



Control Number: 30240



Item Number: 1949

Addendum StartPage: 0

NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR													
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	45	37	8	35	7			2	1	0	0	0	0
Professionals	84	57	27	47	21	4	4	6	2	0	0	0	0
Technicians	52	48	4	35	2	6	2	7	0	0	0	0	0
Sales Workers	80	55	25	43	20	3	2	8	2	1	0	0	1
Office and Clerical	14	3	11	2	8	0	0	1	3	0	0	0	0
Craft Workers (Skilled)													
Operatives (Semi-skilled)													
Laborers (Unskilled)													
Service Workers													
Previous Year Totals	277	201	76	164	56	13	10	24	8	0	0	0	2
This Year Totals	275	200	75	162	58	13	8	24	8	1	0	0	1

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1949

tw telecom holdings inc.

SMALL & DIVERSE BUSINESS SUBCONTRACTING PLAN

I. IDENTIFICATION DATA:

Company Name: tw telecom holdings inc. ("*tw telecom*")
Address: 10475 Park Meadows Drive, Littleton, Colorado 80124
Date Prepared: September 1, 2011
Item/Service: Telecommunications Services
Contract Number: GS-35F-0426R and any other Federal Contract as may be applicable
Estimated Annual Sales (Company-Wide): \$1,200,000,000
Commercial Plan Period: Jan 1, 2012 thru Dec 31, 2012

II. TYPE OF PLAN:

COMMERCIAL PLAN: Covers the offeror's fiscal year and applies to the entire production of commercial items sold by the entire company. Per FAR 19.704(d), this is the preferred type of plan for contractors furnishing commercial items. Once a contractor's commercial plan has been approved, the Government shall not require another subcontracting plan from the same contractor while the plan remains in effect, as long as the product or service being provided by the contractor continues to meet the definition of a commercial item. The contractor shall— (1) Submit the commercial plan to either the first contracting officer awarding a contract subject to the plan during the contractor's fiscal year, or, if the contractor has ongoing contracts with commercial plans, to the contracting officer responsible for the contract with the latest completion date. The contracting officer shall negotiate the commercial plan for the Government. The approved commercial plan shall remain in effect during the contractor's fiscal year for all Government contracts in effect during that period; (2) Submit a new commercial plan, 30 working days before the end of the Contractor's fiscal year, to the contracting officer responsible for the uncompleted Government contract with the latest completion date. The contractor must provide to each contracting officer responsible for an ongoing contract subject to the plan, the identity of the contracting officer that will be negotiating the new plan; (3) When the new commercial plan is approved, provide a copy of the approved plan to each contracting officer responsible for an ongoing contract that is subject to the plan; and (4) Comply with the reporting requirements stated in FAR 19.704(a)(10) by submitting one SSR in eSRS, for all contracts covered by its commercial plan. This report will be acknowledged or rejected in eSRS by the contracting officer who approved the plan. The report shall be submitted within 30 days after the end of the Government's fiscal year.

III. GOALS:

- A. *tw telecom* provides the following separate dollar and percentage goals for small and diverse, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns. These goals are a percentage of the total subcontracting dollars.
1. Estimated **TOTAL dollars planned to be subcontracted**; i.e. to **all types of business concerns** (large and small):

Commercial Plan Period: \$445,000,000

2. Planned subcontracting to **large** business concerns (those classified as other than small):
Commercial Plan Period: \$347,100,000 = 78.00% of total
 3. Planned subcontracting to **all small** and small diverse business concerns (includes Small (including ANCs and Indian tribes), Small Disadvantaged (including ANCs and Indian tribes), Women-Owned Small Business, HUB Zone Small, Veteran-Owned Small, Service-Disabled Veteran-Owned Small):
Commercial Plan Period: \$97,900,000 = 22.00% of #1 total
 4. Planned subcontracting to **HUBZone small** business concerns:
Commercial Plan Period: \$3,000,000 = 0.67% of #1 total
 5. Planned subcontracting to **small disadvantaged** business concerns:
Commercial Plan Period: \$4,450,000 = 1.00% of #1 total
 6. Planned subcontracting to **women-owned small** business concerns:
Commercial Plan Period: \$16,500,000 = 3.71% of #1 total
 7. Planned subcontracting to **veteran-owned small** business concerns (includes service-disabled veteran-owned small business):
Commercial Plan Period: \$ 4,050,000 = 0.91% of #1 total
 8. Planned subcontracting to **service-disabled veteran-owned small** business concerns (subset of VOSB above) is:
Commercial Plan Period: \$152,000 = 0.03% of #1 total
- B. The principal types of supplies and/or services that *tw telecom* anticipates to be subcontracted and the identification of the type of business concern planned are as follows:

