



Minority, Women and Small Business Enterprise Program Management Oversight Report

Board of Education
Sept. 10, 2019

History and Overview

- Since 1993, the MWSBE Office has proactively worked to increase the participation of minority, women and small businesses through inclusive procurement activities.
- In 2004, CMS conducted a disparity study that resulted in 21 recommendations.
- In 2005, the Board of Education adopted a new policy and a MWSBE regulation was created, leading to the enhancement of Lawson to track our spend, establishment of MWSBE aspirational goals, expansion of outreach and the revision of the MWSBE procedures manual and database.
- In 2005-2006, the first full year of implementation of all the changes, there was a focused effort to increase CMS utilization of MWSBE firms. The changes resulted in a period of growth until the economic downturn.

History and Overview

Success is measured using the following program objectives:

- Marketing and Outreach
- Certification
- Utilization
- Monitoring and Reporting
- Training and Technical Assistance

Driving Governance

▪CMS Policy DJA

Minority-owned, women-owned, and small business enterprises (collectively “M/W/SBE”) as well as other responsible vendors shall have a fair and reasonable opportunity to participate in CMS business opportunities

▪General Statutes 143-48

Purchase and Contract: cooperation in promoting the use of small contractors, minority contractors, physically handicapped contractors, and women contractors

▪General Statutes 143-48.4

Statewide uniform certification of historically underutilized businesses

▪General Statutes 143-128.2

Minority Business Participation Goals (defines good faith efforts and the full scope of the law)

▪General Statutes 143-128.3

Administration (Public Entity Responsibilities)

▪General Statutes 143-128.4

Historically Underutilized Business (2007 Amendment Definition)

▪General Statutes 143-131

Informal Bidding: scope of applicable law for construction projects less than \$500,000 (increased from \$300,000 in 2007 legislation)

▪Senate Bill 914, Session Law 2001-496 December, 2001

To enhance and improve good faith efforts to recruit and select minority businesses for participation in public construction contracts

▪NC Administrative Code – 301 Minority Business Participation Goal

Rules governing minority participation goals and responsibilities of owners, Historically Underutilized Business (HUB) office, designers, contractors, HUB contractors, and State Construction Office

Budget

Types of Expenditures	Proposed 2019-2020 Expenditures	Actual 2018-2019 Expenditures
Salaries & Benefits	\$178,927	\$173,716
Purchased Services	\$15,500	\$14,100
Total Expenditures	\$194,427	\$187,816

Aspirational Goals

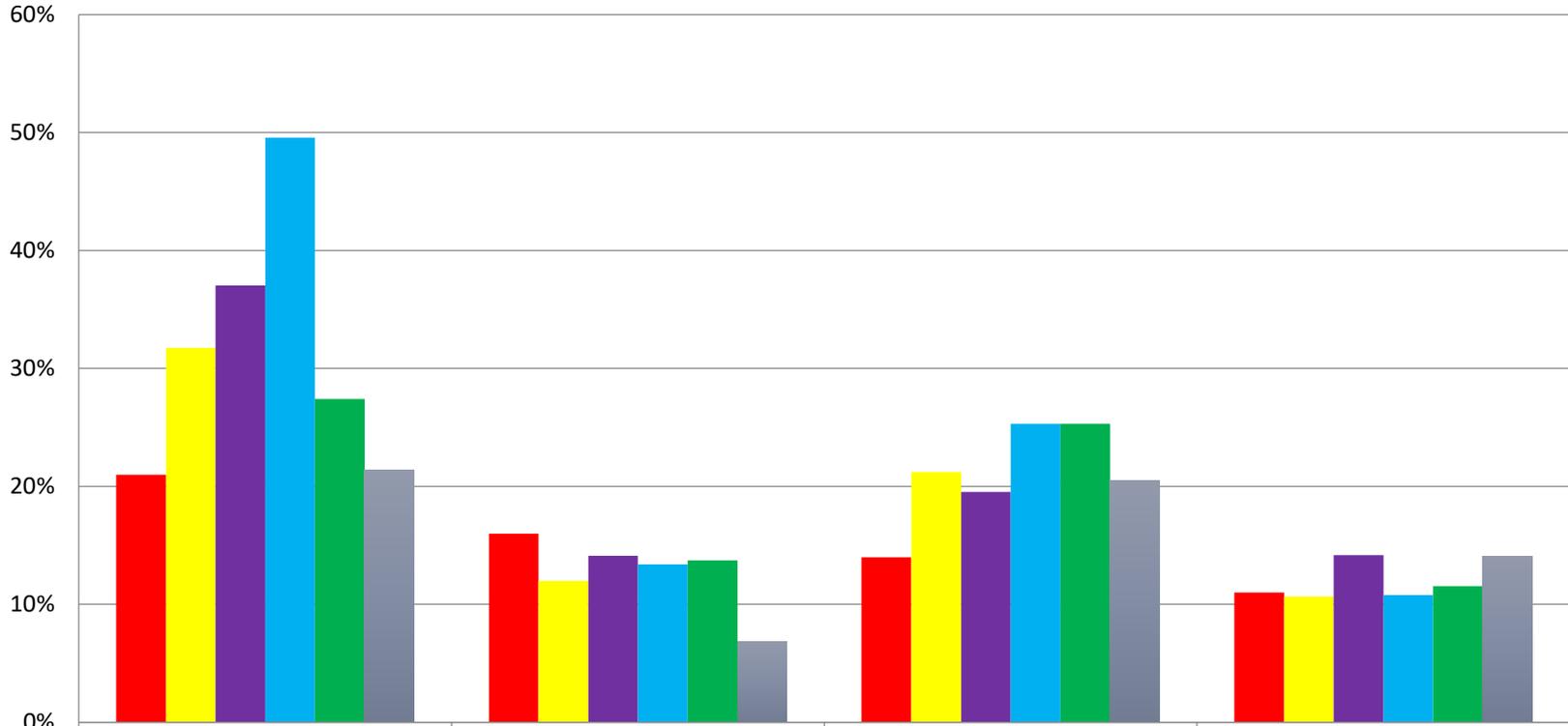
Category	MBE Goal	WBE Goal	SBE Goal	MWSBE Goal
Construction	10%	6%	5%	21%
Architecture, engineering and surveying	4%	7%	5%	16%
Contracted services (other than construction)	5%	4%	5%	14%
Goods	3%	3%	5%	11%

