



Book	Policy
Section	OPERATIONS
Title	Minority, Women, Small Business Enterprises Program
Code	O-MWSB/R
Status	Active
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1. Background/Purpose.

CMS procures Goods, Construction and Repair Services, and Other Services. In connection with such procurements, CMS desires that minority-owned, women-owned, and small business enterprises have a fair and reasonable opportunity to participate. Board of Education Policy [O-MWSB](#) authorizes the creation of an M/W/SBE Program. The purpose of these regulations is to implement this Policy.

2. Definitions

- a. **Construction and Repair Services** – erection, construction, alteration, and repair work of buildings.
- b. **Goods** – Supplies, materials, and equipment.
- c. **Other Services** – services procured by CMS that are not Construction and Repair Services.
- d. **Minority** –African American (all persons having origins in any of the African racial groups), Hispanic/Latino American (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin), Asian American (all subcontinent, or the Pacific Islands), and Native American (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
- e. **Minority Business Enterprise (MBE)** - A business enterprise that is owned, operated, and controlled by one (1) or more minority group members who have at least 51% ownership, operational and managerial control, interest in capital, earnings commensurate with their percentage of ownership and continuing not created solely to meet the M/WBE requirements.
- f. **Small Business Enterprise (SBE)** – a business enterprise owned, operated, and controlled by one (1) or more eligible owners who have 51% ownership, interest, holds the professional or contractor license necessary for operation, and is 25% or less of the applicable size standards established by the Small Business Administration.
- g. **Women Business Enterprise (WBE)** – a business enterprise that is owned, operated, and controlled by one (1) or more non-minority women who have 51% ownership, interest in capital, earnings commensurate with their percentage of ownership and continuing not created solely to meet the M/WBE requirements.
- h. **M/W/BE** - Minority-owned and women-owned business enterprises.
- i. **M/W/SBE** - minority-owned, women-owned and small business enterprises.

3. Certification of M/W/SBEs.

M/W/SBE are certified and classified as such by a variety of entities. CMS shall accept M/W/BE certification from any bona fide certifying entity, including by way of example and not limitation, certification from such entities as the City of Charlotte, State HUB Office, Carolinas Minority Supplier Development Council, National Minority Supplier Development Council, and the Women Business Enterprise National Council. CMS shall accept SBE certification from the City of Charlotte. Additionally, CMS staff may classify businesses that are not certified by the above entities if a business demonstrates that it meets the certifying entities’ definition of an M/W/SBE. Classified M/W/SBE firms shall be tracked/reported separately from certified firms.

4. Vendor Databases.

CMS Procurement Services Department staff may rely on the State of North Carolina’s Interactive Purchasing System or the North Carolina E-Procurement System for a list of available vendors. Additionally, the M/W/SBE Department may also provide a separate listing of vendors to be included in CMS solicitations. Sources of the separate listing of vendors may include, but are not limited to: North Carolina Department of Transportation, City of Charlotte, Minority Supplier Development Council, and Women’s Business Enterprise National Council. The CMS M/W/SBE Department will also provide directories of M/W/SBEs that can be used for purchasing card (hereinafter referred to as “P-card”) transactions.

5. Pre-Award CMS M/W/SBE Procurement Procedures; Exceptions.

CMS staff involved in purchasing shall make good faith efforts to utilize M/W/SBE vendors in accordance with the following procedures:

Table 1

M/W/SBE Pre-Award CMS Good Faith Efforts per Category

Column 1	Column 2	Column 3	Column 4
Category	Responsible Department	Competitive Procurement Procedure	M/W/SBE Efforts –Pre award
1. Construction & Repair ≥ \$500,000	Building Services	Formal bids as required by and in accordance with state law.	Compliance with NCGS 143-128 regarding M/WBEs; notify reasonable number of available M/W/SBE vendors as determined by MWSBE Administrator using one or more of the databases listed in Section 4 above; bidders required to complete good faith effort to utilize M/WBE subcontractors in accordance with state law; SBE efforts shall be consistent with the project goals where appropriate.

