

GREENSBORO NORTH CAROLINA

DISPARITY STUDY FINAL REPORT

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I. INTRODUCTION

In February, 2017, the City of Greensboro, North Carolina (“City”) contracted with Griffin & Strong, P.C. (“GSPC”) to conduct a disparity study. The purpose of this disparity study (“Study”) was to analyze procurement data to determine the utilization of Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) (collectively, “M/WBE”) and Disadvantaged Business Enterprises (DBEs), relative to the availability of such firms to compete for City business on Construction, Professional Services and Goods and Other Services contracts. Governmental entities, such as the City, have authorized disparity studies in response to City of Richmond v. J.A. Croson Co.¹ and the cases which followed, to determine whether there has been a compelling interest for remedial procurement programs, based upon ethnicity, race, and gender.

The Study collected and analyzed relevant data on businesses in the industries of:

1. Construction
2. Professional Services
3. Other Services
4. Goods

The study period for the was a five (5) year period from July 1, 2011 - June 30, 2016 (FY2012-FY2016).

A. Objectives

The principal objectives of this study are:

1. Is there is a statistically significant disparity in the relevant geographic and product markets between the number of qualified minority and woman owned firms (“M/WBE and DBE”) willing and able to provide goods or services to the City in each of the category of contracts and the number of such firms actually utilized by the City (whether as prime contractors/consultants or subcontractors/consultants)?
2. If a statistically significant disparity exists, have factors, other than race and gender been ruled out as the cause of that disparity, such that there can be an inference of discrimination?
3. Can the discrimination be adequately remedied with race and gender neutral remedies?
4. If race and gender neutral remedies are not sufficient, does the evidence from the Study legally support a race and/or gender conscious remedial program?
5. Are the proposed remedies narrowly tailored to the strong basis in evidence from the disparity study?

¹City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989).

B. Technical Approach

In conducting this study and preparing our recommendations, GSPC followed a carefully designed work plan that allowed study team members to fully analyze availability, utilization, and disparity with regard to M/WBE participation. The final work plan consisted of, but was not limited to, the following major tasks:

- establishing data parameters and finalizing a work plan;
- legal analysis;
- policy and procurement process review and remedial program analysis;
- collecting, organizing, and cleaning data;
- conducting market area analyses;
- conducting product market analysis;
- conducting utilization analyses;
- estimating the availability of qualified firms;
- analyzing the utilization and availability data for disparity and significance;
- conducting private sector analysis including credit and self-employment analysis;
- collecting and analyzing anecdotal information; and
- preparing a final report that presents race- and gender-neutral and narrowly tailored race- and gender-based remedies.

C. Report Organization

This report is organized into the following sections, which provide the results of our quantitative and qualitative analysis. In addition to this introductory chapter, this report includes:

- Chapter II, which presents a legal overview of disparity studies and the requirements for race- and gender-conscious programs.
- Chapter III, which provides a review of the City's purchasing policies and practices, particularly as they relate to minority and women owned firms.
- Chapter IV, which presents the methodology used in the collection of statistical data from the City and the analyses of those data as they relate to relative M/WBE utilization and availability for prime contractors and subcontractors.
- Chapter V, which presents an analysis of disparities, if any, in the private sector.
- Chapter VI, which provides the analysis of anecdotal data collected from the survey of business owners, personal interviews, focus groups, public hearings, organizational meetings, and emailed comments.
- Chapter VII, a summary of the findings and recommendations based upon the analyses.
- Chapter VIII, the conclusion.

Note: Study Definitions are contained in Appendix Q.

II. LEGAL ANALYSIS

A. Introduction

The extensive discussion and analysis contained throughout this Disparity Study underscore the several purposes for which such a study may be done, and the usefulness of the information contained therein. Disparity studies can provide historical context regarding government procurement practices, an overview of the challenges a governmental entity has faced and continues to face in seeking minority and/or female inclusion in procurement awards, a contemporary snap-shot of procurement practices, and a predictive preview of future challenges/needs.

There is also, however, an important historical legal basis for the advent of disparity studies in the first instance. The bedrock judicial decisions from the United States Supreme Court anticipating and inviting increased use of disparity studies are therefore discussed first in the following legal analysis, before digging deeper into the legal considerations and related evidentiary requirements for sustaining an M/WBE program in the face of a challenge on constitutional grounds.

We have also included in the historical analysis the most recent decision of the United States Court of Appeals for the Fourth Circuit, as this decision demonstrates the continuing significance and vitality of the featured Supreme Court precedent, and also highlights the legal foundation under which any federal challenge to the City's M/WBE program will be analyzed.

Lastly, we provide an appendix of recent federal court decisions in which M/WBE or DBE programs were under challenge, for additional context and to provide insight into trends in this discrete public policy and legal arena. See Appendix A.

B. Historic Development of the Relevant Law

The outgrowth of disparity studies was in large measure a response to constitutionally-based legal challenges made against federal, state, and local minority business enterprise programs enacted to remedy past or present discrimination (whether real or perceived).

Such studies were effectively invited by the United States Supreme Court in rendering its seminal decision in City of Richmond v. J. A. Croson Company, 488 U.S. 469; 109 S. Ct. 706; 102 L. Ed. 2d 854 (1989), and subsequent judicial decisions have drawn a direct line between Croson and the utilization of disparity studies. See, for example, Adarand Constructors, Inc. v. Slater (Adarand III), 228 F.3d 1147, 1172-73 (10th Cir. 2000) ("Following the Supreme Court's decision in Croson, numerous state and local governments have undertaken statistical studies to assess the disparity, if any, between availability and utilization of minority-owned businesses in government contracting.").

Disparity studies have therefore become an important tool for governmental entities in deciding whether to enact minority business programs or legislation, and in justifying existing programs or legislation in the

face of constitutional challenge. To better understand the proper parameters of such programs, one must understand their judicial origin.

1. The Supreme Court's Decision in City of Richmond v. Croson

To fully appreciate the usefulness of disparity studies for development and defense of minority business programs, an overview of the Croson decision is helpful.

Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the Fourteen Amendment. MBE/WBE programs and legislation are among the types of laws invoking such concerns. Depending on the nature of the differentiation (e.g., based on race, ethnicity, gender), courts evaluating the constitutionality of a minority business program will apply a particular level of judicial scrutiny. As explained at greater length below, race-based programs are evaluated under a "strict scrutiny" standard, and gender-based programs under a less-rigorous "intermediate scrutiny" standard.

In its Croson decision, the Supreme Court ruled that the City of Richmond's Minority Business Enterprise (hereinafter "MBE") program failed to satisfy the requirements of "strict scrutiny." "Strict scrutiny" review involves two co-equal considerations: First, the need to demonstrate a compelling governmental interest; Second, implementation of a program or method narrowly-tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was "necessary" to remedy the effects of discrimination in the marketplace.

In fact, the Court found that the City of Richmond had not established the necessary factual predicate to infer that discrimination in contracting had occurred in the first place. The Court reasoned that a mere statistical disparity between the overall minority population in Richmond (50 % African-American) and awards of prime contracts to minority-owned firms (0.67 percent to African-American firms) was an irrelevant statistical comparison and insufficient to raise an inference of discrimination.

Addressing the disparity evidence that Richmond proffered to justify its MBE program, the Court emphasized the need to distinguish between "societal discrimination," which it found to be an inappropriate and inadequate basis for social classification, and the type of identified discrimination that can support and define the scope of race-based relief.

Specifically, the Court opined that a generalized assertion of past discrimination in an entire industry provided no guidance in determining the present scope of the injury a race-conscious program seeks to remedy, and emphasized that "there was no direct evidence of race discrimination on the part of the City in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors." Croson, 488 U.S. at 480.

Accordingly, the Court concluded there was no prima facie case of a constitutional or statutory violation by anyone in the construction industry that might justify the MBE program. Justice O'Connor nonetheless provided some guidance on the type of evidence that might indicate a proper statistical comparison:

[W]here there is a significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged by the locality or the locality's prime contractors, an inference of discriminatory exclusion could arise.

Croson, 488 U.S. at 509.

Stated otherwise, the statistical comparison should be between the percentage of MBEs in the marketplace qualified to do contracting work (including prime contractors and subcontractors), and the percentage of total government contract awards (and/or contractual dollars paid) to minority firms. The relevant question among lower federal courts has been which tools or methods are best for such analysis; a matter addressed in the detailed discussion of statistical comparison provided below.

Additionally, the Court in Croson stated that identified anecdotal accounts of past discrimination also could provide a basis for establishing a compelling interest for local governments to enact race-conscious remedies. However, conclusory claims of discrimination by City officials, alone, would not suffice, nor would an amorphous claim of societal discrimination, simple legislative assurances of good intention, or congressional findings of discrimination in the national economy. In order to uphold a race- or ethnicity-based program, the Court held, there must be a determination that a strong basis in evidence exists to support the conclusion that the remedial use of race is necessary.

Regarding the second prong of the strict scrutiny test, the Croson Court ruled that Richmond's MBE program was not narrowly tailored to redress the effects of discrimination. First, the Court held that Richmond's MBE program was not remedial in nature because it provided preferential treatment to minorities such as Eskimos and Aleuts, groups for which there was no evidence of discrimination in Richmond. Thus, the scope of the City's program was too broad.

Second, the Court ruled that the thirty percent (30%) goal for MBE participation in the Richmond program was a rigid quota not related to identified discrimination. Specifically, the Court criticized the City for its lack of inquiry into whether a particular minority business, seeking racial preferences, had suffered from the effects of past discrimination.

Third, the Court expressed disappointment that the City failed to consider race-neutral alternatives to remedy the under-representation of minorities in contract awards. Finally, the Court highlighted the fact that the City's MBE program contained no sunset provisions for a periodic review process intended to assess the continued need for the program. Croson, 488 U.S. at 500.

Subsequent to the decision in Croson, the Supreme Court and the federal Circuit Courts of Appeal have provided additional guidance regarding the considerations, measurements, information, and features surrounding an MBE/WBE program which will assist in protecting the program from constitutional challenge under a strict scrutiny analysis. These recommendations have in many respects provided a roadmap of sorts for useful disparity studies, and are therefore discussed in greater detail below.

2. The Supreme Court's Decision in Adarand v. Peña and Subsequent Circuit Court Proceedings

Six years after its decision in Croson, the Supreme Court was again confronted with an equal protection challenge to a minority business program, in Adarand Constructors, Inc. v. Peña, 515 U.S. 200 (1995) (Adarand II). This time, however, the program under challenge was enacted by the federal government, thus implicating the Fifth Amendment rather than the Fourteenth Amendment analysis required for the local (state) program in Croson.

Reversing the decision of the Tenth Circuit, the Supreme Court ruled that federal programs are not reviewed for constitutionality under a more lenient standard (as had been indicated in some prior Supreme Court opinions); strict scrutiny is likewise to be applied to such programs. Id. at 222-26. Because the district

court and the Tenth Circuit had not applied the proper standard of review, the Supreme Court remanded the case back to the district court to apply strict scrutiny to the program, consistent with Croson. Id.

On remand, the district court (D. Colo.) essentially ruled that no program can meet the strict scrutiny standard --- i.e., it is “fatal in fact.” The Tenth Circuit disagreed, upholding the federal program even under a strict scrutiny standard, finding a compelling state interest, and the required narrow tailoring to achieve such compelling interest. Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10th Cir. 2000) (Adarand III).

Consistent with Croson and subsequent opinions, the Tenth Circuit described its task regarding the compelling state interest as follows:

[O]ur inquiry necessarily consists of four parts: First, we must determine whether the government’s articulated goal in enacting the race-based measures at issue in this case is appropriately considered a “compelling interest” under the governing case law; if so, we must then set forth the standards under which to evaluate the government’s evidence of compelling interest; third, we must decide whether the evidence presented by the government is sufficiently strong to meet its initial burden of demonstrating the compelling interest it has articulated; and finally, we must examine whether the challenging party has met its ultimate burden of rebutting the government’s evidence such that the granting of summary judgment to either party is proper. We begin, as we must, with an inquiry into the meaning of “compelling interest.”

Adarand v. Slater, 228 F.3d at 1164.

If satisfied that the compelling state interest prong had been met, the court then needed to determine whether the federal DBE program was narrowly tailored, as required under Croson (and strict scrutiny jurisprudence generally). Id. at 1176-77.

The court first found that the government’s proffered interest – “remedying the effects of racial discrimination and opening up federal contracting opportunities to members of previously excluded minority groups” – met the standard. Id. at 1164-65 (“[W]e readily conclude that the federal government has a compelling interest in not perpetuating the effects of racial discrimination in its own distribution of federal funds and in remedying the effects of past discrimination in the government contracting markets created by its disbursements.”).

As for the “strong basis in evidence” that remedial action was necessary, the court in Adarand v. Slater found that the government established that minority contractors faced significant discriminatory *barriers to entry* into the disbursement programs, such as a classic “old boy” network of contractors, denial of access to capital, and denial of or difficulty in obtaining union membership to assist in access. 228 F.3d at 1168-69. The government also demonstrated, the court found, that existing minority contractors faced *barriers to competition*, owing to various methods of “discrimination by prime contractors, private sector customers, business networks, suppliers, and bonding companies[.]” Id. at 1170-72.

In support of its position, the government produced statistical and anecdotal evidence, both direct and circumstantial, taken from local disparity studies which demonstrated under-utilization of minority subcontractors (described in more detail below), and the effect on utilization rates when affirmative action programs or efforts were discontinued for one reason or another. Id. at 1174-75.

The court went on to discuss at length its reasoning that the government also adequately demonstrated that its program was narrowly tailored to achieve the compelling interest discussed previously. 228 F.3d at 1176-1187. In sum, the court found that the government satisfactorily met the following important factors: “the necessity for the relief and the efficacy of alternative remedies; the flexibility and duration of the relief, including the availability of waiver provisions; the relationship of the numerical goals to the relevant labor market; and the impact of the relief on the rights of third parties.” *Id.* at 1177.²

The case was therefore returned to the district court for further proceedings “consistent with this opinion.” *Id.*

3. The Fourth Circuit’s Decision in H.B Rowe v. Tippett

Having the benefit of the Supreme Court’s thinking in Croson and Adarand, the Fourth Circuit addressed the constitutionality of North Carolina’s M/WBE statute (N.C. Gen. Stat. § 136-28.4 (1990)) in H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, 615 F.3d 233 (4th Cir. 2010).

Denied a contract because of its failure to demonstrate good faith efforts to meet participation goals for minority and women-owned subcontractors, H. B. Rowe Company, a prime contractor, brought suit asserting that the goals set forth in § 136-28.4 violate the Equal Protection Clause. After extensive discovery and a bench trial, the District Court upheld the challenged statutory scheme as constitutional both on its face and as applied.

The Fourth Circuit Court of Appeals affirmed, finding that the State produced a “strong basis in evidence” justifying the statutory scheme on its face and as applied to African American and Native American subcontractors, and that the State further demonstrated that the scheme was narrowly tailored to serve its compelling interest in remedying discrimination against those racial groups. The Court of Appeals did not, however, agree with the District Court that the same was true as applied to other minority groups and women-owned businesses.

Reviewing the results of the disparity study relied upon by the State, the Court observed that (1) the State’s use of a goals program for inclusion of African-American, Native-American, and Nonminority Female-owned businesses was supported by a statistically strong basis, and that (2) the newly revised North Carolina statute which called for frequent goal setting was constitutional. The Court of Appeals focused prominently on the fact that the State’s program had been going on since 1983, and had only achieved the inclusion numbers adduced in the 2004 study performed by the commissioned national researcher. H. B. Rowe, 615 F.3d 250.

