

Equal Business Opportunity Program

FY 2008 Annual Report



Minority Business Development Office



Introduction

- Ordinance 2008-89 requires developing reports which delineate the utilization of Small Local Business Enterprises (SLBE) and Women/Minority Business Enterprises (WMBE) on the basis of total procurement, total dollars awarded and payments
- The purpose of this presentation is to report SLBE and WMBE utilization for FY 2008



Background

- Supreme Court and Lower Court Rulings
- Disparity Study completed in 2007
 - No Disparity in Subcontracting
 - Disparity - Prime Contracts (\$500,000 or less)
 - No legal basis for narrowly-tailored, race and gender conscious program (WMBE)



Background (continued)

- Equal Business Opportunity Program Ordinance 2008-89
 - Enacted July 2008
 - SLBE participation (race-neutral)
 - WMBE participation (race/gender conscious) currently not mandated
 - Use of race and gender contract goals must be based on multi-year statistical evidence and a legal basis



Common Terminology

- Availability – companies expressing interest in doing business with the City
- Utilization – actual payments made to vendors and subcontractors
- Capacity – company has the requisite credentials to perform contract services



Terminology (continued)

- Race-Neutral Programs (SLBE) - based on business size and revenues
- Narrowly-Tailored Programs (WMBE) - corrective action to address disparity
- Diversity Management Information (DMI) - City-wide process to collect, track and analyze utilization and availability



DMI Methodology

- New business process for data collection, automation and reporting
- Reports represent contracts awarded in FY 2008
- Utilization Dollars represent actual expenditures for contracts awarded in FY 2008



DMI Data Elements

- All Competitively Bid Procurement separated into four (4) major utilization areas:
 - SLBE Prime
 - SLBE Subcontracts
 - WMBE Prime
 - WMBE Subcontracts



DMI Data Elements (continued)

- Each utilization area is comprised of five (5) industry categories:
 - Construction
 - Construction-Related Services
 - Professional Services
 - Non-Professional Services
 - Goods



DMI Data Elements (continued)

