

Equal Business Opportunity Program Annual Report

January 27, 2011



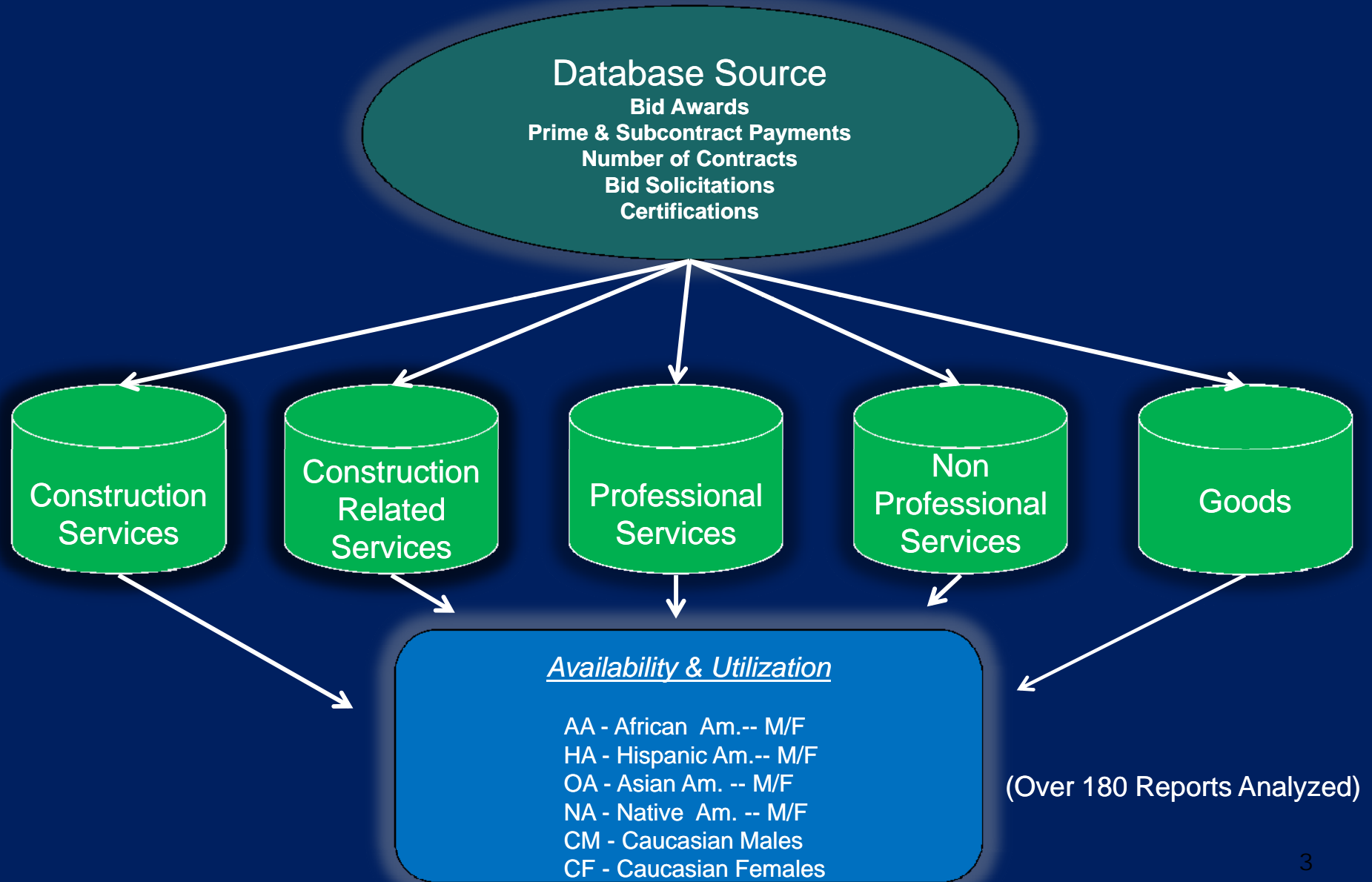
Minority Business Development Office



Introduction

- **Ordinance 2008-89 requires developing reports that measure the availability and utilization of certified SLBE & WMBE vendors on the basis of all procurement categories, all contract awards and actual dollars paid**
- **This is the 3rd report under new guidelines and methodology established by Ordinance**
- **FY 2010 SLBE & WMBE utilization payments**
- **FY 2008 – 2010 Cumulative Analysis**

DMI Tracking Process





Report Data Elements

- **All Competitively Bid Procurement separated into four utilization areas:**
 - **SLBE Prime**
 - **SLBE Subcontracts**
 - **WMBE Prime**
 - **WMBE Subcontracts**



Report Data Elements (continued)

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



Report Data Elements (continued)

- **Prime contract data is separated by two dollar thresholds:**
 - **Prime Contracts \$500,000 and below**
 - **Prime Contracts \$ 25,000 and below**

