

DOCUMENT RESUME

03391 - [E2653827] ~~Restricted~~

*Released*  
*9/30/77*

[Advertising Expenditures in Black-Owned Media]. LCD-77-448; E-144618. September 19, 1977. 3 pp. + 10 enclosures (37 pp.).

Report to Rep. William L. Clay; by Werner Grosshans (for Fred J. Shafer, Director, Logistics and Communications Div.).

Issue Area: Federal Procurement of Goods and Services (1900).

Contact: Logistics and Communications Div.

Budget Function: Miscellaneous: Financial Management and Information Systems (1002).

Organization Concerned: Department of Defense; Department of Transportation; Department of the Treasury; Postal Service; Department of Housing and Urban Development.

Congressional Relevance: Rep. William L. Clay.

Authority: HUD Handbook 2210.15. DOT Order 4000.7.

A review of five Federal agencies provided data on radio, television, newspaper, and magazine advertising services purchased from outside sources and the amount of advertising spent in black-owned enterprises. The agencies reviewed were Defense, Housing and Urban Development, Postal Service, Transportation, and Treasury. Findings/Conclusions: The data provided by the agencies on expenditures in black-owned media enterprises were not audited for accuracy. Total advertising costs for the agencies were taken from a 1975 General Accounting Office report. A precise relationship cannot be made between black-owned and total procurements because the total procurement figures are for earlier years. Three of the agencies (Housing and Urban Development, Transportation, and Treasury) appear to have policies of giving special attention to minority enterprises. The Department of Transportation's applicable regulation states that this extra consideration may be extended if, as a result, there is some increased cost to Department programs. The approach of Defense and Postal Service is to make advertising procurements based on cost effectiveness without regard to enterprise ownership. (SW)

3827

**RESTRICTED — Not to be released outside the General Accounting Office except on the basis of specific approval by the Office of Congressional Relations.**  
**UNITED STATES GENERAL ACCOUNTING OFFICE**

WASHINGTON, D.C. 20548

*Released  
9/30/77*



03391

LOGISTICS AND COMMUNICATIONS  
DIVISION

SEP 19 1977

B-144618 .

The Honorable William L. Clay  
House of Representatives

Dear Mr. Clay:

This is in response to your letter dated July 22, 1977, in which you asked us to compile the total current federal advertising budget, broken down by agencies, and the amount of these monies spent in radio, television, newspaper, and magazine media. You also asked for the amount of advertising spent in black-owned enterprises, broken down by agencies and media modes.

In a subsequent discussion with your staff, we agreed to narrow the scope of our work in order to meet your urgent requirements for the information. As we pointed out to your staff, there is no consistent government-wide accounting for advertising costs. Also, there is no requirement that agencies identify advertising costs within their budgets, and no central location within the Government where such information can be obtained. Consequently, previous efforts to obtain total Government advertising costs have been time-consuming special studies.

In order to narrow the scope of this effort, we agreed to include only five agencies in our review, to request that these agencies provide us with expenditures in black-owned media enterprises, and to report the agencies replies without auditing for accuracy. To aid in identifying black-owned media, agencies were given lists showing such ownership, which your staff provided us. We also agreed to take total advertising costs for these five agencies from a previous General Accounting Office report (B-144618, October 6, 1975). Although a precise relationship between black-owned and total procurements cannot be made because the total procurement figures are for earlier years, we believe that this information is the most useful that can be obtained within the timeframe of your request.

LCD-77-448

We also agreed to ask the five agencies for their policies regarding procurement of advertising services from minority-owned enterprises.

The five agencies were selected from those identified as having substantial advertising expenditures in our 1975 report. These agencies are: Defense, Housing and Urban Development, Postal Service, Transportation, and Treasury. All agencies have replied, however, the Army portion of the Defense reply has not yet been completed. As agreed with your staff, we will forward the Army information when we receive it. In summary, the cost information follows.

RADIO, TELEVISION, NEWSPAPER, AND MAGAZINE  
ADVERTISING SERVICES PURCHASED FROM OUTSIDE SOURCES  
(IN THOUSANDS OF DOLLARS)

<u>Agency</u>	<u>Fiscal Year</u>			
	<u>1974</u> <u>actual</u> <u>(all)</u>	<u>1975</u> <u>estimated</u> <u>(all)</u>	<u>1976</u> <u>actual</u> <u>(black-</u> <u>owned)</u>	<u>1977</u> <u>estimated</u> <u>(black-</u> <u>owned)</u>
Defense (less: Army)	Breakdown not available	Breakdown not available	570.2	1,307.0
Housing and Urban Development	3,150.0	6,008.0	362.7	164.5
Postal Service	5,121.8	11,170.3	34.0	0
Transportation	1,156.8	823.4	81.2	150.2
Treasury	1,305.0	1,820.0	0	0

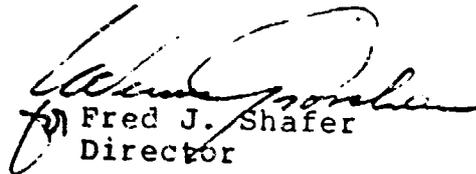
Three agencies' (Housing and Urban Development, Transportation and Treasury) replies indicate they have policies of giving special attention to minority enterprises. As can be noted in enclosure 9, the Department of Transportation's Order, DOT 4000.7, paragraph 5, states that this extra consideration may be extended

"even if, as a result, there is some increased cost to Department programs." Defense and Postal Service, on the other hand, replied that their approach is to make advertising procurements based on cost effectiveness, without regard to enterprise ownership.

Enclosures 1 through 5 contain the detailed advertising costs information. Enclosures 6 through 10 contain each agencies' specific policies regarding procurement of service from minority enterprises, in the form received from the agencies. Advertising costs are reported for media time or space and for production. Production costs are for items such as recording, filming, and other preparation of advertising material required for advertising in a given media.

We trust this response satisfies your request.

Sincerely yours,

  
Fred J. Shafer  
Director

Enclosures (10)

## DEPARTMENT OF DEFENSE (LESS ARMY)

ADVERTISING SERVICES PURCHASED  
FROM OUTSIDE SOURCES  
(THOUSANDS OF DOLLARS)

	FISCAL YEAR			
	<u>1974 actual,</u> <u>all expenditures</u>	<u>1975 estimated,</u> <u>all expenditures</u>	<u>1976 actual,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>	<u>1977 estimated,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>
Radio: Production				
Time			.8	37.0
Television: Production			62.2	255.4
Time			0	124.0
News Papers: Production			0	0
Space			0	5.6
Magazines: Production			47.4	57.8
Space			9.0	250.5
Totals: Total Production			<u>450.8</u>	<u>576.7</u>
Total time and Space			9.8	417.1
Grand Total	Note a	Note a	<u>560.4</u>	<u>889.9</u>
			<u>570.2</u>	<u>1307.0</u>

Note a - Department of Defense data is not available in the same format used for the other departments. Total Defense advertising costs, including all media, such as displays, give-away items, drag racing car, radio, and television are as follows: Fiscal year 1974 (actual) - \$61,525,000; Fiscal year 1975 (estimate) - \$53,052,000.

DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT

ADVERTISING SERVICES PURCHASED  
FROM OUTSIDE SOURCES  
(THOUSANDS OF DOLLARS)

	FISCAL YEAR			
	<u>1974 actual, all expenditures</u>	<u>1975 estimated, all expenditures</u>	<u>1976 actual, expenditures for black-owned services</u>	<u>1977 estimated, expenditures for black-owned services</u>
Radio:				
Production	23.0	0	0	0
Time	0	0	0	0
Television:				
Production	192.0	112.0	0	0
Time	0	0	0	0
News Papers:				
Production	87.0	269.0	0	0
Space	2848.0	5627.0	0	0
Magazines:				
Production	0	0	362.7	164.5
Space	0	0	0	0
Totals:				
Total Production	302.0	381.0	0	0
Total time and Space	<u>2848.0</u>	<u>5627.0</u>	<u>362.7</u>	<u>164.5</u>
Grand Total	<u>3150.0</u>	<u>6008.0</u>	<u>362.7</u>	<u>164.5</u>

POSTAL SERVICEADVERTISING SERVICES PURCHASED  
FROM OUTSIDE SOURCES  
(THOUSANDS OF DOLLARS)

	FISCAL YEAR			
	<u>1974 actual,</u> <u>all expenditures</u>	<u>1975 estimated,</u> <u>all expenditures</u>	<u>1976 actual,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>	<u>1977 estimated,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>
Radio:				
Production	0	136.5	0	0
Time	0	112.2	34.0	0
Television:				
Production	1034.7	1481.4	0	0
Time	160.6	3475.7	0	0
News Papers:				
Production	989.3	1824.2	0	0
Space	2852.5	2808.9	0	0
Magazines:				
Production	0	0	0	0
Space	<u>64.7</u>	<u>1331.4</u>	<u>0</u>	<u>0</u>
Totals:				
Total Production	2024.0	3442.1	0	0
Total time and Space	<u>3097.8</u>	<u>7728.2</u>	<u>34.0</u>	<u>0</u>
Grand Total	<u>5121.8</u>	<u>11170.3</u>	<u>34.0</u>	<u>0</u>

DEPARTMENT OF TRANSPORTATION

ADVERTISING SERVICES PURCHASED  
FROM OUTSIDE SOURCES  
(THE 'SANDS OF DOLLARS)

	FISCAL YEAR			
	<u>1974 actual,</u> <u>all expenditures</u>	<u>1975 estimated,</u> <u>all expenditures</u>	<u>1976 actual,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>	<u>1977 estimated,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>
Radio:				
Production	171.4	145.9		
Time	38.0	0	6.0	0
Television:				
Production	333.4	293.8	0	31.5
Time	53.0	0	4.0	0
News Papers:				
Production	21.9	12.3	0	28.0
Space	54.8	25.8	0	0
Magazines:				
Production	113.5	82.0	0	0
Space	<u>370.8</u>	<u>263.6</u>	0	0
Totals:			<u>71.2</u>	<u>90.7</u>
Total Production	640.2	534.0		
Total time and Space	<u>516.6</u>	<u>289.4</u>	10.0	0
Grand Total	<u>1156.8</u>	<u>823.4</u>	<u>71.2</u>	<u>150.2</u>
			<u>81.2</u> (Note a)	<u>150.2</u> (Note a)

Note a: All figures shown for fiscal years 1976 and 1977 are for U.S. Coast Guard expenditures.

DEPARTMENT OF THE TREASURY

ADVERTISING SERVICES PURCHASED  
FROM OUTSIDE SOURCES  
(THOUSANDS OF DOLLARS)

	FISCAL YEAR			
	<u>1974 actual,</u> <u>all expenditures</u>	<u>1975 estimated,</u> <u>all expenditures</u>	<u>1976 actual,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>	<u>1977 estimated,</u> <u>expenditures for</u> <u>black-owned</u> <u>services</u>
Radio:				
Production	143.0	158.0	0	0
Time	0	2.0	0	0
Television:				
Production	204.0	600.0	0	0
Time	0	25.0	0	0
News Papers:				
Production	118.0	114.0	0	0
Space	792.0	865.0	0	0
Magazines:				
Production	47.0	56.0	0	0
Space	<u>1.0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals:				
Total Production	512.0	928.0	0	0
Total time and Space	<u>793.0</u>	<u>892.0</u>	<u>0</u>	<u>0</u>
Grand Total	<u>1305.0</u>	<u>1820.0</u>	<u>0</u>	<u>0</u>



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301

MANPOWER,  
RESERVE AFFAIRS  
AND LOGISTICS

14 SEP 1977

(Military Personnel Policy)

Mr. John Leitch  
General Accounting Office  
Room 5844  
441 G Street  
Washington, D.C.

Dear Mr. Leitch:

This letter is in response to your telephone request of 11 September 1977 for a formal statement of DoD policy governing selection of media.

The Department of Defense employs recruiting advertising to stimulate the supply of military manpower. Since resources are limited, each DoD advertiser attempts to obtain the required quantity and quality enlistments at least cost. Therefore, our advertising media planners develop media mixes with the support of their advertising agencies to maximize market response per dollar expended. DoD advertising directors continually evaluate all media on the basis of their ability to reach the target audience and generate market response. Only the most cost effective media vehicles are selected for inclusion in the advertising program. Advertising media vehicles are not chosen on the basis of the racial composition of their management or ownership.

The advertising contracts of the Services contain the required Armed Services Procurement Regulation clauses on equal opportunity and affirmative action. Advertising contractors are required to abide by them in their dealings with subcontractors. As in all areas of procurement, the Department of Defense recognizes an obligation to provide minority businesses an equal opportunity to compete directly for contracts with the Services, and to be considered fairly as subcontractors and suppliers.

If we can be of further assistance, please let us know.