Business Category or Size

Supplies/Services	Large	Small	HUBZ	SDB	WOSB	VOSB	SDVOSB
Equip/Software	X	X		X	X	X	X
Construction	X	X		X	X	X	X
Engineering	X	X	X		X	X	X
Survey/Locate	X	X					
Installation	X	X		X	X	X	X
Tech Service	X	X	X	X	X	X	X
General Service	X	X	X	X	X	X	X

C. *tw telecom* used the following method to develop the subcontracting goals:

The methods that *tw telecom* has used, and is using, to develop its government contract subcontracting goals for small, HUB Zone small, small disadvantaged, veteran-owned small, service-disabled veteran-owned small, and women-owned small business concerns include:

- Identifying the type of business concern of *tw telecom*'s vendors and loading/updating that information to the appropriate financial data table in *tw telecom*'s AP system;
- Verifying *tw telecom*'s prior fiscal year spend with each category of business concern and establishing/maintaining a list of the vendors in each category;
- Working to close any gap between *tw telecom*'s prior fiscal year spend and the current fiscal year's percentage of spend goal for each type of business concern and the percentage of spend goal established by the GSA for the stated fiscal year, noting, however, that *tw telecom*'s increased 2011 "stretch" goals are aspirational;
- Where a gap develops between *tw telecom*'s prior fiscal year spend and *tw telecom*'s current fiscal year spend goal, *tw telecom* will work to identify the appropriate means and methods to drive business to the diverse supplier business subcategory where the gap exists including:
 - Identifying opportunities and methods to drive more spend to *tw telecom*'s existing suppliers in the small business subcategory where the gap exists;
 - Identifying new sources of supply through local, national and regional vendor outreach efforts (via *tw telecom* research, business opportunity workshops, minority business enterprise seminars, online diverse supplier databases, trade fairs, etc.) In 2010 worked with a new service-disabled veteran equipment reseller in an effort to partner on stocking *tw telecom*'s warehouse. The vendor did not perform as anticipated and therefore the anticipated spend in this category fell short of *tw telecom*'s expectations. However, *tw telecom* will continue its efforts in targeting diversity categories to meet and/or exceed its goals.
- Where gaps *do not* exist between *tw telecom*'s prior fiscal year spend and *tw telecom*'s current fiscal year spend goal, *tw telecom* continues to identify new sources of supply, bidding opportunities, awards, and appropriate embedded diverse supplier development to help meet and/or exceed *tw telecom*'s goals for the given type of business concern.