The importance of this case is that it solidified a trend that began in the other appellate courts of this country. When presented with a viable challenge to a state’s statute as it concerns M/WBE programs, the program not only must adhere to the requirements of Croson at inception, but also when the program’s continued viability is at issue. See generally, H.B. Rowe, 615 F.3d at 238-39, 247-48, 251-53.

Such continuation must be well supported by more than just conjecture as to its necessity. There needs to be statistically sound collection of data from appropriate sources; testing of that data once collected to ensure high confidence; and anecdotal corroboration of findings to disprove other explanations for apparent disparities. *Id.* These matters are addressed at length in the below Expanded Legal Analysis,

² These remedial concepts are covered in greater detail below.

which detailed analysis is intended to assist the City evaluate its program, adjust it (if appropriate), and be properly positioned to defend it against legal challenge.

C. Expanded Legal Analysis

Having provided an overview of the *de facto* genesis of diversity studies, the following underscores the legal benefit to such studies should an MBE/WBE program or initiative be challenged in a court of law.

1. Overview of Legal Challenges to MBE/WBE Programs and Legislation

There are several important legal standards and considerations which arise when a constitutional challenge to an MBE/WBE program is initiated. Matters such as standing, the burden(s) of proof, the level of judicial scrutiny to be applied, and the types of evidence necessary for the court's evaluation, must all be addressed. Each of these concepts is addressed in turn.

a) *The Standing Requirement*

Legal “standing” to bring suit is an absolute requirement for one seeking relief in any federal court of the United States or any state court called upon to decide a matter upon federal law. U.S. Const. Art. III, § 2, Cl 1; Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992). Though “some of its elements express merely prudential considerations that are part of judicial self-government, the core component of standing is an essential and unchanging part of the case-or-controversy requirement of Article III.” Lujan, 504 U.S. at 560.

[S]tanding contains three elements. First, the plaintiff must have suffered an injury in fact -- an invasion of a legally protected interest which is . . . concrete and particularized . . . [; s]econd, there must be a causal connection between the injury and the conduct complained of . . . [; and t]hird, it must be likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision [of the Court wherewith the matter is brought].

Lujan, 504 U.S. at 560-61 (internal punctuation and citations omitted).

Under the traditional standing analysis, in order to satisfy the “injury in fact” requirement, plaintiffs must establish a causal connection between the injury, the ordinance, and the likelihood that the injury will be redressed by a favorable decision. Moreover, the courts may not tolerate a lawsuit unless the plaintiff shows some “concrete and particularized” injury that is in fact imminent and which amounts to something more than “conjectural or hypothetical” injury. Price v. City of Charlotte, 93 F.3d 1241, 1247 (4th Circuit 1996) (citing Lujan).

In Price, seven police officers successfully brought suit under 42 U.S.C. § 1983 against the City of Charlotte (N.C.), claiming that the City employed race-based criteria that precluded them from being considered for promotion to sergeant following their having taken the exam, and that said action violated the Equal Protection clause of the 14th Amendment to the U.S. Constitution. Noteworthy is the fact that those suing the City of Charlotte were far enough down in their test results on the sergeant's exam that they would have not been promoted to the two positions given to lower test performing African Americans regardless of the

City's employment of race-based criteria in awarding promotions. In response to the City pointing this fact out, the seven police officers responded that:

The actual injury they suffered was their race-based exclusion from equal consideration for the promotion to sergeant, not the fact that they failed to obtain a promotion. . . . [T]heir injuries derive from the City's unconstitutional use of race to decide promotions in the police department, not from an ultimate denial of a promotion.

Price, 93 F.3d at 1245.

The goal, of course, is to design and implement an MBE/WBE program in such a manner that no legitimate claims of “reverse discrimination” by majority contractors will result, and thus, no constitutional challenge will ensue. Absent achievement of such a program, standing issues will need to be addressed at the outset of any litigation.

b) *Burdens of Production/Proof*

As noted above, the Croson court struck down the City of Richmond's minority set-aside program because the City failed to provide an adequate evidentiary showing of past and present discrimination as was its initial burden. Croson, 488 U.S. at 498-506. Since the Fourteenth Amendment only allows race-conscious programs that narrowly seek to remedy particularized discrimination, the Court held that state and local governments “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” The Court's rationale for judging the sufficiency of the City's factual predicate for affirmative action legislation was whether there existed a “strong basis in evidence for its [government's] conclusion that remedial action was necessary.” Croson, 488 U.S. at 500 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 1849 (1986)).

The initial burden of production on the state or local governmental entity is to demonstrate a “strong basis in evidence” that its race- and gender-conscious contract program is aimed at remedying identified past or present discrimination. A governmental entity may, for example, establish an inference of discrimination by using empirical evidence that proves a significant statistical disparity between the number of qualified MBE/WBEs, the number of MBE/WBE contractors actually awarded a contract by the governmental entity, or MBE/WBEs brought in as subcontractors by prime contractors to which a contract is awarded. The courts maintain that the quantum of evidence required for the governmental entity is to be determined on a case-by-case basis, and in the context and breadth of the MBE/WBE program it purports to advance. See Concrete Works, 36 F.3d 1513 (10th Cir. 1994). If the local government is able to do this, then the burden shifts to the challenging party to rebut the municipality's showing. Id.

Once the governmental entity has shown acceptable proof of a compelling interest in remedying past discrimination and illustrated that its plan is narrowly tailored to achieve this goal, the party challenging the affirmative action plan bears the ultimate burden of proving that the plan is unconstitutional. Sherbrooke Turf, Inc. v. Minnesota D.O.T., 345 F.3d 964, 971 (8th Cir. 2003) (“Sherbrooke and Gross Seed have the ultimate burden of establishing that the DBE program is not narrowly tailored.”); Geyer Signal, Inc. v. Minnesota D.O.T., 2014 WL 1309092, *26 (D. Minn. 2014) (“The party challenging the constitutionality of the DBE program bears the burden of demonstrating that the government's evidence did not support an inference of prior discrimination.”), citing Adarand III, 228 F.3d at 1166.

c) *Equal Protection and Levels of Judicial Scrutiny*

The Fourteenth Amendment provides that “No state shall . . . deny to any person within its jurisdiction the equal protection of the laws”. U.S. Const. amend. XIV, § 1. Courts determine the appropriate standard of equal protection review by “[f]irst. . . [determining] whether a state or local government has developed the program, or whether Congress has authorized the program’s creation”, then by examining the protected classes embodied in the statute. S. J. Groves & Sons Company v. Fulton County et al, 920 F.2d 752, 767 (11th Cir. 1991).

As discussed herein, when a program or ordinance provides race-based protection, the court will apply what is referred to as “strict scrutiny” in evaluating its constitutional legitimacy. When gender-based, the program or ordinance will be reviewed under the less-stringent “intermediate scrutiny standard.” Because the City of Greensboro program under consideration makes classifications based both on race/ethnicity and on gender, each is addressed in this analysis.

d) *Strict Scrutiny (for Race-Based Classifications)*

“We have held that all racial classifications imposed by government must be analyzed by a reviewing court under strict scrutiny.” Grutter v. Bollinger, 539 U.S. 306, 326 (2003); *see also* Adarand II, 515 U.S. at 212 (same). The Fourth Circuit previously put into sharp relief its view of the rationale for this level of judicial review:

Racial and ethnic distinctions of any sort are inherently suspect and thus call for the most exacting judicial examination. Wygant v. Jackson Board of Education, 476 U.S. 267, 273, 106 S.Ct. 1842 1846, 90 L.Ed.2d 260 (1986) (plurality opinion) (quoting Regents of the University of California v. Bakke, 438 U.S. 265, 291, 98 S.Ct. 2733 2748, 57 L.Ed.2d 750 (1978) (Powell, J.)). The rationale for this stringent standard of review is plain. Of all the criteria by which men and women can be judged, the most pernicious is that of race. The injustice of judging human beings by the color of their skin is so apparent that racial classifications cannot be rationalized by the casual invocation of benign remedial aims. City of Richmond v. J.A. Croson Co., 488 U.S. 469, 500, 109 S.Ct. 706, 724, 102 L.Ed.2d 854 (1989). While the inequities and indignities visited by past discrimination are undeniable, the use of race as a reparational device risks perpetuating the very race-consciousness such a remedy purports to overcome.... It thus remains our constitutional premise that race is an impermissible arbiter of human fortunes.

Podberesky v. Kirwin, 38 F.3d 147, 152 (4th Cir. 1994) (quoting Maryland Troopers Ass'n v. Evans, 993 F.2d 1072, 1076 (4th Cir.1993)).

“Under strict scrutiny, a racial classification must (1) serve a **compelling state interest** and (2) be **narrowly tailored** to achieve that interest.” Tuttle v. Arlington County School Board, 195 F.3d 698, 704 (4th Cir. 1999) (emphasis added) (citing Adarand II).

e) *Intermediate Scrutiny (for Gender-Based Classifications)*

Though still a live debate in some federal Circuits, it appears settled in the Fourth Circuit that programs with gender-based classifications are evaluated for constitutionality under a more relaxed level of scrutiny than race-based ones, *i.e.*, intermediate scrutiny:

Precedent dictates, and the parties agree, that courts apply “intermediate scrutiny” to statutes that classify on the basis of gender. Adkins v. Rumsfeld, 464 F.3d 456, 468 (4th Cir.2006); *see also* Miss. Univ. for Women v. Hogan, 458 U.S. 718, 724, 102 S.Ct. 3331, 73 L.Ed.2d 1090 (1982). A defender of such a statute meets this burden “by showing at least that the classification serves important governmental objectives and that the discriminatory means employed are substantially related to the achievement of those objectives.” Hogan, 458 U.S. at 724, 102 S.Ct. 3331 (internal quotation marks omitted). Of course, intermediate scrutiny requires less of a showing than does “the most exacting” strict scrutiny standard of review. *See* Clark v. Jeter, 486 U.S. 456, 461, 108 S.Ct. 1910, 100 L.Ed.2d 465 (1988).

H.B. Rowe Co., Inc. v. Tippett, 615 F.3d 233, 242 (4th Cir. 2010); *see also* Roseboro v. Winston-Salem/Forsyth County School Board, 1:14-cv-455, *12 (M.D.N.C. 2014) (“Classifications based on race must pass strict scrutiny, Parents Involved in Cmty. Schs. v. Seattle Sch. Dist. No. 1, 551 U.S. 701, 720 (2007), and classifications based on gender must pass intermediate scrutiny, H.B. Rowe Co., Inc. v. Tippett, 615 F.3d 233, 242 (4th Cir. 2010)”).

In light of the above, the gender-based classification component in the City of Greensboro MBE/WBE program, if challenged, will be analyzed under level of scrutiny which is more favorable to the City than that which will be applied to the race-based component.

2. “Compelling Public Interest” Considerations

In order for a local government to enact a constitutionally valid MBE/WBE program or ordinance which applies to awards of its contracts, it must show a compelling governmental interest. H.B. Rowe, 615 F.3d 233.

Although imposing a substantial burden, strict scrutiny is not automatically “fatal in fact.” Adarand, 515 U.S. at 237, 115 S.Ct. 2097. After all, “[t]he unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.” *Id.*; Alexander, 95 F.3d at 315. In so acting, a governmental entity must demonstrate it had a compelling interest in “remedying the effects of past or present racial discrimination.” Shaw v. Hunt, 517 U.S. 899, 909, 116 S.Ct. 1894, 135 L.Ed.2d 207 (1996).

Thus, to justify a race-conscious measure, a state must “identify that discrimination, public or private, with some specificity,” Croson, 488 U.S. at 504, 109 S.Ct. 706, and must have a “‘strong basis in evidence for its conclusion that remedial action [is] necessary,’ ” *id.* at 500, 109 S.Ct. 706 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 90 L.Ed.2d 260 (1986) (plurality opinion)); *see also* Podberesky v. Kirwan, 38 F.3d 147, 153 (4th Cir.1994). As courts have noted, “there is no ‘precise mathematical formula to assess the quantum of evidence that rises to the Croson ‘strong basis in evidence’

benchmark.’” Rothe Dev. Corp. v. Dep’t of Def., 545 F.3d 1023, 1049 (Fed.Cir.2008) (Rothe II) (quoting W.H. Scott Constr. Co. v. City of Jackson, 199 F.3d 206, 218 n. 11 (5th Cir.1999)).

Id. at 241.

This compelling interest must be proven by particularized findings of discrimination. The strict scrutiny test ensures that the means used to address the compelling goal of remedying discrimination “fit” so closely that there is little likelihood that the motive for the racial classification is illegitimate racial prejudice or stereotype. Croson; Engineering Contractors Ass’n v. Metropolitan Dade County, 122 F.3d 895, 906 (11th Cir. 1997). See also, Adarand II, 515 U.S. at 235.

The relevant case law establishes that the compelling state interests of remedying past discrimination and of avoiding discrimination in the context of governmental procurement programs are well-accepted, and not controversial at this point. See W.H. Scott Const. Co. v. City of Jackson, 199 F.3d 206, 217 (5th Cir. 1999) (“Combating racial discrimination is a compelling government interest.”); Croson, 488 U.S. at 492 (“It is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to finance the evils of private prejudice.”); Adarand III, 515 U.S. at 237 (“The unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.”).

3. The Level of Governmental Participation/Involvement in Discrimination

The courts have uniformly held that general societal discrimination is insufficient to justify the use of race-based measures to satisfy a compelling governmental interest. Adarand II, 515 U.S. at 227; Croson, 488 U.S. at 496-97. Rather, there must be some showing of prior discrimination by the governmental actor involved, either as an “active” or “passive” participant. Croson, 488 U.S. at 498.

The upshot of this dual-faceted evaluation of the enacting governmental entity is that, even if the entity did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, the Supreme Court has made it clear that the [County] could take affirmative steps to dismantle such a system.”); Croson, 488 U.S. at 492 (“Thus, if the city could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, we think it clear that the city could take affirmative steps to dismantle such a system.”).

Subsequent lower court rulings have provided more guidance on passive participation by local governments. In Concrete Works, 36 F.3d 1513, the Tenth Circuit held that it was sufficient for the local government to demonstrate that it engaged in passive participation in discrimination rather than showing that it actively participated in the discrimination:

Neither Croson nor its progeny clearly state whether private discrimination that is in no way funded with public tax dollars can, by itself, provide the requisite strong basis in evidence necessary to justify a municipality’s affirmative action program. Although we do not read Croson as requiring the municipality to identify an exact linkage between its award

of public contracts and private discrimination, such evidence would at least enhance the municipality's factual predicate for a race/gender-conscious program.

Concrete Works, 36 F.3d at 1529.

Thus, the desire for a government entity to prevent the infusion of public funds into a discriminatory industry is enough to satisfy the requirement.

The next question, however, is whether a public entity has the requisite factual support for its MBE/WBE program in order to satisfy the particularized showing of discrimination required by Croson. This factual support can be developed from anecdotal and statistical evidence, as discussed hereafter.

4. Types of Evidence Available to Meet the Applicable Standard

The types of evidence routinely presented to show the existence of a compelling interest include statistical and anecdotal evidence. Croson, 488 U.S. at 501. Where gross statistical disparities exist, they alone may constitute prima facie proof of a pattern or practice of discrimination. Anecdotal evidence, such as testimony from minority contractors, is most useful as a *supplement* to strong statistical evidence, as it cannot carry the burden for the entity by itself.

