

File Number: S7-08-13

Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies and Request for Comments.

Genesis Acquisition Management Inc., (“Genesis”), a Hispanic woman-owned, California based company that provides residential real estate auction and other services nationally appreciates the efforts made by the Agencies in developing and the opportunity provided to comment on the “Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies”.

As a Hispanic, woman owned company, Genesis, is well aware of the challenges often faced by minority and woman owned businesses in competing against established business relationships with government agencies and/ or their regulated entities. From a business perspective, Genesis understands the elevated efforts needed to unseat an established business relationship in which both parties have become familiar and comfortable with each other. Genesis has had to and continues to prove the value of its services with every business client it has.

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, (Section 342”) is viewed by Genesis as intending to provide Genesis and every other minority and/ or women owned businesses an opportunity to get “a foot in the door” to demonstrate the capabilities of and value these firms can deliver to government agencies and their regulated entities. Genesis, as are other minority and/ or women owned businesses, confident that given the opportunity to demonstrate their businesses’ capabilities can and will prove to be as good, if not better, than their non-minority or non-women owned competitors.

Although Genesis is very supportive of the Agencies proposed interagency policy statement, Genesis believes that Section 342 provides the Agencies with a broader scope than that of Section 342(b)(2)(C)’s “assessing the diversity policies and practices of entities regulated by the agency”. Specifically, Section 342(b)(2)(B) provides for “increased participation of minority-owned and women-owned businesses in the programs and contracts of the agency, including standards for coordinating technical assistance to such businesses”.

Although the standards proposed in the interagency policy are felt to be valuable and appropriate components, Genesis encourages the Agencies to expand the policies, standards, metrics and reporting to provide more emphasis on actually achieving increases in participation/ usage of minority-owned and women-owned businesses in the programs and contracts of the regulated entities. As proposed, there are references to “promote a diverse pool of candidates”, “diversity and inclusion efforts”, “to promote a diverse supplier pool”. “promote diversity and inclusion”. Genesis recommends that references to “promote” or “efforts” be replaced or augmented with reference to actual

usage i.e. efforts and promotion are essential but the end measure of progress should be usage.

Genesis also recommends that the Agencies refine a proposed metric on supplier diversity so that it provides a better measure of the contractor / subcontractor diversity contribution. The proposed metric:” Percentage spent with minority-owned and women-owned business contractors by race, ethnicity, and gender” is felt to potentially overlook what, if any, diversity may have been contributed by subcontractors. A possible result is that a non-minority or non-women owned business contractor that utilizes a significant amount of resources provided by minority or women owned businesses as subcontractors may be completely left out of this metric if the reported spend amount is based solely on the contractor’s business ownership classification. Conversely, if the contractor is a minority or women owned business but subcontracts out a substantial amount of the contract’s work to a non-minority or non-women owned business the metric may again produce distorted results.

As a Hispanic women-owned business, Genesis Acquisition Management Inc. has looked forward to the potential opportunities that Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 may provide. Genesis is also grateful to the Agencies for the efforts they have made to advance the implementation of Section 342 with their “Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies”. The comments provided by Genesis on the proposed interagency policy statement are offered with the intent of improving the actual business opportunities provided by the interagency policy which ultimately is the compensation paid to minority and/ or women owned business for the products or services they provide, regardless of whether they serve in a contractor or subcontractor role. Provided the initial opportunities, Genesis, and other minority and/ or women owned business, recognize the need to and will prove themselves more than worthy of the opportunities provided by the Agencies with this interagency policy statement.