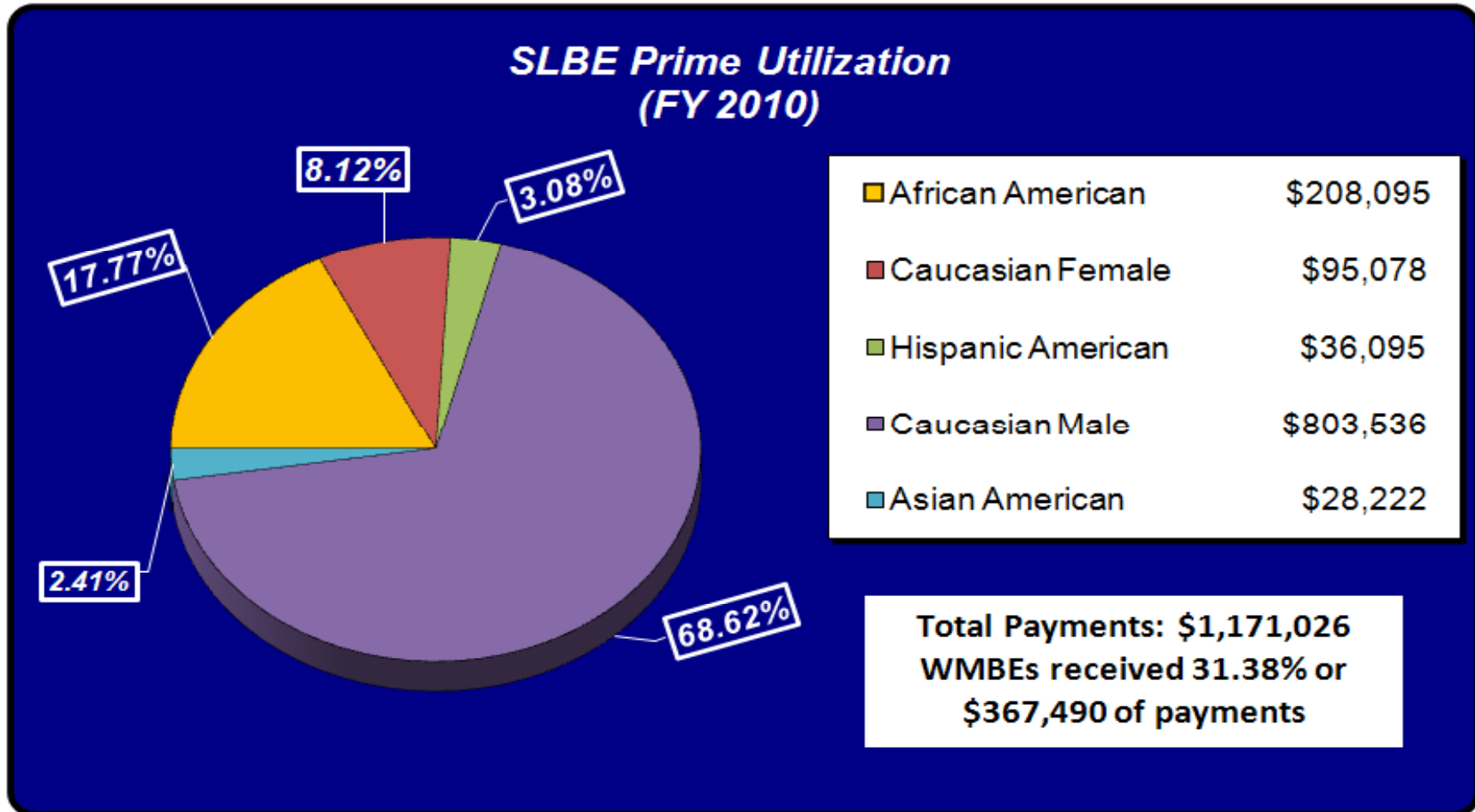
- **All Subcontract dollars**



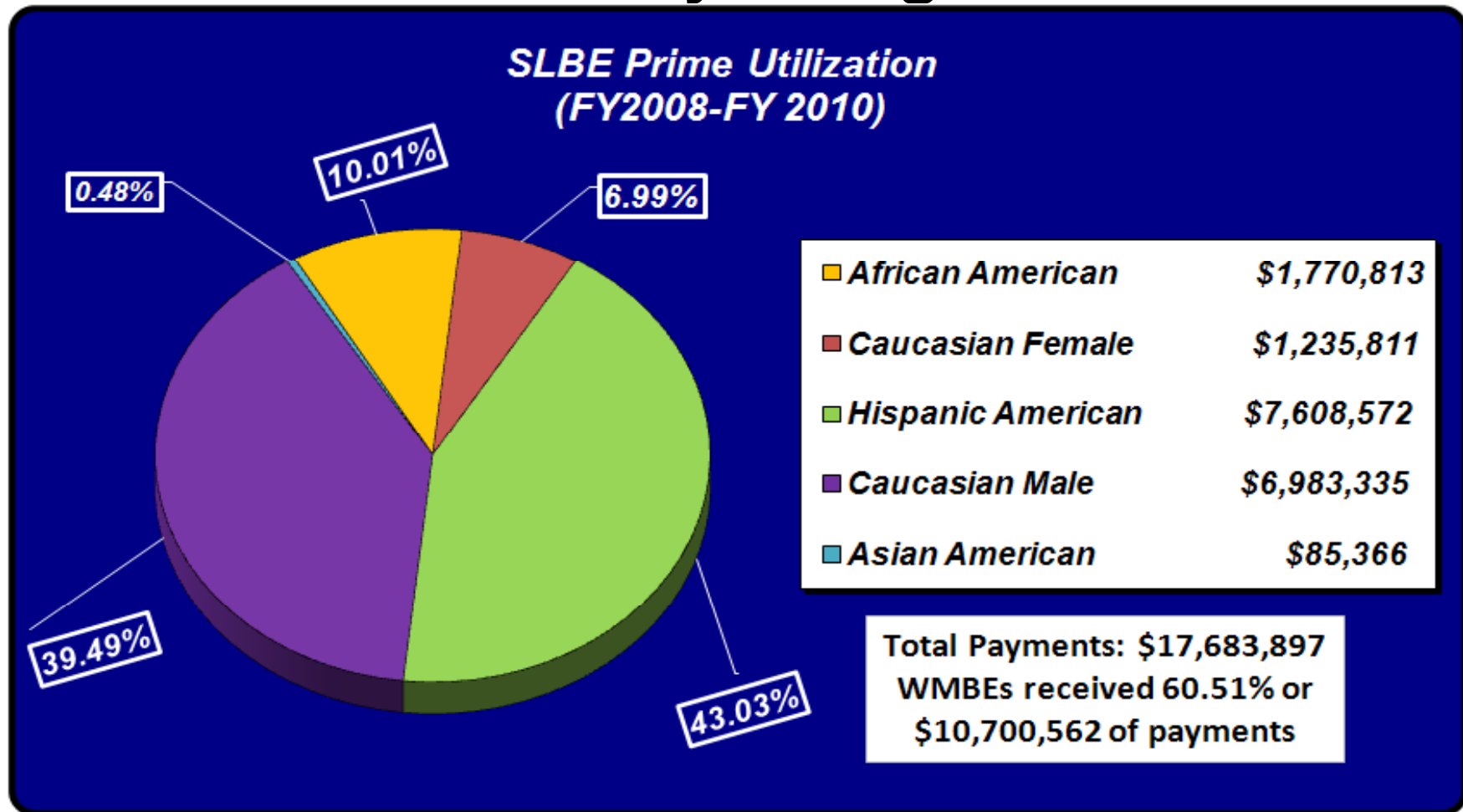
FY2010 & FY2008-2010 Summaries

- SLBE Prime Payments
- SLBE Subcontract Payments
- WMBE Prime - Total Payments
- WMBE Prime - \$500,000 and below
- WMBE Prime - \$ 25,000 and below
- WMBE Subcontract Payments