**How are we
performing?**

Results (2018-2019)

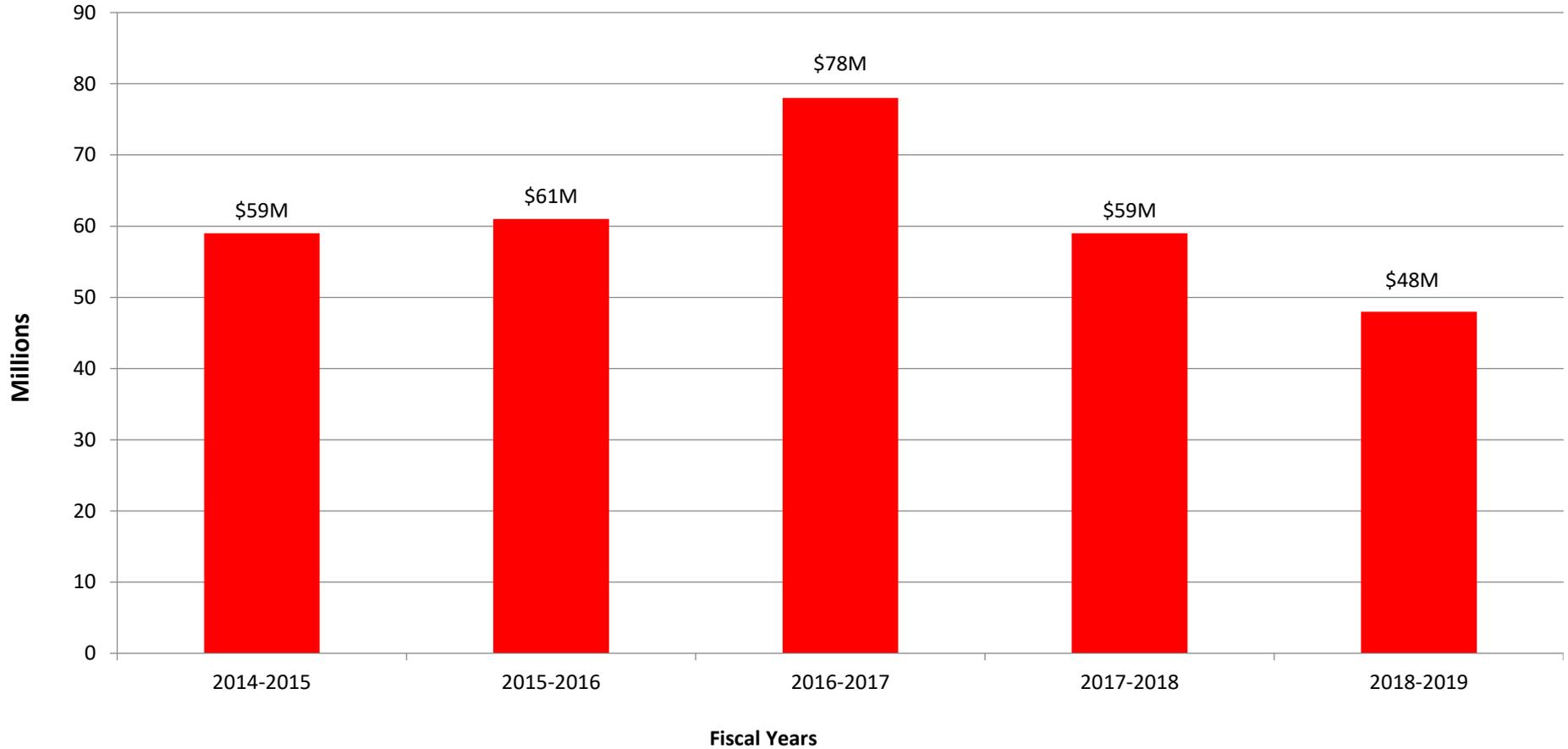
Category	Analyzed	MWSBE Firms
Total eligible expenditures	\$269.6 million	\$48 million
Construction	\$83.4 million	\$17.9 million
Architecture and Engineering	\$7.6 million	\$519 thousand
Contracted Services	\$72.2 million	\$14.8 million
Goods	\$106.4 million	\$15 million

