

Item # 83(2)

ADDITIONAL MATERIAL
Regular Meeting
June 1, 2021

SUBMITTED AT THE REQUEST OF

COMMISSIONER
DALE V.C. HOLNESS

SCHOOL BOARD OF BROWARD COUNTY DISPARITY STUDY FINDINGS

October 27, 2015 (Revised)



PRESENTATION AGENDA

- Describe Study Objectives
- Present Study Findings
- Outline Race and Gender-Conscious Remedies
- Present Administrative Recommendations
- Outline Next Steps

DISPARITY STUDY

OBJECTIVES

- Identify Prime Contract and Subcontract Awards and Payments
- Determine Extent of Any Prime Contract or Subcontract Disparity
- Determine How SBBC Practices Affect Any Documented Disparity
- Assess Effectiveness of M/WBE Program
- Recommend Best Management Practices

STUDY PROFILE

Study Period Fiscal Years July 1, 2008 – June 30, 2013

Construction

Professional Services

Contractual Services (Other Professional and
Non-Professional Services)

Commodities

SIZE OF MARKET AREA BUSINESSES BY EMPLOYEES

Businesses	Market Area	State of Florida	United States
Less than 5 employees	65.69%	61.90%	54.63%
Less than 10 employees	80.78%	78.40%	73.50%
Less than 20 employees	89.98%	88.82%	86.21%
Over 100 employees	1.78%	1.93%	2.31%
Minority-owned Businesses	53.26%	44.36%	28.94%
Woman-owned Businesses	28.94%	38.69%	35.95%

Source: U.S. Census County Business Patterns 2012 and 2007 U.S. Census Survey of Business Owners 2012 and 2007

NUMBER OF MARKET AREA BUSINESSES BY ETHNICITY

Businesses	State of Florida	Market Area
All Business Enterprises	1,908,564	759,649
Total MBEs	680,069	428,548
Total MBE Percentage	35.63%	56.41%
Total Non-MBEs	1,228,495	331,101
Total Non-MBE Percentage	64.37%	43.59%

Source: U.S. Census Survey of Business Owners 2007

GEOGRAPHIC DISTRIBUTION OF PRIME CONTRACT DOLLARS

FY July 1, 2008 – June 30, 2013
Market Area: Broward County,
Palm Beach County and Miami-Dade County

Total Dollars

Within Market Area

\$556,147,401

66.38%

Outside Market Area

\$281,691,556

33.62%

DISTRIBUTION OF ALL Exhibit 4 *PRIME CONTRACT DOLLARS BY* *VENDOR*

Total Dollars	\$837,838,957
Total Utilized Vendors	3,584
Total Prime Contracts	111,107

Vendor	Total Dollars Awarded	Percent of Dollars	Number of Contracts	Percent of Contracts
47 (1.31%) Vendors Received	\$ 418,998,989	50%	29,936	26.94%
126 (3.52%) Vendors Received	\$ 586,585,522	70%	52,842	47.56%
3,458 (96.48%) Vendors Received	\$ 251,253,435	30%	58,265	52.44%

PRIME CONTRACT DISPARITY: CONSTRUCTION

Ethnicity/ Gender	Percent Available	Formal Contracts \$50,000 and Over	Dollars Lost	Informal Contracts Less Than \$50,000	Dollars Lost
African Americans	15.30%	2.71%	\$29,983,156	0.02%	\$1,516,216
Asian-Pacific Americans	1.53%	0.86%	\$1,588,157	0.00%	\$151,786
Subcontinent Asian Americans	0.76%	0.00%	\$1,822,208	0.00%	\$75,893
Hispanic Americans	19.12%	21.31%	\$0	5.48%	\$1,353,967
Native Americans	0.57%	0.00%	\$1,366,656	0.00%	\$56,920
Caucasian Females	11.66%	10.49%	\$2,785,721	8.56%	\$308,181
Non-minority Males	51.05%	64.62%	\$0	85.95%	\$0

PRIME CONTRACT DISPARITY: PROFESSIONAL SERVICES

Ethnicity/ Gender	Percent Available	Formal Contracts \$195,000 and Over	Dollars Lost	Informal Contracts Less Than \$50,000	Dollars Lost
African Americans	8.29%	5.57%	\$244,325	1.95%	\$48,908
Asian-Pacific Americans	2.50%	14.30%	\$0	0.00%	\$19,289
Subcontinent Asian Americans	4.21%	0.00%	\$378,404	0.00%	\$32,487
Hispanic Americans	47.11%	24.78%	\$2,006,194	2.54%	\$343,845
Native Americans	0.00%	0.00%	\$0	0.00%	\$0
Caucasian Females	7.76%	0.00%	\$697,683	14.73%	\$0
Non-minority Males	30.13%	55.35%	\$0	80.78%	\$0