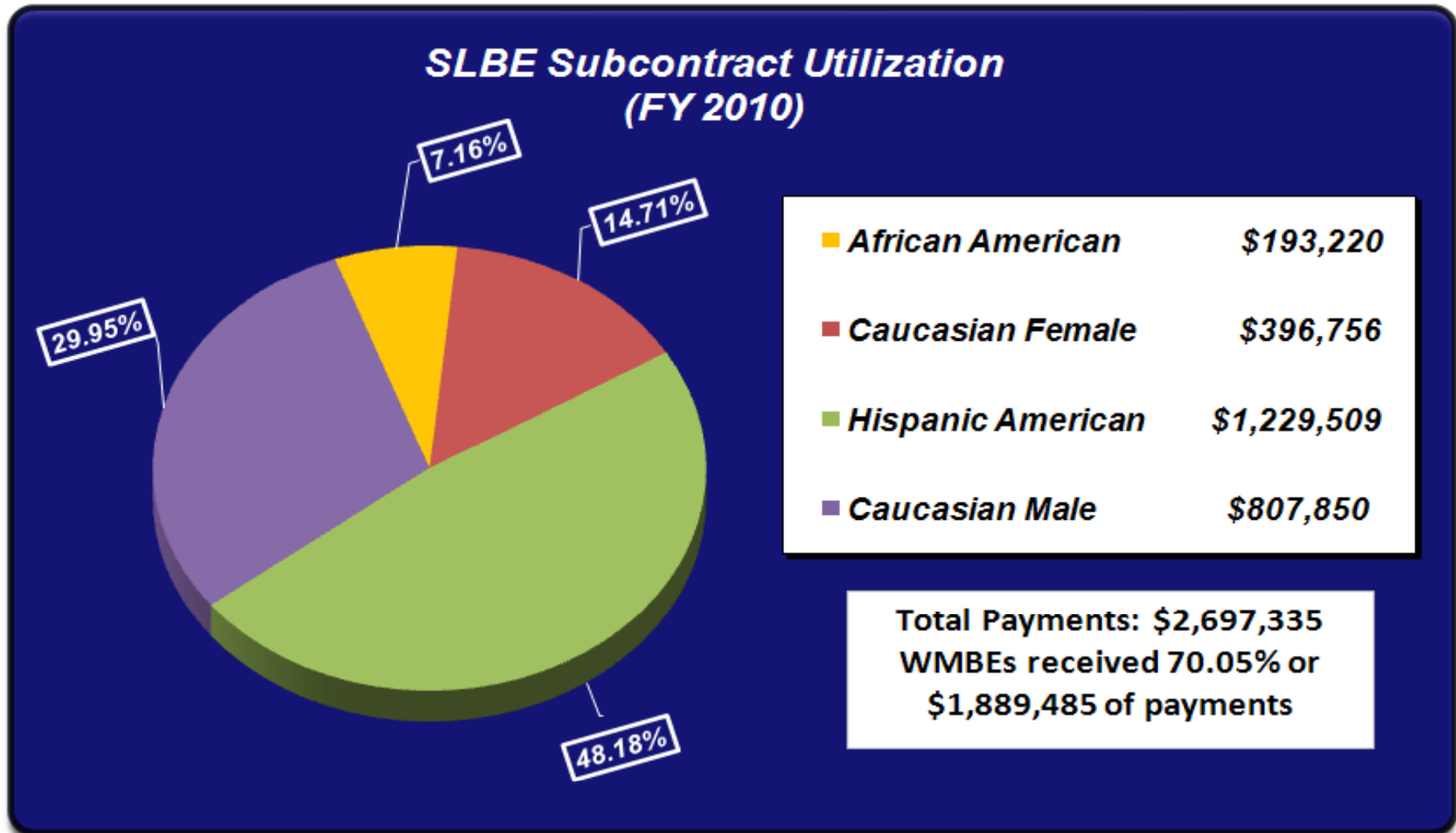
FY 2010 SLBE Prime: All Five Industry Categories



FY 2008-2010 SLBE Prime: All Five Industry Categories

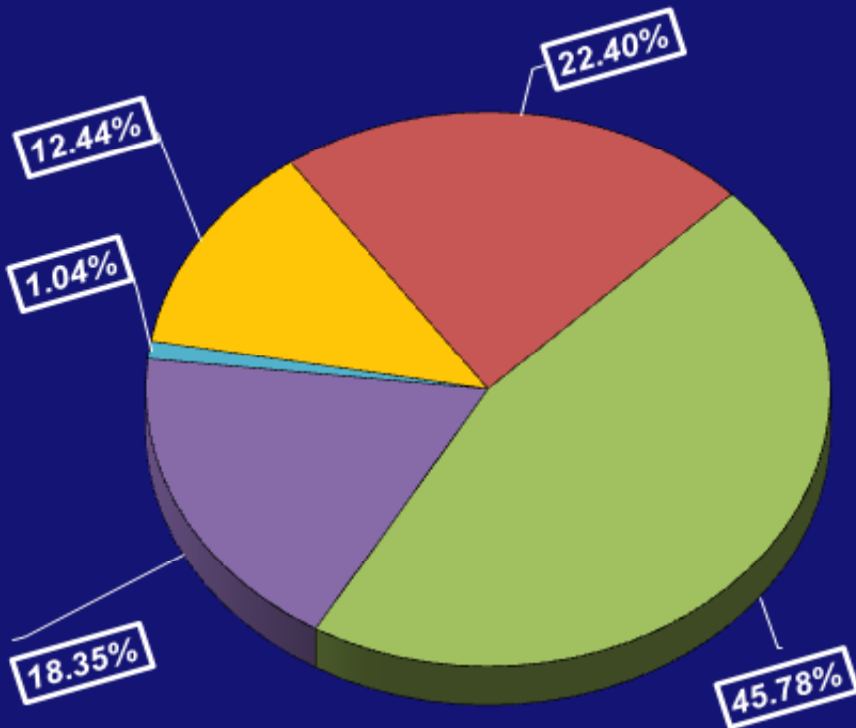


FY 2010 SLBE Subcontract Utilization



FY 2008-2010 SLBE Subcontract Utilization

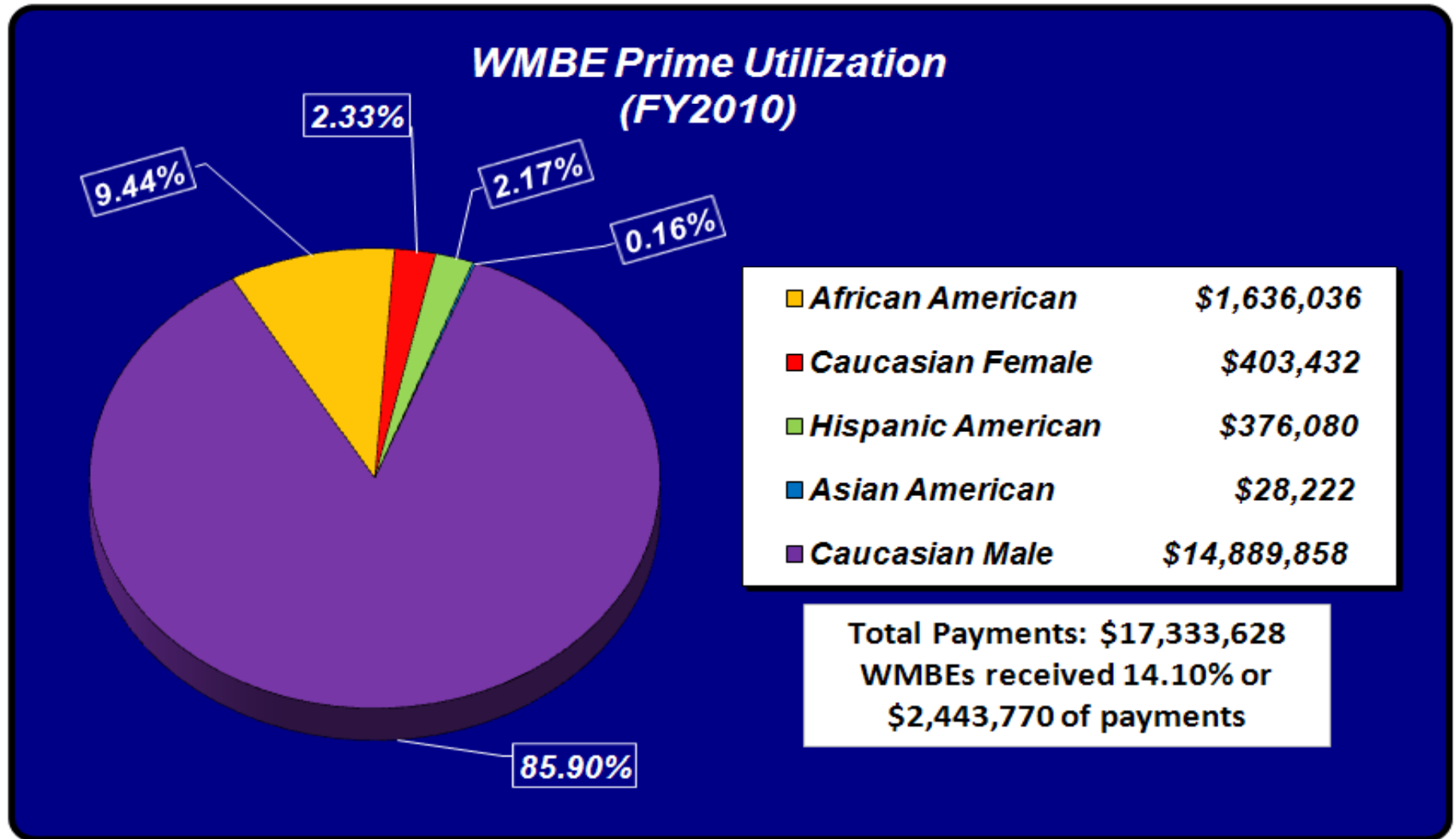
*SLBE Subcontract Utilization
(FY2008-FY 2010)*