Overall MWSBE Utilization

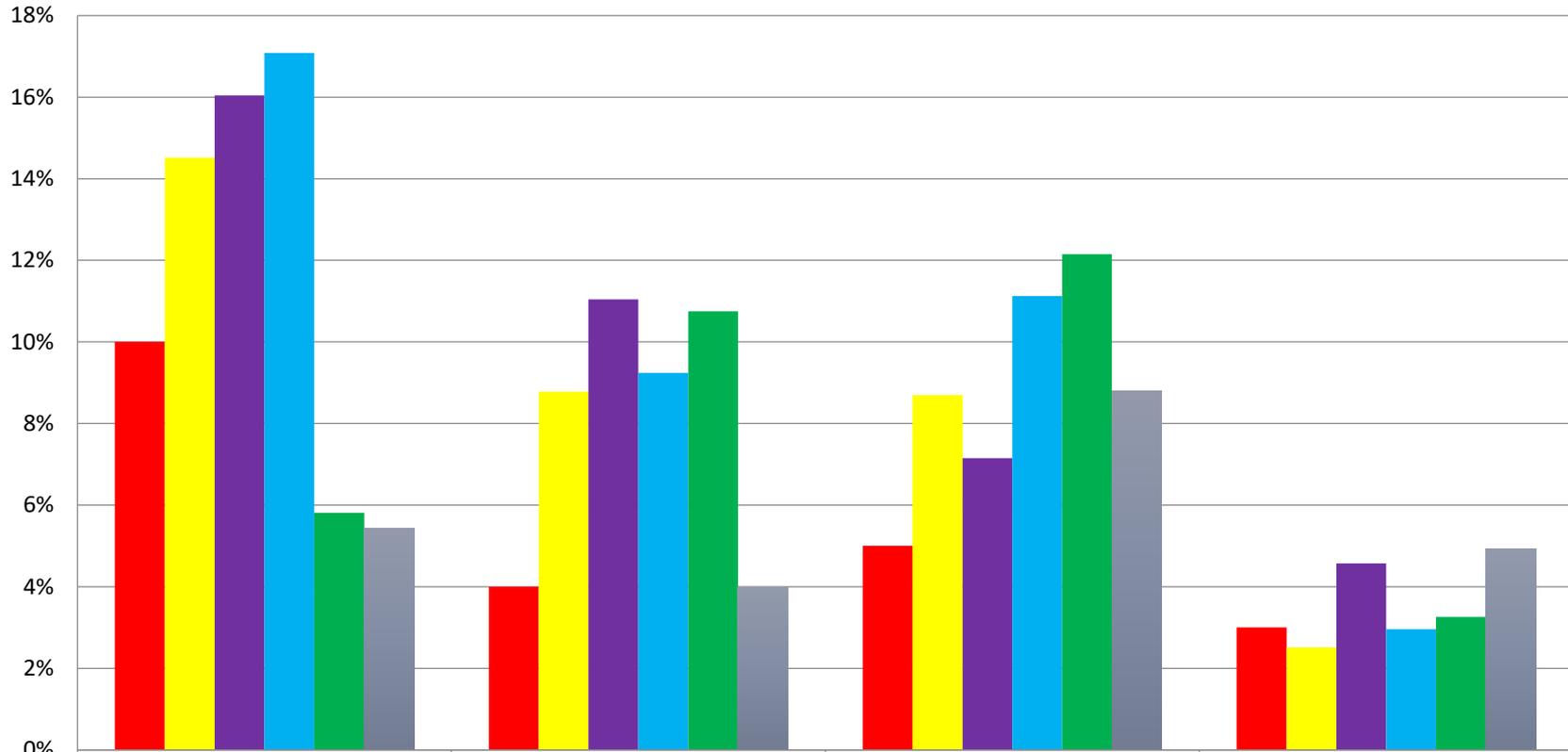


	Construction	Architecture & Engineering	Contracted Services	Goods
■ Overall M/W/SBE Goal	21%	16%	14%	11%
■ Annual % Total 14-15	31.76%	11.98%	21.21%	10.65%
■ Annual % Total 15-16	37.04%	14.13%	19.53%	14.18%
■ Annual % Total 16-17	49.57%	13.39%	25.31%	10.79%
■ Annual % Total 17-18	27.40%	13.73%	25.31%	11.54%
■ Annual % Total 18-19	21.41%	6.83%	20.51%	14.06%