D. *tw telecom* identifies potential subcontractors using the following source lists and organizations:

- **tw telecom**'s subcontracting requirements are established by the overall business needs of the company and, as applicable, the specific requirements of each project. Typically, these goods and services needs cannot reasonably be fulfilled internally. As an example, **tw telecom** subcontracts for goods and services that: i) are not within **tw telecom**'s core mission to produce but are required for **tw telecom** to provide services; ii) are variable and/or unpredictable in nature making it imprudent to hire and later layoff personnel who would perform such functions; iii) are from vendors who have specialized knowledge or expertise not resident within **tw telecom**; or iv) are goods and services that can be obtained more efficiently and/or at a prices not otherwise achievable within **tw telecom**. **tw telecom** will to continue to extend subcontracting and new business opportunities to small, HUB Zone small, small disadvantaged, veteran-owned small, service-disabled veteran-owned small, and small women-owned business concerns based upon **tw telecom**'s ongoing business needs.
- **tw telecom** determines the capability of small, HUB Zone small, small disadvantaged, veteran-owned small, service-disabled veteran-owned small, and women-owned small business concerns based upon the vendor's ability to meet **tw telecom**'s specified requirements and overall business needs including the appropriate balance of price, timeliness, quality, technical suitability, economic diversity, and other valid business considerations.
- **tw telecom** utilizes several source lists in determining which vendors to use including (but not limited to): **tw telecom**'s internal database of embedded (existing) diverse subcontractors, direct solicitations from small, HUB Zone small, small disadvantaged, veteran-owned small, service-disabled veteran-owned small, and women-owned small business concerns; local chambers of commerce, business opportunity fairs and workshops, minority business enterprise seminars, trade fairs, SBA database of small businesses, DOE database of minority institutions, state databases of registered minority businesses, the North American Industry Classification System (NAICS) database, and the Women Business Enterprise National Council list.

E. Indirect and overhead costs X HAVE BEEN (or) HAVE NOT BEEN included in the dollar and percentage subcontracting goals stated above. It should be noted that under section III above, **tw telecom** has included subcontracting in areas such as landscaping, graphics, business cards, office supplies, courier service, consulting services, cleaning, transportation, packaging materials, conferences, snow removal, elevator maintenance, janitorial, advertising, promotional items, education/training, office equipment, security services, audit services, laundry services, office repairs, trade shows, window cleaning, fire alarm monitoring, printing, signage, photography, travel agency, office furniture, temporary services, trucking, equipment rental, pest control etc. The following items are not included under section III above: Payroll, Taxing Authorities, Interconnection (Telecom Carriers), Financial Institutions, Utilities, Insurance, Legal, Real Estate, and similar expenditures.

IV. PROGRAM ADMINISTRATOR:

Name: Denika Dwyer
 Title: Director Strategic Supplier Management
 Small & Diverse Business Subcontracting
 Address: 10475 Park Meadows Drive
 Littleton, Colorado 80124
 Telephone: (303) 566-1532
 Fax: (720) 225-6040
 Email: denika.dwyer@twtelecom.com

Alternate POC with contact information:

Name: Jon Schwartz
Title: VP Procurement
Address: 10475 Park Meadows Drive
Littleton, Colorado 80124
Telephone: (303) 566-1541
Fax: (720) 225-6040
Email: jon.schwartz@twtelecom.com

Duties: The Program Administrator shall have general overall responsibility for the Contractors subcontracting program; i.e., developing, preparing, and executing individual subcontracting plans and monitoring performance relative to this particular plan. Such duties may include, but are not limited to, the following activities:

- A. Developing and promoting company/division policy statements that demonstrate the company's/division's support for awarding contracts and subcontracts to small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns.
- B. Developing and maintaining bidders' lists of small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small and service-disabled veteran-owned small business concerns from all possible sources.
- C. Making reasonable efforts to include and where appropriate periodically rotate small, HUBZone small, small disadvantaged, veteran-owned small, service-disabled veteran-owned small, and women-owned small business concerns on the bidders' lists for subcontract solicitations for products and services they are capable of providing.
- D. Assuring that small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses are included on the bidders' list for every subcontract solicitation for supplies and services they are capable of providing.
- E. Assisting in the design of subcontract procurement "packages" to permit participation of small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses.
- F. Reviewing subcontract solicitations to remove statements, clauses, etc. which might tend to restrict or prohibit small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses.
- G. Documenting *tw telecom's* reasons for not selecting low bids submitted by small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses concerns related to a government contract.
- H. Overseeing the establishment and maintenance of contract and subcontract award records.
- I. Attending or arranging for the attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.

J. Directly or indirectly counseling small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns on subcontracting opportunities and how to prepare bids to the company.

K. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, or service-disabled veteran-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the contractor's subcontracting plan. HUBZone small business concerns shall provide a copy of their Small Business Administration (SBA) certification.