Sincerely,

G. Martin  
Director  
Accession and Retention



2210.15

# SMALL BUSINESS, MINORITY AND LABOR SURPLUS AREA CONTRACTING PROGRAM

AUGUST 1976

HUD STAFF

# A HUD HANDBOOK

ADMINISTRATION

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

ACE: DISTRIBUTION: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-2, R-4,  
R-4-1, R-4-2, R-5, R-5-1, R-5-2, 018

## TABLE OF CONTENTS

<u>Paragraph</u>	<u>Page</u>
CHAPTER 1. INTRODUCTION TO THE SMALL BUSINESS PROGRAM	
1. Policy	1
2. Purpose	1
3. Scope	1
4. Definitions	2
5. Authorities	3
6. Implementation	3
CHAPTER 2. DUTIES AND RESPONSIBILITIES	
7. Role of the Small Business Advisor and Specialist	5
8. Role of the Minority and 8(a) Procurement Program Coordinator	6
9. Role of the Equal Opportunity Liaison Representative	7
10. Coordination with Contracting Officers	7
11. Liaison Duties and Responsibilities of the SBA Representative	7
CHAPTER 3. SMALL BUSINESS SET-ASIDES	
12. Purpose	9
13. Pre and Post Award Review Procedures	9
14. Factors Considered for Small Business Set-Asides	10
15. Determination of Small Business Status	11
16. Certificate of Competency Requirements	11
17. Total, Partial and Combined Small Business-- Labor Surplus Area Set-Asides	16
18. Order of Precedence in Negotiating for Small Business and Labor Surplus Area Set-Asides	17

2210.15

<u>Paragraph</u>	<u>Page</u>
CHAPTER 4. CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION UNDER SECTION 8(a) OF THE SBA ACT	
19. Purpose	19
20. Eligibility	19
21. Factors Considered in Placing an 8(a) Contract	23
22. Referral of Procurement Needs to SBA	23
23. Location of 8(a) Sources	24
24. Submission of Procurement Package to SBA	24
25. Contract Negotiation and Pricing	25
26. Bonding	27
27. Contract Administration	27
28. Regional 8(a) Procurement	27
CHAPTER 5. MINORITY BUSINESS ENTERPRISE PROGRAM	
29. Policy	29
30. Definition	29
31. Implementation	29
32. Counseling and Assistance	29
33. Certification of Status as a Minority Business Enterprise	30
CHAPTER 6. SMALL BUSINESS, LABOR SURPLUS AREA AND MINORITY BUSINESS ENTERPRISE SUBCONTRACTING PROGRAMS	
34. Policy	33
35. Responsibilities	33
36. Procedures	33
37. Reports	33

2210.15

---

**CHAPTER 1. INTRODUCTION TO THE SMALL BUSINESS PROGRAM**

1. **POLICY.** It is the policy of the Department of Housing and Urban Development to carry out, to the maximum extent, a Small Business Program through the placement of a fair portion of the Department's total procurement requirements with small business concerns as required by the Federal Procurement Regulations (41 CFR 1-1.702) and the Small Business Act (15 U.S.C. 644) and through the placement of selected requirements with the Small Business Administration (SBA) under Section 8(a) of the Small Business Act (15 U.S.C. 637).
2. **PURPOSE.** The Small Business Program provides a channel to Government contracting for small businesses, unable or unlikely to get the opportunity to compete successfully for such contracts. This is accomplished primarily through the implementation in each Federal Agency of 1) the preferential set-aside for small business and 2) the Small Business Act Section 8(a) subcontract procedure. This Handbook is intended to clarify the means that will be employed to promote these programs and other related policies and procedures in assisting and promoting small businesses.
3. **SCOPE.** This Handbook is applicable to the operations of procuring activities within the Department and pertains to all HUD requirements for supplies, and services which shall be obtained through HUD procurement and contracting. This Handbook is not applicable to a direct grant, loan or other assistance to a State or local government, college or university or non-profit organization. This Handbook is not applicable to procurement under the acquired property program which may be found in HUD Handbook 4320.1, Property Disposition Contracting. The contents of this Handbook will not be applicable to emergency procurement in support of a Disaster Field Office's temporary housing program for Presidentially-declared disaster areas.
4. **DEFINITIONS.** The following definitions for the terms listed below apply throughout this Handbook.
  - a. **Small Business Advisor.** The HUD Small Business Advisor is the Director, Office of Procurement and Contracts, who has the overall Departmental responsibility for the establishment and operation of the HUD Small Business Program.

- b. Small Business Specialist. The Small Business Specialist is the individual who is appointed by the Head of the Procuring Activity who procures supplies and services including construction and who has the responsibility to implement the requirements of the Small Business Program.
- c. Small Business Concern. A small business concern is any business entity organized for profit which may include an individual, partnership, corporation, joint venture, association or cooperative which is independently owned and operated, is not dominant in the field of operations and can further qualify by reason of size and other criteria as set forth in the Federal Procurement Regulations, 41 CFR 1-1.7.
- d. Minority and 8(a) Procurement Program Coordinator. The Minority Procurement Program Coordinator is the individual appointed by each Primary Organization Head to cooperate with and assist the Small Business Specialist as the program contact in all minority procurement in general as well as procurements under Section 8(a) of the Small Business Act (15 U.S.C. 637(a)).
- e. Head of Procuring Activity. "Head of Procuring Activity" as used in this Handbook has the following meaning:
- (a) Director, Office of Procurement and Contracts, for HUD Headquarters procurement;
  - (b) The Assistant Regional Administrators for Administration for Regional Office procurement;
  - (c) The Director, Office of Property Disposition, for national contracts on acquired properties;
  - (d) The Directors, Area and Insuring Offices, for decentralized procurement on acquired properties;
  - (e) The Directors, Strategic Storage Centers, for procurement in support of the requirements for disaster temporary housing, storage, maintenance, repair and transport;

2210.15

- 
- (f) The Directors, Disaster Field Operations, for procurement of supplies and services in support of temporary housing for Presidentally-declared disaster areas; and
- (g) The Director, Office of Housing Programs, for contracts for the Consolidated Supply Program.
5. AUTHORITIES. The goals and objectives of the Small Business Program will be carried out in accordance with the following authorities:
- a. Federal Procurement Regulations (FPR) - 41 CFR Chapter 1-1.7;
  - b. The HUD Procurement Regulations (HUDPR) - 41 CFR Chapter 24-1.7;
  - c. The Small Business Act 15 U.S.C. 631 et. seq.;
  - d. Executive Order 11625 dated October 13, 1971.
6. IMPLEMENTATION. The Head of the Procuring Activity shall select and appoint, as appropriate, Small Business Specialists. Individuals designated as Small Business Specialists shall be directly responsible to the appointing authority and through that authority to the Small Business Advisor. Each designee will ensure that the Small Business Program of his procuring activity is accomplished with the highest degree of effectiveness, meeting all the requirements of this Handbook and the AUTHORITIES set forth above in paragraph 5. To the maximum extent practicable, Small Business Specialists should be selected for their business acumen or related experience.
-