Overall MWSBE Spend

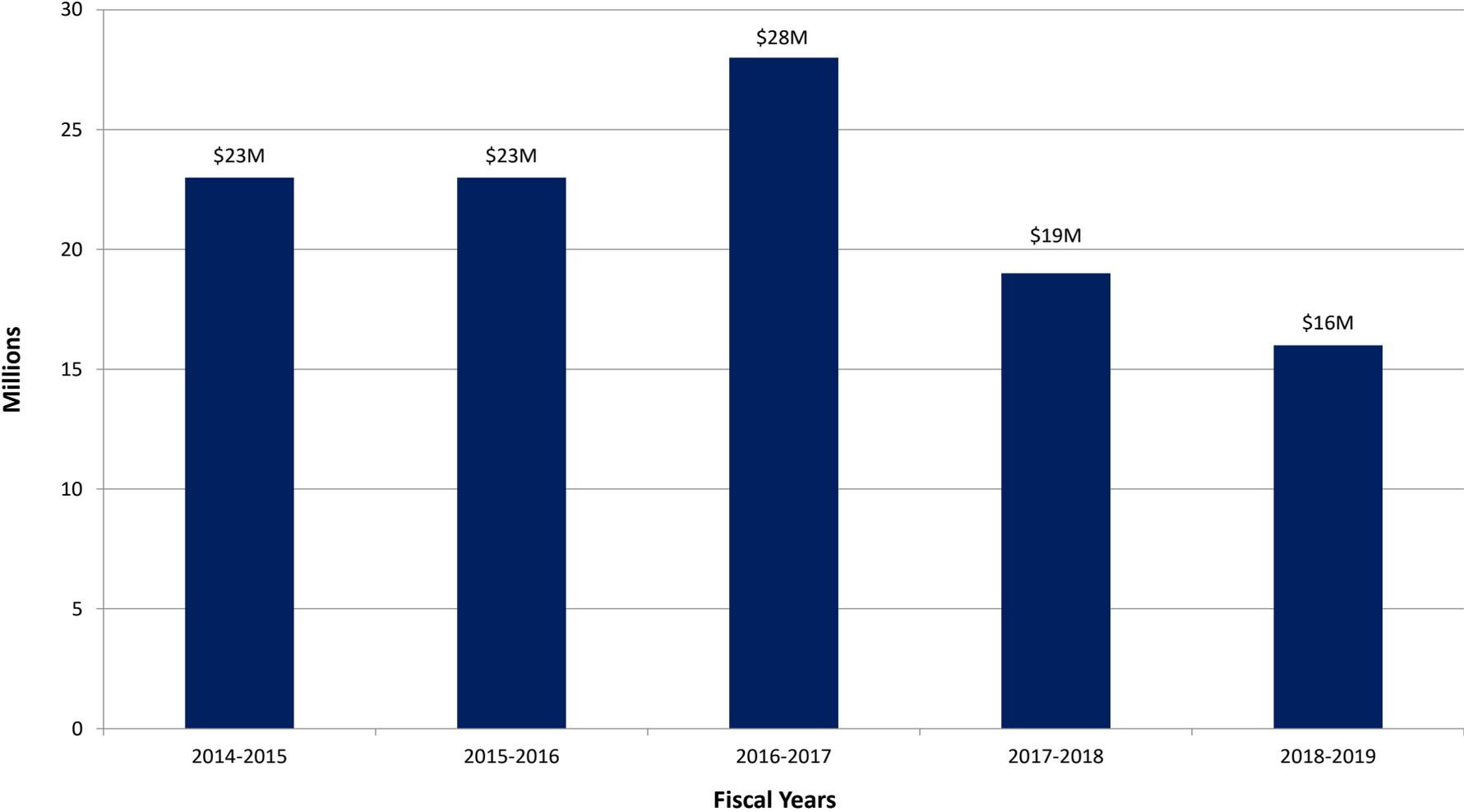


Overall Minority Business Enterprise Utilization

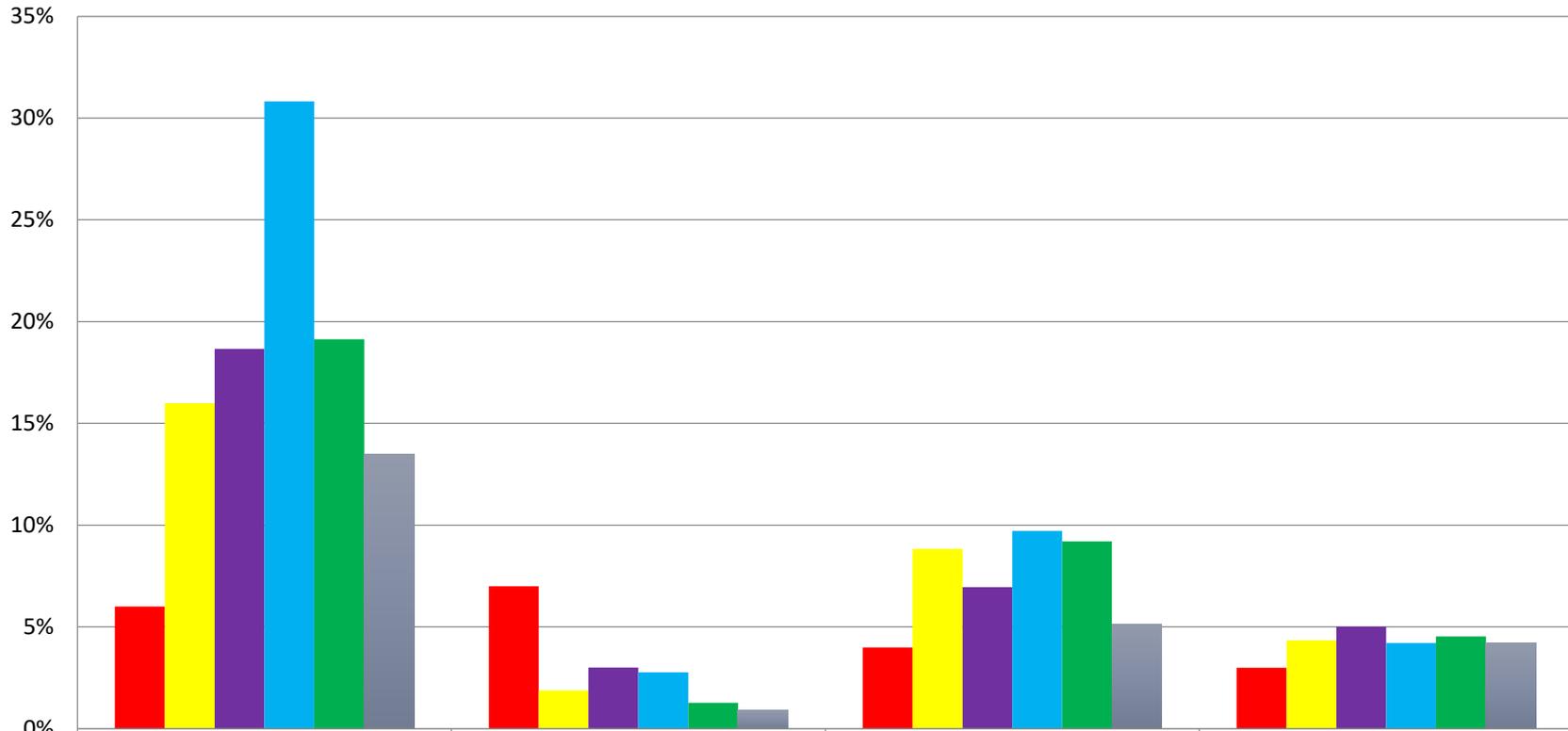


	Construction	Architecture & Engineering	Contracted Services	Goods
Overall MBE Goal	10%	4%	5%	3%
Annual % Total 14-15	14.52%	8.78%	8.70%	2.51%
Annual % Total 15-16	16.04%	11.04%	7.15%	4.57%
Annual % Total 16-17	17.08%	9.24%	11.12%	2.96%
Annual % Total 17-18	5.81%	10.75%	12.15%	3.26%
Annual % Total 18-19	5.42%	4.00%	8.79%	4.93%

