



Control Number: 30240



Item Number: 2072

Addendum StartPage: 0

**EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
 WORKFORCE AND SUPPLIER DIVERSITY FORM
 WORKFORCE DIVERSITY**

Occupational Categories	NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR												
	Combined Total Totals	Company Totals		Caucasian		African American		Hispanic		Asian		American Indian	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Officials and Managers	8	8	0										
Professionals	3	3	0	3									
Technicians	8	8	0	6	2								
Sales Workers	0	0	0										
Office and Clerical	45	1	44	1	34	6	4						
Craft Workers (Skilled)	48	48	0	45	3								
Operatives (Semi-skilled)	13	13	0	7	6								
Laborers (Unskilled)	0	0	0										
Service Workers	2	1	1	1	1								
Previous Year Totals	129	84	45	73	35	11	6	4	0	0	0	0	0
This Year Totals	127	82	45	71	35	11	6	4	0	0	0	0	0

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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.

2027

EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
HUB/SMALL BUSINESS PROCUREMENT ACTUAL DOLLARS

Actual \$	Actual \$ for Previous FY	Actual \$ for Current FY	Percentage Change
Construction Contracts (3)			%
Commodities Contracts (4)	\$128,938.00	\$83,431.00	-35.29%
Other Services (5)	\$131,936.00	\$140,144.00	6.22%
Professional Services Contracts (6)			%
Major Equipment (7)			%
Other (8)	\$31,296.00	\$17,907.00	-42.78%

(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.

**EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

Introduction

The following progress report is filed to comply with the requirements of the Public Utility Regulatory Act Substantive Rule 26.85 and the Public Utility Commission Project No. 30240 – Annual Progress Report on Five-Year Plan to Enhance Supplier and Workforce Diversity for Eastex Telephone Cooperative (ETC). ETC recognizes the benefits to our members, our community and our cooperative of having diversity in the workforce and of increasing the amount of business ETC does with small and historically underutilized businesses operating in our community

As a cooperative, we were organized and chartered to provide telecommunications services to a rural Texas service area. In fact, to further enhance the true mission of the Cooperative, our by-laws state, “It shall be the aim of ETC to provide dependable area-wide telephone service on the cooperative plan and at the lowest cost consistent with sound economy and good management.”

As citizens living and as a business operating within the communities we serve, the management and employees of ETC continue to seek opportunities 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 within the communities 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 cooperative, we have and must recognize a 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. By the very nature of the service area we serve, we are sometimes limited in the local availability of certain communications equipment and products and must go outside our communities for these mandatory purchases. Therefore, when possible, ETC 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 the past year with regards to ETC’s Five-Year Plan to Enhance Diversity of its Workforce and Increase Opportunities for Small and Historically Underutilized Businesses.

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

From October 1, 2011 to September 30, 2012, ETC experienced the death of a non-minority male employee, and the retirement of a non-minority male employee. Although new employment opportunities have been few during the past several years, ETC was and 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.

Overall, HUB procurement in FY 2012 of \$241,482 is a decrease over the \$292,169 of HUB procurement for FY 2011. ETC experienced an increase in HUB other services procurement but a decrease in HUB commodity contract procurement and HUB other procurement.

Overall, this procurement report indicates that the amount of business with HUBS decreased for this reporting period. However, this decrease is not an indication of the effort made by ETC to identify HUBs and the effort made to communicate business needs to HUBs supplying the products and services that meet our business needs. The decrease is reflective of the relative few HUB suppliers that serve our area with the products and services needed to meet our business

**EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

needs.

ETC attempted to utilize HUBs for the procurement of goods and services, especially those HUBs located within the local and surrounding communities. ETC continued to stay abreast of the products, services and businesses that qualified under the HUB definition through community resource participation, involvement with the community, and through the use of the state's HUB directory.

The Cooperative continued to communicate to the HUB-community the opportunities for doing business with ETC.

The Cooperative was involved with local, county and state organizations that promote the use of small businesses.

EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES

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

The success of ETC's specific initiatives, programs and activities should not be measured by the reported results alone. ETC was successful at continuing to be a good corporate citizen that employs a diverse workforce from the local community, and that strives to identify, communicate opportunities and utilize HUBs when possible in the course of providing quality services to the Cooperative's membership. The following is a list of ETC's initiatives, programs and activities that were assessed as successful in achieving workforce and supplier diversity this past year:

1. Identified local organizations with minority membership emphasis and communicated through these organizations employment opportunities with ETC.
2. Identified local organizations with female membership emphasis and communicated through these organizations employment opportunities with ETC.
3. Identified local educational institutions and communicated through the educational employment outreach programs employment opportunities available for minority and female students. Attempted to work with educational institutions to establish work-for-credit intern programs
4. Provided workforce diversity related employee training.
5. Offered available work-related training to employees.
6. Offered available advancement opportunities to employees.

**EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

(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:

During the next year ETC will pursue the following initiatives, programs and activities in an effort to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses:

- a. Identify local organizations with minority membership emphasis and communicate through these organizations employment opportunities with ETC.
- b. Identify local organizations with female membership emphasis and communicate through these organizations employment opportunities with ETC.
- c. Identify local educational institutions and communicate through the educational employment outreach programs employment opportunities available for minority and female students. Attempt to work with educational institutions to establish work-for-credit intern programs
- d. Provide workforce diversity related employee training.
- e. Offer available work-related training to employees.
- f. Offer available advancement opportunities to employees.

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

Progress has been made under the plan filed by ETC. Minority hiring statistics over the past several years have been very high. The number of HUBs that ETC is doing business with has remained constant over the past several years. The effort to communicate business opportunities to the HUB community has been continuous. Attempts continue to be made to identify local organizations with minority and/or female membership. When identified, communications are made with these organizations regarding employment and procurement opportunities with ETC. Work-study programs with several local high schools are occurring and minority students are represented in these programs.

ETC is always in the process of deploying advanced communications services to our rural service area. To facilitate this deployment ETC is looking for opportunities to expedite the delivery of advanced services to our members. This is the greatest opportunity for new employment and doing new business with the Cooperative. ETC will hire the workforce, and

**EASTEX TELEPHONE COOPERATIVE, INC. PROJECT NO. 30240
WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

partner with the businesses, that can assist in this effort. ETC will be pleased if this hiring/partnering enhances the diversity of our workforce and more fully utilizes HUBs.