

CREATING

An Enterprising COMMUNITY



ECONOMIC INCLUSION AT THE
UNIVERSITY OF PENNSYLVANIA



Penn
UNIVERSITY of PENNSYLVANIA

Economic Inclusion at the University of Pennsylvania:

A COMMITMENT TO WORKFORCE DIVERSITY

At the inauguration of President Amy Gutmann, the University of Pennsylvania launched the *Penn Compact* of which one tenant is engaging locally by providing opportunities for local individuals and businesses to participate in the economic activity of Philadelphia's largest private employer. At the heart of this strategy is Penn's Economic Inclusion Program. Through this effort, Penn collaborates with local communities to:

- **Increase employment opportunities by improving job skills and workforce capacity.**
- **Support small businesses through the procurement of locally-provided products and services.**
- **Aspire to 20%-25% of construction projects over \$5 million are awarded to minority- and women-owned companies.**

A Plenary Committee exists to provide oversight and strategy to the University in formulating and managing its Economic Inclusion initiative. Three subcommittees of the committee meet to review and monitor progress made in construction, workforce development and procurement, and report to the full Plenary Committee on a quarterly basis.
(See committee list, backpanel)



CAMPUS CONSTRUCTION AND Community Development

As a landowner and developer in Philadelphia, Penn has undertaken extensive efforts to provide opportunities for local residents, minorities and women to participate in its major capital projects. Through its Economic Opportunity Plan, Penn has set aggressive targets for awarding 20-25% of contracts on major projects (\$5 million and above) to minority- and women-owned businesses, as well as targets for minority and female labor force participation on construction projects.

Penn and its health system spend an average of \$300 million annually on capital investments. Penn's capital investment strategy is comprised of direct expenditures on campus and health system construction and renovations, as well as spending to leverage private development funds for University City. The estimated statewide economic impact from these expenditures is \$768 million and 6,160 jobs.

CAPITAL PROJECTS BY THE NUMBERS

Building Project	Year Completed	Total Cost	% of MBE/WBE Contracts	% of MBE/WBE Workforce
DOMUS APARTMENTS AND RETAIL (THIRD-PARTY DEVELOPMENT)	2007	\$67.6 m	33%	20%
SKIRKANICH HALL	2006	\$19.1 m	32%	23%
VERNON AND SHIRLEY HILL PAVILION	2006	\$35.3 m	35%	23%
LYNCH LIFE SCIENCES BUILDING	2006	\$46.7 m	25%	21%
HARNWELL COLLEGE HOUSE (RENOVATIONS)	2006	\$8.1 m	28%	34%
FISCHER-BENNETT HALL (RENOVATION)	2005	\$16.4 m	31%	37%

Recently completed capital projects illustrating Penn's commitment to including certified minority- and women-owned businesses in the construction industry.

Economic Opportunity

Through its Economic Opportunity Plan, Penn has set aggressive targets for awarding 20%-25% of contracts on major projects (\$5 million and above) to minority- and women-owned businesses, as well as targets for minority and female labor force participation on construction projects.



Over the next year, several new projects will be completed that will strengthen minority inclusion. One such project is the Perelman Center for Advanced Medicine. To date, minority- and women-owned firms have accounted for \$58 million of construction expenditures on this project. In addition, \$2.5 million of other expenses have been allocated to businesses located in West Philadelphia.

rendering of
Perelman Center
for Advanced Medicine



HEARTWOOD BUILDING GROUP, INC.

PRESIDENT: KIM GALIE

YEAR FOUNDED: 1995, TOTAL EMPLOYEES: 25 (ON AVERAGE)

“As a certified women-owned business, and as a family business that takes great pride in quality workmanship, participating in Penn’s economic inclusion initiative has leveled the playing field for us. We have greater opportunity to bid work, and a platform to show our strengths in the construction field. Our revenue increased by 30% in the past year alone—which is a direct reflection of Penn’s inclusion initiative. Serving as a vendor to Penn for the past 12 years has allowed us to stabilize our company, and grow from a staff of eight employees to 40-plus employees, with an average of 25 full time employees who have been with us for 10 or more years.”

