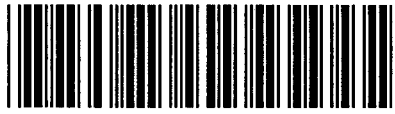


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Addendum StartPage: 0

**Bob Priebe**  
Staff Manager  
State Government Affairs

One Allied Drive  
Little Rock, AR 72202  
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501-905-8144  
501-905-5679 fax



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PUBLIC UTILITY COMMISSION  
FILING CLERK

December 30, 2004

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 for ALLTEL Communications, Inc.

Pursuant to §26.85(e), enclosed for filing are four (4) copies of the Annual Progress Report on the implementation of the Five-Year Plan to Enhance Supplier and Workforce Diversity. This filing is being made in Project 30240 as the project designated for this report.

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

If you have any questions concerning this report, please contact me at 501/905-8144.

Sincerely,

Bob Priebe  
Staff Manager – State Government Affairs

cc w/ attachment

The Honorable Rick Perry - Governor  
Lt. Governor David Dewhurst  
The Honorable Tom Craddick  
The Honorable Garnet Coleman, Chairman  
The Honorable Juan "Chuy" Hinojosa, Chairman  
The Honorable Pete Gallego, Chairman

bcc: Debbie Ratliff  
file: U.2. b. Annual Diversity Report

**WORKFORCE AND SUPPLIER DIVERSITY FORM  
WORKFORCE DIVERSITY**

Occupational Categories	NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR													
	Company Totals		Caucasian		African American		Hispanic		Asian		American Indian			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
Officials and Managers	27	28	17	18	0	3	10	7	0	0	0	0		
Professionals	17	11	7	5	0	1	2	2	0	3	0	0		
Technicians	20	0	13	0	5	0	2	0	0	0	0	0		
Sales Workers	54	52	34	35	3	4	17	12	0	0	0	1		
Office and Clerical	69	198	21	77	5	34	42	86	1	1	0	0		
Craft Workers (Skilled)	0	0	0	0	0	0	0	0	0	0	0	0		
Operatives (Semi-skilled)	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		
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0		
<b>Previous Year Totals</b>	120	100	79	62	10	5	30	31	1	1	0	1		
<b>This Year Totals</b>	179	289	92	135	13	42	73	107	1	4	0	1		

**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**

<b>Actual % = [Total HUB(1) procurement + Total Small Business(2) procurement]/Total Company procurement</b>	<b>Actual % for Previous FY</b>	<b>Actual % for Current FY</b>	<b>Percentage Change</b>
Construction Contracts (3)	0.0000%	0.0000%	%
Commodities Contracts (4)	0.0000%	0.0000%	%
Other Services (5)	0.0000%	0.0000%	%
Professional Services Contracts (6)	0.0000%	0.0000%	%
Major Equipment (7)	0.0000%	0.0000%	%
Other (8)	0.0000%	0.0000%	%

(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  
HUB/SMALL BUSINESS PROCUREMENT AS A PERCENTAGE OF TOTAL  
COMPANY PROCUREMENT**

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

- In 2003, ALLTEL set up a new ethics awareness Web site to promote the ethical policies and guidelines for working with customers, competitors and business partners. To date more than 17,590 employees have visited the site and completed the new "Ethics in the Workplace" course located there.

The site will help employees understand ALLTEL's policies and guidelines for working with customers, competitors, business partners and fellow employees. As part of ALLTEL's ethics program, employees are expected to stay aware of the company's ethics policy. All employees are asked to take the course, which contains relevant information.

The Ethics in the Workplace course is required and will become a part of the employee's training record.

- The EEO/AAP Administration continues to review utilization numbers, promotion and termination data, and recruitment and applicant information in order to determine where there are areas to be improved. Reports are compiled based on the above mentioned factors and are given to each of the Human Resources Vice-Presidents of each region so that they will have a better understanding of their region's workforce.
- Succession planning continues to provide ALLTEL with an avenue to effectively and consistently identify qualified candidates for key positions without regard to race, color, religion, sex, age, national origin or disability.

**WORKFORCE AND SUPPLIER DIVERSITY FORM  
COMPANY INITIATIVES**

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

- The Ethics Helpline has raised employee's awareness of ALLTEL's policies against discrimination and harrassment. Employees are encouraged to report anonymously or confidentially any activities in violation of the Ethics Policy.
- Utilization reports will be compiled based on the above mentioned factors and are given to each of the Human Resources Vice Presidents of each region so that they will have a better understanding of their group's workforce.
- The Succession Planning process was open to 2630 employees within the continental United States.

## **WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES**

**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:**

- Active members of the Arkansas Industry Liaison Group, which is sponsored by the US Department of Labor's OFCCP division. This group seeks to bring businesses together to discuss equal employment and affirmative action practices. We expect to gain valuable knowledge from this partnership.
  
- On an ongoing basis the company will continue to maximize the value of succession planning activities by including management positions in the succession planning process that are critical to obtaining the goals of the company.

**WORKFORCE AND SUPPLIER DIVERSITY FORM  
COMPANY INITIATIVES**

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

- Have attended regional and local ILG conferences regarding EEO Policies and AAP Plans in accordance with the OFCCP and DOL regulations and practices.