

Governor's Supplier Diversity Council

April 21, 2015 Meeting

Minutes from April 21, 2015, Governor's Supplier Diversity Council Meeting

Attendees:

Present: Ken Anderson, Theresa Brown Edwards, Esq., Devona Williams PhD, Dean Stotler, Nick Callazzo III, Loren Hopkins-Taylor (DuPont), Givvel Marrero (arrived at 10:36am), Cathy Imburgia, (arrived at 10:39am), and Michelle Morin

Present on the phone (non-voting): Anas Ben Addi, Sakthi A. Vel PhD, Stephanie Young, Lisa Jolly (DuPont)

Absent: Clay Hammond, and Ron Frazier Esq.

Public Present in room: none

Public Present on the Phone: Sarah Harrison of H&S Enterprise Inc.

Meeting Opened:

Meeting Called to Order by Ken Anderson, GSDC Chair, at 10:34am.

Quorum:

A quorum (currently requires 6 of 11 members) was not reached at the start of the meeting with five members in attendance in person. A quorum was reached at 10:36am with 6 members present in-person; a seventh member arrived at 10:39am. No vote was called for nor held prior to reaching a quorum.

Prior Meeting Minutes:

The minutes from the February 27, 2015, meeting were unanimously accepted after correction of typos, without abstention via motion by Dr. Devona Williams and seconded by Theresa Brown Edwards, Esq.

April 21 Meeting Notes:

- Chair Ken Anderson led a conversation regarding Council discussing the potential Initiatives at the February meeting and that the conversation carries over into this meeting. While discussed at last meeting none were voted on by Council at that meeting. Ken initiated the conversation of the potential initiative raised by Cathy Imburgia at the end of the last meeting:
 - Chair Anderson initiated conversation to explore the feasibility of pursuing legislation to codify elements of Executive Order 44. Dr. Williams indicated her support noting her desire to that keep supplier diversity activities intact as the state faces a leadership transition. Dean Stotler spoke to identify that the state currently has the full support of the Executive Order and that political climate has to be considered in pushing any bill. He further explained that Executive Orders are not rescinded at the time of change in leadership and that there is not an expiration date on the Executive Order. He further mentioned that his office has been working in an area under an Executive Order that has been in place over many administrations. Cathy Imburgia inquired if the GSDC pursued legislation

if Dean would speak to the topic adding that she knows there is representation in the Senate Business Caucus. She further described this year as a lean year for procurement. Dean responded that he has not seen any pre-filed legislation on the topic nor procurement concerns raised here. Further, since 2010 this Council has been involved in suggestions for continued development, legislation would take that act out of the public and council realm. Theresa Brown Edwards, Esq., shared that as the Governor's Supplier Diversity Council this body is derivative of the Governor's office and as such we have to ask are we the appropriate catalyst of legislation? Michelle Morin spoke to her experience in two states, one with legislation and one with Executive Order and indicated the history of success of this Council where public voice is welcomed and incorporated into annual initiatives is significant compared to legislatively mandated work. This Council exists through the Executive Order. Nick Callazzo shared his opinion that Council is more effective and can make decisions under Executive Order and he wishes to see it continue in that effect. Ken Anderson reiterated that the initiative is to explore the feasibility of legislation and cautioned Council to remember the point, is it feasible or not. Ken further indicated his experience and knowledge of other Executive Orders that are in place from past Administrations, Ken indicated that if Council brought the initiative to review then Council may vote on them here and then bring forward to the Governor before we would act on them. Ken reviewed the history of initiatives in Council including internal review, Council vote; bring to Governor's Chief of staff to learn of feasibility. Therefore if Council works on this initiative it would be to bring it before the Governor to check feasibility. Theresa asked if this then is an initiative. The conversation brings the question as to whether or not legislation is an overarching mission of this council or if the sustainability of the work is the focus. She indicated she is not sure if this is an initiative to pursue legislation or if it was raised to express the concern for this body to have sustainability. Cathy Imburgia indicated that her history is that the past body was not effective. She is not sure if this body exists after legislation but indicates that she thinks it does. Cathy answered Theresa's query that she wants the sustainability of the efforts and is not sure if that can happen without legislation. Nick shared that he feels it is imperative for this Council to continue as we are and that is our strength. Legislation means getting many representatives involved and prolongs the effectiveness of efforts. He indicated that this council is effective and indicated he believes there is enough evidence to stay as we are until our effectiveness fails. Nick sighted the increase in access and use of supplier diversity vendors by the state over the past six years of the administration showing a multiplier of 3 as strong evidence. Dr. Devona Williams suggested changing the wording of the proposed initiative to focus on sustainability of the elements of the Executive Order so that as we move to the new Administration Council can explore sustainability. Ken requested a motion. Dr. Devona Williams moved that Council work on the following initiative: "Explore feasibility of pursuing sustainability as it relates to the elements of Executive Order 44", the motion was seconded by Nick Callazzo. Chair asked for voting, the motion carried with one vote in opposition and no abstentions. Michelle Morin indicated that while she is not a member of Council