Overall Minority Business Enterprise Spend

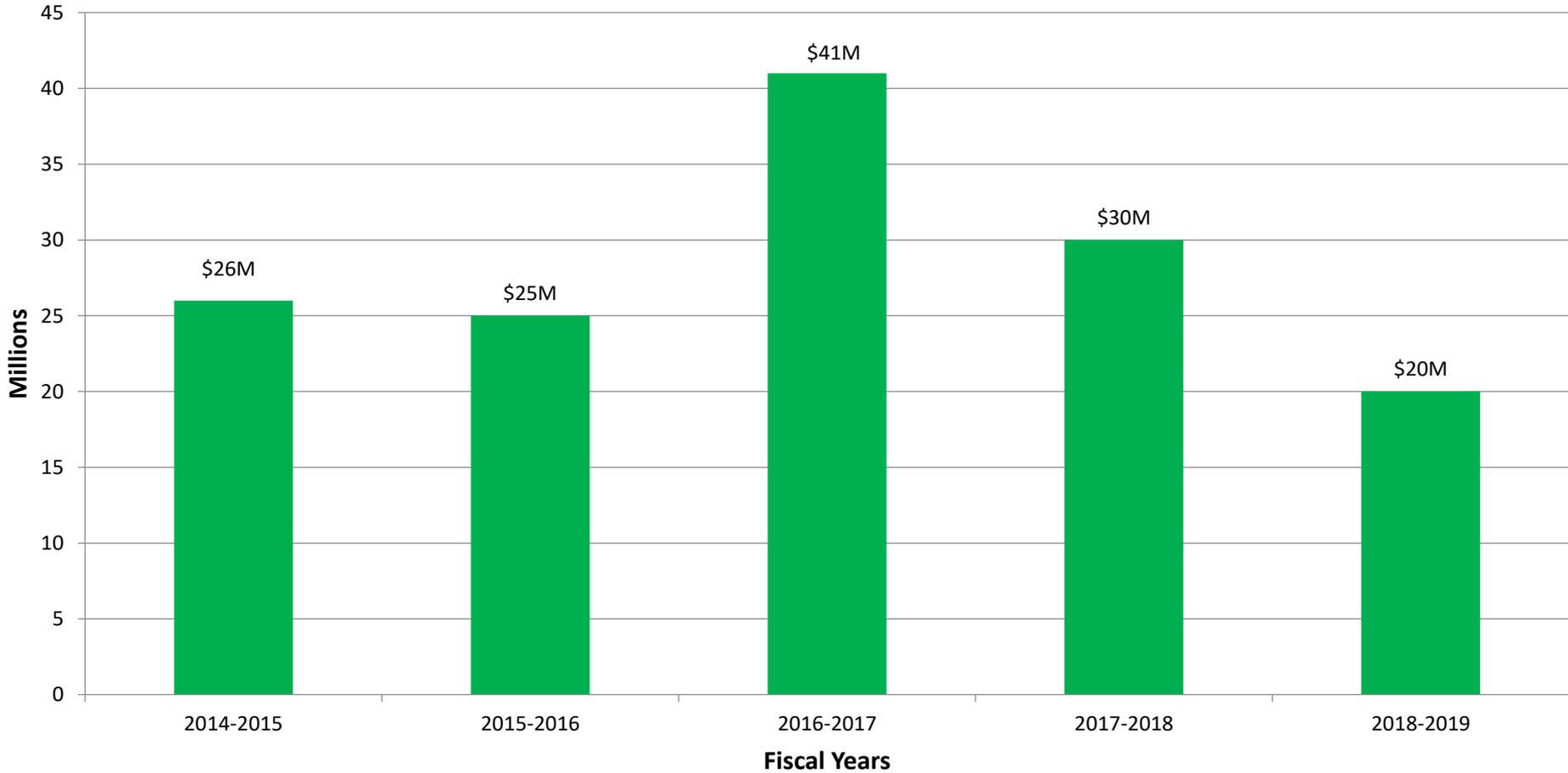


Overall Women Business Enterprise Utilization

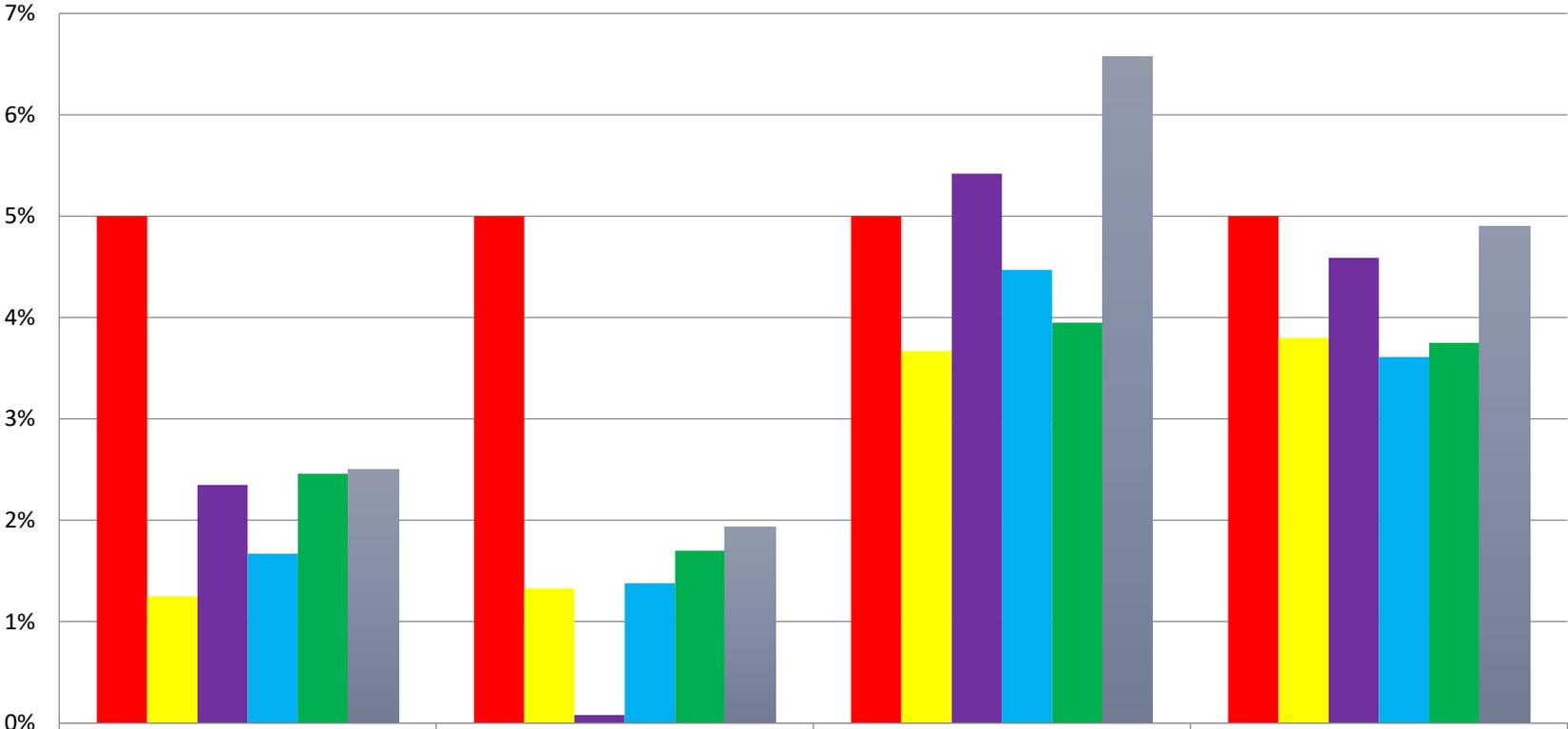


	Construction	Architecture & Engineering	Contracted Services	Goods
■ Overall WBE Goal	6%	7%	4%	3%
■ Annual % Total 14-15	15.99%	1.88%	8.84%	4.34%
■ Annual % Total 15-16	18.66%	3.01%	6.96%	5.02%
■ Annual % Total 16-17	30.82%	2.77%	9.72%	4.22%
■ Annual % Total 17-18	19.13%	1.28%	9.20%	4.53%