2210.15

---

**CHAPTER 5. MINORITY BUSINESS ENTERPRISE PROCUREMENT PROGRAM**

29. POLICY. Executive Order 11625, issued October 13, 1971 and FPR Amendment 148 (6/18/75, 40 FR 25674) established the requirement to increase minority business enterprise participation in Federal procurement programs. It is the Departmental policy, therefore, to implement Executive Order 11625 and FPR Amendment 148 by facilitating to the maximum practicable extent participation of minority firms in HUD procurements.
30. DEFINITION. "Minority business enterprise" means a business entity at least 50% of which is owned by minority group members, or in case of publicly owned businesses, at least 51% of the stock of which is owned by minority group members. For the purpose of this definition, minority group members shall include Negro/Black, Spanish-speaking American persons, American-Orientals, American-Indians, American-Eskimos and American-Aleuts.
31. IMPLEMENTATION. Small Business Specialists in conjunction with Equal Opportunity liaison representatives shall take steps to facilitate the instructing of minority individuals and firms with respect to procurement policies and procedures, and inform such individuals and firms concerning sub-contracting opportunities.
32. COUNSELING AND ASSISTANCE. Many minority professional, consulting and management firms have difficulty in gaining access to the Federal procurement system due to the Federal agencies' general lack of knowledge about the location and capabilities of existing minority firms. In addition, such firms are usually not aware of Federal procurement opportunities and, therefore, are not as successful in capturing Government contracts. Minority owned construction firms which could provide repair and renovation of HUD acquired properties and facilities or participate in Emergency Repair Program (ERP) or other construction work in connection with disaster temporary housing assistance are relatively small and have difficulty gaining access to prime contracts. Bonding requirements, cash flow problems and size continue to limit minority construction firm participation in the Federal contracting process. In order to provide adequate counseling and assistance, the Small Business Specialist will:

2210.15

- 
- a. Maintain and utilize counseling aids prepared or obtained by the HUD Office of Fair Housing and Equal Opportunity.
  - b. Apprise all interested minority firms of the sources of procurement information and regulations.
  - c. Refer interested minority firms to the cognizant SBA regional and/or district offices for possible inclusion in the SBA facilities inventory.
  - d. Furnish all source lists and related forms and advise in their preparation and transmittal to the appropriate Departmental procuring activity.
  - e. Solicit offers from the minority business enterprises on the agency's source lists.
  - f. Ensure that minority business enterprises will have an equitable opportunity to compete for contracts, particularly by arranging (i) solicitations, (ii) time for the preparation of bids, (iii) quantities (iv) specifications, and (v) delivery schedules, to facilitate the participation of minority business enterprises.
  - g. Maintain records showing with respect to minority business enterprises (i) concerns on source lists, (ii) concerns solicited, and (iii) dollar value of awards to such concerns.
  - h. In the case of construction contracting, coordinate closely with OMBE/Department of Commerce which funds minority construction contractors associations and can locate qualified minority construction firms for specific procurements.
  - i. Coordinate and cooperate with the Minority Business Opportunity Committee of the Federal Executive Board.
33. CERTIFICATION OF STATUS AS A MINORITY BUSINESS ENTERPRISE.  
In accordance with HUDPR 24-1.715, the following procedures shall be observed:

All procuring activities shall request all interested contractors, bidders or offerors and sources utilized through small purchase procedures to complete a certification as to whether they are a minority business enterprise as defined under 41 CFR 1-1.715-1. Completion of this certificate is not a condition of eligibility for contract award.

---

2210.15

RFQ/IFB/RFP No. \_\_\_\_\_  
Purchase Order/Contract No. \_\_\_\_\_  
U.S. Department of Housing and Urban Development additional  
certification of status as a minority business enterprise.  
Offerors, bidders or suppliers are requested to complete,  
sign and attach this page, in single copy, to any bid,  
proposal or quote submitted under the solicitation identified  
above. Completion of this certification is not a condition of  
eligibility for contract award.

The Bidder/Offeror/Supplier certifies that he is, is not a  
minority business enterprise which is defined as a business,  
at least 50 percent of which is owned by minority group  
members or, in the case of publicly owned business, at least  
51 percent of the stock of which is owned by minority group  
members. For the purpose of this definition, minority group  
members are Negroes, Spanish-speaking American persons,  
American-Orientals, American-Indians, American Eskimos, and  
American Aleuts.

(Name and Title of Person Signing)

Signature \_\_\_\_\_

Date \_\_\_\_\_

CHAPTER 6. SMALL BUSINESS, LABOR SURPLUS AREA, AND  
MINORITY BUSINESS ENTERPRISE SUBCONTRACTING  
PROGRAMS

34. POLICY. It is the policy of the Department to assure that small business, labor-surplus area concerns and minority business enterprises are afforded the maximum opportunities for subcontracting under prime HUD contracts. In addition, this chapter sets forth policies and procedures governing the administration of such subcontracting opportunities as required by FPR Sections 1-1.710-2, 1-1.805-2, and 1-1.1310-1 respectively.
35. RESPONSIBILITIES. The Small Business Specialist is responsible for the review of prime contractors' subcontracting programs required by the above FPRs in order to determine the effectiveness with which each contractor is carrying out the requirement. After determining whether specific contractors have complied with any applicable subcontracting program clauses, the Small Business Specialist may recommend to the Contracting Officer such actions as may be necessary to assure compliance.
36. PROCEDURES. The Small Business Specialist shall identify contracts containing small business, labor-surplus area, or minority business enterprise subcontracting program clauses as specified by the FPR, i.e., all contracts which may exceed \$500,000 and which, in the opinion of the procuring activity, offer substantial subcontracting possibilities. The Small Business Specialist will arrange for periodic review of prime contractors' small business subcontracting programs after consultation with the SBA representative. Each affected contractor is expected to develop policies and procedures to fit the particular situations and requirements of his subcontracting program. Procurement action records shall be analyzed by the Small Business Specialist and/or by the SBA representative during periodic reviews along with the contractor's policies, procedures, and other matters related to his subcontracting program.
37. REPORTS. Contracting Officers shall be responsible for assuring that the Small Business Specialist receives any reports required under subcontracting program clauses. Small Business Specialists shall be responsible for developing reports on the operation of an affected contractor's

2210.15

---

subcontracting program. This report shall be reviewed and concurred in by the SBA representative and the cognizant Contracting Officer. A copy of each such report shall be maintained in the active contract file and forwarded to the Small Business Administration.

  
Assistant Secretary  
for Administration



ADMINISTRATION GROUP  
Washington, DC 20260

September 2, 1977

Mr. John Leitch  
U. S. General Accounting Office  
Logistics and Communications Division  
GAO Building, Room 5729  
441 G Street, N. W.  
Washington, D. C. 20548

Dear Mr. Leitch:

Re: Use of Minority Suppliers for Advertising Services

This responds to your request for: 1. a statement of policies and procedures relating to procurement of advertising services from minority enterprises; and; 2. a summary of Postal Service's recent experience in using minority suppliers for advertising production service and media time/space.

### POLICIES AND PROCEDURES

The policy of the U. S. Postal Service is to give minority owned enterprises equal consideration to all other suppliers in the area of advertising services.

Such services fall into three major categories: advertising agency services, which cover overall development of advertising plans and materials; special technical services in the production area; and media services, which cover advertising time and space purchased for the Postal Service to deliver its commercial messages to the public.

### Advertising Agency Services/Production Services

In the area of advertising agency services, the Postal Service selects its agency by means of open competition, following the standard procedures established in the Postal Contracting Manual (Publication 41). The advertising agency contract is awarded based on technical and price evaluation of the competing agencies, without regard to minority ownership.

