




STATE OF ARKANSAS
**Department of Finance
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Memorandum

To: Senator Mary Anne Salmon, Co-Chair
Representative Tommy Lee Baker, Co-Chair
Arkansas Legislative Council Committee

From: Jane Benton, Director 

Date: May 10, 2011

Subject: State Procurement Semiannual Minority Report – July through December 2010

The Office of State Procurement (OSP) works jointly with the Small and Minority Business Division (SMB) of the Arkansas Economic Development Commission to analyze the State's usage of minority businesses in contracting. Act 1222 of 2009, more commonly known as the Minority Business Economic Development Act (MBDA), clarified language in ACA §15-4-301 and developed new reporting criteria for State agencies, colleges and universities of their usage of minority businesses, which is reported through the Minority Business Council to the Governor.

ACA § 1-2-503 and §15-4-303(1) (A) defines minority as a lawful permanent resident of this state who is:

- (A) African American
- (B) Hispanic American
- (C) American Indian
- (D) Asian American
- (E) Pacific Islander American

Note, Arkansas's definition does not include gender; therefore women owned are not normally included in the report. However, at a Committee Member's request I am including that information below.

Currently, ACA §25-36-104 requires a report semiannually to the Governor and to the co-chairs of the Legislative Council, the Legislative Joint Auditing Committee and the Minority Business Advisory Council on the following:

- (A) The dollar amount for State contracts greater than \$25,000 awarded to a minority-owned business. OSP awarded a total of 62 contracts during this time period totaling \$10,552,723.14.

Contracts awarded to minority businesses:

<u>Vendor</u>	<u>Description</u>	<u>Minority Type</u>	<u>Agency</u>	<u>Amount</u>
DRS Services	Janitorial Service	African American	Dept. of Revenue	\$29,491.20

Percentage of minority-owned businesses awarded contracts 1.61%.
Minority business contracts comprised .28% of the total dollars contracted.

Contracts awarded to women owned businesses:

<u>Vendor</u>	<u>Description</u>	<u>Minority Type</u>	<u>Agency</u>	<u>Amount</u>
Hendrix Court Reporting	Court Reporting	Women Owned	Oil & Gas Commission	\$40,000.00

Percentage of women owned businesses awarded contracts 1.61%.
Women owned businesses comprised .38% of the total dollars contracted.

- (B) The total dollar amount spent on contracts by each state agencies, colleges and universities.

The Small and Minority Business Division of the Arkansas Economic Development Commission is currently the State Agency responsible for collecting, tracking and reporting on the amount spent with Minority Businesses. This information for FY 2011 will be presented to the Governor and the Minority Business Council after the close of the fiscal year.

- (C) The number and percentage of minority-owned businesses awarded contracts by the agency.
See (A) above.

Also, noted during the reporting period are the following contracts issued by the Office of State Procurement under the \$25,000 threshold:

<u>Vendor</u>	<u>Description</u>	<u>Minority Type</u>	<u>Agency</u>	<u>Amount</u>
Lift Truck Center	Off Road Truck	Asian	Parks & Tourism	\$13,570.00
Lift Truck Center	Off Road Truck	Asian	Parks & Tourism	\$16,932.50
Target Printing	Printing	Women Owned	Administrative Office of the Courts	\$ 1,559.98
Target Printing	Printing	Women Owned	Career Education	\$ 2,552.00