A COMMITMENT TO Diverse and Local Businesses

The University leverages its buying power, knowledge assets, resources, and commitment to socially responsible purchasing to provide tangible business opportunities for local suppliers which have produced measurable benefits to the neighborhood, city and region. Through its strategic purchasing practices, Purchasing Services, a department of Penn's Business Services Division, reflects the University's commitment to the development of meaningful and mutually beneficial relationships with local businesses. In all its activities, Purchasing Services strives to promote economic inclusion while meeting its mission to provide best-in-class buying methods and price supplier business relationships. These initiatives include:

LOCAL COMMUNITY BUSINESS PROGRAM

Under this Penn-designed program, the University purchases products and services from local community suppliers. Since the launch of this initiative in 1986, the total amount purchased from local community businesses has been approximately \$758 million. During Fiscal Year 2007, Penn purchased approximately \$86 million in products and services from local suppliers.

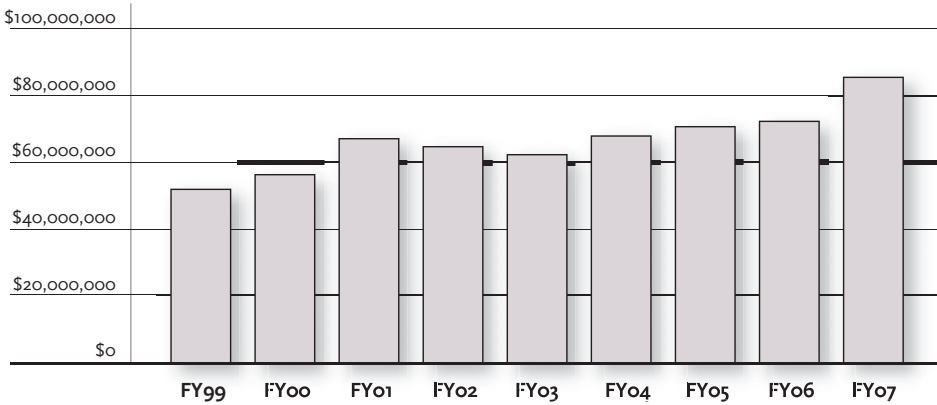
SUPPLIER DIVERSITY PROGRAM

Launched in 1994, this innovative approach to diversity supplier inclusion has resulted in significant business opportunities for diversity suppliers, including participation in the *Penn Marketplace*, Penn's private online *eProcurement* application used by Penn faculty and staff to order their product and service requirements. Penn utilizes this initiative to identify qualified diversity suppliers that offer products and services required by the University, to facilitate independent growth opportunities for these businesses and, in some cases, to forge partnerships with major national firms such as Fisher Scientific, IKON Office Solutions and Office Depot.

DIVERSITY SUPPLIER DEVELOPMENT PROGRAM

A collaborative effort among Penn Purchasing Services, Drexel University Procurement Services, and the Pennsylvania Minority Business Enterprise Center, this program is designed to help bridge the gap between Penn's procure-to-pay technology business requirements and supplier capabilities. Diversity suppliers are given support to develop the skills they need to electronically participate and maintain their content in Penn's industry-leading *eProcurement* program. An increasing number of major suppliers are working with the new Diversity Supplier Program and referring these businesses to Penn.

