



# South Carolina

## UNIVERSITY OF SOUTH CAROLINA MINORITY BUSINESS ENTERPRISE PLAN

### I. INTRODUCTION

The South Carolina Consolidated Procurement Code contained in Sections 11-35-10 et seq. of the Code of Laws of South Carolina (1976), as amended, requires that all State agencies formulate a Minority Business Enterprise Utilization Plan ("MBE Plan"). The MBE plan is designed to ensure that minority businesses are offered the opportunity to participate fully in the overall procurement processes of the University of South Carolina.

### II. POLICY STATEMENT

At its duly authorized and scheduled meeting on December 11, 1981, the Board of Trustees of the University of South Carolina adopted the following policy statement in accordance with Section 11-35-10 et seq. of the Code of Laws of South Carolina (1976), as amended:

The University of South Carolina believes that it is in the State's best interest for minority businesses to fully participate in all phases of the procurement process. The University of South Carolina will utilize its best efforts towards assisting minority businesses with the State's policies and programs which are designed to promote balanced economic and community growth throughout the State.

The University of South Carolina wishes to ensure that those businesses owned and operated by minorities are offered the opportunity to fully participate in the overall procurement process of the State. Efforts will be directed towards establishing procedures designed to result in awarding contracts and subcontracts to minority businesses in order to enhance minority capital ownership, overall State economic development and reduce dependency on the part of minorities.

### III. DEFINITIONS

The definitions utilized in the Plan are contained in Section 11-35-5010, Code of Laws of South Carolina (1976), as amended.

(1) Minority Person means a United States citizen who is economically and socially disadvantaged.

(a) Socially disadvantaged individuals means those individuals who have been subject to racial or ethnic prejudice or cultural bias because of their identification as members of a certain group, without regard to their qualities. Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans (including American Indians, Eskimos, Aleuts and Native Hawaiians), Asian Pacific Americans and other minorities to be designated by the board of a designated agency.

(b) Economically disadvantaged individuals mean those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

(2) A socially and economically disadvantaged small business means any small business concern which:

(a) At a minimum is fifty-one percent (51%) owned by one or more citizens of the United States who are determined to be socially and economically disadvantaged and who also exercise control over the business per 49 CFR part 26, Subpart D (2006), as amended.

(b) In the case of a corporation, at a minimum, fifty-one percent (51%) of all classes of voting stock of such corporation must be owned by an individual determined to be socially and economically disadvantaged.

(c) In the case of a partnership, at minimum, fifty-one percent (51%) of the partnership interest must be owned by an individual or individuals determined to be socially and economically disadvantaged and whose management and daily business operations are controlled by individuals determined to be socially and economically disadvantaged. Such individuals must be involved in the daily management and operations of the business concerned.

IV. MBE LIAISON OFFICER

Caleisha Hayes, Procurement Manager (777-4115), has been appointed MBE Liaison Officer for the University of South Carolina. All matters pertaining to the use of minority contractor and subcontractors shall be directed to the MBE Liaison Officer. The MBE Liaison Officer will report directly to Venis Manigo, Associate Vice President and Chief Procurement Officer. In addition, a designated MBE Coordinator is assigned and is responsible for all data collection and report preparation. The address for the MBE Liaison and the MBE Coordinator is:

USC Purchasing Department  
1600 Hampton Street, Suite 606  
Columbia, SC 29208  
(803)777-4115

V. DUTIES OF THE MBE LIAISON OFFICER

In accordance with Section 11-35-5240 of the Code of Laws of South Carolina (1976), as amended, and Regulation 19-445-2160, Item 2, Subsection E of the Rules and Regulations, the MBE Officer will:

- (1) Maintain all records and reports required by Section 11-35-5240 of the Procurement Code.
- (2) Develop, manage and implement the MBE program on a day-to-day basis.
- (3) Establish and maintain a directory of minority firms who wish to do business with the State.
- (4) Disseminate information on available business opportunities so that MBEs are provided an equal opportunity to bid on services, supplies and construction to be procured by the agency.
- (5) Establish and maintain records on the number of Invitations for Bid ("IFBs") and Request for Proposals ("RFPs") sent to minority firms, answers received, and contracts awarded when applicable to the dollar procurement limit of the agency.

## VI. ASSISTANCE TO SMALL AND MINORITY BUSINESSES

### (1) Referral Service

The University of South Carolina, in an effort to assist small and minority businesses, will maintain a reference file of federal, state and other organizations that provide assistance to small and minority businesses. All reference information will be made available to all minority firms who desire any assistance.

