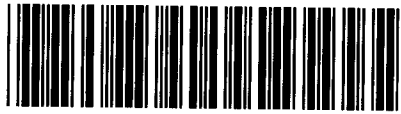


Control Number: 30240



Item Number: 2488

Addendum StartPage: 0

Windstream Communications, Inc.
4001 Rodney Parham Road
1170 - B1F2-12A
Little Rock, AR 72212

RECEIVED
2015 DEC 18 AM 9:54 windstream™
PUBLIC UTILITY COMMISSION
FILING CLERK

December 17, 2015

Public Utility Commission of Texas
Attn: Filing Clerk
1701 N. Congress Ave.
Austin, TX 78711-3326

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

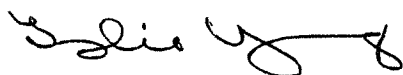
Dear Filing Clerk:

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; and (6) Chairman – House Mexican-American Caucus.

Please contact me at either (501) 748-5150 or lezzlie.p.young@windstream.com should you have any questions on the enclosed filings.

Sincerely,



Lezzlie Young
Consultant – Regulatory Compliance

Cc w/attachment The Honorable Governor Greg Abbott
 The Honorable Lieutenant Governor Dan Patrick
 The Honorable Representative Joe Strauss
 The Honorable Representative Sylvester Turner
 The Honorable Senator Jose Rodriguez
 The Honorable Representative Trey Martinez Fischer

2488

WORKFORCE AND SUPPLIER DIVERSITY FORM WORKFORCE DIVERSITY

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	54	52	2	46	2	1		5						
Professionals	116	91	25	66	23	8	1	6		11	1			
Technicians	175	169	6	129	6	19		19				2		
Sales Workers	73	49	24	37	21	4	1	4	2	2		2		
Office and Clerical	21	7	14	5	9	1	1	1	3		1			
Craft Workers (Skilled)	159	159	0	130		7		18		1		3		
Operatives (Semi-skilled)	0	0	0											
Laborers (Unskilled)	0	0	0											
Service Workers	0	0	0											
Previous Year Totals	605	529	76	422	68	39	4	55	3	10	1	3		
This Year Totals	598	527	71	413	61	40	3	53	5	14	2	7	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

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)		0.5300%	2.4600%	364.15%
Commodities Contracts (4)		3.7900%	0.3200%	-91.56%
Other Services (5)		0.0000%	0.6800%	%
Professional Services Contracts (6)		0.7100%	0.1300%	-81.69%
Major Equipment (7)		0.0600%	0.0000%	-100.00%
Other (8)		0.1600%	0.0510%	-68.13%

(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**

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

Human Resources:

Employee training was conducted for new hires.

Windstream has policies in place to identify qualified candidates for positions without regard to race, color, religion, sex, age, national origin, military status, disability, sexual orientation or gender identity.

Windstream provides training and development to employees and managers.

Windstream utilizes a service to ensure that job openings are sent to websites that target minorities, females, veterans, persons with disabilities, and 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.

Windstream sends notice of recruitment and job fair attendance to minority groups on college campuses.

In 2015, Windstream created a new talent acquisition position specifically designated solely on the recruiting and hiring veterans of the U.S. Armed Services.

Procurement:

Windstream is committed to enhancing business opportunities for small, minority, and women-owned business enterprises (SBE, M/WBE). subcontractors. Windstream uses commercially reasonable efforts to include and utilize SBE, M/WBE Supplier firms, provided they are competitive on price, quality, service, and offer the best overall value for goods and services.

In order to continue Windstream's good faith effort to meet our supplier diversity goals we have maintained our Corporate Membership status with the following diversity councils:

Women's Business Enterprise National Council
Women's Business Council Southwest
National Minority Supplier Diversity Council
Southern Region Minority Supplier Development Council

In 2015 Windstream conducted an in-house educational training class, Best Practices in Minority Supplier Development, for the Procurement group provided by the Southern Region Minority Supplier Development Council.

WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES

To increase Windstream's participation in outreach opportunities we participated in the following events in 2015; Entergy Arkansas Supplier Diversity Forum, Southern Florida Minority Supplier Council Business Expo, Arkansas Procurement Conference, WBENC National Conference & Business Fair, Southern Region MSDC Gateway. Windstream will also be attending the 2015 National Minority Supplier Development Council Conference and Business Opportunity Fair. The conference activities included various workshops designed to enhance our knowledge base of best in class diversity programs. In addition, Windstream attending match making events with diverse vendors aimed at increasing the diverse supplier base and identifying possible future business opportunities.

Procurement conducts periodic calls with the Small Business Association Liaison Office to understand how Windstream could increase the number of available small and diverse businesses in our supplier base. As a result of these meetings, a link to the Small Business Administration Dynamic Search Tool was placed on the Windstream Procurement page. This search tool is available to all Windstream employees to assist in the identification of small and diverse businesses to participate in potential business opportunities. Windstream also maintains an internal database of diverse suppliers and has a membership roster for the Women's Business Council- Southwest on the Procurement web site.

**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:**

Human Resources:

Windstream's recruiting, training, and affirmative action plans have aided in hiring greater percentages of women and minorities in its 2014-2015 affirmative action plan year than in the previous 2013-2014 plan year.

Procurement:

Windstream's increased participation in local, regional and national outreach programs enhanced our diversity supplier base. Windstream's overall spend with diverse suppliers increased in 2015 from 2014.

- (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:**

Human Resources:

Windstream will continue to use its Diversity Hiring Report to identify strengths and weaknesses in its utilization of labor across the 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.

Procurement:

Windstream will continue to emphasize the importance of diversity to management. In 2016 Windstream will maintain our Corporate Membership status with following organizations; Women's Business Enterprise National Council, Women's Business

**WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

Council Southwest, National Minority Supplier Diversity Council, Southern Region Minority Supplier Development Council. Windstream will also attend the WBENC National Conference & Business Fair, National Minority Supplier Development Council Conference and Business Opportunity Fair, Arkansas Procurement Conference and will identify various national, regional and local diversity events to attend.

Participation in these events will allow Windstream to continue to build and develop the supplier diversity program in 2016.

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

Windstream has hired greater percentages of women and minorities in its 2014-2015 affirmative action plan year than in the 2013-2014 plan year.

Procurement and Human Resources personnel are available to help locate women and minority groups to use as recruiting sources for activities to promote community/supplier diversity.

Windstream increased our participation in local, state and national Supplier Diversity outreach conferences and business opportunity business fairs. As a result of this participation Windstream was able to increase the number of available diverse suppliers for possible business opportunities.