



## **Equal Opportunity in Contracting Policy**

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## Purpose

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### Equal Opportunity in Contracting

The Federal Home Loan Bank of San Francisco ("Bank") is deeply committed to the principles of equal opportunity in employment and contracting, without regard to race, color, religion, national origin, citizenship, ancestry, sex, gender identity, sexual orientation, physical or mental disability, military service or veteran status, caregiver status, age, family care (including status as a parent) or medical leave status, marital status, domestic partner status, genetic information, or any other basis prohibited by applicable law.

The Bank is strongly committed to providing equitable opportunities to diverse businesses and communities by promoting supplier diversity engagement throughout the Bank. Our commitment directly contributes to fostering strong and vibrant communities through economic development opportunities. Our supplier database includes businesses that are owned by minorities, women, disabled persons, veterans, and members of the lesbian, gay, bisexual, and transgender (LGBT) community.

The Bank prohibits retaliation or reprisal against any individual, supplier, or potential supplier for reporting or participating in an investigation of a claim of discrimination to the Bank.

The Bank's Chief Executive Officer has established the enterprise Diversity and Inclusion Program and Office of Diversity and Inclusion, both of which are overseen by a designated Diversity and Inclusion Officer, the Bank's Chief of Staff, who reports directly to the Chief Executive Officer and serves as the Bank's OMWI Officer.

### Overview

The Bank works to promote an environment that fosters mutually beneficial business relationships with diverse suppliers.

The Bank's Equal Opportunity in Contracting Policy ("Policy") is designed to:

- Communicate the Bank's position on equal opportunity in contracting
- Define the requirements for diverse supplier eligibility
- Identify roles and responsibilities for the Bank's Supplier Diversity Office and Corporate Procurement
- Provide an overview of the Bank's supplier outreach initiatives
- Outline the minimum opportunity threshold for competitive bidding and reference the location of the list of commodities purchased by the Bank
- Describe how the Bank will promote and recognize diverse suppliers that provide quality goods and services to the Bank
- Outline the process for reporting complaints of discrimination

### Scope

This Policy applies to the Bank's commitment to promote utilization of diverse suppliers in its purchasing activities.

### Diverse Supplier Eligibility

To be recognized as an eligible diverse supplier, the Bank requires that a supplier self-identify or be certified as a:

- Minority-Owned Business Enterprise (MBE)
- Women-Owned Business Enterprise (WBE)
- Disabled-Owned Business Enterprise (DBE)
- Lesbian-, Gay-, Bisexual-, Transgender-Owned Business Enterprise (LGBTBE)
- Small Business Enterprise (SBE)

## Definitions

### Minority Business Enterprise (MBE)

Minority-owned business means a business, and includes, but is not limited to, financial institutions, firms engaged in mortgage banking, investment banking, financial services and asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services:

1. More than fifty percent (50%) of the ownership or control of which is held, directly or indirectly, by one or more minority individual(s); and
2. More than fifty percent (50%) of the net profit or loss of which accrues to one or more minority individual(s).

### Minority Group Members

Minority group members are those who are:

- Asian American
- Black American
- Hispanic American
- Native American

### Women-Owned Business Enterprise (WBE)

Women-owned business means a business and includes, but is not limited to, financial institutions, firms engaged in mortgage banking, investment banking, financial services and asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services:

1. More than fifty percent (50%) of the ownership or control of which is held, directly or indirectly, by one or more women; and
2. More than fifty percent (50%) of the net profit or loss of which accrues to one or more women.

### Disabled-Owned Business Enterprise (DBE)

Disabled-owned business means a business, and includes, but is not limited to, financial institutions, firms engaged in mortgage banking, investment banking, financial services and asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services:

1. Qualified as a Service-Disabled Veteran-Owned Small Business Concern as defined in 13 CFR 125.8 through 125.13; or
2. More than fifty percent (50%) of the ownership or control of which is held, directly or indirectly, by one or more person(s) with a disability; and
3. More than fifty percent (50%) of the net profit or loss of which accrues to one or more person(s) with a disability.

### Lesbian-, Gay-, Bisexual-, Transgender-Owned Business Enterprise (LGBTBE)

To qualify as a lesbian, gay, bisexual, transgender (LGBT) business, the business must be more than fifty percent (50%) owned or controlled by one or more LGBT person(s), and more than fifty percent (50%) of the net profit or loss must accrue to one or more LGBT person(s).

### Small Business Enterprise (SBE)

A small business is a business that meets "small" ownership criteria and small business size standard for its specific industry, as defined by the Small Business Administration (SBA). The business must also be organized for profit, have a place of business and operate primarily in the United States, be independently owned and operated, and not dominant in its field on a national basis.

## **Diverse Equity Owner Spend**

Spend by the Bank to a non-diverse supplier for professional services (i.e., the amount paid for work performed, as may be adjusted, in connection with providing legal, accounting, or other professional or consulting services) provided by or allocated to a partner, member, or other equity owner who is a minority, a woman, or an individual with a disability.

## **Prime Contractor (Tier 1)**

A supplier that enters into a contract with the Bank to provide goods and/or services directly to the Bank. A Prime Contractor can be a diverse or non-diverse supplier.

## **Sub-Contractor (Tier 2)**

A diverse supplier that enters into a contract with a Prime Contractor (Tier 1) that has contracted with the Bank to provide goods and/or services to that Prime Contractor (Tier 1) for the direct benefit of the Bank.

## **Roles and Responsibilities**

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The Supplier Diversity Office is responsible for managing and administering all aspects of the Bank's Supplier Diversity Program. The Supplier Diversity Office will:

- Partner with external organizations to engage and develop diverse suppliers;
- Develop outreach programs that will introduce the Bank to qualified diverse suppliers;
- Manage the Bank's supplier database;
- Liaise with diverse suppliers through the contract management lifecycle and build trusted relationships;
- Monitor program effectiveness through performance goals;
- Report program performance to the Office of Diversity and Inclusion quarterly, and as needed;
- Work with Tier 1 suppliers in identifying and reporting on the utilization of Tier 2 suppliers; and,
- Work with non-diverse suppliers in identifying and reporting on Diverse Equity Owner Spend.

The Corporate Procurement is responsible for the contracting and procurement functions at the Bank and will:

- Partner with the Supplier Diversity Office in seeking out diverse suppliers for competitive bidding opportunities;
- Enforce the requirement that all competitive bids for purchases of goods and services \$50,000 or greater in which Corporate Procurement has oversight include at least one diverse supplier; and,
- Enforce the requirement that requests to on-board new suppliers for amounts \$50,000 or greater are competitively bid with at least one diverse supplier.

## **Supplier Outreach**

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The Supplier Diversity Office will partner with external groups to engage and develop diverse suppliers. The Bank is committed to serving diverse suppliers by establishing and supporting partnerships with diverse advocacy organizations such as the Western Regional Minority Supplier Development Council and the Women's Business Enterprise National Council.

The Supplier Diversity Office will build upon the Bank's diverse supplier network by establishing an outreach program to attract qualified diverse suppliers and prepare those suppliers for doing business with the Bank.

Once a diverse supplier has been identified, the Supplier Diversity Office will add the suppliers to the Bank's supplier database and advise the appropriate stakeholders.

Stakeholders may request that the Supplier Diversity Office identify potential suppliers for inclusion in the bidding process.

## Contracting and Purchasing

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Diverse suppliers will be given the opportunity to compete for the Bank's business. The Bank requires that all goods and services \$50,000 or greater annually be competitively bid with at least one diverse supplier participating in the bidding. In a competitive bidding process where all areas are equal between suppliers, the business will be awarded to the diverse supplier.

A list of commodities purchased by the Bank is available on the Bank's public website. The Supplier Diversity Office will collaborate with diverse business advocacy organizations to identify qualified suppliers who may participate in sourcing initiatives.

## Policy Dissemination

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The Bank's efforts to publicize its commitment to equal opportunity and non-discrimination in contracting, include, but are not necessarily limited to, the following:

- Publishing this Policy on the Bank's public website, accessible to existing and potential diverse suppliers;
- Providing training to procurement decision-makers concerning this Policy; and,
- Notifying existing and potential suppliers of the Bank's commitment to equal opportunity in contracting.

## Reporting Complaints and Concerns

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The Bank prohibits retaliation or reprisal against any supplier or potential supplier for reporting or participating in an investigation of a claim of discrimination to the Bank.

Individuals with complaints or concerns regarding perceived discrimination in contracting opportunities may bring these issues to the attention of the Supplier Diversity Office.

Any request for formal review of a complaint must be in writing and describe, in reasonable detail, the reason for the complaint, including but not limited to the individual(s) involved, the action or treatment believed to be discriminatory, and the approximate applicable time period.

Complaints of discrimination should be directed to:

Federal Home Loan Bank of San Francisco  
Supplier Diversity Office  
P.O. Box 7948  
San Francisco, CA 94120

The Supplier Diversity Office will thoroughly investigate every reported complaint of discrimination in contracting and will provide the results of the investigation to the person lodging the complaint, and to the Bank's Diversity and Inclusion Officer.

Please contact the [Supplier Diversity Office](#) with questions regarding this Policy.