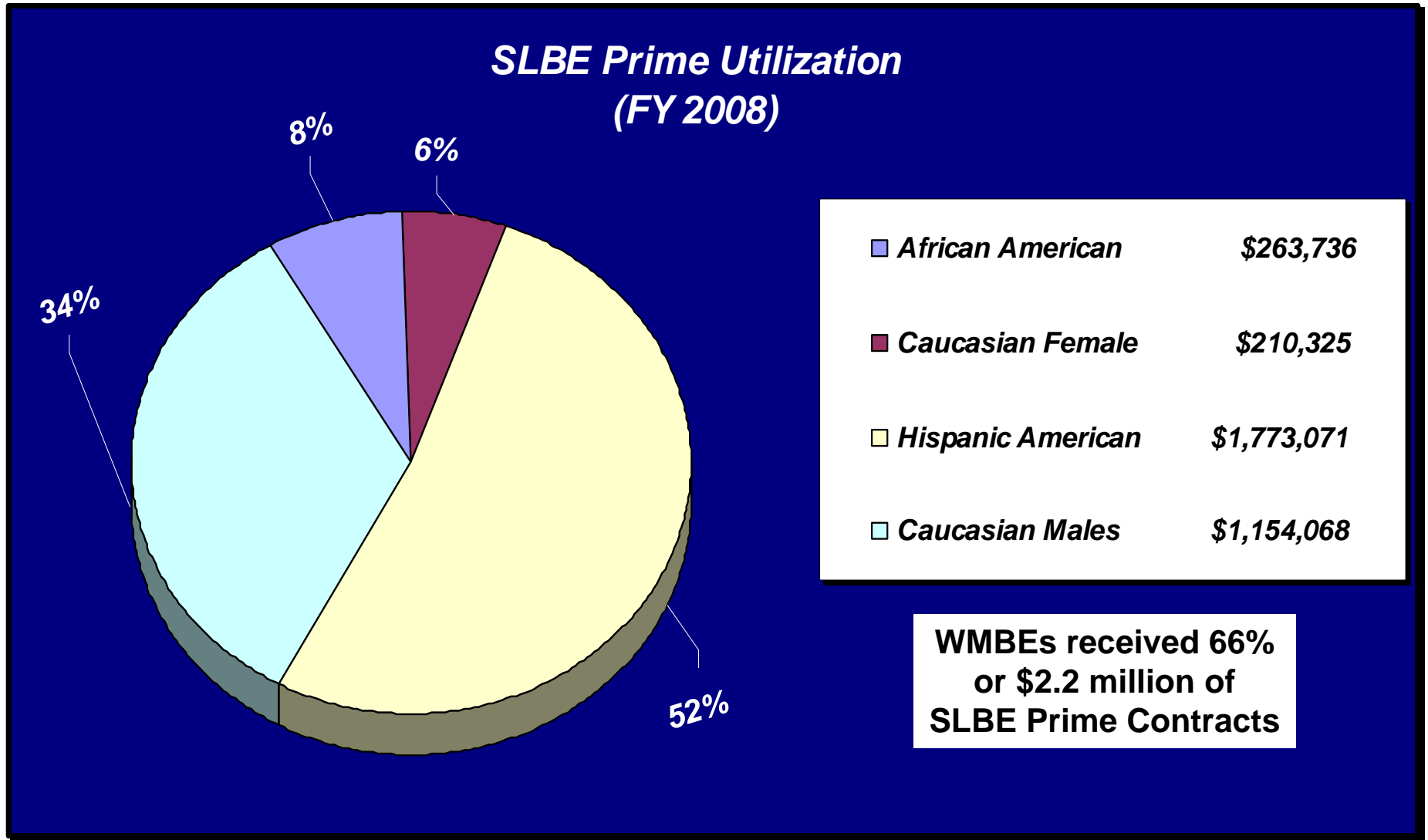
- Prime contract data is separated by two dollar categories:
 - Contracts \$500,000 and below
 - Contracts \$25,000 and below
- All Subcontract dollars



SLBE Program

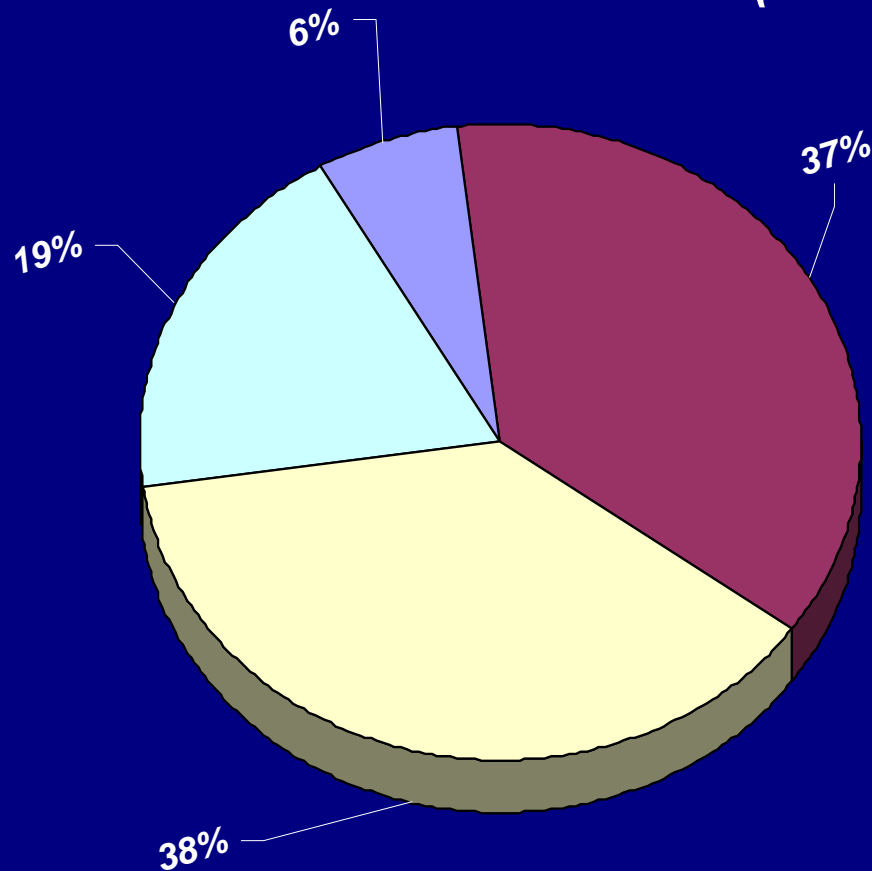
- Eligibility Requirements (Race-Gender Neutral)
 - Must be in Tampa's SLBE Market Area:
Hillsborough, Pinellas, Polk, Pasco, Manatee
 - Owner must be permanent resident of Florida
 - Must have 25 or less full-time employees
 - Average annual gross receipts over 3 years not to exceed \$2 million
 - Sheltered Market opportunities: contracts \$200,000 or less (minimum 3 SLBEs)