The majority decision in Croson implicitly endorsed the inclusion of personal accounts of discrimination, but Croson and subsequent decisions also make clear that selective anecdotal evidence about MBE/WBE experiences alone would not provide an ample basis in evidence to demonstrate public or private discrimination in a municipality's construction industry. Croson, 488 U.S. at 480 (noting as a weakness in the City's case that the Richmond City Council heard "no direct evidence of race-conscious discrimination on the part of the city in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors"); See also Engineering Contractors Ass'n, 122 F. 3d at 925 ("[W]e have found that kind of evidence [anecdotal] to be helpful in the past, but only when it was combined with and reinforced by sufficiently probative statistical evidence.").

In sum, personal accounts of actual discrimination or the effects of discriminatory practices are admissible and effective, and anecdotal evidence of a governmental entity's institutional practices that provoke discriminatory market conditions is particularly probative. In order to carry the day, however, such evidence must be supplemented with strong statistical proof:

A state need not conclusively prove the existence of past or present racial discrimination to establish a strong basis in evidence for concluding that remedial action is necessary. See, e.g., Concrete Works, 321 F.3d at 958. Instead, a state may meet its burden by relying on "a significant statistical disparity" between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors. Croson, 488 U.S. at 509, 109 S.Ct. 706 (plurality opinion). We further require that such evidence be "corroborated by significant anecdotal evidence of racial discrimination." Md. Troopers Ass'n, Inc. v. Evans, 993 F.2d 1072, 1077 (4th Cir.1993).

H.B. Rowe, 615 F.3d 241.

Accordingly, a combination of statistical disparities in the utilization of MBE/WBEs and particularized anecdotal accounts of discrimination by the MBE/WBEs (or others) are required to satisfy the factual predicate.

a) *The Use of Post-Enactment Evidence*

Before looking at specific types of statistical and anecdotal evidence a governmental entity may utilize in order to meet its initial burden to show a “strong basis in evidence” that its race- and gender-conscious contract program is aimed at remedying identified past or present discrimination, we first note that the evidence offered need not pre-date the enactment of the program or legislation under challenge.

In Croson, the Court stated that a state or local government “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” Croson, 488 U.S. at 504. However, the Court declined to require that all relevant evidence of such discrimination be gathered *prior* to the enactment of the program. This is important, as it allows a governmental entity to utilize a variety of evidentiary sources (as discussed below), but also to supplement such pre-enactment evidence with disparity evidence gathered *after* the program has been initiated.

Pre-enactment evidence refers to evidence developed prior to the enactment of an MBE/WBE program by a governmental entity. Such evidence is strong predicate for the decision to implement such a program in the first place, and a lack of relevant pre-enactment evidence of discrimination may make it difficult for a governmental entity to satisfy the standards established in Croson.

Post-enactment evidence is that which has been developed since the affirmative action program was enacted and therefore was not specifically relied upon as a rationale for the government’s race/gender-conscious efforts. As such, post-enactment evidence can often be devalued when a constitutional challenge is made, though most courts applying Croson’s evidentiary requirement allow reliance on post-enactment evidence. See, e.g., Contractors Assn., 6 F.3d, at 1003-04 (3rd Cir. 1993).

In Ensley Branch N.A.A.C.P. v. Seibels, 31 F.3d 1548, 1565 (11th Cir. 1994), the Eleventh Circuit explicitly held that post-enactment evidence is properly introduced in the record and relied upon by district courts in determining the constitutionality of government race/gender-conscious programs. This holding was more recently reaffirmed in Engineering Contractors:

With respect to the BBE program, most of the statistical evidence presented by the County is “post-enactment” evidence, i.e. evidence based on data related to years following the County’s initial enactment of the BBE program in 1982. As we and a number of other circuits have held, the use of that kind of evidence is permissible: Although Croson requires that a public employer show strong evidence of discrimination when defending an affirmative action plan, the Supreme Court has never required that, before implementing affirmative action, the employer must have already proved that it has discriminated. On the contrary, formal findings of discrimination need neither precede nor accompany the adoption of affirmative action. Ensley Branch, 31 F.3d at 1565[.]

122 F.3d at 911.

There has been little analysis or discussion in Fourth Circuit MBE/WBE cases regarding the proper role of post-enactment evidence, perhaps because the Circuit considers it settled, and thus, unremarkable. Such a view can be supported by reference to the decision of the North Carolina Court of Appeals in Dickerson

Carolina, Inc. v. Harrelson, 443 S.E.2d 127, 131-32 (N.C. App. 1994) (“The law is plain that the constitutional sufficiency of a state’s proffered reasons necessitating an affirmative action plan should be assessed on whatever evidence is presented, whether prior to or subsequent to the program’s enactment.”) (citations omitted).

b) *Statistical Data Generally*

The Court in Croson explained that an inference of discrimination may be made with empirical evidence that demonstrates “a significant statistical disparity between the number of qualified minority contractors . . . and the number of such contractors actually engaged by the locality or the locality’s prime contractors.” Croson, 488 U.S. at 509. A predicate to governmental action is a demonstration that gross statistical disparities exist between the proportion of MBEs awarded government contracts and the proportion of MBEs in the local industry “willing and able to do the work,” in order to justify its use of race-conscious contract measures. Ensley Branch, 31 F.3d at 1565.

In order to adequately assess statistical evidence, there must be information identifying the basic qualifications of minority contractors “willing and able to do the job” and the Court must determine, based upon these qualifications, the relevant statistical pool with which to make the appropriate statistical comparisons. Engineering Contractors, 122 F.3d at 925. Although subsequent lower court decisions have provided considerable guidelines for statistical analyses sufficient for satisfying the Croson factual predicate, there are multiple methods that the courts have accepted for conducting statistical analyses. The most prevalent of these are outlined hereafter.

i. Availability

The attempted methods of calculating MBE/WBE availability have varied from case to case. In Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3rd Cir. 1993), the Third Circuit stated that available and qualified minority-owned businesses comprise the “relevant statistical pool” for purposes of determining availability. In that case, the Court permitted availability to be based on the metropolitan statistical area (MSA) and local list of the Office of Minority Opportunity for Non-M/WBEs, which itself was based on census data.

The issue of availability also was examined by the Eleventh Circuit in Contractors Association of South Florida v. Metropolitan Dade County, 122 F.3d 895 (11th Cir. 1997). There, the Court opined that when reliance is made upon statistical disparity, and special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minority-owned firms qualified to provide the requested services. Moreover, these minority firms must be qualified, willing and able to provide the requested services. If the statistical analysis includes the proper pool of eligible minorities, any resulting disparity, in a proper case, may constitute prima facie proof of a pattern or practice of discrimination.

In contrast, in an opinion by the Sixth Circuit in Associated General Contractors v. Drabik, 214 F.3d 730 (6th Cir. 2000), the court ruled that the State of Ohio failed to satisfy the strict scrutiny standard to justify the state’s minority business enterprise act, because it relied on statistical evidence that did not account for which firms were qualified, willing and able to perform on construction contracts. Drabik, 214 F.3d at 736.

ii. Utilization

Utilization is a natural corollary of availability, in terms of statistical calculation. Different courts have applied utilization rates to different base measures, including percentage-based analyses regarding contract awards and dollars paid.

For example, in H.B. Rowe, the state demonstrated statistical disparity using subcontracting dollars won by minority subcontractors. 615 F.3d at 241, 250-51 (“[A] state may meet its burden by relying on ‘a significant statistical disparity’ between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors.” (citing Croson, 488 U.S. at 509, 109 S.Ct. 706)

In Cone Corp. v. Hillsborough County, 908 F.3d 908 (11th Cir. 1990), the following utilization statistics were developed and presented to justify an MBE program:

The County documented the disparity between the percentage of MBE contractors in the area and the percentage of contracts awarded to those MBE contractors. Hillsborough County determined that the percentage of County construction dollars going to MBE contractors compared to the total percentage of County construction dollars spent. . . . The data extracted from the studies indicates that while ten percent of the businesses and twelve percent of the contractors in the County were minorities, only 7.89% of the County purchase orders, 1.22% of the County purchase dollars, 6.3% of the awarded bids, and 6.5% of the awarded dollars went to minorities. The statistical disparities between the total percentage of minorities involved in construction and the work going to minorities, therefore, varied from approximately four to ten percent, with a glaring 10.78% disparity between the percentage of minority contractors in the County and the percentage of County construction dollars awarded to minorities. Such a disparity clearly constitutes a prima facie case of discrimination indicating that the racial classification in the County plan were necessary.

Id. at 915-16.

iii. Disparity Indices

To demonstrate the under-utilization of MBE/WBEs in a particular area, parties can employ a statistical device known as the “disparity index.” The use of such an index was explained, and cited approvingly, in H.B. Rowe, 615 F.3d at 243-44.

In H.B. Rowe, after noting the increasing use of disparity indices, the court explained that the State (through a consulting firm) calculated a disparity index for each relevant racial or gender group covered by the M/WBE (DBE) program, and further, conducted a standard deviation analysis on each of those indices using t-tests. Id. at 244.³ The resulting calculations “demonstrated marked underutilization of [] African American and Native American subcontractors,” according to the court. Id.

³ The disparity index is calculated by dividing the percentage of available MBE/WBE participation (amount of contract dollars) by the percentage of MBE/WBEs in the relevant population of local firms. A disparity index of one (1) demonstrates full MBE/WBE participation, whereas the closer the index is to zero, the greater the MBE/WBE under-utilization. Some courts multiply the disparity index by 100, thereby creating a scale between 0 and 100, with 100 representing full M/WBE utilization. Engineering Contractors, 122 F.3d at 914.

The utility of disparity indices or similar measures to examine the utilization of minorities or women in a particular industry has been recognized by a number of federal circuit courts. See Concrete Works, 36 F.3d at 1523 n. 10 (10th Cir.1994) (employing disparity index); Contractors Ass'n, 6 F.3d at 1005 (3d Cir.1993) (employing disparity index); Associated Gen. Contractors v. Coalition for Economic Equity, 950 F.2d 1401, 1414 (9th Cir.1991) (employing similar statistical data).

Specifically, courts have used these MBE/WBE disparity indices to apply the “strong basis in evidence” standard in Crosun. As noted, the disparity index in H.B. Rowe was 0.46 for African Americans, and was 0.48 for Native Americans. Id. at 245. Based on a disparity index of 0.22, the Ninth Circuit upheld the denial of a preliminary injunction to a challenger of the City of San Francisco's MBE plan based upon an equal protection claim. AGC v. Coal. for Economic Equity, 950 F.2d 1401, 1414 (9th Cir. 1991). Similarly, the Third Circuit held that a disparity of 0.04 was “probative of discrimination in City contracting in the Philadelphia construction industry.” Contractors Ass'n, 6 F.3d at 1005.

iv. Standard Deviations

The number calculated via the disparity index (established above) is then tested for its validity through the application of a standard deviation analysis. Standard deviation analysis measures the probability that a result is a random deviation from the predicted result (the more standard deviations, the lower the probability the result is a random one). Social scientists consider a finding of two standard deviations significant, meaning that there is about one chance in 20 that the explanation for the deviation could be random, so the deviation must be accounted for by some factor.

As noted above, standard deviations were applied by the State of North Carolina in the statistical analysis utilized to defend its M/WBE program in H.B. Rowe. 615 F.3d at 244-45. The Fourth Circuit described the significance of the findings as follows:

For African Americans the t-value of 3.99 fell outside of two standard deviations from the mean and, therefore, was statistically significant at a 95 percent confidence level. In other words, there was at least a 95 percent probability that prime contractors' underutilization of African American subcontractors was not the result of mere chance. For Native American subcontractors, the t-value of 1.41 was significant at a confidence level of approximately 85 percent.

Id. at 245.

Similarly, the Eleventh Circuit has directed that “where the difference between the expected value and the observed number is greater than two or three standard deviations’, then the hypothesis that [employees] were hired without regard to race would be suspect.” Peightal v. Metropolitan Dade County, 26 F.3d 1545, 1556 (11th Cir. 1994) (quoting Hazelwood School District et al. v. United States, 433 U.S. 308, quoting Castaneda v. Partida, 430 U.S. 482, 497 n.17, 97 S.Ct. 1272, 1281 n.17, (1977)).

v. Regression Analyses

The statistical significance of certain quantitative analyses was further evaluated in H.B. Rowe, 615 F.3d at 244-46. The H.B. Rowe court indicated that the appropriate test should resemble the one employed in Engineering Contractors, wherein two standard deviations or any disparity ratio that was higher than .80 (which is insignificant), should be used. Id.; see also, infra, analysis using standard deviations.

In evaluating the disparity evidence offered, and the regression analysis conducted by the State, the court favorably noted:

To corroborate the disparity data, MGT conducted a regression analysis studying the influence of certain company and business characteristics - with a particular focus on owner race and gender - on a firm's gross revenues. MGT obtained the data from a telephone survey of firms that conducted or attempted to conduct business with the Department. The survey pool consisted of a random sample of 647 such firms; of this group, 627 participated in the survey.

MGT used the firms' gross revenues as the dependent variable in the regression analysis to test the effect of other variables, including company age and number of full-time employees, and the owners' years of experience, level of education, race, ethnicity, and gender. The analysis revealed that minority and women ownership universally had a negative effect on revenue. African American ownership of a firm had the largest negative effect on that firm's gross revenue of all the independent variables included in the regression model. These findings led MGT to conclude that "for African Americans, in particular, the disparity in firm revenue was not due to capacity-related or managerial characteristics alone."

Id. at 245-46; 250.

vi. Geographic Scope of Data

The Croson Court also observed that because discrimination varies across market areas, state and local governments cannot rely on national statistics of discrimination in the disputed industry to draw conclusions about prevailing market conditions in their respective regions. Croson, 488 U.S. at 504. However, to confine the permissible data to a governmental entity's strict geographical borders would ignore the economic reality that contracts are awarded to firms located in adjacent areas. Thus, courts closely scrutinize pertinent data related to the jurisdictional area of the state or municipality.

Generally, the scope of the statistical analyses pertains to the geographic market area from which the governmental entity offerors come. In addition, disparities concerning utilization, firm size, and formation are also relevant in determining discrimination in a marketplace. It has been deemed appropriate to examine the existence of discrimination against MBE/WBEs even when these areas go beyond the geographical boundaries of the local jurisdictions. See Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 91 F.3d 586, 604 (3rd Cir. 1996).

Geographic scope was similarly addressed in H.B. Rowe, wherein the court found the defined market scope appropriate based on statistics and databases utilized by the State, as well as "project-by-project" availability consideration:

The State has also demonstrated that the Program's participation goals are related to the percentage of minority subcontractors in the relevant markets in the State. See N.C. Gen.Stat. § 136-28.4(b1). The Department has taken concrete steps to ensure that these goals accurately reflect the availability of minority-owned businesses "on a project-by-project basis." First, the Department generates a report detailing the type of work that it anticipates subcontractors will perform on a particular project. Next, a goal-setting committee consults its database of certified minority contractors in the relevant geographic

area capable of performing those types of work. Consulting the report, the database, and its own members' experience, the committee then sets a project-specific participation goal. Notably, this goal-setting process does not mechanically require minority participation; in fact, between July 2002 and February 2004, the committee set a goal of zero percent minority participation on approximately 10 percent of projects.

615 F.3d at 253.

Of note, court decisions have allowed jurisdictions to utilize evidence of discrimination from nearby public entities and from within the relevant private marketplace. Nevertheless, extra-jurisdictional evidence must still pertain to the operation of an industry within geographic boundaries of the jurisdiction. *See Tennessee Asphalt v. Farris*, 942 F.2d 969, 974 (6th Cir. 1991) (“States and lesser units of local government are limited to remedying sufficiently identified past and present discrimination within their own spheres of authority.”).

