Control Number: 30240

Item Number: 76

Addendum StartPage: 0

RECEIVED

DEC 2 0 2004

OFFICE OF POLICY
DEVELOPMENT

Sage

December 14, 2004

Public Utility Commission of Texas
Attention: Patrick Taylor
1701 North Congress
8th Floor, Suite 110
Austin, TX 78711

RECEIVED
04 DEC 21 PM 4:03
PUBLIC UTILITY COMMISSION
FILING CLERK

Re: 2004 Report of Workforce Diversity and Other Business Practices
Project Number: 30240

Mr. Taylor:

As required by §26.85(d), Sage Telecom is filing the following Annual Report of Workforce Diversity and Other Business Practices.

A copy of the Company's Equal Opportunity Employment Statement has been attached to serve as supporting documentation that Sage Telecom complies with all local, state and federally mandated regulations regarding Equal Employment Opportunity. This program is inclusive of all employees, covered contractors, vendors and applicants for employment or vendor/contractor status. Additionally a copy of the Company's most recent EEO-1 Report has been attached as an illustration of the diversity of the Company's workforce.

Sage Telecom has made the following specific progress concerning workforce diversity:

- During New Hire Orientation, all Sage Telecom employees receive training concerning workplace diversity and complaint procedures. A copy of the Company's Equal Employment Opportunity Statement and the associated Compliant Procedure is provided to each employee on an annual basis.
- Sage Telecom has provided additional training to its management staff during 2004 to enhance the visibility and continuity of its Equal Employment Opportunity Statement as described in the Sage Telecom Policy and Procedure Manual.
- The Company continues to make all decisions regarding recruitment, hiring, promotion, transfer, termination, layoff, and all other terms and conditions of employment and granting of vendor/contractor status without discrimination on the grounds of race, color, religion, sex, age, national origin, veteran status, handicap or other factors which can't lawfully be the basis for an employment or contractor/vendor selection.
- Employment advertising continues to promote the Company as an Equal Opportunity Employer.
- The Company continues to track its applicant pool in regards to all legally acceptable categories including diversity measures.
- Sage Telecom has made reasonable accommodations for employees and applicants, regarding one or more of the following: religious observance/national original practices and physical and/or mental limitations.

Sage Telecom annually assesses the status of its Equal Opportunity Statement and has determined that the Company is adhering to all areas and continues to promote diversity in its workforce and vendors.

Sage Telecom, Inc.
805 Central Expressway South, Suite 100 Allen, TX 75013-2789 (214) 495-4700 Fax (214) 495-4790

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Sage Telecom has formed business relationships with the following companies to enhance the Company's utilization of Small and Historically Under-Utilized Businesses and continued to promote usage of the same and eliminate any specific causes of under-representation. While this list is current, it should not be construed as an all-inclusive listing of business relationships, as such relationships change over time.

- StaffOne
- Hispanic Teleservices Corporation
- HRGuru.BIZ Corporation
- Matrix Media
- Quality Personnel
- Anderson Kennedy Advertising
- Innovative Resources
- Barbara Elliott Interiors
- The Abel Group

While Sage Telecom has established numerous contractual business relationships with Small and Historically Under-Utilized Businesses, there have been no opportunities presented to the Company for joint ventures. The Company will continue to pursue contractual relationships with Small and Historically Under-Utilized Businesses in the future and will review relative joint venture proposals as appropriate.

During 2005, the Company will continue to undertake initiatives to broaden workplace diversity and usage of Small and Historically Under-Utilized Businesses by the following:

- Continue to seek out qualified Small and Historically Under-utilized Businesses and applicants in the Dallas metro area.
- Prepare and deliver training to all employees regarding the Company's Equal Opportunity Employment Statement and Compliant Procedure.
- Provide notice to all vendors, contractors and applicants of the Company's Equal Opportunity Statement.
- Continue to advertise the Company as an Equal Opportunity Employer.
- Continue tracking applicants in regards to all legally acceptable categories including diversity measures.

Sage Telecom in committed to the continued implementation and adherence of it Equal Opportunity Statement in respect to employees, vendors and contractors and applicants for employment or vendor/contractor status.

Best regards,

Bryson Mercer
Director – Human Resources

INTRODUCTION

EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at Sage Telecom, where employment is based upon personal capabilities and qualifications without discrimination because of race, color, religion, sex, age, national origin, sexual orientation, marital status, creed, disability, veterans status or any other protected characteristic as established by law.

This policy of Equal Employment Opportunity applies to all policies and procedures relating to recruitment and hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absences, compensation, benefits, training and all other terms and conditions of employment.

The People Department has overall responsibility for this policy and maintains reporting and monitoring procedures. Employees' questions or concerns should be referred to the People Department.