### (2) Progress Payments

Under certain conditions and in accordance with the provisions of Section 11-35-5250 of the South Carolina Consolidated Procurement Code, special provisions for progress payments to minority firms may be made on a monthly basis or upon completion of a stated percentage of the contract.

### (3) Letter of Contract Award

Upon request, when a certified minority firm receives a contract with USC, the procurement officer of the University of South Carolina shall furnish a letter stating the dollar value, the duration, payment schedule, and other information concerning the contract, which may be used by the certified minority firm to negotiate lines of credit with a lending institution.

### (4) Dividing Total Project Requirements into Smaller Tasks

The University of South Carolina, when practicable, will divide large projects into small units to allow for minority firms to participate in such projects. In particular for those procurements less than \$10,000 the University will solicit from qualified minority vendors to ensure their participation in unadvertised solicitations.

### (5) Subcontracting SC Law Section 12-6-3350 Taxation

The University of South Carolina will, through its contract documents, require general contractors, whenever possible, to utilize minority subcontractors on its new construction projects as these projects are approved and funded for construction. Firms with state contracts that subcontract with minority firms shall be eligible for an income tax credit equal to four percent (4%) of the payments to minority subcontractors for work pursuant to a state contract. To be eligible for the four percent (4%) income tax credit, subcontracting firms must be certified by the Small and Minority Business Assistance Office as a minority firm. Information pertaining to the income tax credit can be obtained from the South Carolina Tax Commission or the Small and Minority Business Assistance Office. The credit is limited to a maximum of fifty thousand dollars annually. A taxpayer is

eligible to claim the credit for ten taxable years beginning with the taxable year in which the credit first claimed. After the ten taxable years have passed, the taxpayer is no longer eligible for the credit regardless of whether or not the taxpayer claimed the credit in a year subsequent to the year in which the credit was first claimed.

(6) MBE Goals

In order to foster effective broad-based competition for public procurement within the free enterprise system, the University of South Carolina's goal is to ensure fair and equitable treatment of all persons who deal with the USC procurement system of this State. Certified minority businesses will be solicited for participation in the overall procurement process of the University. The University's goal is that ten percent (10%) of the total controllable budget expended by the University for the procurement of supplies, services and construction may be directed towards minority vendors.

(7) University Outreach

The University of South Carolina has taken a proactive approach in involving small and minority businesses in its business processes to the maximum extent possible. We actively encourage our entire University business community to call on small and minority businesses whenever they have a need to purchase goods and services. Our ongoing efforts include:

- a) Planning and participating in outreach and networking events on a regular basis as a way to identify small and minority businesses
- b) Ensuring that the businesses that we identify are included in our internal Small and Minority Business Directory
- c) Updating this Directory, which is a tool that is readily available to all of our business personnel and is used to record and track the University's outreach efforts
- d) Working within the requirements of the SC Consolidated Procurement Code to utilize methods of procurement that will afford more opportunities for small and minority businesses
  - Use of Construction Manager-at-Risk method of procurement for construction projects
  - Utilizing the fixed-price method of bidding contracts to make multiple contract awards inclusive of small and minority businesses

VII. CERTIFICATION AS A MINORITY FIRM

Business firms seeking certification as a minority business should contact the Governor's Office of Small and Minority Business Assistance, Edgar A. Brown Building, 1205 Pendleton Street, Columbia, South Carolina 29201. Telephone 734-0657.

VIII. FISCAL YEAR REPORTING PROCEDURES

(1) The Minority Business Enterprise Utilization Plan shall be submitted to the Office of Small and Minority Business Assistance no later than the date set by the Office of Small and Minority Business Assistance each year.

(2) Fiscal reports will be submitted quarterly so as to arrive at the Office of Small and Minority Business Assistance not later than thirty (30) days after the end of each fiscal quarter. The Office of Small and Minority Business Assistance shall provide the format for the quarterly report.

(3) Annual reports will be submitted to reach the Office of Small and Minority Business Assistance no later than the date set by the Office of Small and Minority Business Assistance. The format for the annual report shall be developed by the Office of Small and Minority Business Assistance.

IX. CALCULATION OF CONTROLLABLE DOLLARS

Controllable dollars are derived from budget expenditures from the previous fiscal year using a predefined set of object codes. These object codes mirror the guidelines provided by the Office of Small and Minority business assistance and reflects the University's level of control over the expenditures within each budgeted object code.