D. Requirement for a Narrowly-Tailored Remedy

Under the *Croson* framework, any race-conscious plan must be narrowly tailored to ameliorate the effects of past discrimination. *Croson's* progeny, including cases decided by the Fourth Circuit, provide significant guidance on how remedies should be narrowly tailored. “Generally, while ‘goals’ are permissible, unyielding preferential ‘quotas’ will normally doom an affirmative action plan.” *Viridi v. DeKalb County School District*, 135 Fed. Appx. 262 (2005); *see also Sherbrooke Turf*, 345 F.3d at 972 (citing *Croson*, 488 U.S. at 496).

The Fourth Circuit addressed the parameters of this requirement in *Tuttle v. Arlington County*, 195 F.3d 698:

When reviewing whether a state racial classification is narrowly tailored, we consider factors such as: (1) the efficacy of alternative race-neutral policies, (2) the planned duration of the policy, (3) the relationship between the numerical goal and the percentage of minority group members in the relevant population or work force, (4) the flexibility of the policy, including the provision of waivers if the goal cannot be met, and (5) the burden of the policy on innocent third parties.

Id. at 706 (citation omitted).

In *Croson*, the Court considered similar factors, including 1) whether the city has first considered race-neutral measures, but found them to be ineffective; 2) the basis offered for the goals selected; 3) whether the program provides for waivers; and 4) whether the program applies only to MBEs who operate in the geographic jurisdiction covered by the program. 488 U.S. at 507-08. *See also Sherbrooke Turf*, 345 F.3d at 971-72 (“Narrow tailoring does not require exhaustion of every conceivable race-neutral alternative, but it does require serious, good faith consideration of workable race-neutral alternatives.”).

More refined guideposts are provided in several post-*Croson* cases wrestling with efforts to meet the “narrowly tailored” prong – which we simply list for ease of reference:

- Relief is limited to minority groups for which there is identified discrimination;

- Remedies are limited to redressing the discrimination within the boundaries of the enacting jurisdiction;
- The goals of the programs should be flexible and provide waiver provisions;
- Race and/or gender neutral measures should be considered; and
- The program should include provisions or mechanisms for periodic review and sunset.

Applying this remedy-based analysis in H.B. Rowe, the Fourth Circuit identified several aspects of the North Carolina program (including a prior disparity study) which adequately demonstrated and insured narrow-tailoring, including limiting the program to minority or gender classifications for which discrimination could be identified, participation goals relevant to the applicable geographical market, flexibility on a project-by-project basis (including “good faith” waivers), mandatory periodic review of the program, and a sunset provision in the statute. 615 F.3d 253-57.

The court summarized its findings as follows:

The State has enacted a narrowly tailored response to this problem that addresses discrimination while respecting the virtues of the free market. Thus, unlike the City of Richmond’s unconstitutional set-aside program in Croson, North Carolina’s statutory scheme does not mandate that specific percentages of subcontracting dollars always be apportioned to minority groups or women. Rather, the statute prohibits the Department from setting project-specific participation goals “rigidly.” N.C. Gen.Stat. § 136-28.4(b1). Instead, such goals must be “consistent with availability of” minority and women subcontractors. Id.; cf. Contractors Ass’n II, 91 F.3d at 607 (finding that city’s ordinance mandating across-the-board goals for minority-and women-owned business participation, based on percentage of minorities and women in the general population, was not narrowly tailored). And if the realities of the marketplace prevent a prime contractor from meeting these project-specific goals, the State waives them on a showing of good faith efforts to solicit and consider bids from minority and women subcontractors. Only in the rarest of cases has a prime contractor failed to demonstrate good faith efforts to solicit minority or women subcontractors.

Moreover, as amended in 2006, section 136-28.4 does not authorize the Department to set project-specific participation goals unless the most recent disparity study, which must be conducted at least every 5 years, demonstrates “a strong basis in evidence of ongoing effects of past or present discrimination that prevents or limits disadvantaged [minority and women subcontractors] from participating in [state-funded transportation contracts] at a level which would have existed absent such discrimination.”

Id. at 256-57 (citations omitted).

Inherent in the above discussion is the notion that MBE/WBE Programs and remedies must maintain flexibility with regard to local conditions in the public and private sectors. Courts have suggested project-by-project goal setting and waiver provisions as means of ensuring fairness to all vendors.

Finally, “review” or “sunset” provisions are strongly suggested components for an MBE/WBE program to guarantee that remedies do not out-live their intended remedial purpose. As an example, the Fourth Circuit had little problem rejecting a challenged college scholarship program because it had no “sunset” provision.

Podberesky, 38 F.3d at 160 (“The program thus could remain in force indefinitely based on arbitrary statistics unrelated to constitutionally permissible purposes.”). As noted above, in contrast, the H.B. Rowe, court specifically cited with approval the mandatory review and sunset provisions included in the relevant North Carolina statute (§ 136-28.4). 615 F.3d at 239.

E. Conclusion

The Croson decision, handed down more than 25 years ago, continues to cast a long shadow over MBE/WBE programs and legislation. Croson certainly changed the face of remedial programs, but it merely set the standards to be applied, leaving open questions regarding the acceptable or proper methodologies for achieving such standards. There is guidance in Croson itself, to be sure, and significant refinement by the Supreme Court and the federal Circuit Courts of Appeal in its aftermath. In the Fourth U.S. Circuit Court of Appeals, in particular, the Court has spoken very clearly on this subject in H.B. Rowe. GSPC is confident that the Study which follows comports with the requirements of H.B. Rowe.

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Wygant v. Jackson Bd. of Educ., 476 U.S. 267 (1986)

U.S. Const. art. III, § 2, cl. 1

U.S. Const. amend. XIV

North Carolina General Statute § 136-28.4.

III. PURCHASING POLICIES, PRACTICES, AND PROCEDURES REVIEW

The objective of the “Purchasing Practices, Policies, and Procedures” chapter of this study is to review the stated policies and practices of the City of Greensboro (“City”) in relation to purchasing and programs to enhance inclusion of Minority, Women, and Disadvantaged owned businesses.

It is well understood that where there is policy, there is often room for interpretation and discretionary practice. These areas will be examined closely, as well, for any effect they may have on the overall ability of Minority and Woman Business Enterprises (“M/WBE”), as well as Disadvantaged Business Enterprises (“DBE”) to obtain work with the City.

A. Document Review and Personnel Interviews

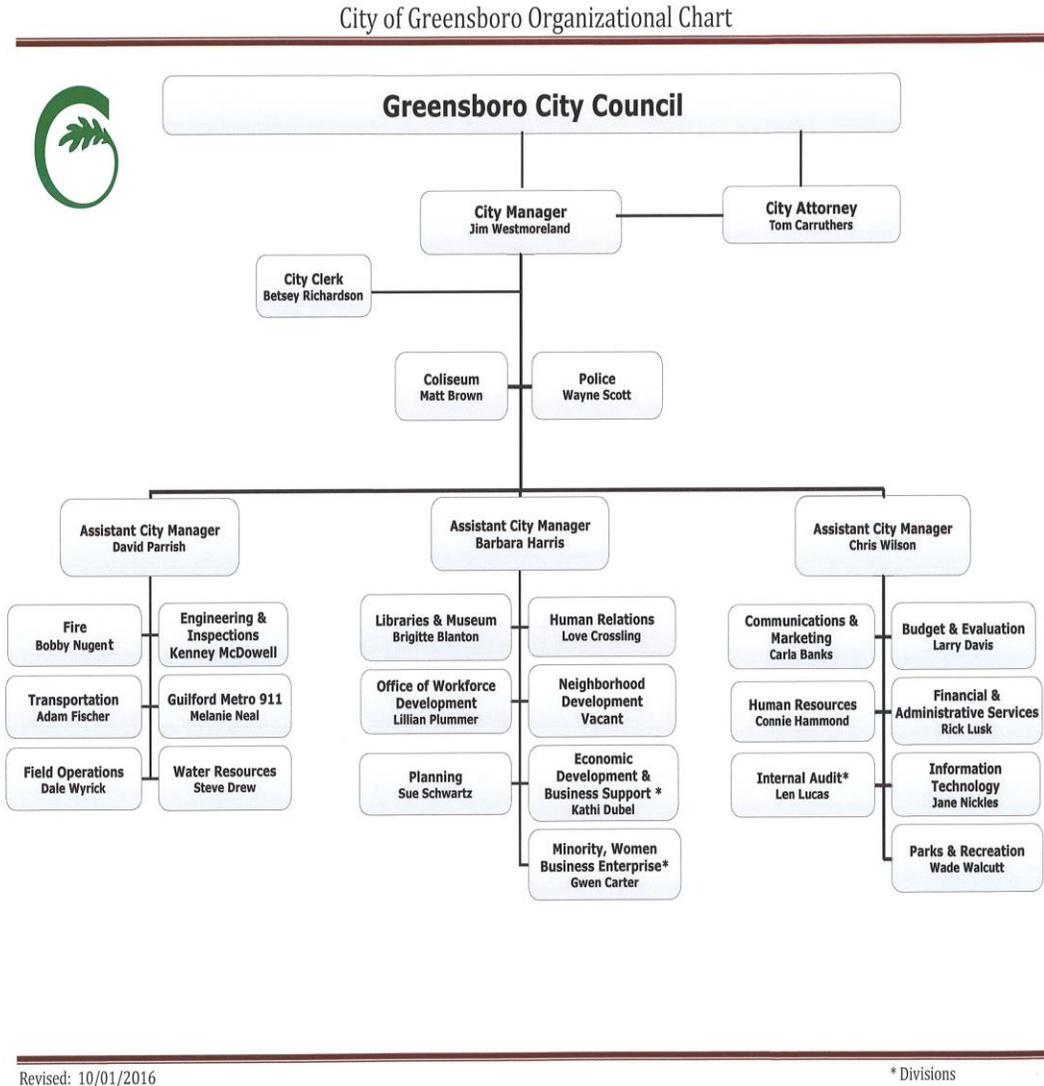
GSPC reviewed State of North Carolina (“State”) statutes, City ordinances, previous City disparity studies, past and present City M/WBE and DBE plans and recommendations, City purchasing manuals, City bid and proposal solicitations, past and present City budgets, legal memoranda, bidder communications with the City, and related documents. GSPC conducted policy interviews in the spring of 2017 with officials that engage regularly in purchasing from the following City departments:

- Engineering and Inspections
- Legal
- Economic Development
- Neighborhood Development
- M/WBE Program Office
- Finance (Purchasing & Central Contracting Divisions)
- Greensboro Department of Transportation (“GDOT”)
- Coliseum
- Field Operations
- Parks and Recreation
- Water Resources

The organization chart in the figure below shows the relationship between these departments:

Figure 1: Organizational Chart

**City of Greensboro
2018 City of Greensboro Disparity Study**



B. Overview North Carolina Local Government Purchasing

Purchases made by the City are governed by Chapter 143 of the North Carolina General Statutes, City Municipal Code, Subchapter D. - Procurement and Property Management Article 1. - Contracting, Purchasing and Property Management Procedures, and City internal policies. In October 2013, the City Council adopted a Minority/Women Business Enterprise Ordinance.⁴

State enacted local government purchasing law governs most of the City's Procurement in the areas of Purchases, Construction and repair, and qualification-based selection for architecture, engineering, surveying and construction manager at risk services. State law does not require procurement methods outside of those areas.

A Request for Proposal ("RFP") process is optional for services not covered by the qualification-based service areas. The City uses an RFP process for Professional Services and a Request for Bids (RFB) process for Other Services contracts of \$20,000 or more⁵ and has a goal of receiving three proposals for Professional Services contracts between \$1,000 and \$20,000. The City can award these contracts with one bid.

1. Formal and Informal Bid Thresholds.

The informal bid threshold for purchases and Construction and repairs is \$30,000.⁶ The formal bid threshold for purchases is \$90,000 and \$500,000 for Construction and repair. Formal bids must meet specific advertisement requirements, be submitted in sealed paper bids, and be accompanied by a bid bond.⁷ A minimum of three bids is required for all formal Construction bids.⁸ The standard for award is the lowest responsive, responsible bidder.⁹ Governing board approval is required for formal contracts for Construction and repair.¹⁰ Purchases over \$30,000 are subject to M/WBE goals.⁴

Local governments may set lower thresholds for formal bids. The City's threshold for formal bids for Construction and demolition is \$300,000 and \$90,000 for Purchases.¹¹ For Construction and demolition contracts of \$300,000 and below, the City Manager must comply with the requirements of G.S. 143-129 and G.S. 143-131 covering Construction bids.¹² The City requires at least two bids from qualified contractors for Construction or repairs contracts subject to G.S. § 143-129.¹³

⁴ Through amending Chapter 2, Article IV, Division 2, Section 2-117, of the Greensboro Code of Ordinances. Also, City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, established January 1, 2014.

⁵ City of Greensboro, Policy for Negotiating, Awarding and Executing Service Contracts Sections 5.0 and 7.0 (undated).

⁶ G.S. § 143-131(b).

⁷ G.S. § § 143-129, 131.

⁸ G.S. § 143-132.

⁹ G.S. § § 143-129, 131.

¹⁰ Id.

¹¹ City of Greensboro, Code of Ordinances, Subchapter D. – Procurement and Property Management, Article 1. – Contracting, Purchasing and Property Management, Section 4.113. – Contract Procedures.

¹² Id.

¹³ City of Greensboro, Code of Ordinances, Subchapter D. – Procurement and Property Management, Article 1. – Contracting, Purchasing and Property Management, Section 4.113. -Minimum Number of Bids for Construction Contracts.

Informal bids for Goods require electronic notification of all registered suppliers, but do not require advertisement or Commissioner approval.¹⁴ Award for informal bids is to the lowest responsive qualified supplier.¹⁵

2. Allowable Procurement Methods for Construction

Building repair and Construction projects more than \$300,000 in value can use single-prime, separate-prime, dual bidding, construction manager at risk (“CM at Risk”), design-build, design-build bridging, public private partnership, or alternative methods approved by the State Building Commission or by a local act. The City has primarily used single prime for Construction and repair and some limited CM at Risk and design-build.¹⁶

3. Purchases under \$30,000

The City uses a “quick event” electronic bidding method for purchases of Goods less than \$30,000.¹⁷ There is no set open or close date. The City also uses Procurement cards (“P-cards”) for small purchases. State law sets almost no requirements on Construction and repair purchases under \$30,000, except that such awards become part of the public record.¹⁸ There is limited soliciting of certified M/WBEs in the Greensboro E-Procurement System (GEPS), which is not integrated with the City or State HUB lists (a certified M/WBE list is provided upon request).

4. Qualification-based selection

Unless opted out of, in writing, by a local government, qualification-based selection requires a three-step process under G.S. § 143-64.31 (“Mini-Brooks Act”). First, the local government must “announce” its requirements for the services. Second, the local government must evaluate qualifications without regard to fees. Third, the local government can negotiate a “fair and reasonable” fee with the “best qualified firm.” The government can move on to the next most qualified firm if negotiations with the most qualified firm are not successful.

The Mini-Brooks Act has several important differences with the State competitive bidding statutes:

- There are no cost levels that trigger the Mini-Brooks Act.
- There is no advertisement requirement under the Mini-Brooks Act. Instead the local governments must “announce all the requirements” for the services being solicited, although “announce” is not define in the statute.
- There is no requirement for the public opening of bids, although the solicitations responses become part of the public record.