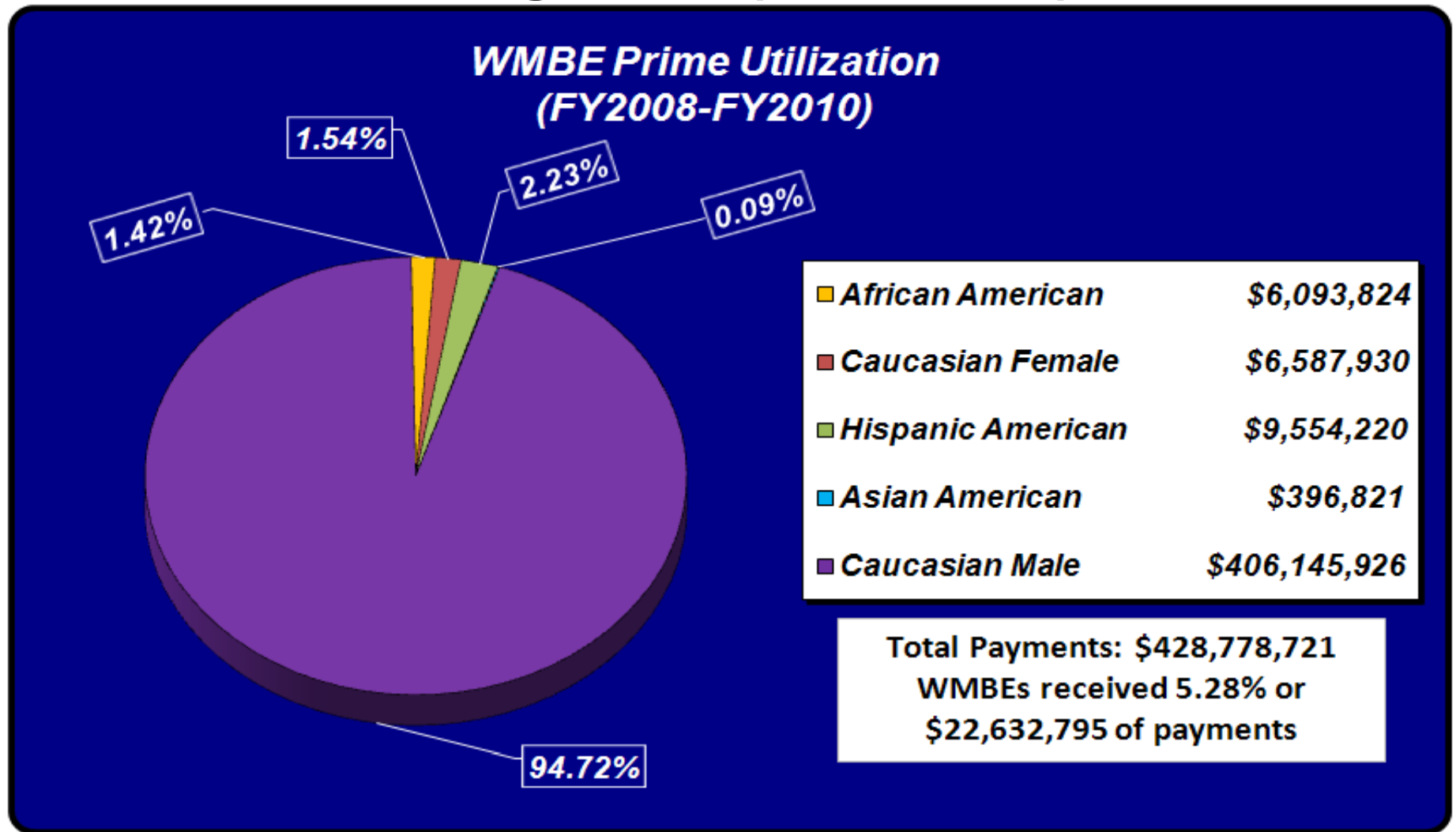
| | |
|---------------------|-------------|
| ■ African American | \$1,576,357 |
| ■ Caucasian Female | \$2,837,895 |
| ■ Hispanic American | \$5,800,898 |
| ■ Caucasian Male | \$2,324,517 |
| ■ Native American | \$131,357 |

