

SCHEDULE 12.12
Seller's Supplier Diversity Program

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Policy No:	1 MRM 006	Effective Date: 05/13/2010

OBJECTIVE

To establish guidelines for a Supplier Diversity program including providing opportunity, mentoring new diversity suppliers to the DMC, monitoring and reporting activity internally and externally.

SCOPE

All departments of The Detroit Medical Center

DEFINITIONS

1. Minority Business Enterprise (MBE):

- a. Business can be classified MBE if it meets one or more of the following criteria:
 - 1) Businesses listed in the Michigan Minority Business Development Council (MMBDC) supplier directory, or other authoritative organizations.
 - 2) At least 51% ownership is by one or more socially and economically disadvantaged individuals.
 - 3) In case of publicly-owned businesses, at least 51% of the stock is owned by one or more socially and economically disadvantaged individuals.
- b. An enterprise that is at least 51% owned and controlled by minority group members, or, in the case of a publicly-owned business, at least 51% of the stock is owned by minority group members.
 - 1) African-Americans
 - 2) Hispanic Americans
 - a) All persons of Mexican, Puerto Rican, Cuban, Central, Latin, or South American, Portuguese, or other Spanish origins, regardless of race.
 - 3) Asian/Indian Americans
 - a) All persons having origins in India, Pakistan, or Bangladesh.
 - 4) Asian/Pacific Americans
 - a) All persons having origins in any of the peoples of Japan, China, Vietnam, Korea, Samoa, Guam, U.S. Trust Territories of the Pacific Islands,
 - b) Northern Mariana Islands, Laos, Cambodia, or Taiwan.
 - 5) Native Americans
 - a) All persons having origins in any of the original peoples of North America and who maintain cultural identification through tribal affiliations or Eskimos, Aleuts, and native Hawaiians.
- c. In all of the above cases, the management and daily business operations are controlled by one or more such individuals.

2. Woman-Owned Business Enterprises (WBE)

- a. An enterprise that, regardless of ethnic background, is at least 51% owned and controlled by women members, or, in the case of a publicly-owned business, at least 51% of the stock is owned by women.

POLICY

- 1) The DMC is responsible for providing qualified minority/female-owned vendors with the opportunity to participate in the Detroit Medical Center's purchasing, proposal and/or bid process.
- 2) The President of The Detroit Medical Center, or his designee, will promote and encourage the use of Michigan based and minority owned firms to all departments and individuals involved in making purchase and/or contract decisions within those departments.
- 3) Contracts will be awarded based minimally on the following criteria:
 - a) Company related experience
 - b) References
 - c) Quality (samples provided and/or evaluated)
 - d) Cost/fee
 - e) Supplier Diversity commitment
- 4) Given vendors experience, cost and quality are somewhat equal, the DMC will promote the use of Michigan based, minority owned firms wherever the opportunity exists.
- 5) The Vice President, Materials Resource Management, has designated a Supplier Diversity Administrator who will prepare and maintain a list of minority/female-owned vendors utilized by The Detroit Medical Center. In addition, the Supplier Diversity Administrator will provide a Supplier Diversity Program Report, detailing the previous three months minority/female-owned business transactions to the Vice President, Materials Resource Management, who will communicate this information to the Senior Management of The Detroit Medical Center.

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- 6) The Supplier Diversity Administrator is responsible for facilitating relationships with Michigan Minority Business Development Council (MMBDC), Majority Business Initiative (MBI) or other authoritative organizations.
- 7) Purchasing is responsible for providing minority/female-owned vendors with the opportunity to participate in The Detroit Medical Center proposals and/or bids policy and procedures in accordance with the Prudent Buyer Principle.
- 8) All Department heads, and those involved in making purchase and/or contract decisions will seek opportunities to include and promote Michigan based minority owned firms in the Bids and Request for Proposal process. These activities include but are not limited to:
 - a) Providing mentorship to minority owned firms in doing business in the healthcare field and specifically the DMC
 - b) Coordinating and participating in various outreach programs specific to certain commodity groups, or services specific to certain departments needs.
- 9) Purchasing will continue to adapt this Policy and Procedure in accordance with the DMC Goals and Objectives, and a policy statement regarding Supplier Diversity development will be included in the Terms and Conditions of the Request for Proposal and Request for Quotation.

PROVISIONS

1. Contract Administrators, Senior Buyers, and the Supplier Diversity Administrator will meet with minority/female-owned vendors to determine opportunities for business development. Contract Administrators, Senior Buyers, and the Supplier Diversity Administrator, will use documentation from the minority/female-owned vendor to determine their status as a bona fide minority/female-owned vendor, and their ability to perform adequately in each of the respective operating units.
2. Contract Administrators and Senior Buyers, will communicate their efforts toward new minority/female-owned business development to the Supplier Diversity Administrator, as well as prepare and maintain, a list of minority/female-owned vendors that are currently being utilized.
3. The Supplier Diversity Administrator will assimilate all the information for reporting to DMC Senior Management.
 - a. The report will include two (2) sections:
 - i. Section I - Actual Purchases
 - 1) The quarterly Minority/Female-owned Vendors will be based on a calendar year beginning January 1, through December 31. Each report will present quarterly and year-to-date subtotals and totals, and will contain the following information:
 - a) Subsidiary name and Date
 - b) Company Name
 - c) Gross Dollars
 - d) Number of Transactions
 - e) Product Line
 - f) The year-end Supplier Diversity Report generated by the Supplier Diversity Administrator will also contain percentage of change, and percentage totals by divisions.
 - ii. Section II - New Vendor Development
 - 1) The new vendor development section will present information about the status of new vendors interviewed, pending bids and/or proposals, and other related business activity. This report will include:
 - 2) Institution
 - 3) Company Name
 - 4) Address
 - 5) City, State, Zip
 - 6) Contact Name or Principle Telephone
 - 7) Date of Contact or Interview
 - 8) General Commodity Description
 - 9) MMBDC I.D. Number

REFERENCES

C-4.30 Property and Equipment
 1-MRM 002 Bids and Proposals
 Sponsor: Donald P Groth
 C:\Users\Owner\AppData\Local\Temp\Temp1_attachments_2010_05_22[1].zip\Schedule 12.12 Seller's Supplier Diversity Program.doc
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2-MRMPRO 604 Processing of Purchase Requisitions, Manual & Electronic

ADMINISTRATIVE RESPONSIBILITY

The Corporate Vice President of Materials Resource Management has responsibility for overall coordination of this policy.

Should exception to this policy be required, such exception may be made by individuals in the positions designated below. Each exception is to be documented and a copy filed with the Corporate Vice President of Materials Resource Management.

Authorization for policy exceptions can be made by any of the following individuals:

- ◆ President/Chief Executive Officer
- ◆ Executive Vice-Presidents

APPROVAL SIGNATURE(S)

_____	05/13/2010
Title: Corporate Vice-President, Materials Resource Management	Date
_____	05/13/2010
Title: Executive Vice-President and Chief Financial Officer	Date
_____	05/13/2010
Title: President and Chief Executive Officer	Date

REVIEW DATE: 05/12/2013

SUPERSEDES: 1/96, C 10.1-01/01/96