¹⁴ G.S. § § 143-129, 131.

¹⁵ Id.

¹⁶ Design-build is a single contract with both the design professional and the contractor combining the design and Construction elements of a project, and so the architect works for the contractor. In CM at Risk a Construction manager commits to deliver a project for a guaranteed maximum price based on the specifications at the time of the guarantee. In CM at Risk the architect works for the project owner.

¹⁷ City of Greensboro, Financial and Administrative Services Department, Purchasing Policies and Procedures (undated):6.

¹⁸ G.S. § § 143-129, 131, 132-1, 6.

- There is no required number of bids.

Local governments using design-build and CM at Risk must enter into these contracts using qualification-based selection.¹⁹ A local government can exempt itself from Mini-Brooks Act requirements for projects less than \$50,000.

5. On-Call Contracts

The City has made wide use of on-call contracts for Professional Services. For a Professional Services on-call contract, the City requests letters of interest and qualifications for a set of services and requirements over specific time period. For example, such a time can be for three years, with options to extend. The request may include requirements for licensing. The resulting Professional Services agreements do not address specific items of work. Once the on-call contracts are awarded, the project manager selects firms from this list for individual projects. A representative of the M/WBE Office (discussed below) sits on the evaluation panel for Professional Services on-call contracts as an advisor.²⁰

6. Greensboro Coliseum

The Greensboro Coliseum Complex is a 70-acre entertainment and sports complex located in Greensboro. As can be seen in the organizational chart, the Coliseum reports directly to the City Manager. While the Coliseum engages in many partnerships with private companies (such as sponsorship deals), Coliseum procurement is still governed by state and state purchasing law. The Coliseum, like some City departments, has its own on-call lists for Professional Services, but also uses the City Engineering Department for some procurement. M/WBE utilization on Coliseum projects is not directly reported to the M/WBE Office and is not always in the Engineering and Inspections report. However, the Coliseum does report M/WBE utilization in Construction to Engineering and Inspections.

7. Exemptions for Competitive Bidding

Contracts that are not subject to State competitive bidding rules include:

- Purchases from other units of Government- G.S. § 143-129(e)(1)
- Fuel Purchases G.S. § 143-129(e)(5)
- Sole Source- G.S. § 143-129(e)(6)
- State Contracts- G.S. § 143-129(e)(9)
- Federal Contracts- G.S. § 143-129(e)(9a)
- Used Goods- G.S. § 143-129(e)(10)
- Piggyback- G.S. § 143-129(g)
- Trade-In- G.S. § 143-129.7
- Transportation Authority Purchases- G.S. § 143-129(h)
- Nonprofit Work Centers for Blind and Severely Disabled-G.S. § 143-129.

¹⁹ G.S. § 143-64.31.

²⁰ City of Greensboro, Policy for Negotiating, Awarding and Executing Service Contracts Section 10.5 (undated). The City policy states that the M/WBE Office representative is a voting member.

- School Food Services- G.S. § 115C-264
- Change Orders- G.S. § 143-129(e)(4) Informal and formal Construction/repair Construction/repair work undertaken during the progress of a competitively bid project
- Emergency- G.S. § 143-129(e)(2) Informal and formal purchases and construction/repair
- Force Account Work- G.S. § 143-135 Construction/repair (within dollar limits)
- Guaranteed Energy Savings Contract (GESc)- G.S. §143-129(e)(8)
- Construction Management at Risk (CM at Risk) -G.S. §143-129(e)(11) Informal and formal construction and repair construction or repair projects performed by a construction manager at risk
- Solid Waste Management Facilities- G.S. § 143-129.2 Construction and operation of solid waste management facilities
- State Information Technology Services- G.S. § 143-129(e)(7) Informal and formal purchases of information technology Goods and Services Purchases made through contracts established by the State Office of Information Technology Services.
- Information Technology Goods and Services- G.S. § 143-129.8 Informal and formal purchases of information technology goods and services.

C. Bonding, Insurance, and Prompt Payment

1. Bonding Requirements

Bid bonds of 5% of the bid price are required for formal Construction and repair contracts, but not for purchase contracts.²¹ Performance and payment bonds are required for Construction and repair contracts of more than \$300,000, but are not required for purchase contracts. Performance and payment bonds are also required for contracts worth more than \$50,000 that are part of a project worth more than \$300,000.²²

City staff reports that bonding remains an issue for M/WBE contractors, including, on occasion, for subcontractors.

2. Insurance

Insurance requirements can vary somewhat by Procurement type and class of projects. The following provides an overview of City insurance requirements from a sample of City solicitations.

Typical insurance requirements for Construction:

- General Liability Insurance
 - bodily injury -- not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
 - property damage -- not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
- Auto

²¹ G.S. § 143-129(b).

²² G.S. § 44A-26.

- bodily injury -- not less than \$1,000,000 for each person and not less than \$2,000,000 each occurrence
 - property damage -- not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the annual aggregate
 - Worker's Compensation Insurance -- in accordance with statutory requirements
 - Employer's Liability Insurance -- with limits of not less than \$100,000 for each occurrence.²³
- Typical insurance requirements for Professional Services:

- General Liability Insurance
 - bodily injury -- not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
 - property damage -- not less than \$500,000 for each occurrence and not less than \$500,000 in the aggregate
- Auto
 - bodily injury and property damages -- not less than \$1,000,000 combined single limit/aggregate
- Professional Liability Insurance -- not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate
- Worker's Compensation Insurance -- in accordance with statutory requirements
- Employer's Liability Insurance -- with limits of not less than \$100,000 for each occurrence²⁴

Typical insurance requirements for General Services:

- General Liability Insurance
 - bodily injury limits -- not less than \$2,000,000 in the aggregate
 - property damage limits -- not less than \$2,00,000 in the aggregate
- Auto -- minimum limits of \$1,000,000 per occurrence combined single limit for bodily injury liability and property damage liability.
- Worker's Compensation Insurance -- in accordance with statutory requirements
- Employer's Liability Insurance -- with limits of not less than \$500,000 for each occurrence.²⁵

²³ Steve Tanger Performing Arts Center Phase I, Greensboro, NC, Project Manual, March 21, 2017:145-146.

²⁴ Request for Proposal (RFP) Vegetative Maintenance Services Associated with the Stream Corridor Reforestation Project City of Greensboro Water Resources Department March 16, 2015:16.

²⁵ City of Greensboro, Field Operations Request for Bid (RFB), Mowing of Boulevards, 2017:9.

City staff reported not hearing many vendor complaints about City insurance requirements.

3. Prompt Payment

Under State law, local governments are required to make prompt payments on public Construction contracts within 45 days of project acceptance and certification.²⁶ Governments must pay interest of 1% per month on the remaining balance to a prime contractor beginning 46 days after project completion. Prime contractors must pay interest of 1% per month on the unpaid balance to a subcontractor beginning on the eighth day after the prime has been paid.

The State prompt payment law also governs the holding of retainage on public Construction projects. As project owner, the City cannot withhold more than 5% in retainage.²⁷ There is no retainage on projects less than \$100,000 in value. Prime contractors may have a retainage policy with its subcontractors, but such retainage cannot exceed the project owner retainage on the project.²⁸

In addition, City M/WBE policy provides that primes comply with the State prompt payment law. The City further grants 20 points in its GFE policy for payment within 20 days of when M/WBE work has been accepted by the City project manager (“Quick Pay”).

City staff report that prompt payment is still an issue, but that subcontractors are reportedly afraid to report payment problems for fear that prime contractors will not work with them again. Subcontractors do not know when primes are being paid for specific items that would then allow the subcontractors to know when they should be paid. City staff also reported that some primes are holding 10% retainage on subcontractors, rather than 5%.

D. Prequalification, Licensing, and Supplier Registration

1. Prequalification

The City does not generally prequalify firms and does not maintain a prequalification list, such as the ones maintained by the North Carolina Department of Transportation (NCDOT). Under City policy, prequalification is limited to specific Construction or repair projects that are bid as single-prime, multi-prime or dual bidding methods.²⁹ Prequalification is prohibited for architectural, engineering, surveying, design-build services and the selection of CM at Risk.

The City prequalification policy also requires quarterly reports of the number of M/WBEs and Non-M/WBEs that were prequalified, the scope of work for prequalified M/WBEs and the estimated amount of M/WBE scopes of work.³⁰ The City has not completed these reports to date.

²⁶ G.S. § 143-134-1.

²⁷ G.S. § 143-134.1(b1)(1).

²⁸ G.S. § 143-134.1(b1)(3).

²⁹ City of Greensboro Policy for Prequalification of Bidders for Construction Projects (undated):1.

³⁰ City of Greensboro Policy for Prequalification of Bidders for Construction Projects (undated):2.

2. Licensing

Under State law, a licensed general contractor must oversee all projects costing more than \$30,000, unless the local government is acting as its own general contractor.³¹ There are three classifications of general contractor licenses:

- Unlimited license -- entitled to act as general contractor without single project value
- Intermediate license -- entitled to act as general contractor for any single project with a value of up to \$1,000,000
- Limited license -- entitled to act as general contractor for any single project with a value of up to 500,000.³²

3. Supplier Registration

The City has a supplier registration system. Vendors register by work category and receive email notifications of relevant solicitations. The City is not limited to procuring from vendors on the supplier registration list. A preliminary review of names on the City supplier registration list for vendor outreach and anecdotal research for this study produced some invalid vendor contact information. This could be due to vendors failing to update their information in this portal after the initial registration.

E. M/WBE Ordinance

1. State of North Carolina General Statute 143-128.2

State law imposes certain Historically Underutilized Business (“HUB”) requirements on local governments for public Construction and repair of buildings in the areas of HUB goals, GFE requirements to solicit HUBs, and reporting HUB utilization. State HUB requirements do not override competitive bidding statutes and do not allow for HUB set-asides.

For building Construction and repair projects from \$30,000 to \$500,000, local governments must solicit HUB participation, document efforts to recruit HUBs, maintain a record of HUBs solicited, and report HUB participation to the State.³³

2. City M/WBE Ordinance

The City first established its M/WBE program in 1986 that was later amended in 1990. The City adopted a new M/WBE ordinance, Ord. No. 13-132, §1, on Oct. 15, 2013, which replaced the previous M/WBE ordinance, §2-117, in its entirety. Under the 2013 M/WBE ordinance, the City Council authorizes the City Manager to adopt an M/WBE program based on the City’s 2012 Disparity Study. The City hired an

³¹ G.S. § 87-1.

³² G.S. § 87-10.

³³ G.S. § 143-131(b).

outside attorney to develop detailed recommendations, including race neutral policies.³⁴ The City modified some of the recommendations of outside counsel, which are discussed further below. The City established the new M/WBE Plan in January 2014.

F. M/WBE Certification

1. Ethnic/Gender Definition of M/WBEs

The City rules state that it,

accepts any firm that is certified by the State of North Carolina Secretary of Administration, local government entities, and other organizations identified herein that have been determined by the City Manager or his designee to have adopted Certification standards and procedures similar to those followed by the M/WBE Program, provided the prospective firm satisfies the eligibility requirements set forth in this Program Plan in Sections IV and VII. [City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section IV, Definitions, January 1, 2014.]

The State defines HUBs as follows:

- (1) Black. - A person having origins in any of the black racial groups of Africa.
- (2) Hispanic. - A person of Spanish or Portuguese culture having origins in Mexico, South or Central America, or the Caribbean islands, regardless of race.
- (3) Asian American. - A person having origins in any of the original peoples of the Far East, Southeast Asia, Asia, Indian continent, or Pacific islands.
- (4) American Indian. - A person having origins in any of the original Indian peoples of North America.
- (5) Female.
- (6) Disabled. - A person with a disability as defined in G.S. 168-1 or G.S. 168A-3.
- (7) Disadvantaged. - A person who is socially and economically disadvantaged as defined in IS U.S.C. § 637. [GS § 143-128.4. Historically underutilized business defined; statewide uniform certification.]

The City M/WBE Plan defines M/WBEs as follows:

Minority Group Members –

African Americans, Hispanic Americans, Asian Americans and Native Americans legally residing in, or that are citizens of, the United States or its territories, as defined below:

³⁴ Franklin Lee, Remedial Policy Options for City of Greensboro Small Business Enterprise and Minority Women Business Enterprise Programs, March 6, 2013.

African Americans: Persons having origins in any of the black racial groups of Africa as well as those identified as Jamaican, Trinidadian, or West Indian.

Hispanic Americans: Persons of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands regardless of race.

Asian Americans: Persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

Native Americans: Persons having no less than 1/16th percentage origin in any of the Native American Tribes of North America as recognized by the U.S. Department of the Interior, Bureau of Indian Affairs and as demonstrated by possession of personal tribal role documents.

Women Business Enterprises (WBEs) - any legal entity, except a joint venture, that is organized to engage in for-profit transactions, that is certified for purposes of this Program Plan as being at least fifty-one percent (51%) owned, managed and Controlled by one or more Nonminority Female Individuals that are lawfully residing in, or are citizens of, the United States or its territories, that is ready, willing, and able to sell goods or services that are purchased by the City and that meets the Significant Business Presence requirements as defined herein. Unless otherwise stated, the term “WBE” as used in this Program Plan is not inclusive of MBEs. [City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section IV, Definitions, January 1, 2014.]

Note that there are some differences between the State and City definitions of women and minorities. The City definition of female is clear that it means Nonminority Females. The definition of Native American differs between City and State as well. Finally, the City does not include the disabled or otherwise disadvantaged in their list of minority groups. However, since the City only accepts certification from the State’s HUB and DOT lists, the State’s definition has been accepted de facto by the City, except for Native Americans

2. Geographic Definition of M/WBE

The City M/WBE Plan accepts certified M/WBEs in the Greensboro – Winston-Salem – Highpoint geographic market area (including the counties of Guilford, Randolph, Rockingham, Alamance, Surry, Davidson, Davie, Forsyth, Stokes, and Yadkin) based on the relevant market in the City’s 2012 Disparity Study. The current relevant market is broader than the relevant market in the 2009 M/WBE Plan, which did not include Surry and Davie counties.³⁵ Nevertheless, the current geographical limitation has been criticized by some originating department staff (based on their conversations with some prime contractors) as being too narrow a pool of available firms and composed of several nearby unpopulated rural counties.

Certified M/WBEs are required to have a “significant business presence” in the relevant market, defined as a firm,

³⁵ City of Greensboro, Special Instructions to Bidders Regarding Compliance with The City of Greensboro Minority and Women Business Enterprise (M/WBE) Program, Amended December 15, 2009.

headquartered or have a significant business presence for at least one year within the Relevant Marketplace, defined as: an established place of business in one or more of the ten counties that make up the Greensboro Metropolitan Statistical Area (Greensboro MSA), and from which at least 25% of its total full-time, part-time and contract employees are regularly based, and from which a substantial role in the M/WBE's performance of a Commercially Useful Function is conducted. A location utilized solely as a post office box, mail drop or telephone message center or any combination thereof, with no other substantial work function, shall not be construed to constitute a significant business presence. [City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section IV, Definitions, January 1, 2014.]

Firms simply sign a statement that they have a “significant business presence” in the City relevant market. There is limited audit of this qualification. City staff did not report this requirement as a significant impediment to M/WBE inclusion.