Appropriate disciplinary action may be taken against any Employee willfully violating this policy, up to and including termination.

NON-DISCRIMINATION AND ANTI-HARASSMENT POLICY

Sage Telecom has a zero tolerance policy as to harassment of any kind and is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, Sage Telecom expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

It is the policy of Sage Telecom to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, sex, age, national origin, sexual orientation, marital status, creed, disability or any other characteristic protected by law. Sage Telecom prohibits and will not tolerate any such discrimination or harassment.

Definitions of Harassment

a. Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example:

   (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
   (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or

(iii) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

b. Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, sex, age, national origin, sexual orientation, marital status, creed, disability or any other characteristic protected by law or that of his/her relatives, friends or associates, and that:

(i) has the purpose or effect of creating an intimidating, hostile or offensive work environment;

(ii) has the purpose or effect of unreasonably interfering with an individual's work performance; or

(iii) otherwise adversely affects an individual's employment opportunities.

Retaliation Is Prohibited

Sage Telecom prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action, up to and including termination.

COMPLAINT PROCEDURE

Reporting an Incident of Harassment, Discrimination or Retaliation

Sage Telecom strongly urges the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced or observed conduct that they believe is contrary to Sage Telecom's policy or who have concerns about such matters should file their complaints or concerns with their Supervisor, the People Department or any Company Officer.

The Investigation

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigative process to the extent reasonably consistent with adequate investigation and appropriate corrective action.

Responsive Action

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Responsive action may include, for example, training, referral to counseling and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay, or termination, as Sage Telecom believes appropriate under the circumstances.

AMERICANS WITH DISABILITIES ACT POLICY STATEMENT

The Company is committed to complying with all applicable provisions of the Americans with Disabilities Act ("ADA"). It is the Company's policy not to discriminate against any qualified Employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the Employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, the Company will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made the Company aware of his or her disability and need for accommodation, provided that such accommodation does not constitute an undue hardship on the Company.

EEOC AND RELATED CHARGES

If a charge of discrimination is filed with the EEOC (Equal Employment Opportunity Commission), the EEOC will send a copy of the charge to Sage Telecom. Charges and any other request from the EEOC should be forwarded immediately to the People Department. The People Department will prepare a response with the assistance and concurrence of the Employee's Department Head. If charges are received from the Texas Commission on Human Rights (TCHR) or any similar agency, they should be handled the same as the EEOC.

CO= X389770
U= X389770

EQUAL EMPLOYMENT OPPORTUNITY
2004 EMPLOYER INFORMATION REPORT

SINGLE ESTABLISHMENT REPORT - TYPE 1

SECTION B - COMPANY IDENTIFICATION

1. SAGE TELECOM INC
   805 CENTRAL EXPY S
   STE 100
   ALLEN, TX 75013

2.a. SAGE TELECOM INC
805 CENTRAL EXPY S
STE 100
ALLEN, TX 75013
COLLIN COUNTY

c. Y

SECTION C - TEST FOR FILING REQUIREMENT

1-Y 2-N 3-N DUNS NO.:

SECTION E - ESTABLISHMENT INFORMATION

NAICS: 513330 Telecommunications Resellers

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	OVERALL TOTALS	MALE: WHITE (NOT OF HISPANIC ORIGIN)	MALE: BLACK (NOT OF HISPANIC ORIGIN)	MALE: HISPANIC	MALE: ASIAN OR PACIFIC ISLANDER	MALE: AMERICAN INDIAN OR ALASKAN NATIVE	FEMALE: WHITE (NOT OF HISPANIC ORIGIN)	FEMALE: BLACK (NOT OF HISPANIC ORIGIN)	FEMALE: HISPANIC	FEMALE: ASIAN OR PACIFIC ISLANDER	FEMALE: AMERICAN INDIAN OR ALASKAN NATIVE
OFFICIALS AND MANAGERS	26	17	0	0	0	0	9	0	0	0	0
PROFESSIONALS	78	24	1	3	2	0	30	7	1	10	0
TECHNICIANS	43	17	3	1	6	1	11	1	1	2	0
SALES WORKERS	61	18	5	3	2	0	21	5	5	2	0
OFFICE AND CLERICAL	238	49	9	11	4	2	103	34	20	4	2
CRAFT WORKERS (SKILLED)	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
LABORERS	0	0	0	0	0	0	0	0	0	0	0
SERVICE WORKERS	0	0	0	0	0	0	0	0	0	0	0
TOTAL	446	125	18	18	14	3	174	47	27	18	2
PREVIOUS REPORT TOTAL	370	107	9	19	7	1	157	29	26	12	3

SECTION F - REMARKS