Total Payments: \$12,671,024
WMBEs received 81.65% or
\$10,346,507 of payments

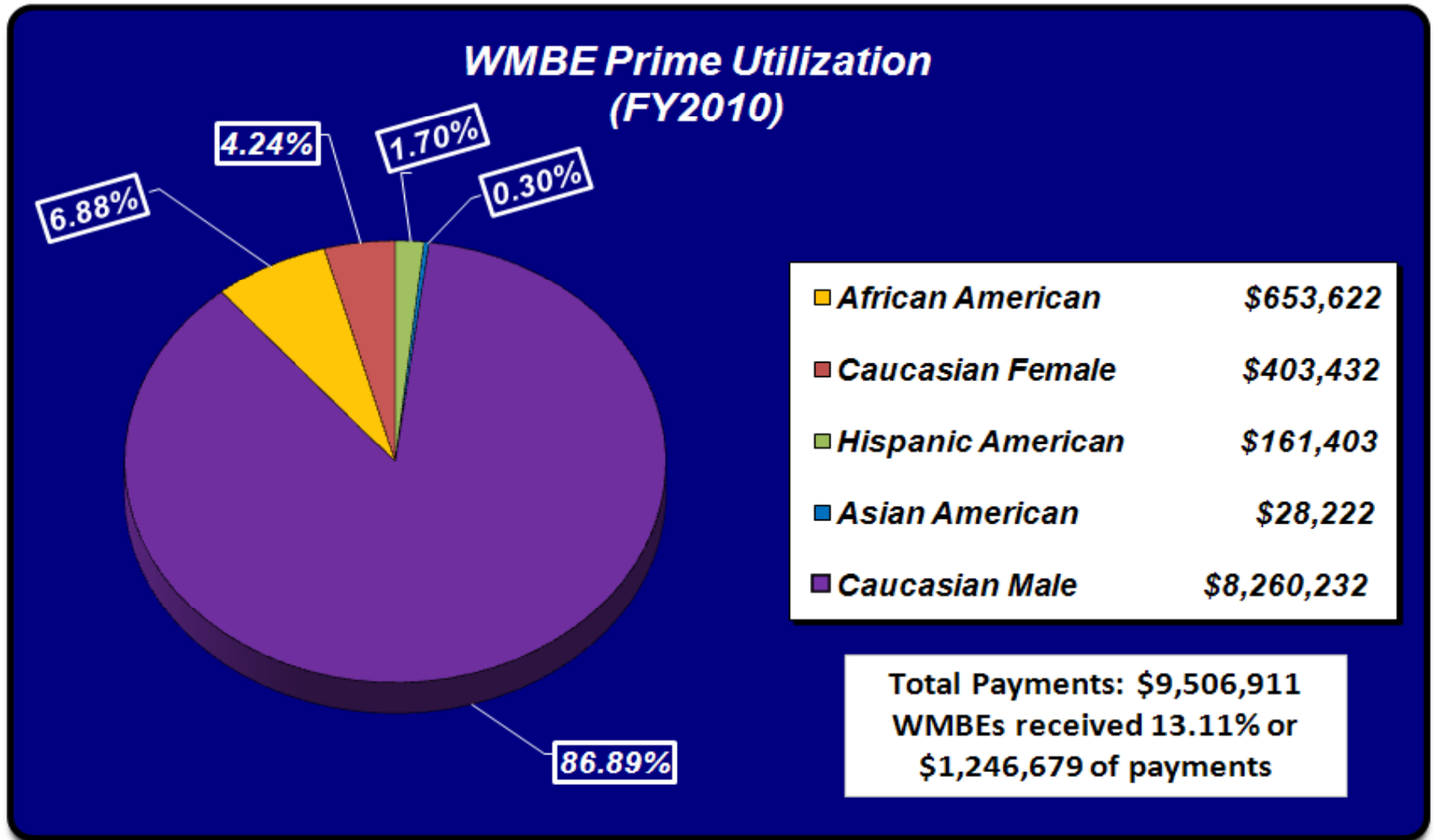
FY 2010 WMBE Prime: All Five Industry Categories (All Dollars)



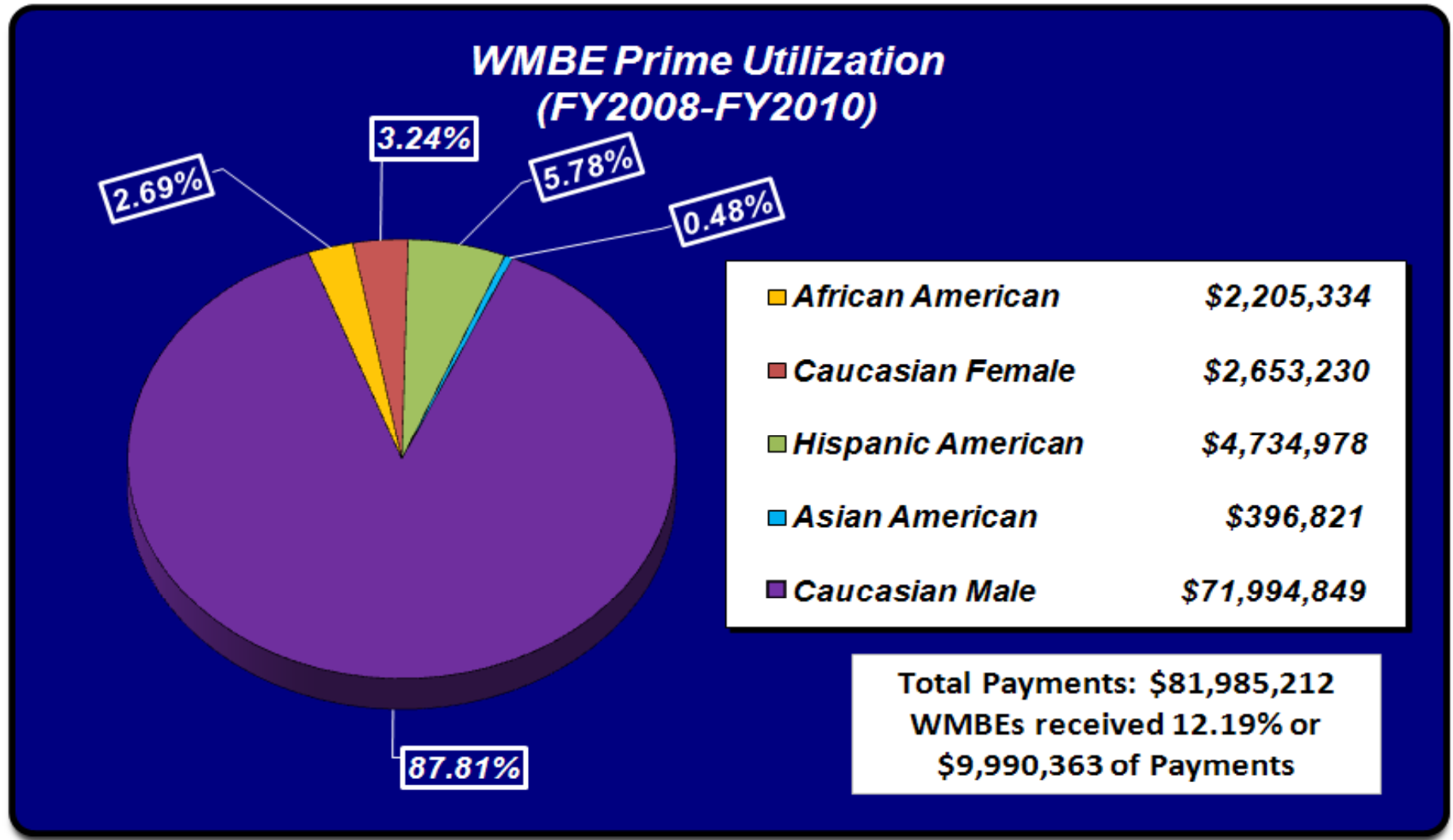
FY 2008-2010 WMBE Prime: All Five Industry Categories (All Dollars)