■ Annual % Total 18-19	13.50%	0.90%	5.14%	4.23%

Overall Women Business Enterprise Spend

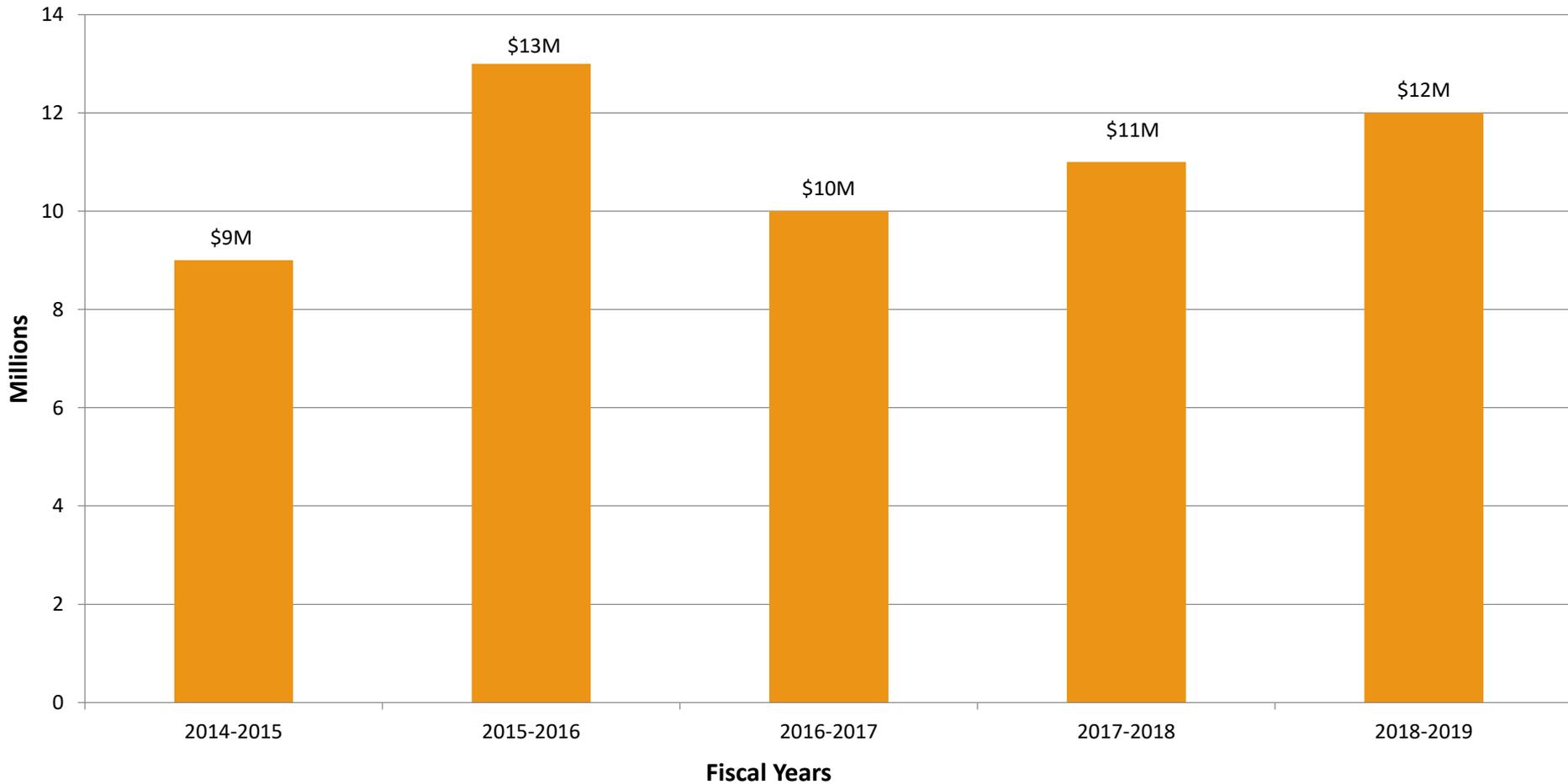


Overall Small Business Enterprise Utilization



	Construction	Architecture & Engineering	Contracted Services	Goods
■ Overall SBE Goal	5%	5%	5%	5%
■ Annual % Total 14-15	1.25%	1.33%	3.67%	3.80%
■ Annual % Total 15-16	2.35%	0.08%	5.42%	4.59%
■ Annual % Total 16-17	1.67%	1.38%	4.47%	3.61%
■ Annual % Total 17-18	2.46%	1.70%	3.95%	3.75%
■ Annual % Total 18-19	2.50%	1.93%	6.57%	4.90%