ANNUAL AMOUNT PURCHASED FROM LOCAL COMMUNITY BUSINESSES



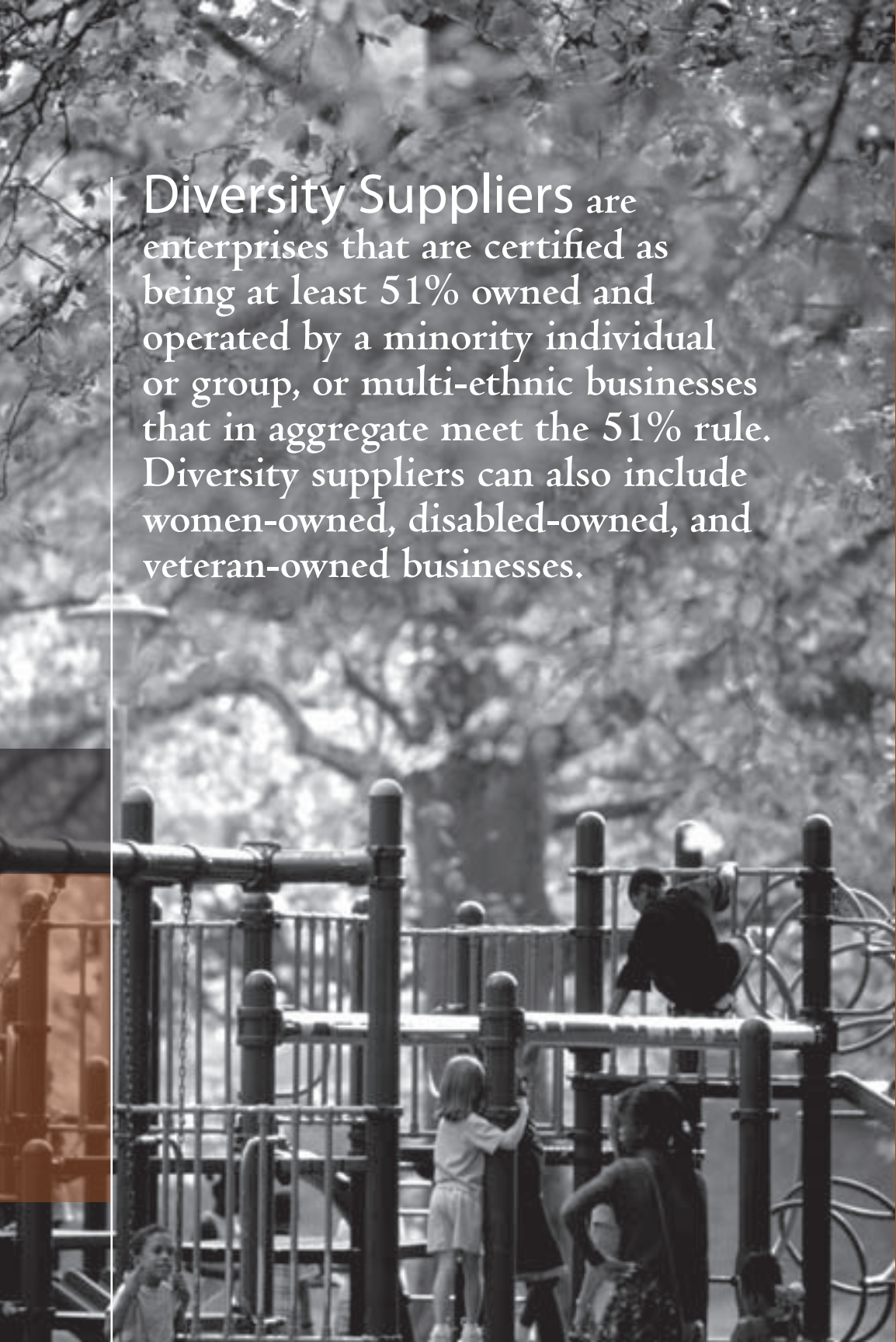
TELROSE CORPORATION

CEO: TODD ROSE

YEAR FOUNDED: 1995, TOTAL EMPLOYEES: 22

Started by Todd Rose out of his West Philadelphia apartment, Telrose has grown to be a significant supplier of office equipment and supplies to the University of Pennsylvania.