All Postal Service advertising is prepared and placed through our advertising contractor. Once the advertising agency contract is established, subcontracts which the advertising agency enters into on behalf of the U. S. Postal

Service (for such technical services as recording, filming, etc.) are determined by competitive price bidding among technically qualified supplier firms. Determination of technical competence is made without regard to minority ownership.

Media Services

In the media services area, the primary objective is to achieve maximum exposure of the advertising message for minimum cost. Selection of specific media vehicles (i. e., specific newspapers, magazines, television and radio stations) is done so as to maximize national efficiencies against the pre-determined target audience. This is done without regard to the ownership of the media involved.

The target audiences for the various Postal Service advertising campaigns differ depending on the specific product or service and who it appeals to. Standard business analysis and market research techniques are employed to determine which demographic population group(s) holds the maximum potential for each program supported by advertising.

POSTAL SERVICE USE OF MINORITY OWNED MEDIA

The following table summarizes Postal Service's advertising spending in recent fiscal years in minority-owned media.

	<u>Radio</u>	<u>TV</u>	<u>Newspapers</u>	<u>Magazines</u>	<u>Total</u>
FY 1975	\$	-	\$18,300 (Note a)	-	\$18,300
FY 1976 and Transition Quarter	\$34,000 (Note a)	-	\$ -	-	\$34,000
FY 1977	\$	-	\$ -	-	\$ -

No minority owned enterprises have been employed by the Postal Service for annual advertising agency services. In the technical services/production

Note a: GAO Note -- according to USPS, all of the \$34,000 under radio costs was spent in black-owned media, and \$11,500 of the \$18,300 under newspaper costs was spent in black-owned media.

Page 3

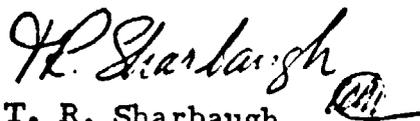
Mr. John Leitch

September 2, 1977

area we do not have a record of whether the firms employed were minority-owned since that has not been a selection criteria.

If you require further information, please let us know.

Sincerely,



T. R. Sharbaugh  
Manager

Advertising Services Branch  
U. S. Postal Service

TRS:myi

cc: Messrs.: Applegate  
Allison  
Letts  
Taylor

Department of Transportation

Office of the Secretary

Washington, D.C.

4400.46

Appendix 1

12/13/76

ORDER

DOT 4000.7

3-26-75

SUBJECT: MINORITY BUSINESS ENTERPRISE PROGRAM

1. PURPOSE. This order consolidates previously issued policy and procedural memoranda to update, reemphasize and standardize the Minority Business Enterprise (MBE) program and establish a uniform reporting system.
2. CANCELLATIONS. The following memoranda covering aspects of the MBE program have been incorporated in this Order to the extent they are still effective and are superseded by this order and cancelled. The supporting documents provided with certain of these memoranda should be retained for reference purposes.
  - a. Memorandum of 7-24-69, from the Secretary to the Administrators establishing the MBE program in the Department of Transportation (DOT).
  - b. Memorandum of 7-24-69, from the Assistant Secretary for Administration to the Administrators providing procedures for implementing the policy established by the Secretary's memorandum in a. above.
  - c. Memorandum of 9-4-69, from the Under Secretary to Secretarial Officers, Administrators, and Chairman, National Transportation Safety Board (NTSB) covering affirmative action to increase DOT use of black consultants.
  - d. Memorandum of 2-4-70, from the Secretary to Secretarial Officers and Administrators reemphasizing the MBE program.
  - e. Memorandum of 11-10-70, from the Under Secretary to Secretarial Officers, Administrators, the Chairman, NTSB, and the Director, Transportation Systems Center (TSC) reemphasizing the MBE program, centralizing responsibility in the Office of Installations and Logistics (TAD-60), and requiring goals and timetables.
  - f. Memorandum of 1-7-71, from the Director of Installations and Logistics to Secretarial Officers, Administrators, and the Chairman, NTSB, requiring quarterly reports on use of black consultants.

DISTRIBUTION: All Secretarial Offices  
All Operating Administrations

OPI: Office of  
Installations  
and Logistics

DOT 4000.7  
3-26-75

- g. Memorandum of 1-19-72, from the Director of Installations and Logistics to Secretarial Officers, Administrators, and the Chairman, NTSB, requiring quarterly reports on use of black consultants.
  - h. Memorandum of 3-9-72, from the Under Secretary to Administrators reemphasizing the MBE program, calling for membership on Minority Business Opportunity Committees (MBOCs) and setting up a reporting program through the Secretarial Representatives.
  - i. Memorandum of 3-9-72, from the Under Secretary to Secretarial Representatives providing for coordination of field MBE program.
  - j. Memorandum of 1-7-74, from the Assistant Secretary for Administration to Secretarial Representatives, Administrators, and the Director, TSC, requiring coordination with the field offices of the Office of Minority Business Enterprise (OMBE), Department of Commerce.
3. AUTHORITY. Executive Order 11625 of 10-13-71, provides arrangements for developing and coordinating a national program for minority business enterprise (MBE).
4. BACKGROUND. Executive Order 11625 continues and expands the program established by Executive Order 11458 of 3-5-69, to assist in the development of minority business enterprises. The Executive Order assigns primary responsibility for the program to the Secretary of Commerce and authorizes him to develop plans and program goals, establish regular performance monitoring and reporting systems, and evaluate the results. The Order requires the head of each Federal department or agency to furnish information, assistance, and reports to, and to cooperate with, the Secretary of Commerce. The Secretary of Commerce is required to consider reports from Federal departments and agencies and submit an annual report to the President not later than 120 days after the close of each fiscal year.
5. POLICY. It is Department of Transportation policy to support the minority business enterprise program actively even if, as a result, there is some increased cost to Departmental programs.

6. DISCUSSION.

- a. Under the minority business enterprise program the following elements receive attention: award of procurement contracts; award of concession contracts; financial, training and management assistance programs; deposit of funds in minority banks; and any other actions that can be taken to improve the opportunity of minority enterprises to share equally in the free enterprise system.
- b. This program requires the identification of contracts, subcontracts, concessions, bank deposits, and assistance programs which can be awarded to or performed by minority enterprises. While the Department's major efforts continue to be aimed at Departmental objectives, we can and must afford some diversion of resources to social-economic programs. The MBE program is an area in which some minor additional costs of products or services procured can create substantial improvements in minority opportunities to share in the free enterprise system. Promotion of the Department's policy of support to minority business enterprise requires the personal commitment of each Administrator and Secretarial Officer suitably expressed to responsible officials in his organization and supported at all levels of management and performance.
- c. A particularly difficult area for minority entrepreneurs is in the field of professional services where a track record of performance is one of the principal indices for selection of sources. An extra effort is required to seek out and use the services of minority consultants accounting firms, architect-engineer firms, and research and development firms. In these areas the requirements offices have a very strong influence on source selection and they should give affirmative consideration to the use of minority individuals and companies.