Column 1 Category	Column 2 Responsible Department	Column 3 Competitive Procurement Procedure	Column 4 M/W/SBE Efforts –Pre award
2. Construction & Repair < \$500,000 ≥ \$30,000	Building Services	Informal bids as required by state law; specific competitive procedure to be determined by Building Services.	Notification of at least one M/W/SBE vendor (when available) by the MWSBE Administrator using one or more of the database in Section 4 above.
3. Construction & Repair < \$30,000	Building Services	Competitive procedures are not required; quotes are recommended.	If >= \$5,000 then same procedures as row above; if < \$5,000 requirements; rotating awards to multiple vendors, including vendors, is recommended.
4. Surveying, Architecture, & Engineering	Building Services	Qualification based selection criteria as required by and in accordance with state law	Compliance with NCGS 143-64.31 regarding M/WBEs; notify reasonable number of available M/W/SBE vendors as determined by MWSBE Administrator using one or more of the available database required to complete good faith efforts to include M/W/SBE vendors in accordance with state law; SBE subcontractor projects if appropriate.
5. Goods > \$90,000 not on state contract	Procurement Services Department	Formal bids as required by and in accordance with state law.	Notification of a reasonable number of available M/W/SBE vendors determined by the MWSBE Administrator using one or more of the database referenced in Section 4 above.
6. Goods < \$90,000 ≥ \$30,000 not on state contract	Procurement Services Department	Informal quotes as required by state law; specific competitive procedure determined by Procurement Services Department; Submitting Department permitted to obtain written (fax and e-mail permitted) or telephone quotes communicated to the Procurement Services Department on the appropriate quote forms; if formal procedures are utilized performed by Procurement Services Department.	Notification of at least one M/W/SBE vendor (when available) by the MWSBE Administrator using one or more of the database in Section 4 above.
7. Goods < \$30,000 not on state contract	Procurement Services Department	Competitive procedures are not required; quotes are recommended.	If >= \$5,000 then same procedures as row above; other requirements; rotating awards to multiple vendors, including vendors, is recommended.
8. Goods – State Contract ≥ \$5,000	Procurement Services Department	No additional competitive procedures beyond those used by the State of North Carolina are required.	No requirements; rotating awards to multiple state contract extent available, including M/W/SBE vendors, is recommended.
9. Goods – State Contract < \$5,000	Procurement Services Department	No additional competitive procedures beyond those used by the State of North Carolina are required.	No requirements; rotating awards to multiple state contract extent available, including M/W/SBE vendors, is recommended.
10. Goods – P-card Purchases	Procurement Services Department & Submitting Departments	Competitive procedures are not required.	No requirements; use of one or more of the M/W/SBE database awards to multiple vendors, including M/W/SBE vendors, is recommended.
11. Other Services (Except for Surveying, Architecture, & Engineering)	Procurement Services Department	Competitive procedures are not required; specific procedures determined in advance by Procurement Services Department after consultation with Submitting Department and M/W/SBE Department.	To be determined collectively by the Submitting Department, Procurement Services Department and M/W/SBE Department on a case by case basis.

Column 1	Column 2	Column 3	Column 4
Category ≥ \$5,000	Responsible Department	Competitive Procurement Procedure	M/W/SBE Efforts –Pre award
12. Other Services (Except for Surveying, Architecture & Engineering) < \$5,000	Procurement Services Department	Competitive procedures are not required.	No requirements; rotating awards to multiple vendors, including vendors, is recommended.

Note: The M/W/SBE procedures (column 4) do not apply to procurements where competition is waived pursuant to Section D. of Regulation [F-PRCH/R](#), except, in connection with the procurement of architectural, engineering and surveying services, CMS shall make good faith efforts to notify M/W/SBE firms of the opportunity to submit qualifications for consideration by CMS as required by [NCGS § 143-64.32](#). Additionally, the M/W/SBE procedures (column 4) for Goods and Other Services may be waived by the Superintendent or designee, or M/W/SBE Department for any reason including, by way of example, limited staff time and need for a quick purchase.