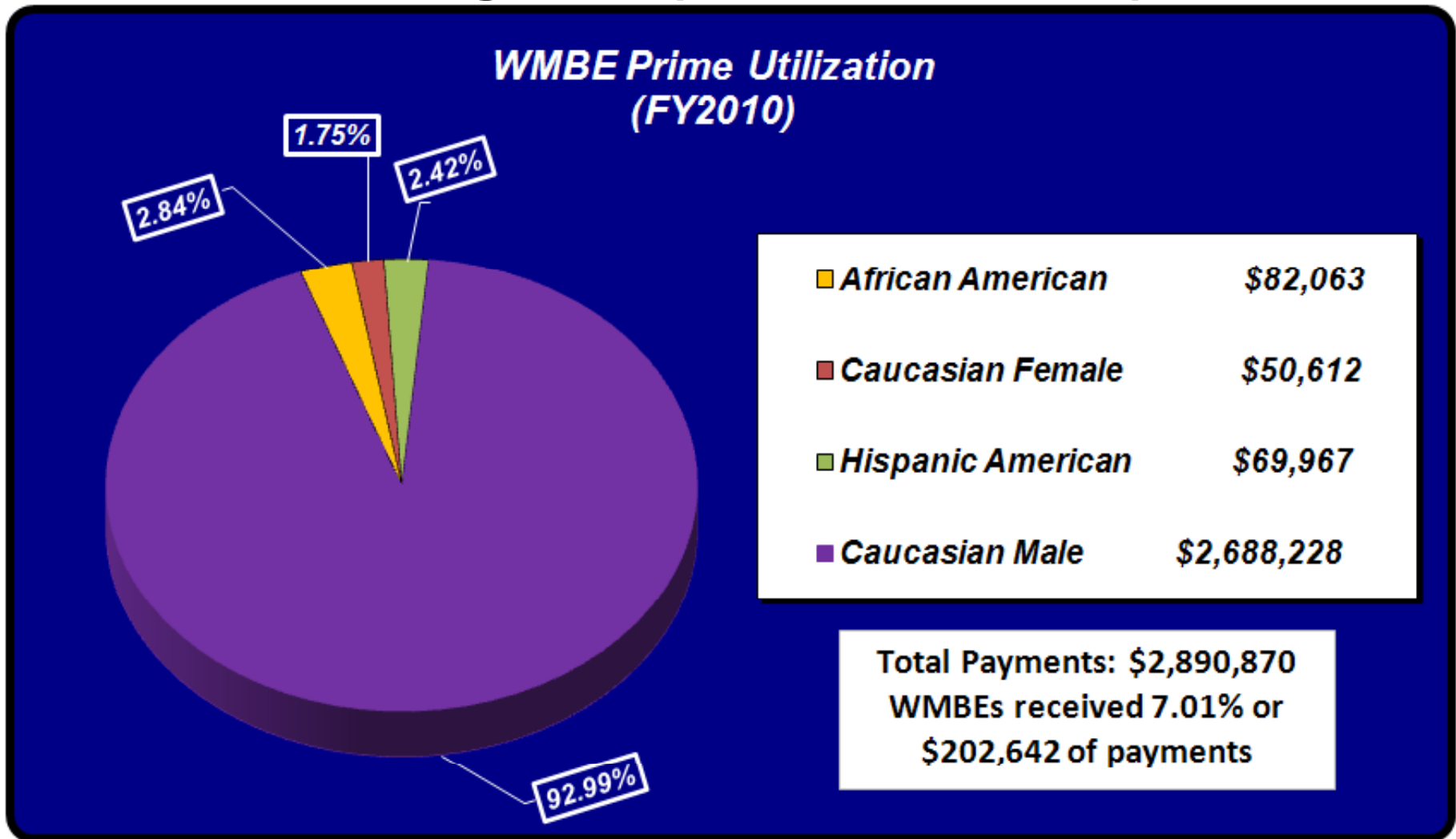
FY 2010 WMBE Prime: All Five Industry Categories (\$500,000 or Less)



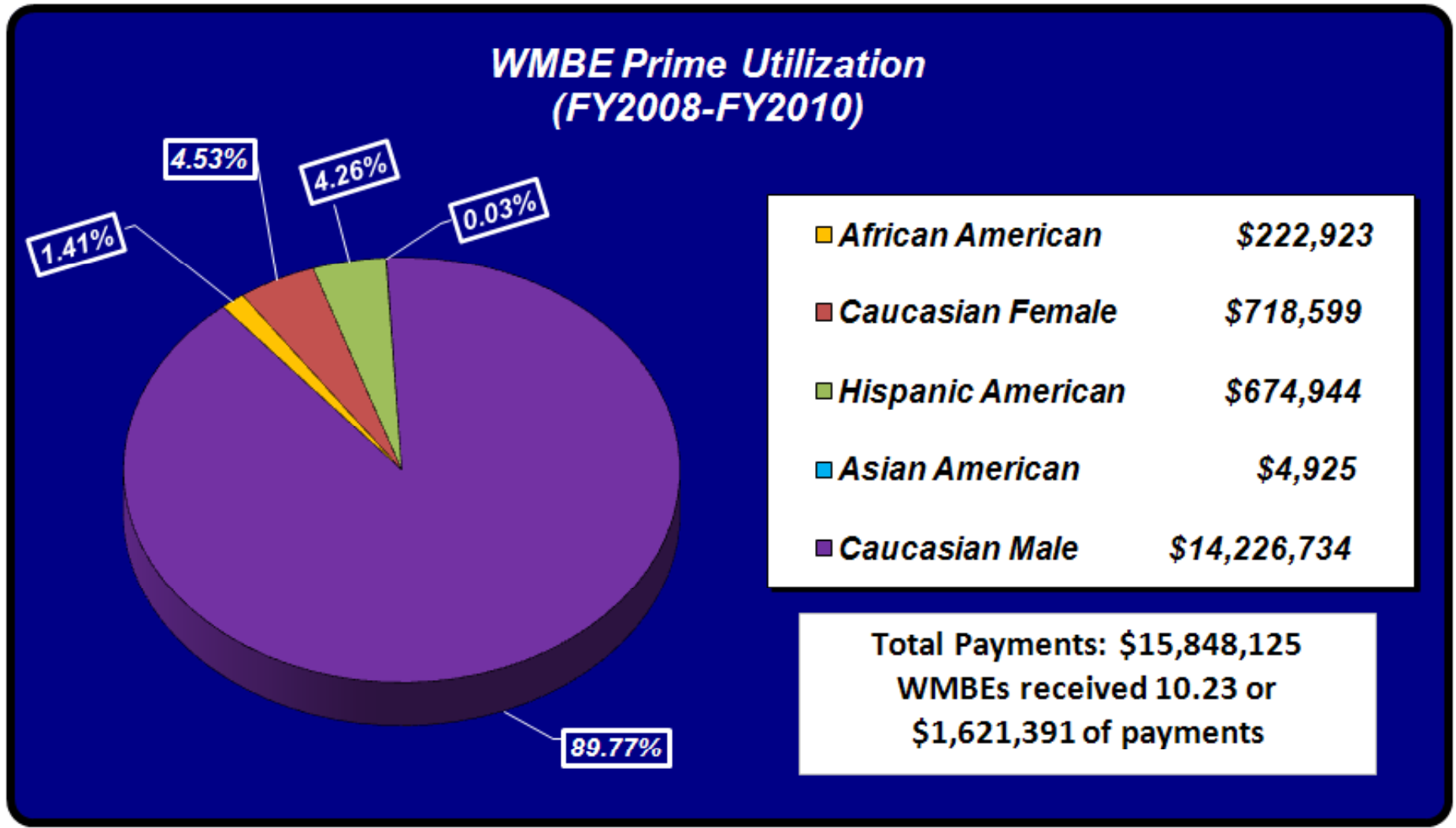
FY 2008-2010 WMBE Prime: All Five Industry Categories (\$500,000 or Less)