Overall Small Business Enterprise Spend



Community Impact

Accomplishments

- At 17.9% of eligible spend, CMS achieved \$48.2 million in total MWSBE spending
- Exceeded aspirational goals in three of the four categories (construction, contracted services and goods)
- Achieved/Exceeded MBE aspirational goals in three of the four categories (architecture/engineering, contracted services and goods)
- Exceeded WBE aspirational goals in three of the four categories (construction, contracted services and goods)
- Increased SBE spend by \$1 million over previous fiscal year with increases in all four categories



Outreach

Hosted/participated in 35 vendor fairs/conferences to promote CMS opportunities at:

- Metrolina Minority Contractors Association quarterly meetings
- United Minority Contractors of North Carolina Quarterly Meetings
- Hispanic Contractors of North Carolina Meet & Greets
- Carolinas-Virginia Minority Supplier Development Council MBE Summit, Business Opportunity Conference and quarterly Metrolina Quarterly Meetings
- ASPIRE Community Capital Meet & Greet
- CMS Community Engagement Meetings
- UNC Charlotte Vendor Expo
- State Construction Conference
- Small Business Symposium
- Capital Region Small Business Expo
- MED Week (Durham, Charlotte, Greenville, and Raleigh)
- Military Women As Entrepreneurs Conference



Technical Assistance

Hosted/participated in 15 workshops in order to promote:

- How to do business with Charlotte-Mecklenburg Schools and Other Government Entities
- Entrepreneurship as a Catalyst for Equity & Inclusion
- MWSBE Compliance Documentation
- Understanding Construction Contracts
- Cybersecurity Threats
- Financing & Cash Flow
- Marketing & Business Development
- Shared Best Practices with Shelby County Schools (Memphis, TN)



Charlotte Minority Enterprise Development Week Honorees

Recognition



Dakota Contracting Company- Outstanding Achievement in Construction
Employment Practices Counsel, Inc. – Outstanding Achievement in General Services
Gastonia Iron Works – Outstanding Achievement Supply/Manufacturing
Hinde Engineering, Inc. – Outstanding Achievement in Professional Services
TRSI - Diversity Agency of the Year
Dan Patete of Branch & Associates for Diversity Advocate of the Year
The Honorable Senator Charlie Dannelly - Lifetime Achievement Award

Recognition

United Minority Contractors of North Carolina & Hispanic Contractors Association of the Carolinas

Presidential Recognition of Brilliance

Chiquitha Lloyd
Advocate of the Year



What's next?

Workforce Development Plan

Two-pronged approach:

- Future workforce – our students
- Opportunities for the unemployed, underemployed, displaced and underserved

Strategic Goals:

- Strengthen the workforce pipeline
- Align partner programs and services
- Establish a centralized outreach and recruitment program to complement CMS CTE program
- Implement a workforce monitoring and reporting system

Program Objectives:

- Partner/connect with existing workforce development agencies that provide skills training, consultation and employment services
- Partner with existing pre-apprenticeship and journeymen programs
- Establish CMS employment and aspirational training goals on capital projects
- Provide CMS students with internships, shadowing, learning opportunities, and career fairs

CMS Career & Technical Education

- 19 pathways to allow students to explore career opportunities
 - Receive industry recognized certifications
 - Earn credits to towards post-secondary degrees
 - Begin careers after graduation
- Construction related pathways at 17 of our high schools:
 - Architecture & 3D prototyping
 - Architecture and Engineering
 - Carpentry
 - Business Management
 - Electrical
 - Environmental Sustainability/Landscaping
 - Interior Design
 - Marketing

Best Practice Industry Partners

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RJL
R.J. LEEPER
Construction, LLC

 **NewAtlantic**
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RODGERS
Our Passion is Building®

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FWA
Group

cms
Charlotte-Mecklenburg Schools

Community Resource Partners



Roles and Responsibilities

Office of Diversity & Inclusion & Capital Program Services

- Establish a centralized outreach and recruitment program to complement CMS CTE program
- Conduct career awareness presentations
- Promote career expositions for students
- Provide direct student engagement through internships
- Develop program measurements
- Assist with coordination with resource providers
- Implement a workforce monitoring and reporting system
- Monitor and track progress
- Establish Workforce Advisory Group

Architects and Construction Managers

- Provide a workforce development plan as a part of submittal that includes, but not limited to:
 - Program Administration
 - Outreach plan
 - Work-based learning opportunities
 - Data tracking
 - Career days
 - Job fairs
 - Internships

Next Steps

- Develop data tracking system/goal setting
- Community Outreach Plan
- Metrics/milestones/goals
- Host quarterly Workforce Advisory Group Meetings

Questions

Minority, Women and Small Business Enterprise Program