6. Prime Contractors; Subcontractor Utilization.

Prime contractors for Construction and Repair projects that must be formally bid shall be responsible for compliance with the good faith efforts requirements regarding use of M/WBE subcontractors as required by state law. Additionally, for Goods and Other Services, the M/W/SBE Office and the Procurement Services Department may require other vendors to provide subcontractor information on a case-by-case basis.

7. Record keeping Requirements.

In order to track M/W/SBE good faith efforts and utilization the following records shall be kept:

Table 2	
M/W/SBE Record Keeping Requirements Record keeping Requirement	Resp
Vendor "Master Database" documenting vendors used by CMS and whether such vendors are M/W/SBE vendors.	M/W/S
Documentation confirming compliance with regulations.	Procurement Department
Prepare quarterly reports required by State of North Carolina.	M/W/S
Maintain statistics on utilization of M/W/SBE firms by departments. The reports will include information regarding the dollars spent (including p-card transactions), companies used, number of M/W/SBE firms solicited, number of successful M/W/SBE awards, the number of waivers requested by department and/or granted by the M/W/SBE Department. Such reports shall also include, as appropriate, explanations of extenuating or unique circumstances that may affect M/W/SBE participation for various categories or types of purchases.	M/W/S
Prepare and publish quarterly participation reports to the Superintendent and Submitting Departments.	M/W/S
Prepare and publish annual participation reports to the Board of Education.	M/W/S

8. Outreach Efforts.

The M/W/SBE Department shall create an ongoing outreach effort to M/W/SBE vendors including, without limitation, assisting M/W/SBEs to register with the State IPS system and the State E-procurement System, providing information regarding doing business with CMS, and encouraging collaboration among M/W/SBEs.

9. Management & Technical Assistance.

The M/W/SBE Department will establish partnerships with existing management and technical assistance providers in the Charlotte area to assist M/W/SBEs with securing and performing CMS contracts.

10. Determination of Annual Goals.

Aspirational goals for M/WBE utilization are summarized in the following charts :

**Tables 3A and 3B
Recommended Goals for Each Business Category**

**Table 3A
Aspirational Goals by Race/Ethnic/Gender Classification
Based on MGT Study**

Category	MBE Goal	WBE Goal
Construction	10%	6%
Architecture & Engineering	4%	7%
Professional Services	9%	9%
Other Services (other than Architecture & Engineering and other Professional Services)	5%	4%
Goods	3%	3%

**Table 3B
Aspirational Small Business Goals for Each Business Category**

Category	SBE Goal
Construction	21%
Architecture & Engineering	16%
Professional Services	23%
Other Services (other than Architecture & Engineering and other Professional Services)	14%
Goods	11%

Note: Data will be collected and tracked by the various race/ethnic/gender classifications identified in the MGT Study and defined above in Section 2. Businesses that count towards the MBE or WBE goals can also count towards the SBE goals if they meet the required size standard criteria. M/W/SBE participation will be monitored to evaluate the success of the remedial program. In addition, CMS will track M/W/SBE spending on p-card transactions.

11. Periodic Evaluation

The M/W/SBE Department, the Procurement Services Department, and Chief Financial Officer shall periodically conduct a formal evaluation of the effectiveness of these regulations and shall recommend proposed changes to these regulations, including these aspirational goals. The Superintendent shall then determine whether the aspirational goals should be modified, eliminated, or remain in effect.

12. Sunset Provisions

The race/gender-conscious elements of the Minority, Women, and Small Business Enterprise Program, if implemented, shall expire on June 30, 2028. However all elements of this Program may be extended if the Board of Education, after review and consideration of all Annual Reports, completion of a second generation Disparity Study, assessment of other relevant information, and public hearing testimony, finds that there is a continuing need for the Program.

Legal Reference: [N.C.G.S. § 115C-522](#), [§ 143-64.32](#), [§ 143-129](#) et seq.
 DJA, DJ-R, DJ Cross Reference:
 Previous CMS Policy Code: [DJA-R](#)