.4459%	133.16%
Other Services (5)		11.0200%	33.2933%	202.12%
Professional Services Contracts (6)		13.4300%	13.5472%	0.87%
Major Equipment (7)		92.0100%	0.1652%	-99.82%
Other (8)		1.0900%	100.0000%	9074.31%

- (1) **HUB** -- Pursuant to Texas Government Code § 481.191(4), HUB means: (A) a corporation formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities is owned by one or more persons who are members of certain groups, including black Americans, Hispanic Americans, women, Asian Pacific Americans, and American Indians; (B) a sole proprietorship formed for the purpose of making a profit that is 100 percent owned, operated, and controlled by a person described by Paragraph (A) of this subdivision; (C) a partnership formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by Paragraph (A) of this subdivision. Those persons must have proportionate interest and demonstrate active participation in the control, operation, and management of the partnership's affairs; or (D) a joint venture in which each entity in the joint venture is a historically underutilized business under this subdivision.
- (2) **Small Business** -- Pursuant to Texas Government Code § 481.191(6), Small Business means a corporation, partnership, sole proprietorship, or other legal entity that: (A) is domiciled in this state; (B) is formed to make a profit; (C) is independently owned and operated; and (D) employs fewer than 100 full-time employees.
- (3) **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.
- (4) **Commodities** -- All materials, goods or tangibles purchased to conduct business, not including fuel or purchased power contracts and major equipment purchases and rentals.
- (5) **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.
- (6) **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.
- (7) **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.
- (8) **Other** -- Any commodity or service not covered by the above categories.

WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES
Windstream Communications Companies

(1) Describe the specific initiatives, programs, and activities undertaken under the plan during the preceding year:

- *Employee training was conducted and supplier diversity materials are included with new hire package
- *Procurement has included Supplier Diversity language in contract templates
- *External vendor supplier diversity website was established allowing vendors to submit for bidding opportunities
- *Windstream continues to be a corporate sustaining member of the Arkansas Mississippi Minority Supplier Development Council (AMMSDC) and Women's Business Council Southwest (WBCS)
- *Windstream has policies in place to identify qualified candidates for positions without regard to race, color, religion, sex, age, national origin, military status, or disability
- *Windstream provides training and development to employees and managers
- *Windstream utilizes a service to ensure job openings are sent to websites that target minorities and females, veterans, and persons with disabilities, and to state job services agencies
- *Windstream uses affirmative action recruiting strategies, shares its recruiting program with field locations, and attempts to identify minority and female candidates for senior management positions

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

- *Procurement requires one of three bids to be with a MWDVBE
- *Website has expanded vendor listing of available qualified MWDVBE vendors
- *Windstream's involvement with the AMMSDC and WBCS has enhanced exposure to qualified MWDVBE vendors
- *Windstream conducted management training, which includes hiring practices and employee relations, at multiple locations throughout the year

WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES
Windstream Communications Companies

(3) 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:

- *Windstream will continue to look for qualified MWDVBE suppliers and encourage the use of MWDVBE suppliers to procure products and services
- *Windstream will continue to encourage subcontracting through MWDVBE suppliers
- *Windstream will continue to enhance exposure and opportunities to meet qualified suppliers and grow WBE and MBE in the Southwest through active involvement with local chapters of WBCS and AMMSDC
- *Windstream will continue to use an internal database and third party audit services to track, review and audit Hubzone and MWDVBE
- *Windstream will use its Diversity Hiring Report to identify strengths and weaknesses in its utilization of labor across population demographics
- *Windstream will continue its affirmative action recruiting strategies, will share its recruiting program with field locations, and continue to identify minority and female candidates for senior management positions
- *Windstream will continue to provide training to its managers and employees
- *The importance of diversity will be emphasized to management

(4) State the specific progress made under the plan filed by the utility:

- *Windstream has worked with a third party to develop a database to capture and better track small disadvantaged business and women-owned businesses
- *Windstream's involvement with women and minority councils has resulted in direct exposure to local MWDVBE
- *Procurement and Employee Relations personnel are available to help locate women and minority groups to use as recruiting sources or for activities to promote community/supplier diversity awareness