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Ohio again exceeds 15 percent minority business state purchasing standard

COLUMBUS (Nov. 9, 2017) — For the third consecutive year, the State of Ohio has exceeded the goal of its Minority Business Enterprise (MBE) program by purchasing 23.65 percent of eligible goods and services through certified minority-owned businesses, while spending just over $305 million. Ohio’s MBE program, mandates that state agencies set aside 15 percent of its annual purchases for goods and services for certified minority-owned businesses.

“During the current administration, Ohio has made diversity among its suppliers standard business, meeting set-aside goals for the first time since the program was established in 1980, when Governor Kasich was a member of the Ohio General Assembly,” said Gregory L. Williams, state equal employment opportunity coordinator and deputy director of the Equal Opportunity Division of the Ohio Department of Administrative Services, which certifies businesses into the MBE program.

“Our goal is to assist entrepreneurs, through this program and others, to develop their businesses to compete in the broader marketplace,” Williams added.

Out of the eligible expenditures for goods and services purchased during Fiscal Year (FY) 2017, a total of 20.80 percent was set aside for MBE-certified businesses. Another 2.85 percent of eligible goods and services was purchased from MBE-certified businesses through open-market contracts.

Ohio’s Equal Opportunity Division oversees the MBE program and helps to ensure equal opportunity access to and fair treatment in government contracting. It strives to maximize contracting opportunities through certification of minority-owned, women-owned and socially and economically disadvantaged businesses.

"It’s about sustainability and creating more opportunities for all Ohioans," said Jeffrey L. Johnson, chief of the Minority Business Development Division at the Ohio Development Services Agency. "By meeting the law, we continue to move Ohio forward in diversity and inclusion while growing minority businesses across the state."

Background
On Dec. 17, 1980, House Bill 584 was signed into law, establishing the MBE program, which mandated that state agencies set aside 15 percent of their annual purchases for goods and services for certified minority-owned businesses.

As a member of the General Assembly in 1980, Governor Kasich voted to support House Bill 584 and after becoming Ohio’s governor made its achievement a priority of his administration.
Since 2011, the state has made steady progress in identifying set-aside opportunities, certifying minority-owned businesses and matching them with state contract opportunities. State agencies, boards and commissions now produce annual spending plans that project set-aside contract and procurement opportunities for qualified MBE-certified businesses, the aggregate value for which is at least 15 percent. In 2015, Ohio reached the 15 percent goal for the first time and has continued to do so.

In addition to MBE set-aside contracts, many minority-owned firms have secured state contracts through the open market by bidding against non-minority firms.

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