## 7. RESPONSIBILITIES.

- a. The Deputy Secretary is the Department of Transportation member of the Interagency Council for Minority Business Enterprise and has over-all responsibility for the DOT MBE program.
- b. The Assistant Secretary for Administration has responsibility for establishing and maintaining a program to promote the policy stated in paragraph 5. above.
- c. The OST Director of Installations and Logistics has immediate responsibility for promotion and implementation of the MBE program, development of necessary reporting systems, and providing support to the Deputy Secretary in the activities of the Interagency Council for Minority Business Enterprise. He will provide the necessary focus and attention to this effort. He will provide DOT representation on the several Task Forces or Committees of the Interagency Council for MBE.
- d. Secretarial Officers and heads of operating administrations have responsibility for effective implementation of the policy within their office or administration.
- e. The head of each operating administration shall designate an official to have over-all responsibility for promotion of the minority business enterprise program in his administration. The official designated should be so organizationally situated that he can effectively interface with both procurement officials and requirements offices. Each administration will also designate for each activity with contracting authority an official to be responsible for promotion of the program to award contracts to MBE firms. This official should be capable of providing effective coordination between procurement personnel and the various requirements offices and will be responsible for ensuring that required reports are submitted. The head of each operating administration will ensure that appropriate field offices establish effective lines of communication with regional and field offices of the Office of Minority Business Enterprise, Department of Commerce, and that they are represented on and actively participate in the activities of the Minority Business Opportunity Committees established in their areas.
- f. The Assistant Secretary for Administration will designate an official to perform the MBE coordinating function for OST. The Director, TSC, will designate an official to perform the corresponding function for TSC activities.

- g. Secretarial Representatives will coordinate DOT activities in support of the MBE program as they relate to the Regional Councils or the Federal Executive Boards and Associations. This coordination will normally be effected through their positions as chairmen of the Field Coordination Groups.
- h. The Directors of Offices of Civil Rights are responsible for active promotion of the MBE program and for the inclusion of MBE subcontracting efforts as a review factor in regular contract compliance activities.
- i. All employees in positions to make decisions on matters affected by the DOT policy on MBE will ensure that full consideration is given to the President's objectives.

8. PROCEDURES.

a. Procurement

- (1) Sources. Each procurement office will maintain its bidders mailing lists so that identified minority business enterprises are clearly shown. Invitations for bids or proposals will be submitted to identified minority firms.
- (2) Screening. All procurements in excess of \$2,500, will be screened for possible award to MBE firms under the Small Business Administration (SBA) Section 8(a) program. Those determined suitable for such award will be processed through the appropriate SBA office.
- (3) Prime Contractor Responsibilities. The provisions of FPR Subpart 1-1.13 Minority Business Enterprise will be carefully observed.
- (4) Small Purchases. In accordance with the provisions of Federal Procurement Regulations (FPR) Section 1-3.603-1 each DOT procurement office maintains a small purchase source list for repetitive procurements. The small business and MBE status of firms on such lists will be indicated when such status is known. In order to ensure maximum identification of MBE firms the procurement office shall consult with its civil rights office, the SBA, local branches of the Office of Minority Business Enterprise, local Business Development Organizations (BDOs), and minority organizations or technical assistance groups. MBE firms will be given an opportunity to submit quotations.

- b. Grants. Procedures for implementation of grants will include provision for an affirmative action program to promote minority business enterprise. Where other comparable procedures are not in effect the following requirements will be placed on the grantee:

(1) General

"The grantee agrees to use his best efforts to ensure that minority business enterprises shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds provided under this agreement."

(2) Utilization of Minority Business Clause

The "Utilization of Minority Business Clause" set forth below shall be included in all contracts, financed in whole or in part with Federal funds provided under this agreement, which exceed \$5,000 except contracts which, including all subcontracts thereunder, are to be performed entirely outside the United States, its possessions, and Puerto Rico and contracts for services which are personal in nature.

- (a) It is the policy of the Department of Transportation that minority business enterprises shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds.
- (b) The Contractor agrees to use his best efforts to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, the term "minority business enterprise" means a business, at least 50 percent of which is owned by minority group members or, in the case of publicly owned businesses at least 51 percent of the stock of which is owned by minority group members. For the purpose of this definition minority group members are Negroes, Spanish-speaking American persons, American Orientals, American Indians, American Eskimos, and American Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

- (3) The "Minority Business Subcontracting Clause" set forth below shall be included in all contracts which contain the clause required by subparagraph (2) above, and which, in the opinion of the grantee, offer substantial subcontracting possibilities.
- (a) The Contractor agrees to establish and conduct a program which will enable minority business enterprises (as defined in the clause entitled "Utilization of Minority Business Enterprises Clause") to be considered fairly as subcontractors and suppliers under this contract. In this connection the Contractor shall...
- 1 Designate a liaison officer who will administer the Contractor's minority business enterprises program.
  - 2 Provide adequate and timely consideration of the potentialities of known minority business enterprises in all "make-or-buy" decisions.
  - 3 Ensure that known minority business enterprises will have an equitable opportunity to compete for subcontracts, particularly by arranging solicitations, time for the preparation of bids, quantities, specifications and delivery schedules so as to facilitate the participation of minority business enterprises.
  - 4 Maintain records showing (a) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority business enterprises, (b) awards to minority business enterprises on the source list, and (c) specific efforts to identify and award contracts to minority business enterprises.
  - 5 Include the "Utilization of Minority Business Enterprises Clause" in subcontracts which offer substantial minority business enterprises subcontracting opportunities.
  - 6 Cooperate with the Contracting Officer in any studies and surveys of the Contractor's minority business enterprises procedures and practices that the Contracting Officer may from time to time conduct.
  - 7 Submit periodic reports of subcontracting to known minority business enterprises with respect to the records referred to in subparagraph 4 above, in such form and manner and at such times (not more often than quarterly) as the Contracting Officer may prescribe.

(b) The Contractor further agrees to insert in any sub-contract hereunder which may exceed \$500,000 provisions which shall conform substantially to the language of this clause, including this paragraph (b), and to notify the Contracting Officer of the names of such subcontractors.

c. Professional Services Contracts. A special effort shall be made in all awards of professional services type contracts with such firms as consultants, architect-engineers, research and development firms, accountants, etc., to seek out minority firms and include such known firms in any solicitations for bids or proposals. A record shall be made in the solicitation file in each such case of the efforts made to locate minority sources and the results of solicitation from such firms.

d. Concession Contracts. A special effort shall be made in all new or renewal contracts for operation of concessions on DOT facilities or under DOT control to locate minority concessionaires. In appropriate cases award of concession contracts under the 8(a) procedure should be effected. Where 8(a) procedure is not appropriate minority business enterprises shall be given every opportunity to submit bids or proposals and shall be considered for award. A record shall be made in the solicitation file in each such case of the efforts made to locate and award to minority business enterprises.

e. Bank Deposits. The services of minority banks shall be utilized to the maximum extent for the performance of official and quasi-official Departmental banking needs. Where a minority bank is available and can perform a required service such bank shall be used for services in connection with appropriated funds. Where such bank is available and can perform a required service for non-appropriated funds the use of such bank shall be encouraged by DOT officials having cognizance over the non-appropriated fund activity.