3. Procurement Definition of M/WBE

The M/WBE groups that are eligible for the City M/WBE Plan were based upon disparities identified in the 2012 Disparity Study as follows:

- Construction Prime Contracting: African-Americans and Non-minority Females
- Construction Subcontracting: African Americans, Hispanic Americans, Asian Americans, Native Americans, and Nonminority Females
- Professional Services: African Americans, Hispanic Americans, Native Americans, and Nonminority Females
- Goods and Other Services: African Americans, Hispanic Americans, and Nonminority Females. [City of Greensboro, Special Instructions to Bidders Regarding Compliance with The City of Greensboro Minority and Women Business Enterprise (M/WBE) Program, Amended December 15, 2009.]

Originating department staff did report the groups excluded from the M/WBE program listed above as being a problem in program implementation. First, the exclusion again narrows the pool of firms eligible to satisfy project M/WBE goals. Second, bidders in several instances submitted names of firms from the excluded group list to satisfy project goals even though this information is provided in the pre-bid process.

The City M/WBE Plan excludes the following procurement categories for application of the M/WBE Program Plan:

- Contracts that are subject to the U.S. DOT DBE and Airport Concessions DBE Program;
- Contracts for the purchase of goods or supplies for which the City Originating Department determines there is only a sole source of supply;
- Contracts for electricity or water and sewage services from a municipal utility district or governmental agency;
- Emergency contracts for goods or supplies;
- Contracts for the City's lease or purchase of real property; and

- Personal Services grants or contracts involving the unique abilities or style of a particular individual.³⁶

4. City M/WBE Directory

In practice, the City takes the state HUB directory for the ten-county area and removes from the list firms that are out of business, do not have capacity to do business with the City, are not M/WBEs (which is possible for some HUBs), or are not located in the City relevant market (discussed above). The City M/WBE Plan calls for auditing the independence of certified firms. However, the City accepts the HUB certification without making site visits and, in practice, the State does not verify HUB independence. Some City staff feel that WBE “fronts” and brokers remain an issue, (although the City M/WBE plan does not give credit for brokers). It should be noted that the City does not have to accept HUB certification, but is now permitted to do a review of and allow additional inquiry into certified firms.

The City M/WBE Directory is not posted on the City website, but is available to any firm that requests it. Instead, the City website directs those seeking certified firms to go to the State HUB Directory and DBE directory.³⁷ During the bidding process, the City selects from the M/WBE Directory a list of M/WBEs with the capacity to do the work identified in the scope of work. This exercise is designed to save time and avoid confusion for the prime bidders. As will be shown in the review of a sample of goal submissions below, confusion has still persisted. Bidders also complained in correspondence with the City about the low response rate to solicitations of M/WBEs.

In May 2017, the City M/WBE directory had 461 firms, including 298 WBEs, 64.6% of the total number of M/WBEs in the directory. There were 449 firms in the State HUB directory in 2011 in the relevant market for the City 2009 M/WBE Plan.³⁸ Thirty-one firms in the Directory were nonprofit firms. The M/WBE Directory had bonding information for 47 firms and the number of employees for 166 firms.

G. Race Conscious M/WBE Program Elements

1. M/WBE Program Elements

The City has the following race conscious program elements in the table below. Because some of these elements, as indicated in the table, do not have current activity, the remainder of the discussion is about aspirational goals and project goals.

³⁶ City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section III, Scope of M/WBE Program, January 1, 2014.

³⁷ <http://www.greensboro-nc.gov/index.aspx?page=455>.

³⁸ MGT, Disparity Study for the Minority/Women Business Enterprise Program, 2012:3-13.

Table 1: 2014 W/WBE Program Race Conscious Elements

**By Procurement Type
City of Greensboro
City of Greensboro Disparity Study**

Construction	
Annual M/WBE Aspirational Goals	Discussed below
M/WBE Joint Venture Incentives	Used once on CMAR project
M/WBE Weighted Contract-Specific Subcontracting Goals	Discussed below
M/WBE Mentor-Protégé Program	Some use on Water Resources projects
Minority Inclusion Language in Best Value Construction RFPs	Discussed below
M/WBE Evaluation Preference (Best Value RFPs)	Used once on CMAR project
Economic Development Project M/WBE Subcontracting Goals	City has applied M/WBE goals on economic development projects
Professional Services	
Annual M/WBE Aspirational Goals	Discussed below
M/WBE Vendor Rotation	No activity
M/WBE Evaluation Preference	Some application, but limited impact on subcontracting
Goods and Other Services	
Annual M/WBE Aspirational Goals	Discussed below
M/WBE Vendor Rotation	Limited activity with Code enforcement field operations
M/WBE Evaluation Preference	Limited activity
Voluntary M/WBE Distributorship Development Program	No activity

Source: City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section VI. Industry-Specific Program Elements, January 1, 2014.]

2. Aspirational Goal Setting

The City M/WBE plan provides for setting of non-mandatory annual aspirational percentage goals each fiscal year, for overall M/WBE prime and subcontract participation. The City M/WBE plan provides that aspirational goals are to be adjusted by the goal setting committee (“GSC”) based upon relative M/WBE availability data, as measured by the City’s Centralized Bidder Registration (“CBR”) system. However, the City does not have a CBR system. The GEPS electronic supplier registration system is only for Goods and Services (limited Professional Services), but the system has M/WBE self-registration, and is not linked to the State and City HUB certification and therefore has not been used to set aspirational goals.

The current aspirational M/WBE goals set forth in the M/WBE Plan are as follows:

- Construction: 15%
- Professional Services: 11%
- Good and Services: 8%³⁹

³⁹ City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section VI. Industry-Specific Program Elements, January 1, 2014.

These goals are based on the 2012 City disparity study and have not been subsequently adjusted as recommended in the current M/WBE Program Plan. The previous City M/WBE aspirational goal was 24% for Construction, Procurement and Professional Services.⁴⁰ Each Procurement aspirational goal was broken down into: 10% African American, 2% Hispanic American, 2% Native American and 10% Nonminority Female.

3. Project Goals

In line with State law, City practices operate such that M/WBE project goals can be set on Construction projects greater than \$300,000. Projects below \$300,000 may be reviewed for goals at the request of the originating department. Project M/WBE goals are limited to 40% of project value.⁴¹ The City has also placed goals on projects financed in part with City funds, but managed by nonprofit organizations to help meet M/WBE and Section 3 goals (Section 3 is a U.S. Housing and Urban Development requirement).

The M/WBE program currently sets goals on a project-by-project basis and does not mechanically apply the M/WBE aspirational goals on every project, nor has the City set M/WBE goals on every project. However, in instances where goals are not set on projects, the City has still placed language in solicitations encouraging the use of M/WBEs as subcontractors or subconsultants.⁴² Separate goals are set for MBEs as a whole and WBEs.

Project M/WBE goals are set by the City's GSC. In setting goals, the City GSC looks to see if there are subcontracting opportunities, typically through the review of a contract pay item list of estimated costs for the project. Once opportunities are identified, the GSC looks to see if there are available M/WBEs, and/or if M/WBEs are likely to be used in the absence of project goals.

The members of the City GSC are set out below:

- Engineering Manager
- Chief Design Engineer
- Construction Project Coordinator
- Engineering Director
- Assistant City Manager
- Construction Projects Manager
- Engineering Projects Manager
- Water Resources Engineering Manager
- Water Resources Senior Manager
- M/WBE Coordinator
- Two M/WBE Specialists
- Two MBE representatives
- Originating department staff as needed

⁴⁰ City of Greensboro, Minority/Women Business Enterprise (M/WBE) Program Plan for Construction, Procurement, and Professional Services, amended December 15, 2009.

⁴¹ City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section VI.B.3. M/WBE Weighted Contract-Specific Subcontracting Goals, January 1, 2014.

⁴² See, for example, City of Greensboro Department of Engineering and Inspections Requests for Letters of Interest and Qualification, 2013.

GSPC reviewed hard copy documentation for forty submissions on twelve Construction projects between late 2015 and early 2017 provided by the City M/WBE Office. The table below shows the distribution of goals in the sample. All of the projects in this sample had M/WBE goals. The median MBE goal was 5% and median WBE goal was 6%.⁴³ No combined MBE and WBE goal exceeded 19%. For goals submitted by primes, the median MBE goal was 4% and 4.8% for WBEs. For fourteen submissions (35%), the bidder met both the MBE and WBE goals.

**Table 2: M/WBE Project Goal Setting
City of Greensboro
2015-2017
City of Greensboro Disparity Study**

Project	MBE Goal	MBE Goal Met	WBE Goal	WBE Goal Met
Stewart	9%	1.19%	10%	1.4%
Barber	8%	8.07%	7%	12.69%
Lawndale	8%	12.5%	7%	4.8%
Police	7%	11.2%	8%	9.4%
Storm	6%	6.6%	7%	7.07%
Mechanical	5%	5.49%	6%	45.5%
Budweiser	5%	15.3%	5%	5.3%
*Bryan	5%	5.49%/0%	7%	7%
Greensboro Science Center	4%	0%	4%	0%
Lindsay	4%	2.22%	4%	5.21%
McLeansville	3%	4.9%	3%	.89%
Mitchell	2%	3.5%	2%	6.18%

Source: City of Greensboro M/WBE Program Office and GFE records

*M/WBE Denied by MBE Program Office, Decision overturned on appeal

Red indicates that the goal was not met.

Blue indicates that the M/WBE utilization was reduced after the contract was awarded

⁴³ In a review of M/WBE goals in a sample of 40 projects from FY 2008 through FY 2009-10, the median M/WBE project goal was 12.4 percent. MGT, Disparity Study for the Minority/Women Business Enterprise Program, 2012:3-6.

4. Good Faith Efforts Requirements

The City applies Good Faith Efforts (“GFE”) requirements on bidders for Construction projects above \$300,000. In this GFE model, only failure to satisfy GFE, not failure to meet project goals, impacts contract award. Failure to submit GFE makes the bid nonresponsive. The requirement to include proposed M/WBEs and GFE compliance also applies to M/WBE bidders.

Under the City GFE requirements, a bidder must meet at least 50 points from the GFE below:

- Contacts (10 points)
- Making Plans Available (10 points)
- Breaking Down Work (15 points)
- Working with SBE and M/WBE Organizations (10 points)
- Attendance at Pre-Bid (10 points)
- Bonding or Insurance Assistance on Construction Contracts (20 points)
- Negotiating in Good Faith with M/WBEs (15 points)
- Financial Assistance (25 points)
- Entering into A Joint Venture (20 points)
- Quick Pay Agreements on the Construction Contract Up for Award (20 points)⁴⁴

There are two important observations about this GFE list. First, it is very similar to the State GFE list in 01 NCAC 30I.0102. Second, a bidder can comply with the City GFE requirements by satisfying the first five requirements and thus without talking to, engaging with or negotiating with M/WBEs. In fact, a prime bidder can obtain 50 points without consideration of any M/WBE firms. This feature has led to a concern amongst some City staff that the GFE requirements have been easily satisfied without using or negotiating with M/WBEs.

5. Good Faith Efforts and Bifurcated Bidding

In April 2014, the City put into place a bifurcated bidding process to strengthen the GFE requirements. Criticisms by City staff and outside legal counsel were made that the apparent low bidder could receive a waiver of M/WBE goals that other bidders had complied with, putting the other bidders at a competitive disadvantage, or the apparent low bidder could engage in bid shopping of M/WBEs.

The bifurcated bidding process (which is not required on every project) has the following steps:

- Bidders submit sealed technical proposals and M/WBE GFE package separately. Bidders do not include their technical proposal or bid price in the GFE package.
- On bid opening, GFE envelopes are opened first. No technical proposal is opened until there is a final determination made on all GFE proposals. If the M/WBE Office cannot make a final determination on the day of bid opening, the bid opening continues until a “date certain,” or to a

⁴⁴ Greensboro, Special Instructions to Bidders Regarding Compliance with The City of Greensboro Minority and Women Business Enterprise (M/WBE) Program, Effective January 1, 2014:12-3. These GFE and points are quite similar to the GFE requirements for the State of North Carolina.

“date no less than 48 hours after the City has informed the bidder/participants that a final determination had been made.”

- If the M/WBE Office has determined that a bidder/participant has met the goal or satisfied GFE requirements, then the Originating Department is instructed to open the bidder/participant’s technical bid-cost proposal.
- If the M/WBE Office has determined that a bidder/participant has not met the goal or satisfied GFE requirements, then the Originating Department is instructed to return the bidder/participants technical bid-cost proposal unopened.
- When the bid opening resumes, the remaining technical bid-cost proposals are publicly opened, and the contract awarded to the lowest responsible, responsive bidder.
- The apparent low bidder then submits executed letters of intent from M/WBE subcontractors and/or suppliers.⁴⁵

Both the bifurcated bid process and the non-bifurcated bid process allow for appeals to the City Manager. Bidders can appeal in writing to the City Manager within five days of the decision by the M/WBE office. The bidder must include reasons and supporting documents for its appeal. The decision of the City Manager is final.

The bifurcated bid process differs from previous City policy. Previously the City reviewed the GFE submissions of the low bidder. The low bidder also had the option of paying a 5% contract penalty in lieu of meeting the M/WBE goal or satisfying GFE requirements.

The bifurcated bid process has generated considerable controversy. Contractors (in communications with the City in City files) and some Procurement staff have expressed concerns about considerable delays to the bidding process and bid bonds being tied up for 60 to 90 days due to such delays

As noted above, GSPC reviewed documents on forty M/WBE project goals and GFE submissions in the bifurcated bid process from late 2015 through early 2017. There were several observations on GFE packages from this review:

- For nine submissions, the bidder did not meet the goal, but the M/WBE Office accepted the GFE submission.
- There were nine bids rejected for failing to meet the goals and the 50 points for GFE packages. Of those nine rejections, six rejections were reversed and three were upheld by the City Manager’s office.
- Some bidders resubmitted either revised goals or revised GFE following rejection of their goal submissions.
- Bidders always submitted GFE with more than 50 points, but when bidders failed GFE review, it was due to the M/WBE Office not granting points for certain components of bidders’ GFE packages.
- In some instances, bidders submitted proposals that satisfied the project M/WBE goals, but either the proposed subcontractors were not certified M/WBEs or had been misclassified as, for example, an MBE, when in fact the subcontractor was a WBE. These errors should be rectified by the primes using the City list of certified M/WBEs rather than the State HUB list.

⁴⁵ Greensboro, Special Instructions to Bidders Regarding Compliance with The City of Greensboro Minority and Women Business Enterprise (M/WBE) Program, Effective January 1, 2014.

- While the exact length of the process from solicitation to award could not be determined for all bids in the sample, in some instances the process through appeals appeared to last at least several months during the study period. The appeals process does not last that long currently.

These results suggest that for the time period of the projects reviewed above, bidders, the M/WBE Office and the City Manager's Office were not on the same page in terms of interpretation of requirements in the Special Instructions for goals and GFE submissions. This confusion led to frustration and considerable delays in the bidding process. Some bidders in communications with the City have threatened to stop bidding on City projects as a result of delays in the bifurcated bidding process. In May 2017, the City issued a guide to GFE to clarify what type of specific strategies contractors can use to submit satisfactory GFE packages.⁴⁶

The City has defended its M/WBE program from legal challenges in Guilford County Superior Court on two occasions during the study period. One was English Avenue Corp v. City of Greensboro, No. 14-CVS-10776 (GCSC December 18, 2014). The other was A. Vogt Construction v. City of Greensboro, No. 17-CVS 6689 (GCSC August 11, 2017). In Vogt the bidder submitted a bid with 0% MBE and 0% WBE participation and 115 GFE points. The M/WBE Office gave the bidder GFE submission 45 points. The bidder appealed to the City Manager, who upheld the M/WBE decision. The Guilford County Superior Court rejected the bidder request for a Temporary Restraining Order, Preliminary Injunction and Writ of Mandamus (correct an abuse of discretion) because of the evidence supporting the "Defendant's [the City's] finding that Plaintiff did not make sufficient Good Faith Efforts to meet the Defendant's M/WBE subcontracting goals."