Each SB, SDB, WOSB, VOSB, and SDVOSB concern on record as a potential subcontractor shall complete a self-certification form stating their business size. A penalties clause for falsifying information will also be on the form according to the legal statute 15 U.S.C. 645(d). Note, the following notice will read near the business owner's signature. "NOTICE: In accordance with U.S.C. 645(d), any person who misrepresents a firm's proper size classification shall (1) be punishable by imposition of a fine, imprisonment, or both, (2) be subject to administrative remedies, and (3) be ineligible for participation in programs conducted under the authority of the Small Business Act."

L. Conducting or arranging training for purchasing, and requisitioning personnel regarding the intent and impact of Section 8(d) of the Small Business Act on purchasing procedures.

M. Including merit and/or incentive based compensation related to the program administrator's support of the subcontracting program.

N. Monitoring the company's performance and making any adjustments necessary to achieve the subcontract plan goals.

O. Preparing eSRS reports annually that *tw telecom's* Public Sector Sales department will submit on a timely basis.

P. Assisting *tw telecom* Public Sector Sales department in coordinating the company's activities during compliance review by Federal agencies.

V. EQUITABLE OPPORTUNITY:

tw telecom will ensure that small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns will have an equitable opportunity to compete for subcontracts. These efforts may include one or more of the following activities

A. Outreach efforts to obtain sources:

- ☒ Contacting minority and small business trade associations
- ☒ Contacting business development organizations
- ☒ Requesting sources from the Central Contractor Registration (CCR), Dynamic Small Business Search, which integrated data from the previous SBA PRO-Net database
- ☒ Attending small and minority business trade fairs and procurement conferences

B. Internal efforts to guide and encourage purchasing personnel:

- ☒ Presenting workshops, seminars and training programs
- ☒ Establishing, maintaining and using small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts
- ☒ Monitoring activities to evaluate compliance with the subcontracting plan

VI. CLAUSE INCLUSION AND FLOW DOWN:

tw telecom will include the FAR Clause 52.219-8, "Utilization of Small Business Concerns" in all government subcontracts that offer further subcontracting opportunities, and will further use reasonable efforts to require all government subcontractors (except SB concerns), who receive subcontracts in excess of \$650,000, (\$1,500,000 for construction) to adopt a plan that complies with the requirements of FAR Subpart 19 and Clause 52.219-9, "Small Business Subcontracting Plan."

VII. REPORTING AND COOPERATION:

Reports submitted under a commercial plan:—

- A. The report shall include all subcontract awards under the commercial plan in effect during the Government's fiscal year.
- B. The report shall be submitted annually, within thirty days after the end of the Government's fiscal year.
- C. If a Contractor has a commercial plan and is performing work for more than one executive agency, the Contractor shall specify the percentage of dollars attributable to each agency from which contracts for commercial items were received.
- D. The authority to acknowledge or reject SSRs for commercial plans resides with the Contracting Officer who approved the commercial plan.
- E. All reports submitted at the close of each fiscal year (both individual and commercial plans) shall include a Year-End Supplementary Report for Small Disadvantaged Businesses. The report shall include subcontract awards, in whole dollars, to small disadvantaged business concerns by North American Industry Classification System (NAICS) Industry Subsector. If the data are not available when the year-end SSR is submitted, the prime Contractor and/or subcontractor shall submit the Year-End Supplementary Report for Small Disadvantaged Businesses within 90 days of submitting the year-end SSR. For a commercial plan, the Contractor may obtain from each of its subcontractors a predominant NAICS Industry Subsector and report all awards to that subcontractor under its predominant NAICS Industry Subsector.

For information only, FAR 19.704(a) (10) requires assurances that the offeror will agree to the following:

tw telecom agrees to:

- A. Cooperate in any studies or surveys as may be required;
- B. Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan;
- C. Submit the Summary Subcontract Report (SSR) using the Electronic Subcontracting Reporting System (eSRS) (<http://www.esrs.gov>), following the instructions in the eSRS;

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- D. Ensure that its subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using the eSRS;
- E. Provide its prime contract number and its DUNS number and the e-mail address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their reports; and
- F. Require that each subcontractor with a subcontracting plan provide the prime contract number and its own DUNS number, and the e-mail address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to its subcontractors with subcontracting plans.

