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News Release



For Immediate Release
Aug. 20, 2015

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Ohio state government sets new records in minority purchasing

COLUMBUS — For the first time in history, the State of Ohio has reached the goals of its Minority Business Enterprise program by purchasing a record 19 percent of eligible goods and services through minority-owned businesses while spending a record \$228.5 million. Ohio's MBE program, established in 1980, mandates that state agencies set aside 15 percent of their annual purchases for goods and services for certified minority-owned businesses.

"More than 30 years ago, as a member of the Ohio Senate, I joined in voting for a more inclusive approach for those seeking to do business with state government," said Ohio Governor John Kasich. "Casting that vote, I never envisioned it would take three decades to achieve it. For far too long, Ohio has failed to live up to expectations that were set into law. By making this a priority, we are now able to help more small businesses from all backgrounds take part in our state's economic success. That is reason to celebrate."

Out of the eligible expenditures for goods and services purchased during Fiscal Year 2015, a total of 17.21 percent were set aside for MBE-certified businesses. Another 2.20 percent of eligible goods and services were purchased from MBE-certified businesses through open-market contracts, for a total of 19.41 percent of eligible goods and services purchased through MBE-certified businesses.

Under Governor Kasich's leadership, the state has made steady progress in expanding its base of suppliers by identifying more qualified minority businesses and encouraging them to work with the state to supply the goods and services it needs to operate. As a result of this effort, the state set an initial record in Fiscal Year 2014 with \$165 million in minority business expenditures followed by this new record of \$228.5 million in Fiscal Year 2015.

"Helping our small businesses grow and succeed has been a key priority since our first days in office," said Lt. Governor Mary Taylor who was part of today's announcement at this Minority Business Enterprise event. "Ohio and its local communities cannot be strong without equally strong and financially healthy hometown businesses and that includes our minority small businesses."



Highlights of the 2015 program include:

The State of Ohio spent more money with MBE-certified businesses than ever before.

- Total expenditures for goods and services in FY 2015 was \$228.5 million.
- This is an increase from \$165 million in FY 2014 and from \$27 million in FY 2008.

More MBE-certified businesses did work for the State of Ohio than ever before.

- The state purchased goods or services from 325 MBE-certified businesses in FY 2015.
- This is an increase from 282 businesses in FY 2014 and 168 in FY 2008.

More state government cabinet agencies met their goal for purchases from MBE-certified businesses than ever before.

- In FY 2015, 20 of 24 cabinet agencies met the 15 percent goal for purchases from MBE-certified businesses, up from 17 agencies in FY 2014.

Applications for certifications from minority-owned businesses to be eligible for the MBE program were processed faster and more efficiently than ever before.

- The MBE-certification process has been reduced to an average of 19 days, with certain applications processed in as few as five days.

The MBE program is administered by the Equal Opportunity Division of the Ohio Department of Administrative Services. Minority business owners interested in learning more about MBE certification are encouraged to visit mbe.ohio.gov or call 614-466-8380.

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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

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contract and procurement opportunities for qualified MBE-certified businesses the aggregate value for which is at least 15 percent.

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.

Links to Additional Information:

- **Facts and Guidelines about MBE -**
http://das.ohio.gov/Portals/0/DASDivisions/EqualOpportunity/pdf/MBEEDGE_MBEFactsAndGuidelines_7%2014.pdf
- **Understanding MBE, EDGE and DBE -**
http://das.ohio.gov/Portals/0/DASDivisions/EqualOpportunity/pdf/MBEEDGE_MBE-DBE-EDGEBrochure_vEOD_4.2014.pdf
- **Frequently Asked Questions about MBE, EDGE -**
http://das.ohio.gov/Portals/0/DASDivisions/EqualOpportunity/pdf/MBEEDGE_MBEEDGEFAQs_7.pdf