6. On-Call Contracts

As noted previously, on-call contracts are a common method for procuring Professional Services by the City. GSPC reviewed the most recent current on-call list from contracts awarded during the Study Period. GSPC selected contracts classified by the City in the City data used for this study as on-call contracts. Of the 49 on-call contracts awarded, and identified as such in the data files, two were awarded to African American owned firms and one to a Nonminority Female owned firm, with the remaining 46 to Non-M/WBE firms. The table below shows that M/WBEs won 8.85% of the dollars from identified on-call prime contracts in Professional Services and none in construction.

7. Economic Development Policy

The City M/WBE Plan provides that when the City provides incentives for a project the City "shall require the developer to apply mandatory M/WBE subcontract participation goals to the construction portion of the project." The City practice is to apply M/WBE subcontractor participation to the amount of the City incentive, not the value of the entire project. City resolutions and City contracts have not been consistent on this issue. So, for example, in a review of eight recent economic development projects worth over \$141 million, proposed M/WBE participation was about 1 percent.⁴⁷

⁴⁶ Contractor's Guide to Making Good Faith Efforts (undated).

⁴⁷The eight (8) projects were not a sample, but were the total number of projects provided to GSPC.

H. Race Neutral Program

1. Program Elements

The City M/WBE program has several race neutral program elements as listed in the table below.

Table 3: 2014 M/WBE Program Race Neutral Elements and Policy Reforms

**City of Greensboro
City of Greensboro Disparity Study**

Commercial Nondiscrimination Policy	Discussed below
Bid-De-briefings	Bid debriefings are available for firms. The M/WBE office has focused on debriefing firms that have bid multiple times without success.
Financial Assistance	Discussed below
Technical Assistance	Discussed below
De-bundling of Contracts	Some departments did debundle some contracts
Contract Specification Review	Addressed by sending over contract specifications to the M/WBE Office.
Evaluation Panel Diversity	Addressed by having representatives of the M/WBE office sit in on and vote in selection committee deliberations.
Mentor Protégé	No formal mentor protégé program at present, but mentor protégé has been used in a few instances to satisfy M/WBE goals
Small Business Program	No formal small business program, which would require approval by the State legislature. The use of small professional service firms is encouraged (certified MBE, WBEs and DBEs are automatically small).
Centralized Bidder Registration	Supplier registration system in place (discussed above), but has not been used to set aspirational goals.
Bonding Assistance	There have been some bond waivers in Construction
Low Cost Wrap-up Insurance (OCIP)	No activity
Construction Direct Purchasing.	No activity

Source: Greensboro 2014 M/WBE Plan

2. Commercial Nondiscrimination Policy

The City M/WBE program requires that every contract and subcontract contains the following commercial nondiscrimination clause:

As a condition of entering into this agreement, the company represents and warrants that it will comply with the City's Commercial Nondiscrimination Policy, as described under Section V. A. 1. of the M/WBE Program Plan. As part of such compliance, the company shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of Subcontractors, vendors, suppliers, or commercial customers, nor shall the company retaliate against any person for reporting instances of such discrimination. The company shall provide equal opportunity for Subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the City's Relevant Marketplace. The company understands and agrees that a material violation of this clause shall be considered a material breach of this agreement and may result in termination of this agreement, disqualification of the company from participating in City contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.⁴⁸

City staff did not report any claims arising from this clause.

3. Financial Assistance

The City does not currently have a loan program or bonding program for small business.⁴⁹ For minority business loans, the City's primary partner is the Greensboro Community Development Fund ("Fund"), formerly known as the Greensboro Venture Capital Fund. The Fund provides debt financing (including subordinate debt) to M/WBEs in an underserved area of Greensboro. Loan applicants must be using business development assistance set by the Fund Loan Committee and must make an equity contribution to the business. Loan proceeds may be used for working capital, equipment purchases and real estate.

In 2014, the Fund had \$486,609 in assets and \$118,412 in outstanding loans.⁵⁰ The Fund has two staff persons. The primary source of funds is a \$150,000 matching grant from the City.

⁴⁸ City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods and Other Services, Section III, V. Non-Industry Specific Policies and Procurement Reforms, A. Commercial Nondiscrimination Policy, January 1, 2014.

⁴⁹ The City started a Target Loan Program ("TLP") in 2005 with \$1 million in funding from Community Development Block grants and local banks. The TLP made eight loans for \$1.3 million between 2005 and 2010. MGT Disparity Study for the Minority/Women Business Enterprise Program, 2012:3-17.

⁵⁰ Greensboro Community Development Fund 2015 Form 990, Guidestar Greensboro Community Development Fund Market Report.

4. Technical Assistance

The City has offered workshops on how to do business with the City. For most of its management and technical assistance, the City works with agencies located within the Nussbaum Center, including Guilford Technical College, which provides business counseling. The Nussbaum EASE program has a number of services focused on entrepreneurship, including networking, marketing help, and business plan reviews. The City has funded the Nussbaum Center and at one time met with the Center monthly. The Nussbaum Center in its first 29 years graduated 290 firms. Most of the Nussbaum Center clients are currently M/WBEs. In the most recently available data, of the Nussbaum portfolio of 54 firms, 49% were African American owned, 74% were MBEs and 50% WBEs.

I. City DBE Program

The City does not have an extensive DBE program. The City has a Department of Transportation, but the Airport is not part of the City. The City was part of the Unified Certification Plan Development Team for DBEs,⁵¹ and does have a DBE plan in conjunction with the Greensboro Transit Authority (GTA), most recently updated in August 2016. The 2016 City DBE plan proposed a triennial 2017-19 DBE goal of 5%, with 2% to be achieved by race neutral means and 3% through race conscious means.⁵² The previous City DBE plan proposed a goal of 11%, with 8% to be achieved by race neutral means and 3% through race conscious means, for 2014-16.⁵³ The GDOT Director is the DBE Liaison Officer. In FY 2015, the last year for which data was available, DBEs won three contracts for \$82,720, 2.89% of contract dollars subject to the DBE program.⁵⁴

J. M/WBE Office

1. Mission and Objectives

The M/WBE Office mission as stated in the City budget is to

provide oversight and support for the implantation of the Minority/Women Business Enterprise Program Plan through internal and external education and advocacy; facilitate business development training programs to enhance the ability of M/WBEs to effectively compete for City contracts; reports the City progress towards achieving the goals and objectives of the M/WBE Program Plan. [City of Greensboro Budget, FY 2015-16 Adopted Budget:55.]

⁵¹ Unified Certification Program Disadvantaged Business Enterprise Program (undated), which was led by NCDOT.

⁵² Policy Statement Disadvantaged Business Enterprise Program, August 2016.

⁵³ Policy Statement Disadvantaged Business Enterprise Program, January 2014.

⁵⁴ Greensboro Transit Authority (GTA) Report on DBE Goal Analysis FY 2015 and Plan to Meet Overall Goal in FY 2016 (49 CFR 26.47):2.

2. Tasks

The 2014 M/WBE Plan gave the tasks in the table below to the M/WBE Office. While the M/WBE Office staff and budget was recently reestablished and has had limited resources, most of the tasks listed below have been addressed at some level.

While it is not clear in the task list below, it is important to note that the M/WBE Office conducts limited contract compliance for the M/WBE Plan. The departments are tasked with ensuring that proposed M/WBE subcontractors are utilized and paid. City staff report that many City departments have not undertaken these contract compliance tasks. The M/WBE Office is in the process of purchasing software to manage contract compliance.

The one M/WBE Office performance measure listed in recent City budgets is for a 3% increase for M/WBE utilization within each contracting program.⁵⁵ The previous performance measures for the M/WBE Office were:

- Percentage increase of formerly certified Greensboro firms to complete HUB certification: 6.0%
- Percentage of City funded general- or sub-contracts awarded to HUB firms: 10%
- Percentage of attendees rating meetings/training sessions as effective or very effective: 70%.⁵⁶

The City no longer certifies M/WBEs, so the first performance measure is no longer relevant. The second performance measure and the current 3% performance measure is evaluated in the utilization chapter for this report. The M/WBE Office has not held enough training sessions for the third performance measure to be currently relevant.

⁵⁵ City of Greensboro, Adopted Budget FY 2015-16:56.

⁵⁶ City of Greensboro Adopted Budget, FY 2011-12:49.

**Table 4: M/WBE Office Tasks
City of Greensboro Disparity Study**

Tasks	Status
Report to the City and the public...on at least an annual basis as to the City’s progress toward satisfying the M/WBE Program purposes and policy objectives.	See Reporting M/WBE Utilization below
Formulate, establish, distribute and implement additional forms, rules and procedures for M/WBE Program.	Being undertaken
Have advance substantive input in a contract specification review process consistent with this Program Plan.	Being undertaken
Receive and analyze external and internal information, including statistical data and anecdotal testimony regarding the barriers encountered by M/WBE firms ..., and the relative effectiveness of various Program Element.	Being undertaken
Monitor and support the implementation of the M/WBE Program Plan and purpose.	Being undertaken
Provide public education and advocacy internally and externally.	Being undertaken
Conduct periodic audits of GFE documentation.	See discussion of GFE above
Provide screening of HUB firm certifications ... Also maintain and distribute accurate and up-to-date directories of firms that are certified, decertified, or graduated as M/WBE firms;	See discussion of M/WBE certification above
Provide public education and advocacy internally and externally regarding the purposes and objectives of the M/WBE Program.	Being undertaken
Convene Matchmaker Conferences	Some match making sessions for Coliseum and Water Works projects
Investigate alleged violations of this Program Plan	Investigates all reported violations
Determine Prime Contractor compliance with M/WBE Program requirements.	See discussion of GFE above
Oversee the maintenance of an accurate contract performance reporting system.	Discussed below
Provide staff support for the M/WBE Coordinating Committee, the Goal Setting Committee, and established work groups.	Being undertaken, except for updating aspirational goal setting for the Goal Setting Committee

Source: City of Greensboro, Minority/Women Business Enterprise Program Plan for Construction, Professional Services, Goods, and Other Services, Section VII. Administration of M/WBE Program, A. M/WBE Program Duties and Responsibilities, January 1, 2014.

3. Budget and Staffing

The City M/WBE office has an adopted budget of \$342,438 for FY 2016-17 as shown in the table below. There was not a budget for the City M/WBE Office for FY 2013-14. By way of comparison, the actual M/WBE Office budget was \$295,852 in FY 2008-09.⁵⁷

The City M/WBE office has a budgeted staff of 2.5 full time employees for FY 2016-17. However, the M/WBE Office has had an additional full time staff person since mid-2015, funded by another department, bringing the total staff to 3.5 full-time equivalent employees. The current M/WBE Office Coordinator has been in place since November 2014. The M/WBE Office Coordinator reports to one of three City Assistant Managers. Previously, the M/WBE Office was part of Economic Development and Business Support which reported to an Assistant City Manager.

**Table 5: M/WBE Office Budget
FY 2013-14 through FY 2017-18
City of Greensboro Disparity Study**

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Budget	Adopted	Projected
Expenditure	0	\$74,455	\$206,284	\$342,438	\$239,282
Full-Time Equivalent Positions	0	0	1.5	2.5	2.5

Source: City of Greensboro Adopted Budgets, FY 2015-16, FY 2016-17.

4. Reporting M/WBE Utilization

The City commissioned three previous disparity studies in 1992, 1997 (update of 1992 study) and 2012. The 2012 City Disparity Study reported that Greensboro spent \$10.8 million with M/WBE prime contractors and \$16.47 million with M/WBE subcontractors from FY 2006 through FY 2010 in the relevant market area.⁵⁸

The Purchasing Department and other City departments send M/WBE award data to the M/WBE Office on a quarterly basis. The M/WBE Office compiles this data but has not released an M/WBE utilization report yet. The M/WBE Office tracks awards with all certified M/WBEs, including for those groups that are not counted towards satisfying project goals (such as Hispanics in Construction prime contracting). In mid-2017, the M/WBE Office purchased software to track M/WBE utilization.

⁵⁷ City of Greensboro Adopted Budget, FY 2010-11:94.

⁵⁸ MGT, Disparity Study for the Minority/Women Business Enterprise Program, 2012:8-2 and 8-4.

5. M/WBE Coordinating Committee

There is an M/WBE Coordinating Committee, also under the City Manager's office, composed of eight M/WBE representatives. Members of the M/WBE Coordinating Committee meet monthly to review M/WBE program issues. The M/WBE Coordinating Committee was reestablished on June 27, 2015. For more information on the M/WBE Coordinating Committee, see Chapter VI (E).

K. Conclusions

The 2014 City M/WBE Plan is a program in transition with new staffing and a new set of rules. The City M/WBE plan has race conscious and race neutral elements, although not all the program components have been implemented. Some M/WBE Plan business development components have been implemented primarily through partnership and funding of external organizations. The City M/WBE Plan is also limited by the parameters of State local purchasing law which governs local procurement and local M/WBE programs.

The biggest controversies for the current City M/WBE Plan have been the bifurcated bidding process, the 50-point GFE system, and the certification definitions by geography, ethnic group and procurement type. Controversies in these areas have led to frustration on the part of bidders and City staff. The City has recently stepped up its efforts to bring more clarity to the GFE process. In addition, the use of on-call contracts may be a barrier to M/WBE participation because, once on-call firms are selected the list is closed, and there may be no additional opportunities to bid or gain awards in those areas for three to five years. The impact of these policies and controversies are evaluated further in the qualitative and anecdotal material in subsequent chapters in this report. In particular, the views of M/WBEs on the current implantation of the City M/WBE program are contained in the anecdotal chapter of this report.

Detailed recommendations about City procurement and M/WBE policy are found in the Recommendations chapter below. Those recommendations are based on the combination of the findings in this chapter with the findings in the statistical and anecdotal chapters in this report.

IV. QUANTITATIVE ANALYSIS

A. Introduction

The quantitative analysis measures and compares the availability of firms in each race/ethnicity/gender group within the City's geographical and product market areas to the utilization of each race/ethnicity/gender group, measured by the awards to these groups by the City.

Research Question: Statistical Analysis

Is there a disparity that is statistically significant between the percentage of available M/WBE firms, in the Relevant Geographic and Product Markets, and the percentage of dollars spent with M/WBE firms in those same markets during the Study Period?

The outcome of the comparison shows us whether there is a disparity between availability and utilization and whether that disparity is an overutilization, an underutilization, or in parity (the amount to be expected). Further, the disparity is tested to see if it is statistically significant. Finally, the regression analysis contained in the Chapter V Private Sector Analysis will test other explanations for the disparity to determine if it is likely that the disparity is caused by race/ethnicity/gender status, or other factors. If there is statistically significant underutilization of M/WBEs that is likely caused by race/ethnicity/gender, then GSPC will determine, as part of the findings, whether there is a basis for an inference of discrimination.

B. Data Assessment

The data assessment process was initiated with a series of meetings with representatives from the City's various departments that are involved in purchasing. The purpose of each of these meetings was to determine what data the City of Greensboro maintains, in what format, and how GSPC can obtain the data. Further, the objective was for GSPC to get a better understanding of the City's purchasing process in order to best execute the methodology that has been approved by the City. It was also important for GSPC's team to get to know procurement personnel and understand how to operate the Study in a manner least intrusive to City personnel.