## 9. REPORTS.

### a. Semi-Annual Reports

(1) The head of each operating administration and the Director, TSC, will submit semi-annual reports on activities supporting the MBE program. These reports need not include statistical data on contract awards covered by the Contract Information System (CIS) as provided in DOT 1340.5b Contract Information System of 1-12-73. The reports should

DOT 4000.7 Chg 1  
6-17-75

Page 9

include information on developments or actions taken which will have an impact on the MBE program. This should include as appropriate, but not be restricted to:

- (a) Data on MBE contracting activities of, and results achieved by grantee agencies;
  - (b) Changes in concession statistics;
  - (c) Subcontracting reported by prime contractors under the provisions of Federal Procurement Regulations (FPR) 1-1.1310-2b;
  - (d) Attendance or participation in seminars, conferences, or workshops dealing with MBE; and
  - (e) Significant problems in general MBE program efforts or in specific MBE contracts.
- (2) Negative reports should be submitted except in the case of the St. Lawrence Seaway Development Corporation and TSC whose activities offer little potential for other than contract award actions covered by the CIS or bank deposits covered by a separate reporting system.
- (3) Secretarial Officers should advise of significant MBE developments in their areas of concern. They need not submit negative reports.
- (4) Mid-year reports should be submitted to the OST Director of Installations and Logistics by the end of February. In order to meet the deadline established by Executive Order 11625 for the annual report to the President, the report submitted at the end of the year must be received in OST by the end of July. This report will include forecast data for the next fiscal year covering Sections 1, 2 and 3 of Department of Commerce, Office of Minority Business Enterprise, Form MBE-91 (Revs 4-75) Attachment 1.

Vertical line denotes change.

Page 10

DOT 4000.7  
3 26-75

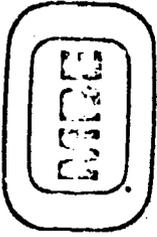
- b. Procurement Forecast List. One of the principal tools for promotion of MBE contracting with the Federal Government is Section 8(a) of the Small Business Act. The Department awards contracts to SBA under this authority as provided in paragraph 9.a.(2) above. The SBA, in turn, awards sole source subcontracts to MBE firms. In addition to the annual statistical forecast on Form MBE-91, as provided in 10.a.(4) above, a forecast of anticipated procurements suitable for award under the Section 8(a) program will be made. Each procurement office will review its program for the forthcoming fiscal year and identify those procurements appropriate for award to SBA. By July 31 each administration, TSC, and the OST Procurement Operations Division, TAD-43, will provide to the Director of Installations and Logistics a listing of proposed procurements by procurement office for the next fiscal year which are considered suitable for award under the Section 8(a) program. All offices obtaining goods or services by contract will cooperate with their procurement offices in identifying procurements suitable for award under the Section 8(a) program and in making awards to MBE contractors. The totals of procurements listed as suitable for Section 8(a) award will not necessarily be the same as the totals reported for Column (3) of Form MBE-91. Some suitable contracts may not be awarded to MBE firms and many contracts which will be awarded to MBE firms during the year will not be known to the procurement office at the start of the year. The goals listed on Form MBE-91 should normally be higher than the totals of listed procurements submitted under this paragraph.

FOR THE SECRETARY OF TRANSPORTATION:

William S. Heffelfinger  
Assistant Secretary  
Administration

DCT 4000.7 Chg 1  
6-17-75

Attachment 1  
Page 1



U.S. DEPARTMENT OF COMMERCE  
OFFICE OF MINORITY BUSINESS ENTERPRISE



MINORITY BUSINESS ENTERPRISE PROGRAM DATA FORM

DEPARTMENT/AGENCY

sample

Prepared By:

(Name and Title of Agency Representative)

Approved By:

(Name and Title of Agency Approving Authority)

Submission Date:

(Date of Submission)

Vertical line denotes change.

**MBE 91 PROGRAM DATA FORM INSTRUCTIONS**

**I. General Instructions:**

- A. For each Column include the total Number of Contracts, Grants, or Loans and their total Dollar value in Thousands of Dollars. i.e., \$1,621.0 Thousands.
- B. If your agency cannot identify the data to complete the minority columns then label the column "unknown". All other columns should be completed based on Standard Form 37 or similar internal report systems.
- C. Consultant-Software Contracting consists of the purchasing of professional services from a for-profit business to obtain research and development assistance, technical or management advice, feasibility studies, computer management services, or analytic and scientific data which results in an end product of a report, printout, plan, study or other document. It does not include the purchase of hardware equipment, physical components, keypunching cards or tangible goods and property. The National Roster of Minority Professional Consulting Firms contains a further index of twenty-three services which are classified as consulting-software services for the purpose of this definition. These services are:

Accounting	Family Planning	Manpower and Labor
Advertising	Finance	Marketing and Sales
Black Community Services	Health Services	Public Relations
Business Development	Housing	Science & Technology
Communication/Media	Indian Community	Security Systems
Computer Science Service	Insurance	Architecture, Building and Construction Engineering
Economic Development	Managerial & Technical Assistance	Spanish Community
Education		Urban Sciences

- D. Other procurement should include all remaining procurement awards to Profit and Non-profit Businesses. Breakout total Number and Dollar value for Minority Non-Profit on bottom of page.
- E. Business Loans and Guarantees should indicate the race/ethnic breakdown. If exact figures are not available give best estimates.

**II. Special Instructions:**

- 1. Section 1, Part I, column 1 includes all agency procurement excluding 8(a) contracts.
- 2. Section 2, Part I, column 1 should include: Business Loans & Guarantees, Equal Opportunity Loans & Guarantees, Displaced Business Loans & Guarantees, Local Development Corporation Loans & Guarantees, Lease Guarantees and Line of Credit Guarantees.
- 3. Section 2, Part III, Columns (5) and (6) should include both Time and Demand Deposits.
- 4. Section 2, Part III, identify from column (6) and attach hereto the following information:
  - Name of each Minority Bank and Savings & Loan Association
  - Present total Dollar Amount Deposited
- 5. Section 3, Columns 2 and 3, identify and attach hereto the following minority grant information:
  - Grantee/recipient name
  - Location (City/State)
  - Grant Description (one line)
  - Ethnic/racial composition of grantee
  - Dollar Value

sample

Vertical line denotes change.