“The opportunity to work with the University of Pennsylvania has been invaluable to my company. We have grown our staff from three to twenty-two. This growth is directly correlated with the opportunities that the University has provided to us. It has opened doors for a micro business like ours.”



Diversity Suppliers are enterprises that are certified as being at least 51% owned and operated by a minority individual or group, or multi-ethnic businesses that in aggregate meet the 51% rule. Diversity suppliers can also include women-owned, disabled-owned, and veteran-owned businesses.

CREATING CAPACITY FOR Employment

Penn strives to provide a working environment that welcomes and celebrates diversity. A varied workforce maximizes our talent pool, inspires creative thinking, and encourages a culture in which different views are appreciated and respected. As the largest private employer in Philadelphia and the second largest in Pennsylvania, Penn is able to offer a multitude of job opportunities for local residents as well as minority and female workers. Since the inception of the Economic Inclusion program, Penn's workforce has become increasingly diverse. Statistics from 2007 illustrate that 61% of our regular staff is female, nearly 33% is of color, and 15% is from West/Southwest Philadelphia.

Our hiring practices and partnerships encourage the recruitment, retention and development of a highly qualified, committed, and diverse workforce. We have established strong affirmative action principles for our faculty and staff. We track the composition of our workforce and regularly identify under-represented populations for targeted recruitment efforts. We provide skills development opportunities for our diverse employee base. In addition, Penn has established several programs and partnerships to further our diversity goals, including:

LUCIEN E. BLACKWELL APPRENTICESHIP PROGRAM AT PENN

Launched in September 2007 with an inaugural class of 50 West/Southwest Philadelphia residents, this program provides minorities and women in the labor and skilled trade professions with the training needed to enter into the trade unions in Philadelphia. Upon reaching apprentice status, participants will be assigned by the unions to construction projects at the University of Pennsylvania. Citizens Bank is sponsoring this unique partnership in which the Building Trade Council of Philadelphia's Diversity Apprentice Program provides the training and the Greater Philadelphia Urban Affairs Coalition conducts the recruitment of men and women into the program.

UNIQUE ADVANTAGE

Unique Advantage, a women- and minority-owned company, has been Penn's exclusive provider of temporary staffing services since 2002. Among other things, we work closely with them to recruit local candidates for employment. Through our partnership with Unique Advantage, the number of West/Southwest Philadelphia employees at Penn and the University of Pennsylvania Health System (UPHS) has increased significantly within the past few years.

KRA CORPORATION

Penn and Unique Advantage work with KRA Corporation to provide assistance to welfare recipients looking to move from welfare to work. KRA provides intensive case management, work activities, job placement and retention, and supportive services to these individuals.



THERESA LAKE, ADMINISTRATIVE ASSISTANT
SCHOOL OF NURSING, BIO-BEHAVIORAL & HEALTH
SCIENCES DIVISION, YEAR STARTED AT PENN: 2006

“As staff of the School of Nursing, I most enjoy being in an environment where I have several examples of strong women who are successfully balancing their careers, families and education. This inspires me to want more for my own life. My hope is to obtain my Bachelor degree and continue on to the Master and Doctoral levels. The diversity of degree options and employment opportunities at Penn will afford me the skills and expertise to bring such an enormous vision to pass. Working for Penn has been a blessing. The opportunities for growth have caused my thinking to be more career-focused as opposed to job-focused.”

PIPELINE DEVELOPMENT

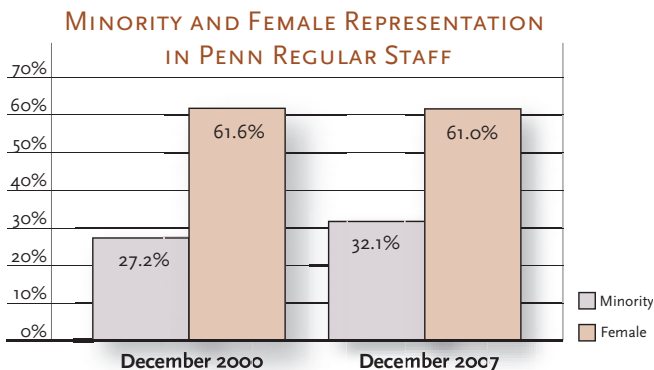
UPHS instituted a “Pipeline Development Strategy” to provide current employees with the training and coaching to help them advance their careers in clinical areas where severe shortages exist. This program has been successful in providing opportunities for career development to residents of the West/Southwest Philadelphia community, with 14% of the enrollees residing locally.

