# PROPOSAL ON PURCHASING AND CONTRACTING:

Stanford University is obviously one of the largest economic institutions in the Mid-Peninsula Area. The purchases it makes and the contracts it enters into comprise a major segment of the economic activity in the area, and because of the extent of its economic activity, the University is in a highly favorable position to influence the behavior of the suppliers and contractors that provide goods and services for the University. We believe that Stanford University should use whatever influence it can to encourage other economic organizations to adopt more positive policies toward the recruitment and training of minority group members. In order to accomplish this task, we believe the following steps should be taken:

### Standards:

- A. Stanford University should refuse to enter into any contract with or make any purchase from any business, corporation, or union that discriminates in the hiring or promotion of employees on the basis of race, religion, creed, or national origin. Any business, corporation, or union that has less than 5% of its work force from minority groups will be considered to be a defacto discriminator regardless of its stated policy on minority group employment.
- B. Stanford University should show preference in its purchases and contracts to those businesses, corporations, and unions that have aggressive policies of minority group hiring, training, and promotion. In those instances where the "bid" system is used for granting contracts or making purchases, Stanford should reward those businesses, corporations, or unions that have aggressive policies in the recruitment and training of minority group members by accepting their bids when they are within 5% of the lowest bid made for a given contract or purchase, provided the lowest bidder does not have an aggressive policy of minority group recruitment and training.

#### Enforcement:

- A. In order to enforce this policy, the Human Rights Commission should be given the authority to investigate any contractor or supplier that engages in business with Stanford University.
- B. One aspect of this investigation should include a statement from those parties that do business with Stanford University as to the extent of their employment of minority group members. The statement should also include the efforts they are making to recruit and train minority group members. In the event that it is impossible for the contractor or supplier to determine such information, Stanford should use its own resources to make an estimate of the contractor or supplier's practices on this question.

C. The Human Rights Commission should be empowered to circulate to all business agents of the University a list of names of those businesses, corporations, and unions that meet the minimal standards outlined under point (A) of the section on standards. In addition, the Human Rights Commission should also indicate those contractors or suppliers that are to be "preferred" in contractual or purchasing agreements with Stanford University. Any business agent of the University who violates the policies of Stanford University should be brought before the Human Rights Commission in a judicial hearing, and, if the evidence warrants, he should be dismissed from his position.

## Student Involvement:

We believe that Stanford students should be involved in all aspects of the formulation and implementation of this policy. In order to accomplish this goal, we urge the agency responsible for policies in this area to ask the Black Student Union to supply a number of students for consultation on this question. In addition, we will supply as many students as deemed desirable to aid in the formulation and implementation of these policies; the students to act either as consultants in the development of policies or as investigators in the implementation of the policy.

## Comments:

We realize that the final formulation of policies in this area will require detailed consideration by an agency of the University, preferably the Human Rights Commission, but we strongly recommend that the general policies outlined above be adopted. Because the final formulation of these policies will be a complex matter and require some time for consideration, we urge the Administration to give a tentative response to our proposals as soon as possible; and we further urge the Administration to assign to some agency of the University the authority and responsibility for the establishment and enforcement of such policies.