SLBE Prime Utilization



SLBE Subcontract Utilization

*SLBE Subcontract Utilization
(FY 2008)*



| | |
|-------------------------------------------------------------------------------------------------------|-----------|
|  African American | \$46,500 |
|  Caucasian Female | \$282,866 |
|  Hispanic American | \$270,624 |
|  Caucasian Males | \$135,761 |

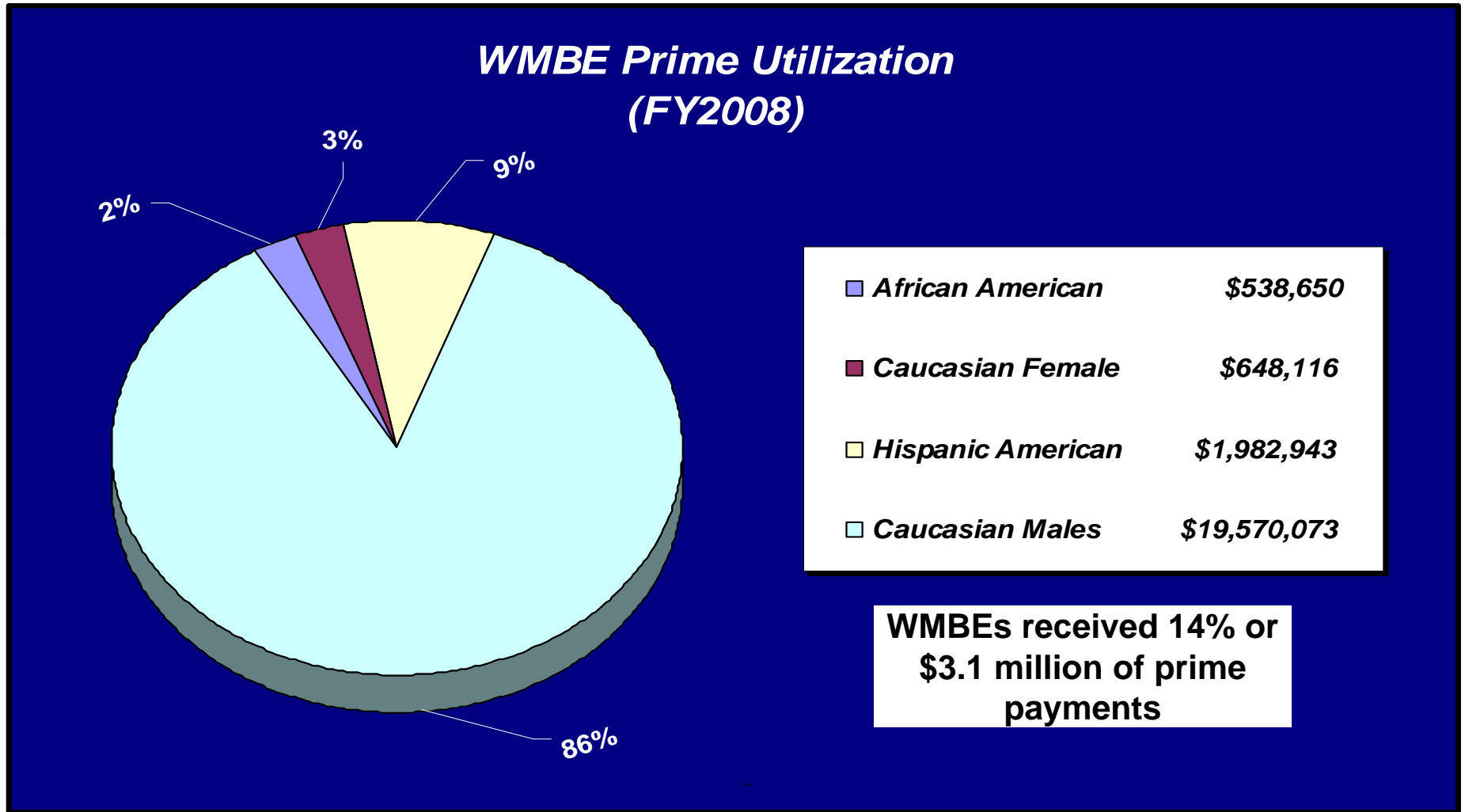
**WMBE represented
81% or \$579,990 of
SLBE payments**