PRIME CONTRACT DISPARITY: CONTRACTUAL SERVICES

Ethnicity/ Gender	Percent Available	Formal Contracts \$50,000 to \$499,999	Dollars Lost	Informal Contracts Less Than \$5,000	Dollars Lost
African Americans	16.21%	6.06%	\$6,520,950	1.54%	\$2,129,457
Asian-Pacific Americans	1.21%	0.00%	\$776,263	0.01%	\$173,174
Subcontinent Asian Americans	1.66%	0.00%	\$1,067,362	0.21%	\$211,252
Hispanic Americans	21.34%	8.49%	\$8,255,578	9.94%	\$1,654,208
Native Americans	0.15%	0.00%	\$97,033	0.00%	\$21,917
Caucasian Females	22.50%	10.16%	\$7,926,339	12.59%	\$1,438,424
Non-minority Males	36.94%	75.28%	\$0	75.71%	\$0

PRIME CONTRACT DISPARITY: COMMODITIES

Ethnicity/ Gender	Percent Available	Formal Contracts \$50,000 to \$499,999	Dollars Lost	Informal Contracts Less Than \$5,000	Dollars Lost
African Americans	12.20%	1.44%	\$12,496,026	0.79%	\$10,891,038
Asian-Pacific Americans	0.58%	0.00%	\$672,587	0.07%	\$482,960
Subcontinent Asian Americans	1.20%	0.00%	\$1,393,216	0.32%	\$837,393
Hispanic Americans	19.85%	14.16%	\$6,608,291	3.63%	\$15,490,651
Native Americans	0.21%	0.23%	\$0	0.15%	\$56,288
Caucasian Females	15.96%	3.70%	\$14,240,885	3.39%	\$11,999,985
Non-minority Males	50.00%	80.46%	\$0	91.64%	\$0

SUBCONTRACT DISPARITY: CONSTRUCTION

Ethnicity	Percent Available	Percent of Dollars	Dollars Lost
African Americans	13.44%	1.21%	\$10,743,422
Asian-Pacific Americans	1.31%	0.06%	\$1,094,673
Subcontinent Asian Americans	0.82%	0.95%	\$0
Hispanic Americans	16.56%	15.96%	\$528,229
Native Americans	0.66%	0.11%	\$483,538
Caucasian Females	11.48%	9.07%	\$2,115,828
Non-minority Males	55.74%	72.65%	\$0
TOTAL	100.00%	100.00%	

SUBCONTRACT DISPARITY: PROFESSIONAL SERVICES

Ethnicity	Percent Available	Percent of Dollars	Dollars Lost
African Americans	7.83%	1.07%	\$545,138
Asian-Pacific Americans	2.29%	0.00%	\$184,596
Subcontinent Asian Americans	4.10%	2.81%	\$103,974
Hispanic Americans	43.98%	19.42%	\$1,979,783
Native Americans	0.00%	0.00%	\$0
Caucasian Females	8.55%	9.90%	\$0
Non-minority Males	33.25%	66.80%	\$0
TOTAL	100.00%	100.00%	

RACE AND GENDER CONSCIOUS RECOMMENDATIONS

SUBCONTRACT REMEDIES

- Subcontract Goals
 - Set Narrowly Tailored Overall Subcontract Goals Based on Disparity Findings by Industry

Group	Construction	Professional Services
African Americans	13.44%	7.83%
Asian-Pacific Americans	1.31%	
Hispanic Americans		43.98%
Caucasian Females	11.48%	

PRIME CONTRACT REMEDY: PROFESSIONAL SERVICES

- Incentive Credits
 - Assign 10% to 15% of the Maximum Evaluation Points to M/WBE Prime Consultants

Ethnicity/Gender
African Americans
Subcontinent Asian Americans
Hispanic Americans

PRIME CONTRACT REMEDY: CONTRACTUAL SERVICES

- Incentive Credits
 - Assign 10% to 15% of the Maximum Evaluation Points to M/WBE Prime Consultants

Ethnicity/Gender
African Americans
Asian-Pacific Americans
Subcontinent Asian Americans
Hispanic Americans
Caucasian Females

PRIME CONTRACT REMEDY: CONSTRUCTION

- Apply Bid Discount on Low Bid Contracts
 - Reduce Eligible Bidder's Price by 5% for Evaluation Purposes Only

Ethnicity/Gender
African Americans
Asian-Pacific Americans
Hispanic Americans
Caucasian Females