FY 2010 WMBE Prime: All Five Industry Categories (\$25,000 or Less)

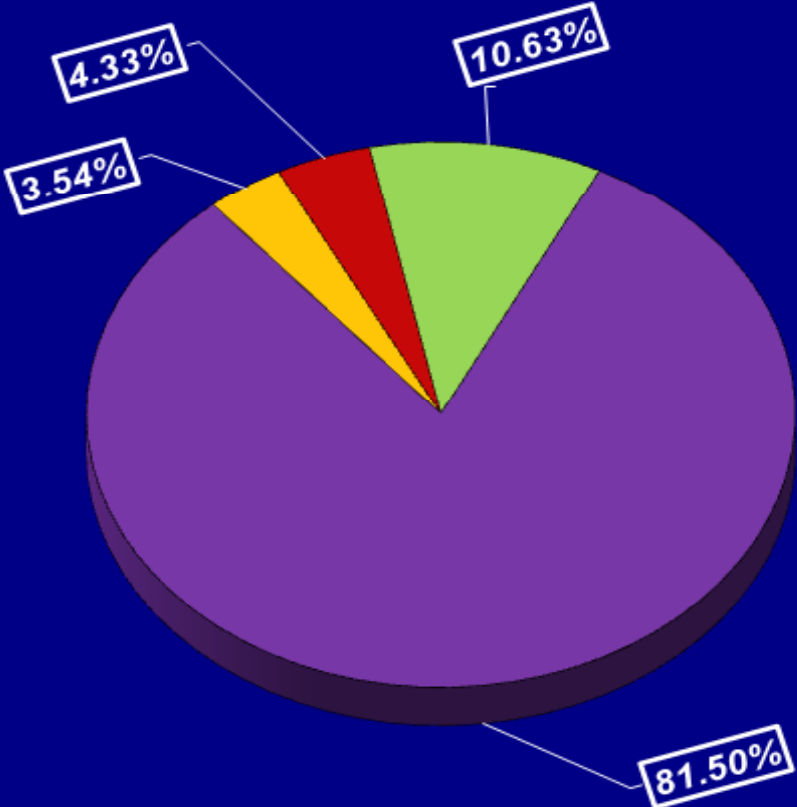


FY 2008-2010 WMBE Prime: All Five Industry Categories (\$25,000 or Less)



FY 2010 WMBE Subcontract: All Five Industry Categories

*WMBE Subcontract Utilization
(FY 2010)*

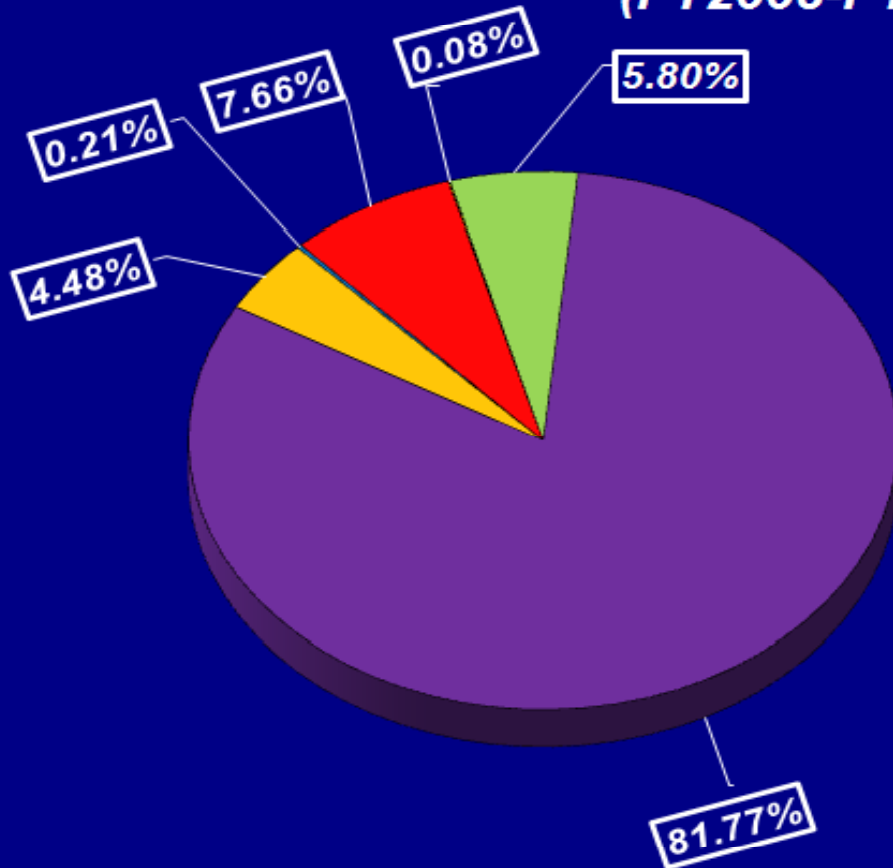


| | |
|---|--------------|
|  African American | \$1,005,055 |
|  Caucasian Female | \$1,230,638 |
|  Hispanic American | \$3,017,502 |
|  Caucasian Male | \$23,146,212 |

Total Payments: \$28,399,407
WMBEs received 18.50% or
\$5,253,195 of payments

FY 2008-2010 WMBE Subcontract: All Five Industry Categories

**WMBE Subcontract Utilization
(FY2008-FY 2010)**



| | |
|--|---------------|
| ■ African American | \$7,492,415 |
| ■ Asian American | \$346,260 |
| ■ Caucasian Female | \$12,791,462 |
| ■ Native American | \$131,357 |
| ■ Hispanic American | \$9,699,767 |
| ■ Caucasian Male | \$136,633,184 |

Total Payments: 167,094,445
WMBEs received 18.23% or
\$30,461,261 of Payments



FY 2008-2010 Cumulative

- Key Utilization Results

- Disparity Threshold Analysis

- WMBE Prime - \$500,000 and below
- WMBE Prime - \$ 25,000 and below
- WMBE Subcontract Payments

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

| 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% | 5.33% | 5.31% | 4.36% | 9.48% | 0.05% | 8.42% | 3.82% | 2.54% | 0.49% |
| Asian Americans | 0.22% | 2.06% | 2.50% | 1.04% | 2.55% | 0.00% | 0.49% | 0.00% | 0.26% | 0.00% |
| Hispanic Americans | 15.91% | 2.68% | 11.25% | 8.73% | 10.63% | 0.76% | 7.07% | 11.54% | 3.94% | 2.65% |
| 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% | 0.17% | 7.82% | 3.30% | 16.18% | 1.72% | 9.76% | 5.90% | 5.51% | 2.90% |
| Caucasian Males | 43.76% | 89.76% | 53.12% | 82.56% | 40.70% | 97.48% | 54.14% | 78.75% | 67.67% | 93.96% |
| Minority & Women Business Enterprises | 36.24% | 10.24% | 26.88% | 17.43% | 39.30% | 2.53% | 25.86% | 21.26% | 12.33% | 6.04% |