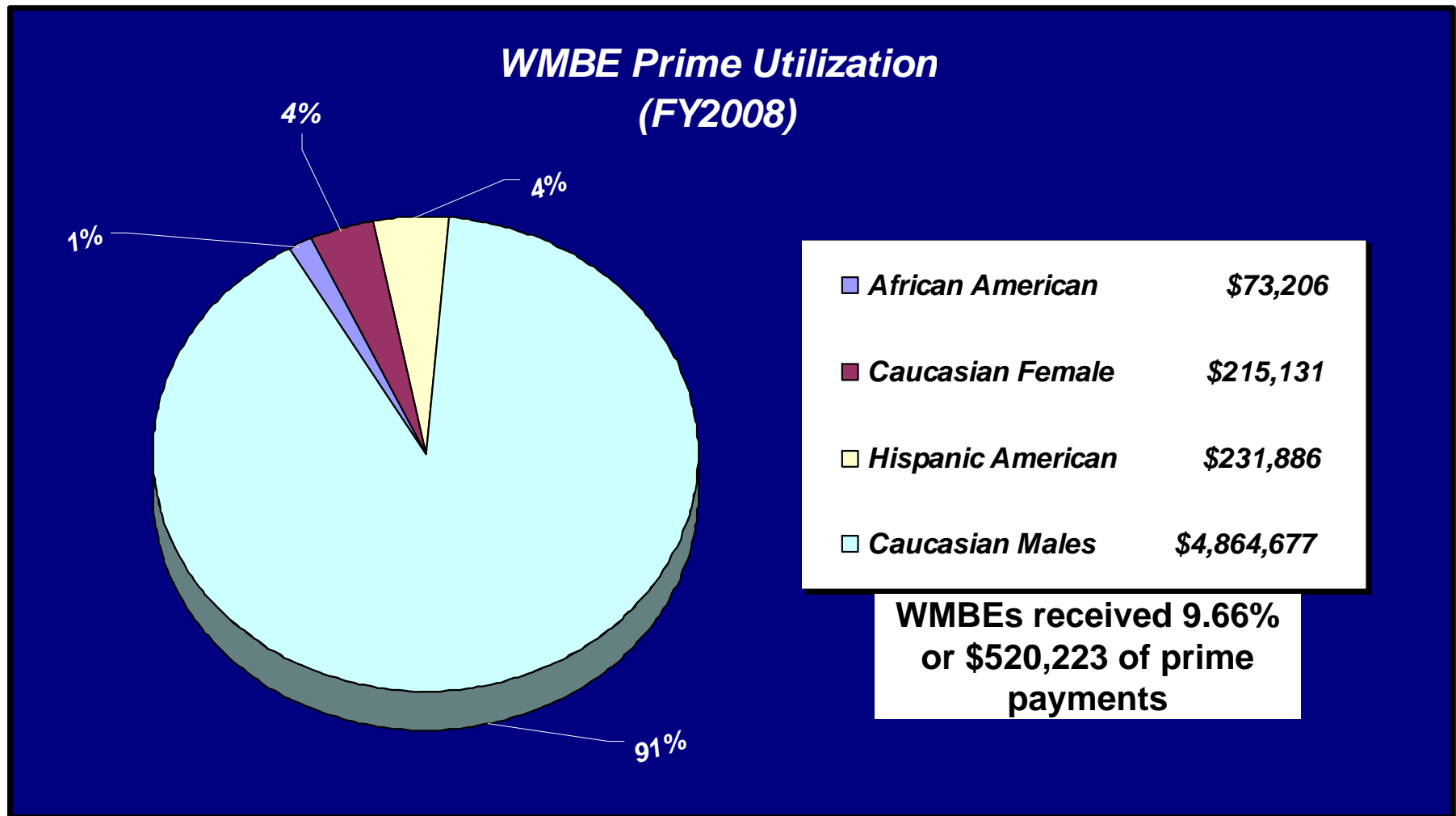
WMBE Program

- Eligibility Requirements
 - 51% Woman or Minority Owned and Operated
 - Florida Domiciled
 - 10 Ethnic and Gender Classifications
 - Currently no legal basis for mandatory WMBE Program
 - Availability & Utilization Analysis, 3 – 5 years of data and documented disparity required for legal basis
 - Requires Strict Scrutiny & Narrowly-Tailored Program

WMBE Prime Utilization for all Five Industry Categories (\$500,000 or Less)

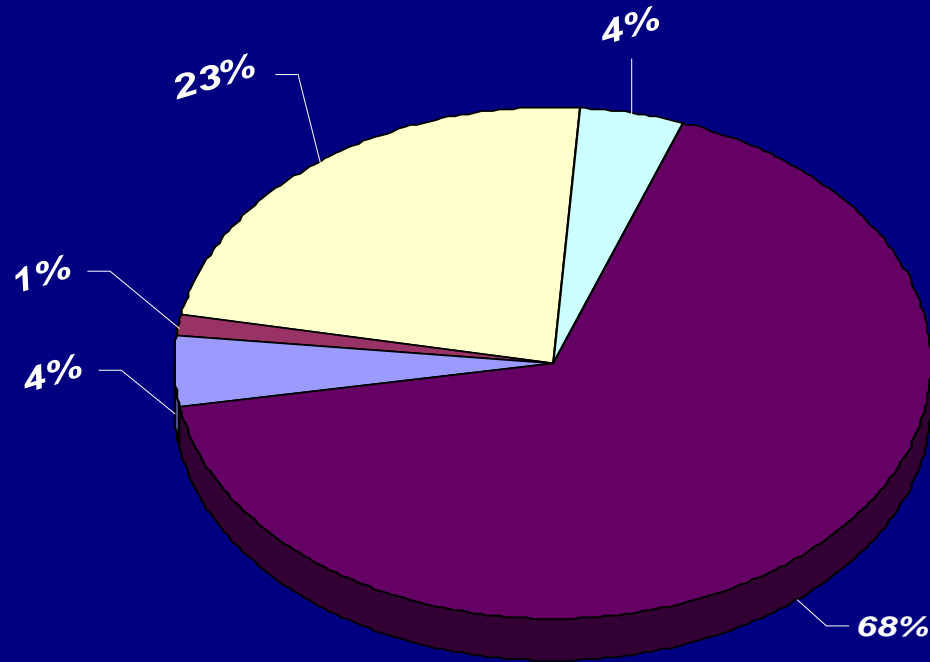







WMBE Prime Utilization for all Five Industry Categories (\$25,000 or Less)



