

**UNIVERSITY POLICY FOR FINANCIAL AFFAIRS**  
**Policy No. UPFA-8**  
**Small and Diverse Business Program**

**1. General Information.**

- 1.1 Scope: *Establishes the rules and policies governing and controlling the Small and Diverse Business Program by the Governing Board of Marshall University, created pursuant to West Virginia Code §18B-2A-1 and hereinafter referred to as the “Governing Board”.*
- 1.2 Authority: West Virginia Code §18B-5-3 through §18B-5-9.
- 1.3 Passage Date: February 25, 2021
- 1.4 Effective Date: July 1, 2021
- 1.5 Controlling over: Marshall University

**2. Rationale**

Marshall University is committed to facilitating the maximum, practical opportunity for small and diverse businesses to participate in providing goods and services to maintain and strengthen the regional economy.

**3. Definitions**

- 3.1 As used in this policy, all terms have the same meaning as provided in United States Code (U.S.C.) §Title 13, Part 124.
  - 3.1.1 “Diverse Supplier” means an individual or business organization that can be associated with an under-represented or underserved group. The State of West Virginia’s Purchasing Division recognizes five (5) classifications of diverse suppliers that are defined as follows:
  - 3.1.2 Diverse Suppliers Classification

- 3.1.2.1** “Minority-Owned Business Enterprise (MBE)” means a for-profit organization regardless of size, is at least fifty-one percent owned by one or more minority-group members or, in the case of any publicly owned business, not less than fifty-one percent of the stock of which is owned by one or more minority-group members; and whose management and daily business operations are controlled by one or more minority-group members. The term "minority-group members" shall mean U.S. citizens who are African American, Asian, Hispanic, or Native American.
- 3.1.2.2** “Veteran-Owned Business (VOB)” means a for-profit organization regardless of size, is at least fifty-one percent owned by one or more veterans, as defined at 38 U.S.C. 101(2), or, in the case of any publicly owned business, not less than fifty-one percent of the stock of which is owned by one or more veterans; and the management and daily business operations of which are controlled by one or more veterans, or in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
- 3.1.2.3** “Women-Owned Business (WBE)” means a for-profit organization regardless of size, is at least fifty-one percent owned by one or more women, or, in the case of any publicly owned business, at least fifty-one percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.
- 3.1.2.4** “Small Business” means a for-profit organization whose size is determined by NAICS Code. Please refer to the SBA's website at [www.sba.gov/size](http://www.sba.gov/size).
- 3.1.2.5** “Disability-Owned Business Enterprise (DBE)” means a for-profit organization regardless of size that is at least fifty-one percent owned, operated, managed, and controlled by an individual with a disability or service-disabled veteran who is a U.S. citizen or a lawful permanent resident. Exercises independence from any non-disabled business enterprise. They formed business as a legal entity in the United States. Its principal place of business (headquarters) is in the United States.
- 3.1.3** A “Good Faith Effort” is accomplished when a purchaser has diligently made an honest effort to comply with Small and Diverse Business Program goals and procedures.
- Documentation of good faith efforts should include the following:
- Verification that all purchases reflect the college/department’s inclusion of small and diverse Business goals.
- Documentation of efforts made toward achieving the University’s small and diverse supplier goals.
- 3.1.4** “Chief Procurement Officer” means the individual designated by a President of a state institution of higher education to manage, oversee and direct the purchasing and acquisition of supplies, equipment, services, and printing for that institution.
- 3.1.5** “Purchasing Agent” means an individual designated by a Chief Procurement Officer to perform designated purchasing and acquisition functions as authorized by the Chief Procurement Officer.

- 3.1.6 “Purchasing Liaison” means a college/department’s designated representative who serves as the employee responsible for the procurement functions of the office and works directly with the Office of Purchasing.
- 3.1.7 Management Plan – A plan to increase the diversity of a business’ workforce and to subcontract with or purchase from historically underrepresented businesses. The Management Plan may include the business’ nondiscrimination practices, subcontracting strategy, and outreach plan to increase participation by historically underrepresented businesses.

## **4 APPLICABILITY**

- 4.1 This policy applies to all areas within Marshall University.

## **5 POLICY**

The University is committed to offering opportunities for small and diverse businesses to demonstrate their ability to provide the University with commodities and services at competitive prices. All University employees involved in the procurement process are expected to consider and maximize the participation of small and diverse businesses in all University procurement activities, regardless of the funding source, to preserve free competitive enterprise.

## **6 PROGRAM GOALS**

The Office of Purchasing will work with the President’s Office and Board of Governors to establish annual percentage goals for University purchases from small and diverse businesses through a management plan.

## **7 REPORTING**

All colleges/departments must report on their good faith efforts to solicit and make purchases from small and diverse businesses. Annually, reports will be reviewed to determine if program goals have been met and to establish new goals for the next year. Purchasing will provide small and diverse business policy metrics to be included in annual performance goals for the University.

## **8 ROLES/RESPONSIBILITIES**

### **8.1 Office of Purchasing**

- 8.1.1 Act as liaison between small and diverse suppliers and colleges/departments seeking commodities and services.
- 8.1.2 Maintain the University's commitment to diversity and regional economic development.
- 8.1.3 Develop procurement programs that enhance small and diverse businesses.
- 8.1.4 Match diverse businesses with University Purchasing Liaisons.
- 8.1.5 Promote the use of small and diverse businesses within the University community.
- 8.1.6 Include small and diverse businesses in the competitive bidding process.
- 8.1.7 Track and report purchasing patterns.
- 8.1.8 Maintain a contact database of small and diverse businesses.
- 8.1.9 Compile quarterly and annual reports to monitor and track the progress of small and diverse business utilization.

### **8.1 Offices/Departments**

- 8.1.1 Report quarterly on the use of small and diverse businesses.
- 8.1.2 Support the University's commitment to small and diverse businesses.
- 8.1.3 Be aware and knowledgeable of requirements to use small and diverse businesses.

### **8.2 Vice President, Deans and Chairs**

- 8.2.1 Promote and support the use of small and diverse businesses.