PRIME CONTRACT REMEDY: COMMODITIES

- Apply Bid Discount on Low Bid Contracts
 - Reduce Eligible Bidder's Price by 5% for Evaluation Purposes Only

Ethnicity/Gender
African Americans
Subcontinent Asian Americans
Hispanic Americans
Caucasian Females

RACE AND GENDER NEUTRAL RECOMMENDATIONS

ADMINISTRATIVE RECOMMENDATIONS

- Create Unbundling Process
- Revise Bonding Requirements
- Standardize Pre-qualification Criteria*
- Expand Solicitation Notification
- Provide Debriefing Sessions for Unsuccessful Bidders
- Implement Formal Dispute Resolution Standards
- Develop Expedited Subcontractor Payment Program

**Recommendation Currently in Progress*

ADMINISTRATIVE RECOMMENDATIONS

- Enhance the Direct Owner Purchasing Program*
- Use Direct Contracting to Award Small Contracts
- Establish Low-Cost Post-Award Supportive Services
- Develop Contract Opportunities Forecast
- Conduct Routine Post-Award Contract Compliance Monitoring

**Recommendation Currently in Progress*

WEBSITE ENHANCEMENT RECOMMENDATIONS

- Website Consolidation
 - Provide a Uniform URL for SBBC Departments
 - Use a Single Logo Across Departments
 - Offer Mobile-Optimized Website
- Procurement & Warehousing Services Department Website*
 - Maintain Links
 - Provide a Consistent Layout
 - Update Content

**Recommendation Currently in Progress*

TRACKING AND MONITORING RECOMMENDATIONS

- Prime Contracts
 - Centralize a Financial Management System
 - Link Purchase Orders to Prime Contract
 - Link Supplier Payments to Prime Contract
 - Require Subcontractor List in Prime Bid
 - Create Module for Subcontract Award and Payments
 - Track Type of Work by Industry Code
- Subcontracts
 - Track and Report All Subcontractors, Truckers and Suppliers
 - Create a Subcontractor Utilization Form
 - Institute a System for Prime Contractors to Input Subcontractor Payments into Electronic Database

NEXT STEPS

- Acknowledge Completion of the 2015 Disparity Study Report
- Implement Communications Plan
- Secure Community and Technical Assistance to Implement Disparity Study Recommendations (Phase-II Project Plan)
- Revise Procurement Policies Pertaining to Adopted Recommendations
- Continue to Implement and Refine Recent Action and Activities Targeted at Improving Participation

NEXT STEPS

Review SBBC Policies:

- Policy 3320 - Purchasing Policies
- Policy 7007 - Supplier Diversity and Outreach Program
- Policy 7003 - Pre-Qualification of Contractors and Selection of Architects, Engineers, Design Builders, Construction Managers and Total Program Managers Pursuant to the Consultants Competitive Negotiation Act

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THANK
YOU!

謝謝!

Спасибо!

¡Gracias!

APPENDIX

SPOTLIGHT: LIMITED CAPITAL DOLLARS AND LARGE CONSTRUCTION CONTRACTS

Project Name	Prime Name	Award Amount
Cooper City High School	Skanska USA Building, Inc.	\$19.5M
Fort Lauderdale High School	Kaufman Lynn Construction, Inc.	\$14.9M
Blanche Ely High School	Balfour Beatty Construction	\$5.9M
South Broward High School	Recreational Design & Construction, Inc.	\$3.5M
Fort Lauderdale High School	KVC Constructors, Inc.	\$3.2M
Southwest Bus Facility	TGSV Enterprises, Inc.	\$2.3M
Sheridan Technical Center	Burke Construction Group, Inc.	\$1.3M
Hallandale High School	National Roofing Company	\$1.2M

ACTION & ACTIVITIES FOR IMPROVED PARTICIPATION

- Aggressive Outreach to Build Certified and Pre-qualified Vendor Pool of M/WBEs
- Work with District Staff to Ensure that M/WBEs are Solicited in Small Dollar Procurements (2 of 3 Vendors Must be M/WBEs)
- Increased Points Awarded for M/WBE Participation in the Request for Proposal Evaluation Criteria
- M/WBE Participation Percentage and Subcontractor Name in Agreements

ACTION & ACTIVITIES FOR Exhibit 4 *IMPROVED PARTICIPATION*

- Review Solicitations to Ensure M/WBE Language is Included
- Increased Notifications to M/WBEs of Current and Up-coming Procurement Opportunities
- Provide One-on-One Business Counseling on BCPS Procurement Process
- Partner with Small and Minority Business Advocates in Providing Information to Build Business Capacity
- Researched Florida Service Disabled Veteran Business Enterprise Preferences and Recommended Options for Program Expansion

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