WMBE Subcontract Utilization for All Five Industry Categories

*WMBE Subcontract Utilization
(FY 2008)*



| | |
|-------------------------------------------------------------------------------------------------------|--------------|
|  African American | \$1,169,601 |
|  Asian American | \$327,311 |
|  Caucasian Female | \$6,033,303 |
|  Hispanic American | \$1,165,274 |
|  Caucasian Males | \$17,462,176 |

**WMBEs received 33% or
\$8.7 million of
subcontract payments**

WMBE Prime Utilization by Industry Category for Contracts Under \$500,000

| Ethnic/Gender Group | CONSTRUCTION | CONSTRUCTION-RELATED SERVICES | PROFESSIONAL SERVICES | NON-PROFESSIONAL SERVICES | GOODS |
|---------------------------------------|------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|
| | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold |
| African Americans | X | X | X | X | X |
| Asian Americans | X | X | X | X | X |
| Hispanic Americans | X | √ | X | √ | √ |
| Native Americans | X | √ | X | X | X |
| Caucasian Females | X | X | X | X | X |
| Caucasian Males | √ | √ | √ | √ | √ |
| Minority & Women Business Enterprises | X | √ | X | X | X |

WMBE Prime Utilization by Industry Category for Contracts Under \$500,000

| Ethnic/ Gender Group | CONSTRUCTION | | CONSTRUCTION-RELATED SERVICES | | PROFESSIONAL SERVICES | | NON-PROFESSIONAL SERVICES | | GOODS | |
|---------------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|
| | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars |
| African Americans | 8.84% | 8.72% | 5.31% | 2.12% | 9.48% | 0.00% | 8.42% | 2.22% | 2.54% | 0.46% |
| Asian Americans | 0.22% | 0.00% | 2.50% | 0.00% | 2.55% | 0.00% | 0.49% | 0.00% | 0.26% | 0.00% |
| Hispanic Americans | 15.91% | 7.04% | 11.25% | 31.46% | 10.63% | 0.37% | 7.07% | 10.13% | 3.94% | 4.94% |
| Native Americans | 0.66% | 0.00% | 0.00% | 0.00% | 0.46% | 0.00% | 0.12% | 0.00% | 0.08% | 0.00% |
| Caucasian Females | 10.61% | 0.23% | 7.82% | 3.18% | 16.18% | 1.46% | 9.76% | 3.18% | 5.51% | 3.66% |
| Caucasian Males | 43.76% | 84.02% | 53.12% | 63.23% | 40.70% | 98.17% | 54.14% | 84.48% | 67.67% | 90.93% |
| Minority & Women Business Enterprises | 36.24% | 15.98% | 26.88% | 36.77% | 39.30% | 1.83% | 25.86% | 15.52% | 12.33% | 9.07% |

WMBE Prime Utilization by Industry Category for Contracts Under \$25,000

| Ethnic/ Gender Group | CONSTRUCTION | CONSTRUCTION- RELATED | PROFESSIONAL SERVICES | NON-PROFESSIONAL SERVICES | GOODS |
|------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold |
| African Americans | X | X | X | X | X |
| Asian Americans | X | X | X | X | X |
| Hispanic Americans | X | X | X | X | ✓ |
| Native Americans | X | ✓ | X | X | X |
| Caucasian Females | X | ✓ | X | X | X |
| Caucasian Males | ✓ | ✓ | ✓ | ✓ | ✓ |
| Minority & Women Business Enterprises | X | X | X | X | X |