HIGH SCHOOL PAID EMPLOYMENT PROGRAM

UPHS hosts a program that offers paid employment opportunities for high school students, providing both after-school and summer positions at UPHS entities. A very interactive experience that includes a mentoring relationship with staff members, this program seeks to assist the students with long-term life goals. Of the students currently participating, 91% of them are from the West/Southwest Philadelphia area.

OUTREACH ACTIVITIES

Along with our partner agencies, Penn takes part in many activities during the course of the year aimed at reaching out to local residents as well as minorities and females. These activities include: participation in career fairs sponsored by organizations such as the NAACP, Council of Spanish Speaking Organizations (Concilio), Philadelphia Community College, and the Mayor’s office; presentations at meetings sponsored by groups such as Penn’s African American Resource Center; outreach to local religious leaders; and attendance at ceremonies such as Councilwoman Blondell Reynolds’ “Women Making a Difference” awards.





61% of our regular staff is female,
nearly 33% is of color, and 15%
is from West/Southwest Philadelphia.

—2007 *statistics*

ECONOMIC INCLUSION PLENARY COMMITTEE

Co-Chairs: Glenn Bryan, Government and Community Relations, University of Pennsylvania
Gary Truhlar, Human Resources, University of Pennsylvania

Coordinator: Valerie Johnson, Government and Community Relations, University of Pennsylvania

Members:

Bernard Anderson – University of Pennsylvania, Wharton School
W. Cody Anderson – W.U.R.D. Radio
Janira Barroso – Minority Business Enterprise Council, City of Philadelphia
Lawrence Bell – University of Pennsylvania, Business Services Division
Michael Bell – Philadelphia Redevelopment Authority
Jannie Blackwell – Philadelphia City Council, 4th District
Bonnie Bowser – Office of Congressman Chaka Fattah, 2nd District
Tony Bruno – University of Pennsylvania Health System
Mariette Buchman – University of Pennsylvania, Facilities and Real Estate Services
Fred Cosenza – Philadelphia Building Trades Council
Patricia Coulter – Urban League of Philadelphia
Steve Eisen – University of Pennsylvania Health System
Patrick Gillespie – Philadelphia Building Trades Council
Gwen Glattes – University of Pennsylvania, Audit and Compliance
Stephen Greulich – University of Pennsylvania Health System
Jackie Hill – Minority Business Enterprise Council, City of Philadelphia
Carlos Jones* – Greater Philadelphia Urban Affairs Coalition
John Lane – Greater Philadelphia Urban Affairs Coalition
Walter Licht – University of Pennsylvania, School of Arts and Sciences
Kevin Mahoney – University of Pennsylvania Health System
Ralph Maier – University of Pennsylvania, Purchasing Services
JoAnn Murphy – University of Pennsylvania, Purchasing Services
Carolyn Nichols – Minority Business Enterprise Council, City of Philadelphia
Betsy Riley-Wasserman – University of Pennsylvania Health System
Rev. Rodney Rogers – Christ of Calvary Covenant Church
Brigitte Sancho – KRA Corporation
Donna Showell Brown – University of Pennsylvania, Human Resources
Wayne Smith – University of Pennsylvania Health System
Anthony Wigglesworth – Palm Built-Rite
Lynn Williams – African American Chamber of Commerce
Marie Witt – University of Pennsylvania, Business Services Division

* GPUAC provides Penn independent verification of labor diversity on construction projects



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