and therefore cannot vote, that she would have voted in opposition on this initiative as the flexibility to work under Executive Order is preferable to her in making impact with the Community. Theresa shared her opinion is that this not an initiative of its own and is a shared permeation of the Executive Order itself and all that Council does. Ken asked for volunteer to work on this initiative. GSDC members on this initiative are: Devona (Lead), Cathy, Ken, and Michelle.

- Ken Anderson then moved to a quick conversation on the remaining 4 initiatives and inquired of Council to volunteer to work on any that they were interested in. Names were added to each. Givvel Marrero then moved that Council accept the remaining four initiatives as written. The motion was seconded by Dr. Devona Williams. Chair called for voting, the motion carried unanimously and without abstention.
- The initiatives of Council for calendar Year 2015 are:
 - “Continue review of scope of the GSDC role including discerning best practices for similar Councils and learn their functions and roles.” GSDC member on this initiative are: Ken (Lead), Devona, and Michelle.
 - “GSDC identify Delaware based organization’s where we can increase our visibility, engagement, and communications to encourage their alignment with Executive Order No. 44 and overall GSDC mission.” GSDC member on this initiative are: Ken (Lead), Givvel, Dean, Theresa, and Michelle.
 - “Explore options for targeted outreach to the expanding Delaware certified community, such as small business resources, funding assistance, including DEDO business development support services and financial programs.” . GSDC member on this initiative are: Nick (Lead), Ken, Givvel, Theresa, and Michelle.
 - “Identify national supplier diversity trends not currently addressed in Delaware in which the GSDC may have to research and make policy recommendations, if and when requested, to the Governor’s Office.” GSDC member on this initiative are: Dean (Lead), Givvel, Theresa, Sakthi, Nick, and Michelle.
 - “Explore feasibility of pursuing sustainability as it relates to the elements of Executive Order 44.” GSDC members on this initiative are: Devona (Lead), Cathy, Ken, and Michelle.

New Business

- Chair Ken Anderson indicated that Michelle had requested time in the new business section of the agenda for information sharing with Council. Michelle then introduced Loren Hopkins Taylor of DuPont and invited her to share with Council some of DuPont’s recent supplier diversity and procurement successes. Loren introduced Lisa Jolly who works with Loren and was joining us via telephone. Loren shared some big-picture background about DuPont, including that there are over 60,000 employees and approximately 110 sites in North America. She wanted to look at who DuPont is supporting in our Delaware community and she and Lisa pulled data to create reporting on this metric. Loren shared that DuPont spent approximately \$76Million with 345 suppliers that are Delaware based in the last year. Further she indicated that there are businesses in the DuPont supply chain that grew so much from doing business with DuPont and other companies that those businesses are no longer considered to be small businesses and that due to the positive exposure from doing business with DuPont and other companies some of those businesses were acquired by other businesses, which she