WMBE Prime Utilization by Industry Category for Contracts Under \$25,000

| Ethnic/ Gender Group | CONSTRUCTION | | CONSTRUCTION- RELATED SERVICES | | PROFESSIONAL SERVICES | | NON-PROFESSIONAL SERVICES | | GOODS | |
|------------------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|
| | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars |
| African Americans | 8.84% | 0.00% | 5.31% | 0.00% | 9.84% | 0.00% | 8.42% | 2.88% | 2.54% | 0.99% |
| Asian Americans | 0.22% | 0.00% | 2.50% | 0.00% | 2.55% | 0.00% | 0.49% | 0.00% | 0.26% | 0.00% |
| Hispanic Americans | 15.91% | 0.00% | 11.25% | 8.60% | 10.63% | 0.71% | 7.07% | 1.49% | 3.94% | 5.66% |
| Native Americans | 0.66% | 0.00% | 0.00% | 0.00% | 0.46% | 0.00% | 0.12% | 0.00% | 0.08% | 0.00% |
| Caucasian Females | 10.61% | 6.07% | 7.82% | 12.58% | 16.18% | 2.84% | 9.76% | 3.55% | 5.51% | 3.59% |
| Caucasian Males | 43.76% | 93.93% | 53.12% | 78.82% | 40.70% | 96.45% | 54.14% | 92.08% | 67.67% | 89.76% |
| Minority & Women Business Enterprises | 36.24% | 6.07% | 26.88% | 21.18% | 39.30% | 3.55% | 25.86% | 7.92% | 12.33% | 10.24% |

WMBE All Subcontract Utilization by Industry Category

| Ethnic/ Gender Group | CONSTRUCTION | CONSTRUCTION- RELATED | PROFESSIONAL SERVICES | NON-PROFESSIONAL SERVICES | GOODS |
|------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold | Met/Not Met Target Threshold |
| African Americans | X | X | X | ✓ | X |
| Asian Americans | ✓ | X | X | X | X |
| Hispanic Americans | X | X | X | ✓ | ✓ |
| Native Americans | X | X | X | X | X |
| Caucasian Females | ✓ | X | X | ✓ | X |
| Caucasian Males | ✓ | ✓ | X | X | X |
| Minority & Women Business Enterprises | ✓ | X | X | ✓ | ✓ |

WMBE All Subcontract Utilization by Industry Category


| Ethnic/ Gender Group | CONSTRUCTION | | CONSTRUCTION- RELATED SERVICES | | PROFESSIONAL SERVICES | | NON-PROFESSIONAL SERVICES | | GOODS | |
|------------------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------------|
| | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars | Availability Percentage Target | Utilization Percentage of Dollars |
| African Americans | 6.69% | 4.39% | 8.78% | 3.45% | 5.78% | 0.00% | 3.62% | 15.13% | 0.79% | 0.59% |
| Asian Americans | 0.12% | 1.30% | 2.73% | 0.00% | 3.12% | 0.00% | 0.52% | 0.00% | 0.02% | 0.00% |
| Hispanic Americans | 12.32% | 4.27% | 14.24% | 6.76% | 2.36% | 0.00% | 2.66% | 33.34% | 2.39% | 37.51% |
| Native Americans | 0.36% | 0.00% | 0.91% | 0.00% | 0.08% | 0.00% | 0.03% | 0.00% | 0.02% | 0.00% |
| Caucasian Females | 10.17% | 23.72% | 11.82% | 2.95% | 8.68% | 0.00% | 4.57% | 11.39% | 4.82% | 0.00% |
| Caucasian Males | 50.34% | 66.32% | 41.52% | 86.85% | 59.98% | 0.00% | 68.60% | 40.15% | 71.97% | 61.90% |
| Minority & Women Business Enterprises | 29.66% | 33.68% | 38.48% | 13.15% | 20.02% | 0.00% | 11.40% | 59.85% | 8.03% | 38.10% |



Key Utilization Results by Industry Categories

- **Contracts Under \$500,000**


Hispanic Americans met target in Construction Related Services, Non-Professional Services and Goods



Key Utilization Results by Industry Categories (continued)

Contracts Under \$25,000

- Hispanic Americans met target in Goods
- Caucasian Females met target in Construction-Related Services