DOT 4000.7 Chg 1  
6-17-75

Attachment 1  
Page 3

FORM MBE-91  
(REV. 8-75)

U.S. DEPARTMENT OF COMMERCE  
OFFICE OF MINORITY BUSINESS ENTERPRISE

FY \_\_\_\_\_ PROGRAM DATA FORM

Section 1. Minority Business Procurement (amount in thousands of dollars)

DEPARTMENT/AGENCY

PERIOD COVERED

FROM

TO

REPORT OF ACTUAL  GOAL REPORT

TYPE OF PROCUREMENT	PART I - TOTAL DIRECT PROCUREMENT						PART II		PART III - SUBCONTRACT PROCUREMENT			
	TOTAL OF ALL AGENCY PROCUREMENT EXCLUDING B. AND C. PROCUREMENTS REPORTED BY ANOTHER AGENCY (1)		SMALL BUSINESS PORTION OF COLUMN (1)		MINORITY BUSINESS PORTION OF COLUMN (1)		TOTAL B. AND C. PROCUREMENTS MADE BY MINORITY PRIME CONTRACTORS		TOTAL SUBCONTRACTS MADE BY NON-MINORITY PRIME CONTRACTORS		PORTION OF COLUMN (5) MADE TO MINORITY FIRMS BY NON-MINORITY PRIME CONTRACTORS	
	NUMBER	DOLLARS	NUMBER	DOLLARS	NUMBER	DOLLARS	NUMBER	DOLLARS	NUMBER	DOLLARS	NUMBER	DOLLARS
A. TOTAL												
B. CONSULTANT SOFTWARE PROCUREMENT												
C. CONSTRUCTION PROCUREMENT												
D. OTHER PROCUREMENT												

sample

Vertical line denotes change.

USCOM-PC-7328-0115

FORM MBE-31  
(REV. 4-75)

U.S. DEPARTMENT OF COMMERCE  
OFFICE OF MINORITY BUSINESS ENTERPRISE

FY \_\_\_\_\_ PROGRAM DATA FORM

Section 2. Minority Business Capital Development Program Data (amount in thousands of dollars)

DEPARTMENT/AGENCY \_\_\_\_\_

PERIOD COVERED

FROM \_\_\_\_\_

TO \_\_\_\_\_

REPORT OF ACTUAL  GOAL REPORT

RACE/ETHNIC CATEGORY	PART I - BUSINESS LOANS & LOAN GUARANTEES			PART II - SURETY BOND GUARANTEES			PART III - BANK AND S & L DEPOSITS			
	TOTAL NUMBER AND DOLLAR VALUE OF ALL BUSINESS LOANS AND LOAN GUARANTEES			TOTAL NUMBER AND DOLLAR VALUE OF ALL SURETY BOND GUARANTEES			TOTAL DOLLAR VALUE OF FUNDS DEPOSITED IN BANKS AND S & L ASSOCIATION			
	(11) NUMBER	(12) DOLLAR	(13) NUMBER	(14) DOLLAR	(15) NUMBER	(16) DOLLAR	(17) NUMBER	(18) DOLLAR	(19) DOLLAR	
A. TOTAL										
B. TOTAL BLACK										
C. TOTAL SPANISH SPEAKING										
D. TOTAL INDIAN										
E. TOTAL OTHER MINORITY										

sample

SEE GENERAL AND SPECIAL INSTRUCTIONS

Vertical line denotes change.

USCOM/DC 8333/1000

DOT 4000.7 Chg 1  
6-17-77

Attachment 1  
Page 5

U.S. DEPARTMENT OF COMMERCE  
OFFICE OF MINORITY BUSINESS ENTERPRISE

FY \_\_\_\_\_ PROGRAM DATA FORM

Section 3. Minority Business Grant Program Data (amount in thousands of dollars)

DEPARTMENT/AGENCY

PERIOD COVERED

FROM

TO

REPORT OF ACTUAL

GOAL REPORT

sample

GRANTS

TYPE OF GRANT	TOTAL NUMBER AND DOLLAR VALUE OF ALL GRANTS		PORTION OF COLUMN (1) MADE TO RECIPIENTS TO PROMOTE MINORITY BUSINESS DEVELOPMENT		PORTION OF COLUMN (1) MADE TO NON-MINORITY RECIPIENTS TO PROMOTE MINORITY BUSINESS DEVELOPMENT	
	NUMBER	DOLLAR	NUMBER	DOLLAR	NUMBER	DOLLAR
A. NON EDUCATION & TRAINING GRANTS	(11)		(12)		(13)	
B. EDUCATION & TRAINING GRANTS						

\*SEE GENERAL AND SPECIAL INSTRUCTIONS

USCOMM-DC 9329-0775

Vertical line denotes change.

4400.46

NOTICE

Order 4400.46, Minority Business Enterprise Program, was inadvertently printed without Appendix 1, Order DOT 4000.7, Minority Business Enterprise Program. Attached is a copy of Appendix 1 which should be filed with Order 4400.46.

---

DISTRIBUTION: WRNC-3; TAD-60 (INFO COPY)

Initiated By: ALG-110



OFFICE OF THE SECRETARY OF THE TREASURY  
WASHINGTON, D.C. 20220

SEP 7 1977

MEMORANDUM TO: Mr. Frank Hodge  
General Accounting Office

SUBJECT: Minority Enterprise Report

In response to your subject request of August 19, 1977, the Treasury's response follows:

1. The Department had no expenditures for advertising during FY 76 and will have none for FY 77 that are specifically identifiable as being procured from black-owned companies. The Treasury has little requirement for advertising other than the U. S. Savings Bonds Division and that which is used is usually donated by business firms, banks or the media.
2. With the assistance of the Office of Minority Business Enterprise (OMBE), we have developed on-going programs to assist minority firms in obtaining Treasury contracts. These programs are outlined below:
  - a. Development of Minority Contracting Training and Reference Materials.

Since FY 76, we have been assisting our bureaus in developing their own training programs for their field personnel. A significant aspect of the program is to focus attention on minority contracting procedures and on locating potential requirements that are of interest to minority firms.

b. Additional Requirements Identification.

We have taken positive steps to further minority procurement programs throughout Treasury by having our procurement staff visit our bureaus' headquarters and field procurement offices, in order to "sell the program" on a face-to-face basis. These visits provide opportunities to render assistance to our operating staffs in identifying potential minority procurement requirements.

c. Procurement Management Review.

We have initiated a Staff Assistance Visit Program in which our procurement program personnel visit Treasury

- 2 -

headquarters and field procurement offices to review their overall procurement operations. One of the critical areas reviewed during the course of the visit is the effectiveness of the bureau's minority contracting program. Where strengthening may be needed, the review report provides appropriate recommendations.

d. Pamphlet "Selling to the Department of the Treasury."

In order to assist minority firms to better understand the procurement operations of Treasury, and also provide them with a source of contacts for selling their products or services, we have developed a pamphlet "Selling to the Department of the Treasury" (see attached). Copies of the pamphlet have been widely distributed to OMBE, SBA, participants attending national Minority Business Opportunity Committee Conferences, and numerous minority firms throughout the country.

Even though we have very little requirements in advertising services for the Office of the Secretary, we have created positive programs to further contracting with minority firms throughout the Department.

If you will require more information, do not hesitate to contact us.



Arthur D. Kallen

Director

Office of Budget and Program Analysis

Attachment