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

| 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% | 5.62% | 5.31% | 2.70% | 9.84% | 0.50% | 8.42% | 1.29% | 2.54% | 1.24% |
| Asian Americans | 0.22% | 0.00% | 2.50% | 0.60% | 2.55% | 0.00% | 0.49% | 0.00% | 0.26% | 0.00% |
| Hispanic Americans | 15.91% | 0.00% | 11.25% | 12.32% | 10.63% | 0.62% | 7.07% | 3.35% | 3.94% | 4.29% |
| 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% | 6.27% | 7.82% | 11.71% | 16.18% | 5.64% | 9.76% | 5.81% | 5.51% | 3.39% |
| Caucasian Males | 43.76% | 88.10% | 53.12% | 72.67% | 40.70% | 93.24% | 54.14% | 89.55% | 67.67% | 91.08% |
| Minority & Women Business Enterprises | 36.24% | 11.89% | 26.88% | 27.33% | 39.30% | 6.76% | 25.86% | 10.45% | 12.33% | 8.92% |

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% | 4.73% | 8.78% | 1.81% | 5.78% | 0.00% | 3.62% | 4.58% | 0.79% | 0.57% |
| Asian Americans | 0.12% | 0.23% | 2.73% | 0.00% | 3.12% | 0.00% | 0.52% | 0.00% | 0.02% | 0.00% |
| Hispanic Americans | 12.32% | 4.28% | 14.24% | 18.49% | 2.36% | 0.00% | 2.66% | 17.48% | 2.39% | 36.67% |
| Native Americans | 0.36% | 0.09% | 0.91% | 0.00% | 0.08% | 0.00% | 0.03% | 0.00% | 0.02% | 0.00% |
| Caucasian Females | 10.17% | 8.00% | 11.82% | 2.89% | 8.68% | 0.00% | 4.57% | 25.24% | 4.82% | 0.00% |
| Caucasian Males | 50.34% | 82.68% | 41.52% | 76.81% | 59.98% | 0.00% | 68.60% | 52.70% | 71.97% | 62.76% |
| Minority & Women Business Enterprises | 29.66% | 17.33% | 38.48% | 23.19% | 20.02% | 0.00% | 11.40% | 47.30% | 8.03% | 37.24% |



Key Utilization Results by Industry Categories

Prime Contracts \$500,000 or Less


- Hispanic – HBEs met target in Non-Professional Services
- Asian–ABEs met target in Construction



Key Utilization Results by Industry Categories (continued)

Prime Contracts \$25,000 or Less

- Hispanic – HBEs and Caucasian Females WBEs met target in Construction-Related Services
- Hispanic – HBEs met target in Goods



Key Utilization Results by Industry Categories (continued)

All Subcontracts

- Asian – ABEs met target in Construction
- Hispanic – HBEs met target in Construction-Related Services
- African - BBEs, Hispanic–HBEs and Caucasian Females – WBEs met target in Non-Professional Services
- Hispanic – HBEs met target in Goods



Job Order Contracting Program WMBE Subcontract Utilization

| Type | Amount | % of Total |
|-------------------|--------------------|-------------------|
| African American | \$1,009,423 | 9.66% |
| Hispanic American | \$ 697,792 | 6.67% |
| Caucasian Females | \$1,455,309 | 13.92% |
| Total WMBE | \$3,162,524 | 30.25% |

- ❑ JOC Contracting is a critical procurement tool for WMBE participation

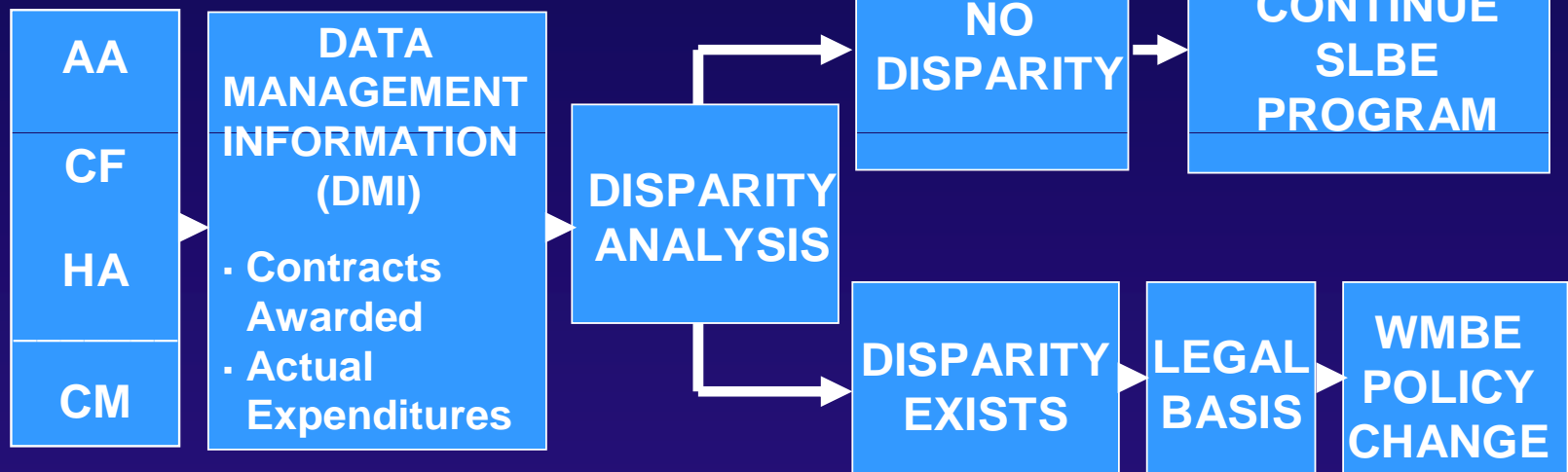


SLBE Program Recommendation

- **Change threshold for sheltered market program from \$200,000 to \$300,000**
 - Increase number of prime contracts for SLBEs including dual certified WMBEs
- **Apply subcontract goal-setting to the sheltered market program**
 - Promotes SLBE subcontracting in sheltered market contracts with subcontract work

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

- WMBE representation in the SLBE Program has increased the opportunity for WMBE utilization.
- SLBE race/gender neutral program has increased participation for WMBE firms at prime and subcontract level
- WMBE Prime utilization is stagnant – disparity unchanged
- JOC Program has been strong stimulus for WMBE subcontracting
- Completed 3 years DMI data collection; pending verification of new availability data in FY 2012
- Subcontracting yr. to yr. and cumulative data varies greatly due to number contracts and available opportunities for WMBEs
- WMBE policy changes require multiple years of data to fulfill the 3 to 5 year methodology, and documented disparity to support a legal basis for WMBE race-conscious mandates
- Race/gender neutral initiatives (SLBE) are being pursued to maximize opportunities for WMBEs
- Next Report: Semi-Annual August 2011