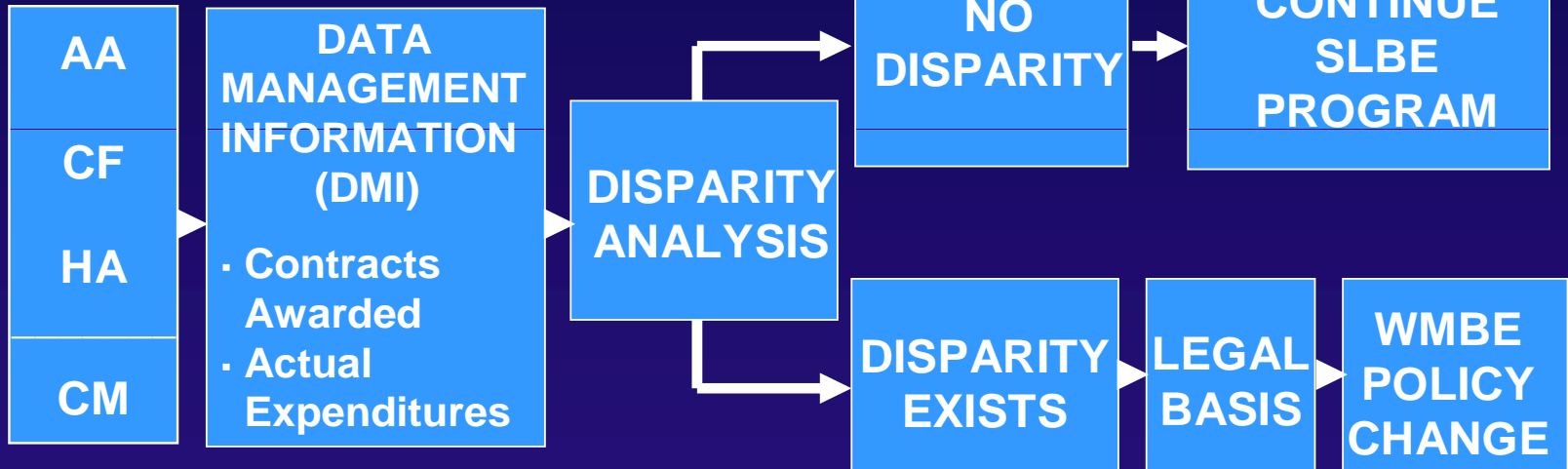
Key Utilization Results by Industry Categories (continued)

Subcontracts

- Asian Americans and Caucasian Females met target in Construction
- African Americans, Hispanic Americans and Caucasian Females met target in Non-Professional Services
- Hispanic Americans met target in Goods

EQUAL OPPORTUNITY BUSINESS PROGRAM

* SLBE



* RACE & GENDER NEUTRAL

▪ 3 TO 5 YEARS OF DATA COLLECTION

▪ RACE & GENDER CONSCIOUS

▪ MUST BE NARROWLY TAILORED

AA – African American
 CF – Caucasian Female
 HA – Hispanic American
 CM – Caucasian Male

▪ RACE & GENDER GOALS

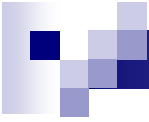


Conclusions

- Developed and implemented new business practices
- Implemented DMI Process to track and analyze data
- Documented 1 year of data by 5 industry categories
- 1 year of WMBE data is insufficient for policy changes
- WMBE policy changes require multiple years of data, and documented disparity to support a legal basis



- Next update is a Semi-Annual Report in March 2010
 - FY 2009 Annual Report Data
 - FY 2008 – 2009 Cumulative Report





Program Highlights

- Utility Capital Improvement Program (UCAP)
- Tampa Museum of Art (TMA)
- Sheltered Market Procurements
 - 21 Projects totaling approximately \$1.1 million
 - Market Area accounts for 1,612 (55.24%) of all contracts awarded and \$173,828,355 (75.34%) of total dollars expended
 - Approximately \$5.3 million in Sheltered Markets since inception of SBE (SLBE) Program