indicated she imagines is a small business owners' dream. Loren and Lisa have made significant data dives into the company and the supplier diversity community information over the past year and shared that DuPont utilizes NAICS codes in their procurement process. They identify a Delaware business based upon where the payment goes to. Loren continued to share that last year DuPont spend went to approximately 67,000 suppliers in total. Dean Stotler congratulated Loren and Lisa and expressed gratitude for sharing the information and for working with Delaware suppliers. He shared that the state worked with approximately 75,000 suppliers last year and remarked on some similarities in large procurement volumes. Cathy Imburgia inquired if DuPont looks at Delaware's supplier listing. Loren indicated that they look at many sources and prequalify vendors to then push them to procurement opportunities. She identified that the following are some of the lists DuPont uses: Dun & Bradstreet, NMSDC, WBENC, Supplier Connection, and VetBiz.gov. Devona expressed her appreciation for the great work Loren and DuPont are doing and indicated that she had worked with DuPont in the past through the TEMPO program. She asked if it is still in existence. Loren indicated that TEMPO (To Encourage Minority Purchasing Opportunities) was the past name of DuPont's supplier diversity program. Devona asked if DuPont has reciprocity with NMSDC and WBENC. Loren shared that DuPont is a corporate member of both NMSDC and WBENC and as such has full access to the list of all certified businesses certified with those entities. Loren shared some of the recent data mining and analytic efforts of the past year included looking for both Tier I and Tier II reporting. DuPont looks to suppliers to share their small business and diverse supplier spend and that they received that from about 20 of their top spend suppliers last year and that this quarter they sought that from about 35 of their top spend suppliers. The searching included looking at all suppliers with spend of \$1Million or larger. She shared that Dun & Bradstreet is where DuPont pulls the company data from. Cathy Imburgia indicated that she is certified and changed addresses and inquired of the value of updating Dun & Bradstreet. Loren shared that they use Dun & Bradstreet and that data is important to them. Loren shared that DuPont spent approximately \$5Billion (includes duplicate spend) last year with the Supplier Diversity community at large. Sarah Harrison, a member of the public present on the telephone then asked if that number is for the U.S. or is it worldwide? Loren indicated it was for the U.S. including Puerto Rico. Michelle Morin asked Loren to share the news of an about-to-be-presented award that is meaningful to DuPont and the Supplier Diversity community. Loren spoke about DuPont's Chief Procurement Officer (CPO), Mr. Shelley Stewart and his passion for working with the supplier diversity community. Shelley is being honored nationally by the National Minority Supplier Development Council (NMSDC) with the CPO of the Year Award. Devona asked if there is a way for Council to capture Loren's supplier diversity story to herald it and share it in the state, in addition to putting it in the OSD listserv and thought Chambers? Devona indicated it is a very encouraging story and she would like Council to hold DuPont out as a role model and show case. Cathy Imburgia added that it would be meaningful to include information about how to get through the door to do work with DuPont. Loren indicated that the journey is not done. She mentioned that she and Michelle Morin have worked together to provide access points to Delaware businesses into DuPont, including as recently as last month at the Alliance Mid-Atlantic Small Business Procurement Fair, where for the second year in a row, we offered a break-out

session together with another on how to work with DuPont and the Army Corp of Engineers. Loren and Lisa then met with many business owners in matchmaking session and follow up with a capability survey for each business owner to share back with DuPont to help each vendor move forward to access possible opportunities. Loren stated she will work with Michelle regarding a success story.

- Chair Ken Anderson asked if there was any other new business. None were raised.
- Chair Ken Anderson next provided guidelines to Council that each Initiative should be ready for a status update to Council at the August 17th meeting and should be substantially completed for presentation to Council the October 22 meeting to be ready for consideration to present to the Governor for his consideration at the December meeting.
- Chair Ken Anderson raised that Council meetings are public and the minutes are posted publically, this is a reminder that what happens is public. As appointed representatives of the Governor's Council what you do is in the public realm. He indicated that most of the members are aware of what is and is not an appropriate statement to be made. Ken offered that Council should not be afraid to defer to OMB or DEDO if asked a question that you are not clear on the appropriate response. Ken further suggested that Council be careful to not represent in public a personal opinion as a position of the Council. He added that he does not want to have to refute those positions publically. Dr. Sakthi Vel mentioned that he sees that the minutes are public and asked if the calendar of the meetings is public? Michelle Morin indicated that there is a State Public Meeting Calendar where all GDSC meetings are posted a minimum of seven days in advance of the meeting. Michelle indicated that all GSDC meetings for the 2015 calendar year were posted at the start of the year. Cathy Imburgia spoke about the Delaware Small Business Caucus and provided clarification that she is not saying that the Small Business Caucus is pursuing legislation but that she is aware they are looking at the topic or the topic was shared with them.

Public Question / Comment:

There were not any members of the public in the meeting room. On the phone was Ms. Sarah Harrison of H&S Enterprise Inc and former Senior Vice President of Astra Zeneca, spoke about her role on the Delmarva Black Chamber of Commerce, Minority Business Advisory Council (MBAC) and the MBAC goal to outreach to the minority construction businesses to provide growth opportunities. She indicated that she wants to get more minority construction businesses certified. Michelle Morin requested an invitation to any activities to provide certification information to any interested business. Ms. Harrison applauded what is happening and what will happen in the future and indicated interest in seeing reports. Ms. Harrison asked if there are opportunities to bring proposals to Council. Ken Anderson responded that the Agenda includes a public input time-frame for each meeting. He also indicated that it is somewhat limited and invited direct outreach to him in advance.

It is unknown if any other members of the public were on the phone as none self-identified.

Next Meeting:

June 16, from 10:30am to 12:00noon at DEDO in Dover.

Meeting Adjournment:

Meeting adjourned by Ken Anderson, GSDC Chair, unanimously without abstention upon motion by Dean Stotler and seconded by Givvel Marrero, at 11:40am.