Reports are to be submitted within thirty (30) days after the close of each calendar period as indicated in the following chart:

<u>Calendar Period</u>	<u>Report Due</u>	<u>Date Due</u>	Submit Report To <u>www.esrs.gov</u> <u>with email to:</u>
10/01--09/30	SSR	10/30	Administrative Contracting Officer

VIII. RECORDKEEPING:

tw telecom developed documentation standards that allows it to maintain records reasonably demonstrating the procedures adopted to comply with the requirements and goals in the subcontracting plan. Such records may include, but are not limited to:

- A. Small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concern source lists, guides, and other data identifying and locating such vendors, subcontractors or suppliers.
- B. Organizations contacted for small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small and service-disabled veteran-owned small business sources.
- C. All subcontract solicitations over \$150,000, which indicate for each solicitation (1) whether small business concerns were solicited, and if not, why not; (2) whether HUBZone small business concerns were solicited, and if not, why not; (3) whether small disadvantaged business concerns were solicited, and if not, why not; (4) whether women-owned small business concerns were solicited, and if not, why not; (5) whether veteran-owned small business concerns were solicited, and if not, why not; (6) whether service-disabled veteran-owned small business concerns were solicited, and if not, why not; and, (7) if applicable, the reasons that solicited small and diverse business concerns did not receive the award.
- D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small, minority, and women-owned small business procurement conference and trade fairs.
- E. Records to support internal activities to (1) guide and encourage purchasing personnel, e.g., workshops, seminars, training programs, incentive awards; and (2) monitor activities to evaluate compliance.

IX. STATUTORY REQUIREMENTS

FAR 19.702 requires any contractor receiving a contract for more than the simplified acquisition threshold must agree in the contract that SB (including ANC and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANC and Indian tribes), and WOSB concerns will have the maximum practicable opportunity to participate in contract performance consistent with its efficient performance. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with SB (including ANC and Indian tribes), VOSB, SDVOSB, HUBZone, SDB (including ANC and Indian tribes), and WOSB concerns.

X. DESCRIPTION OF GOOD FAITH EFFORT:

As stated in 15 U.S.C. 637(d)(8), and FAR 19.702(c) any contractor or subcontractor failing to comply in good faith with the requirements of the subcontracting plan is in material breach of its contract. Further, 15 U.S.C. 637(d)(4)(F) directs that a contractor's failure to make a good faith effort to comply with the requirements of the subcontracting plan shall result in the imposition of liquidated damages. Liquidated damages shall be paid by the contractor.

In order to demonstrate your compliance with a good faith effort to achieve the small business subcontracting goals, outline the steps below that your company plans to take.

tw telecom will take the following steps to demonstrate compliance with a good faith effort in achieving small business subcontracting goals:

Description of good faith effort:

tw telecom continues to increase its participation efforts with the Rocky Mountain Supplier Development Council and other similar Diversity Organizations by attending conferences, seminars and workshops to network with diverse supplier.

tw telecom works with new Diverse suppliers to provide guidance in how to participate in tw telecom's RFx process, and what steps are necessary to become an approved supplier with tw.

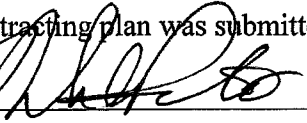
tw telecom will be implementing an upgraded version of PeopleSoft which will enforce an auto-routing of all orders valued at \$100,000 or greater to be reviewed to validate that at least one Diverse Supplier was provided an opportunity to participate in the due diligence process, and if it was not awarded the business, that justification was provided.

The above requirements of an acceptable plan will be negotiated with the contracting officer prior to approval. **tw telecom** understands that this subcontracting plan will be made a material part of the contract and that the submission of the SSR will be made a line item deliverable in the contract.

XI. SIGNATURE REQUIRED: Plan must be **signed** and **dated** by a company official

This subcontracting plan was submitted by:

Signature:



Typed Name: Mark Peters

Title: Executive VP and CFO

Date:

10/6/11

This subcontracting plan was accepted by:

Signature:

Typed Name:

Title:

Date: