



State of North Carolina

ROY COOPER
GOVERNOR

November 2, 2017

EXECUTIVE ORDER NO. 25

Governor's Advisory Council on Historically Underutilized Businesses

WHEREAS, it is vital that all North Carolinians have an opportunity to contribute economically by participating in business opportunities existing in government; and

WHEREAS, the utilization of historically underutilized businesses ("HUBs") is critical to creating a vibrant, sustainable, and diverse business community in the State of North Carolina; and

WHEREAS, the state's commitment to HUBs is an important component of ongoing efforts to create jobs and expand economic opportunity; and

WHEREAS, the North Carolina Department of Administration's Office of Historically Underutilized Businesses ("HUB Office"), and the North Carolina Department of Transportation's Office of Civil Rights ("DOT Civil Rights Office" or "Civil Rights Office") strive to support the HUB program and HUBs; and

WHEREAS, pursuant to N.C. Gen. Stat. §§143-48, 128.4, state agencies are authorized to provide contracting opportunities to HUBs; and

WHEREAS, each executive branch agency should increase the total amount of goods and services it acquires from HUBs, whether the HUBs are prime contractors or more remote subcontractors; and

WHEREAS, it is expected that each agency will endeavor to obtain ten percent (10%) of the State's purchases of goods and services, as measured in dollars, from HUBs; and

WHEREAS, it is expected that this goal of obtaining ten percent (10%) of the State's purchases from HUBs shall be adjusted in line with any disparity study findings as recommended by the HUB Office and the Civil Rights Office; and

WHEREAS, a coordinated effort is necessary to eliminate any barriers impeding equal opportunity for HUBs doing business with the State.

NOW THEREFORE, by the authority vested in me as the Governor of the State of North Carolina, and by the laws and the Constitution of the State of North Carolina, **IT IS ORDERED**:

Section I. Creation of the Governor's Advisory Council on Historically Underutilized Businesses

There is established an Advisory Council on HUBs ("the Governor's Advisory Council"), which shall provide support and guidance to the Secretary of the Department of Administration and to the HUB Office on matters specific to the furtherance of the objectives of this Executive Order.

Section II. Membership and Terms on the Governor's Advisory Council

1. The Governor's Advisory Council shall consist of the following members, all of whom will be appointed by the Governor:
 - a. Liaison from the Governor's Office;
 - b. The State Purchasing Officer;
 - c. The Director of the State Construction Office;
 - d. The Executive Director of the North Carolina Council for Women;
 - e. The Executive Director of the North Carolina State Commission of Indian Affairs;
 - f. A Member of the North Carolina Board of Transportation;
 - g. A Senior Level Administrator from the University of North Carolina or the North Carolina Community College System;
 - h. Nine HUB owners, all of whom shall be members of one or more of the groups identified in N.C. Gen. Stat. § 143-128.4(b);
 - i. Two representatives from a non-profit organization possessing knowledge of, and expertise in, HUBs; and
 - j. Two representatives, both of whom have one of the following positions at a large, non-HUB business entity (i) executive officer, (ii) financial officer, (iii) purchasing officer, or (iv) supplier diversity chief.
2. Each appointee selected under Section II.1.a, f - j shall serve for a two (2) year term. The remaining appointees shall serve at the pleasure of the Governor.
3. Vacancies shall be filled by the Governor for the remainder of the unexpired term.
4. Members appointed to fill unexpired terms shall serve for the remainder of that term.

Section III. Goods and Services

1. It is the State's priority to promote the recruitment and utilization of HUBs by providing them access to purchasing and contracting opportunities.
2. In an effort to improve HUB participation at the outset of the procurement process, I hereby direct all participating agencies under the jurisdiction of the Office of the Governor to work with the HUB Office as part of the Development Team of Solicitations prior to awarding bids on all statewide master contracts or procurements.
3. For HUBs interested in contracting with the State, the HUB Office website shall include forecasting reports on state contracts. These reports shall aid HUBs in identifying which agencies buy what the HUBs sell, and at what frequency. These reports shall also provide HUBs with enough time to effectively compete for state contracting opportunities.
4. The North Carolina Division of Purchase and Contracts ("State Purchase and Contracts") shall work with the HUB Office to create standard inclusion language that supports utilization of HUBs on all contracts as prime contractors or second tier contractors.
5. State Purchase and Contracts, along with cabinet agencies, shall work with the HUB Office as part of the Review and Selection Team to select vendors, including term contract vendors.
6. State Purchase and Contracts shall work with the HUB Office to track the spending of (i) agencies under the jurisdiction of the Office of the Governor and (ii) vendors in meeting the HUB utilization goal on state contracts.

Section IV. Construction and Design Services

1. The State Construction Office, along with cabinet agencies managing projects subject to State Building Commission approval, shall work with the HUB Office to review the agencies' "good faith efforts" of identifying HUBs that may provide proposals or qualifications in response to formal bid notices for services, including construction services and designer related services.
2. Cabinet agencies shall provide the HUB Office with the following information no later than thirty (30) days prior to solicitations:
 - a. Project description and location; and
 - b. The date, time, and location of the pre-bid conference; and
 - c. The date, time, and, where relevant, location of a bid date or proposal deadline.
3. If an agency under the jurisdiction of the Office of the Governor does not have a HUB coordinator, the HUB Office shall serve on the Review Team of all formal construction and designer selections.
 - a. If an agency lacks a HUB coordinator, the HUB Office shall review and approve the "good faith efforts" of a contractor.
 - b. The HUB Office shall provide compliance oversight for the duration of the formal project.

Section V. Additional Measures

1. Within the next thirty (30) days, each agency under the jurisdiction of the Office of the Governor shall develop a HUB Plan that will be used as a guide to help the agency to achieve the required HUB participation within its business activities, including construction, goods, and services.
2. The North Carolina Department of Public Safety Emergency Management and the North Carolina Department of Commerce shall work with the HUB Office as part of the Disaster Relief Recovery Efforts to provide opportunities to HUBs when awarding contracts for construction, goods, and services.

Section VI. Miscellaneous

1. This Executive Order does not conflict with or abrogate existing state law.
2. All other Executive Orders or portions of Executive Orders inconsistent with this Executive Order are hereby rescinded.
3. This Executive Order shall be effective immediately and shall remain in effect until rescinded.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the Great Seal of the State of North Carolina at the Capitol in the City of Raleigh, this 2nd day of November in the year of our Lord two thousand and seventeen.



Roy Cooper
Governor

ATTEST:



Elaine F. Marshall
Secretary of State

