



Illinois Municipal Retirement Fund

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Diversity Procurement Policy

The purpose of this policy is to establish a framework for the utilization of businesses owned by minorities, females, and persons with a disability (collectively known as MFPDOB firms) in the procurement activities of the Illinois Municipal Retirement Fund (IMRF).

The goal of the policy is to promote utilization of businesses owned by minorities, females, and persons with a disability in procurement activities.

The objectives of the policy are to:

- Increase competition through a diverse source of suppliers and consultants
- Maintain and strengthen the overall competitiveness of IMRF procurements
- Assure compliance with Illinois Public Act 96-0006

Policy

The IMRF Purchasing Unit strives to insure that members, employers, and taxpayers receive the maximum value for each dollar spent by purchasing products and services from responsive suppliers and consultants at the lowest reasonable cost. The Purchasing Unit manages the bidding process to insure compliance with policies. IMRF is committed to ensuring fair consideration of all suppliers and consultants in its day-to-day purchase of goods and services. IMRF recognizes that working with a wide range of suppliers and consultants provides an open, competitive and diverse business environment.

It is the policy of the IMRF Board of Trustees to include qualified minority and female owned business enterprises and businesses owned by a person with a disability in the Fund's procurement process and to objectively evaluate all qualified businesses regardless of race, gender or handicap.

IMRF is committed to including firms among prospective providers of purchased goods and services. Special efforts will be made to insure identification of eligible firms for inclusion in the bid process, including monitoring of MFPDOB -related listings to identify possible MFPDOB contractors and service providers. It is IMRF's policy to take

affirmative action to ensure that certified minority-owned, female-owned and disabled-owned business enterprises are given the opportunity to demonstrate their ability to provide the Fund with products and services at competitive prices.

We will ask our vendors to refrain from unlawful discrimination and discrimination based on citizenship status in employment and to undertake affirmative action to assure equality of employment opportunity and compliance with the Department of Human Rights' regulations concerning equal employment opportunities and affirmative action.

MFPDOB firms will be identified using resources such as the City of Chicago Certification and Compliance System MFPDOB Directory and other public agency resources. All new suppliers and consultants seeking to do business with IMRF will be asked to complete a form to certify the diversity of their business. Ownership of suppliers and consultants will be tracked by the Purchasing Unit. IMRF staff will seek and encourage MFPDOB businesses to submit bids each time IMRF publishes a request for bids or proposals.

IMRF has set a minimum goal of 18% for contracts and purchases from businesses owned by minorities, females, and persons with a disability as a share of all of its contracts and purchases. These goals are based on the percentage of total dollar amount of all purchasing contracts let, excluding payments such as postage, rent (utilities), insurance premiums, and single-source technology solutions.

IMRF typically awards bids to the lowest cost vendor. However to meet the goals set for this diversity policy bids may be awarded to a vendor other than the low bidder, if it is a MFPDOB vendor and its bid is within 15% or \$10,000 (whichever is lower) of the low bid.

The Purchasing Unit will track the usage of MFPDOB businesses in order to meet the goal and review and analyze it each year. The goal may be modified by IMRF to further increase the usage of MFPDOB businesses as IMRF gains experience and knowledge using the diversity guidelines set to meet Public Act 96-0006. These goals shall be reviewed by the IMRF Board of Trustees annually.

Definitions

- (1) "Minority person" shall mean a person who is a citizen or lawful permanent resident of the United States and who is:
 - (a) African American (a person having origins in any of the black racial groups in Africa);
 - (b) Hispanic (a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race);
 - (c) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands); or
 - (d) Native American or Alaskan Native (a person having origins in any of the original peoples of North America).

- (2) "Female" shall mean a person who is a citizen or lawful permanent resident of the United States and who is of the female gender.
- (2.05) "Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as being disabled under subdivision (2.1) of this subsection (A).
- (2.1) "Disabled" means a severe physical or mental disability that:
- (a) results from: amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, Crohn's disease, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders, including stroke and epilepsy, paraplegia, quadriplegia and other spinal cord conditions, sickle cell anemia, ulcerative colitis, specific learning disabilities, or end stage renal failure disease; and
 - (b) substantially limits one or more of the person's major life activities.
Another disability or combination of disabilities may also be considered as a severe disability for the purposes of item (a) of this subdivision (2.1) if it is determined by an evaluation of rehabilitation potential to cause a comparable degree of substantial functional limitation similar to the specific list of disabilities listed in item (a) of this subdivision (2.1).
- (3) "Minority owned business" means a business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.
- (4) "Female owned business" means a business concern which is at least 51% owned by one or more females, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more females; and the management and daily business operations of which are controlled by one or more of the females who own it.
- (4.1) "Business owned by a person with a disability" means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

- (9) "Control" means the exclusive or ultimate and sole control of the business including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operating responsibilities, cost-control matters, income and dividend matters, financial transactions and rights of other shareholders or joint partners. Control shall be real, substantial and continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business and control shall not include simple majority or absentee ownership.
- (10) "Business concern or business" means a business that has average annual gross sales over the three most recent calendar years of less than \$31,400,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Business Enterprise Council for Minorities, Females, and Persons with Disabilities for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, females, or persons with disabilities as suppliers or subcontractors or in employment of minorities, females, or persons with disabilities.
- (B) When a business concern is owned at least 51% by any combination of minority persons, females, or persons with disabilities, even though none of the three classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the Department of Central Management Services.