GSPC's Data Assessment Report is attached hereto as Appendix B.

C. Data Setup

Following approval of the Data Assessment Report, GSPC developed and executed a Data Collection Plan and submitted data requests to the City. The Data Collection Plan set out the process for collecting manual and electronic data for statistical analyses. In addition, it included a plan for collecting data needed for the anecdotal portions of the study which included surveys, public hearings, focus groups, and interviews. GSPC's Data Collection Plan is attached hereto as Appendix C.

1. Electronic Data

Electronic data (MS Excel or other computer spreadsheets) supplied by the City and other data collected by GSPC were catalogued and stored in GSPC's computer systems subsequent to the data collection effort. The data entered were used to develop databases containing contracting history for each business type, for both prime contracting and subcontracting on behalf of the City. GSPC related all of the databases collected in order to cross-reference information among the files, including matching addresses, work categories, and M/WBE identification.

2. Manual Data Entry

Some of the City's data was not available in electronic format and had to be entered manually by data entry personnel.

D. Data Assignment, Cleanup and Verification

After the completion of data collection, the data were electronically and manually "cleaned" to find duplicates and fill in unpopulated fields. The cleanup phase also included the following five (5) tasks:

- Assigning and verifying ethnicity, race & gender of each firm;
- Assigning each firm to one or more of the four (4) business categories based upon the kind of work that the firm performs;
- Utilizing zip codes to determine certain areas to assign each firm's location;
- Matching files electronically to pick up addresses, ethnicity/race/gender, and/or work category; and
- Filling in any additional missing data on firms.

File cleanup was first done electronically by linking information provided by the City to certain indicators, like work descriptions or cross-referencing information with other files to fill in missing fields.

1. Assignment of Race/Gender/Ethnicity

To identify all other minority groups, GSPC utilized the assignments given to firms in the governmental lists from the City, the North Carolina Department of Transportation DBE list and SBE list, and the State of North Carolina HUB list. In assignment of race/gender/ethnicity, priority is given to race/ethnicity, so that all minority owned firms were categorized according to their race/ethnicity and not by gender. Women are categorized by race and gender and firms with no race/ethnicity/gender indicated and Caucasian male owned firms and publicly owned corporations are categorized as Non-M/WBE firms.

From all the governmental sources, GSPC assembled a Master M/WBE list. Where there were any inconsistencies in the race/ethnicity/gender, GSPC researched the firm and manually resolved any inconsistencies.

2. Assignment of Business Categories

To place firms in the proper business categories, GSPC used the business name, item purchased or work descriptions to assign the firms into one of the four (4) industries of Construction, Professional Services, Other Services, and Goods. Further, where other indicators were missing GSPC used certain word descriptions in firm names (e.g. ABC Construction or XYZ Mowing Services) and researched firms to determine the type of work they did. A list of assigned business categories is attached as Appendix D.

E. Data Source Description

The purpose of the Master Vendor File is to collect, in one database, a listing of all firms that are ready, willing, and able to do business with the City. It includes internal lists from the City of Greensboro as well as outside governmental lists. The Master Vendor file is a compilation of all lists of vendors used to determine availability estimates. It was also used to match and verify data in other data files, particularly to make sure that information assigned to firms for utilization calculations matched the information assigned to firms for availability calculations. This is important to make sure that GSPC is comparing like-data to like-data. The Master Vendor File contains the lists of firms from the following data sources:

1. Greensboro Data Files

- Greensboro Suppliers (Current)
- Vendors List (Current)
- Bidders (Study Period)
- Contracts (Study Period)
- Purchase Orders (Study Period)
- Subcontractors (Study Period)
- Greensboro M/WBE List (Current)

2. Outside Files

- North Carolina Department of Transportation DBE List (Current)
- North Carolina HUB List (Current)

F. Relevant Market Analysis

The now commonly-held idea that the relevant market area should encompass at least seventy-five to eighty-five percent of the "qualified" vendors that serve a particular sector has its origins in antitrust lawsuits.⁵⁹ In line with antitrust precepts, United States Supreme Court Justice Sandra Day O'Connor in Croson, specifically criticized Richmond, Virginia, for making Minority Business Enterprises (MBEs) all

⁵⁹D. Burman. "Predicate Studies: The Seattle Model," Tab E of 11-12 Minority and Women Business Programs Revisited (ABA Section of Public Contract law, Oct. 1990)

over the country eligible to participate in its set-aside programs.⁶⁰ The Court reasoned that a mere statistical disparity between the overall minority population in Richmond, Virginia, which was 50% African American, and the award of prime contracts to minority owned firms, 0.67% of which were African American owned firms, was an insufficient statistical comparison to raise an inference of discrimination. Justice O'Connor also wrote that the relevant statistical comparison is one between the percentage of Minority Business Enterprises in the marketplace [or *Relevant Market*] who were qualified to perform contracting work (including prime and subcontractors) and the percentage of total City contracting dollars awarded to minority firms. It should be noted that it is preferable, from an economic standpoint, to evaluate the largest and most exhaustive group of firms, even to 100% of all firms, but for this disparity study, GSPC utilized a benchmark of at least 75%.

The relevant market has been determined for each of the major procurement categories:

- Construction
- Professional Services
- Other Services
- Goods

For each procurement category, GSPC measured the "relevant market" by the area where at least 75% of the City's dollars were awarded during the Study Period. GSPC measured the geographic territory where awards were made by the City. Figure 1 below, summarizes the geographic area where at least 75% of prime awardees are located in each industry. In analyzing the relevant market data, GSPC tabulated the percentage of dollars awarded, beginning with the City of Greensboro. GSPC continued counting in the radius surrounding the City of Greensboro until the cumulative percentage was equal to or greater than 75%.

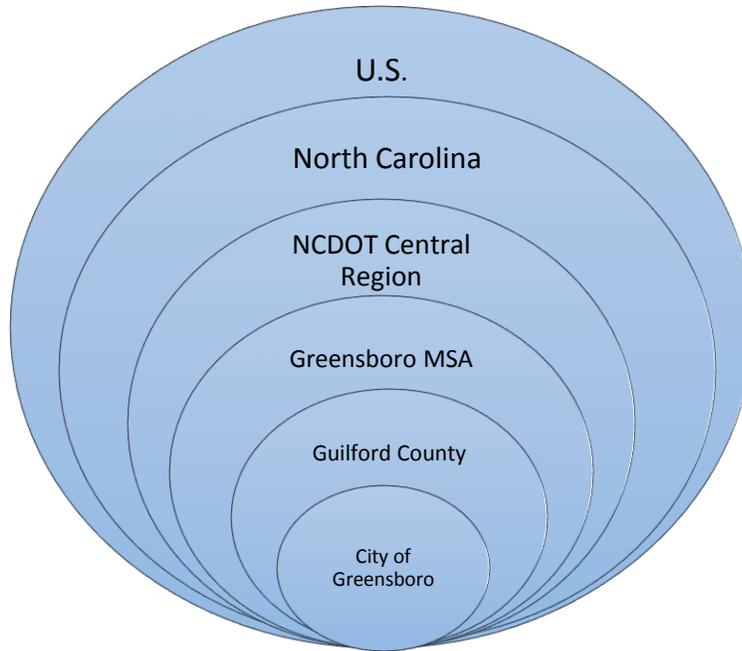
It should be noted that, in GSPC's geographical relevant market analysis, after exhausting the Greensboro CSA, in terms of where dollars are spent, and not achieving the 75%, we then looked for the next established geographically defined region (so as not to be arbitrary), which is how we selected the NC DOT Central Region.

There are some counties in the radius (including counties within the CSA) that have little or no awards, but in order to maintain a contiguous radius, those counties were also included in the relevant market. In the Seminole H.B. Rowe case, which is controlling for the City of Greensboro, the Study that withstood scrutiny determined that the Relevant Market was the entire State of North Carolina. The Court did not question whether some of the counties had little or no awards but accepted the geographic subdivision in total.

⁶⁰ City of Richmond v. J.A. Croson Company, 488 U.S. 469, 709 S. Ct. 706 (1989)

Figure 2: Levels of Measurement for Geographic Relevant Market

City of Greensboro, NC Disparity Study



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If, after counting where dollars were awarded during the Study Period, the percentage of Contracts and Purchase Orders to firms within the City of Greensboro, NC was not at least 75% of all dollars awarded, then GSPC calculated the percentages in Guilford County (but not including the zip codes in the City of Greensboro that had already been counted). If the 75% benchmark was still not met, then GSPC counted the dollars awarded in the counties in the Greensboro-Winston-Salem-High Point, NC CSA (“CSA”), which includes the counties of Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin.

If dollars received by firms doing business with the City that are located within the CSA did not reach the 75% benchmark, then GSPC began counting dollars going to firms located in the State of North Carolina (NCDOT) Central Region.⁶¹ (See Figure 2 below). The 75% benchmark was reached for all procurement categories in the NCDOT Central Region. The NCDOT Central Region is comprised of regions 5,7,8,9, which are made up of the following counties, in addition to the Greensboro CSA: Chatham, Durham, Franklin, Granville, Hoke, Lee, Moore, Orange, Person, Richmond, Rowan, Scotland, Vance, Wake, Warren (Figure 2). The previous 2010 Disparity Study differed from the current determination of the Relevant Geographic Market in that the Greensboro CSA was determined to be the relevant market.

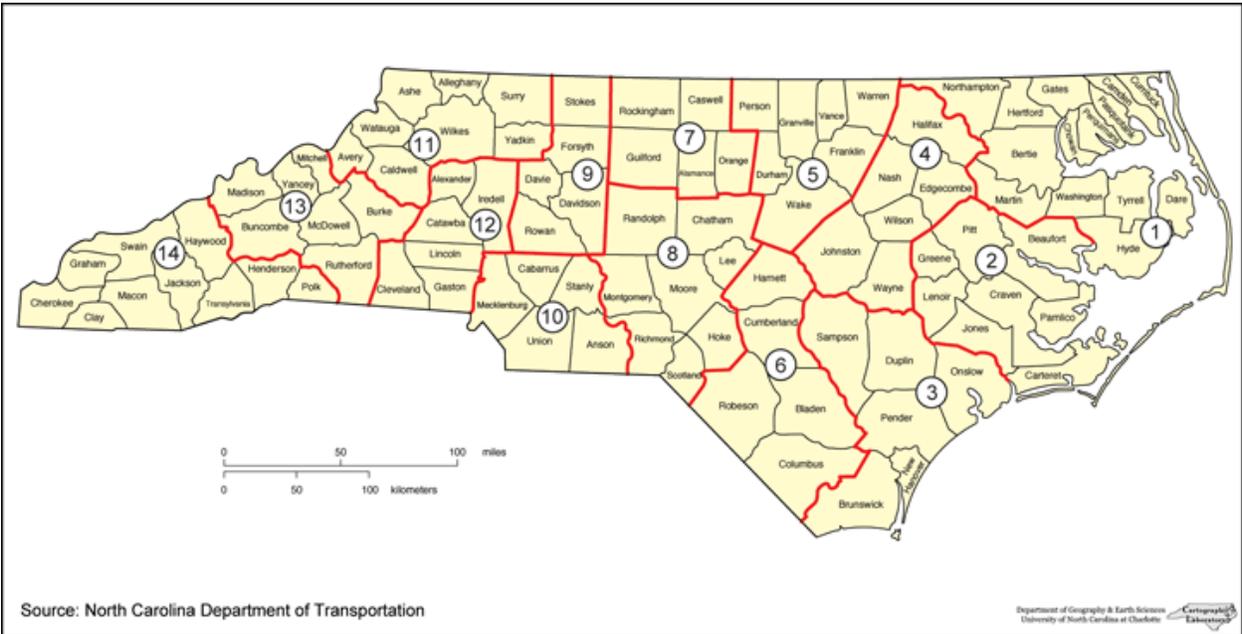
⁶¹ Using the North Carolina Department of Transportation map. See Figure 2.

In GSPC’s geographical relevant market analysis, after exhausting the Greensboro CSA, in terms of where dollars are spent, and not achieving the 75%, we then looked for the next established geographically defined region (so as not to be arbitrary), which is how we selected the NC DOT Central Region.

A complete breakdown of awards by county is included in Appendix E.

Figure 3: NCDOT Regions and Counties

City of Greensboro, NC Disparity Study



Tables 6-9 detail the dollars awarded in each level of the Geographic Relevant Market calculations by awards. It is interesting to note that in Construction, 78.17% of all the dollars awarded were awarded within the NCDOT Central Region. In Professional Services, 82.52% of the dollars were awarded with firms within the NCDOT Central Region, 81.74% in Other Services, 75.81% in Goods. Since three (3) of the four (4) work categories have the NCDOT Central Region as the relevant market and the fourth (Other Services) is less than 3% from having the NCDOT Central Region as its relevant market, GSPC determined that it is appropriate to have one consistent relevant market across all work categories as the NCDOT Central Region.

Table 6: Relevant Market Area – Construction
 (Using Prime Award Dollars, FY 2012-2016)
 City of Greensboro, NC Disparity Study

Market Area	Dollar	Percent	Cumulative Dollar	Cumulative Percent
City of Greensboro	\$ 191,384,812	50.58%	\$ 191,384,812	50.58%
Guilford County (Excluding City of Greensboro)	\$ 8,294,147	2.19%	\$ 199,678,959	52.77%
Combined Statistical Area (CSA)*	\$ 46,079,074	12.18%	\$ 245,758,033	64.94%
North Central North Carolina Counties**	\$ 50,048,189	13.23%	\$ 295,806,223	78.17%
State of North Carolina	\$ 79,714,624	21.07%	\$ 375,520,847	99.23%
United States and Canada	\$ 2,896,249	0.77%	\$ 378,417,097	100.00%
Total	\$ 378,417,097	100.00%		

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*CSA Counties: Alamance, Caswell, Davidson, Davie, Forsyth, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin.

** North Central North Carolina Counties: Alamance, Caswell, Chatham, Davie, Davidson, Durham, Forsyth, Franklin, Granville, Hoke, Lee, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Scotland, Stokes, Vance, Wake, Warren.

Table 7: Relevant Market – Professional Services
 (Using Prime Award Dollars, FY 2012-2016)
 City of Greensboro, NC Disparity Study

Market Area	Dollar	Percent	Cumulative Dollar	Cumulative Percent
City of Greensboro	\$ 49,743,632	33.93%	\$ 49,743,632	33.93%
Guilford County (Excluding City of Greensboro)	\$ 11,229,358	7.66%	\$ 60,972,991	41.59%
Combined Statistical Area (CSA)*	\$ 6,042,223	4.12%	\$ 67,015,213	45.72%
North Central North Carolina Counties**	\$ 53,945,386	36.80%	\$ 120,960,600	82.52%
State of North Carolina	\$ 19,398,064	13.23%	\$ 140,358,664	95.75%
United States and Canada	\$ 6,231,386	4.25%	\$ 146,590,050	100.00%
Total	\$ 146,590,050	100%		

Griffin & Strong, P.C. 2017

*CSA Counties: Alamance, Caswell, Davidson, Davie, Forsyth, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin.

** North Central North Carolina Counties: Alamance, Caswell, Chatham, Davie, Davidson, Durham, Forsyth, Franklin, Granville, Hoke, Lee, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Scotland, Stokes, Vance, Wake, Warren.

Table 8: Relevant Market – Other Services

(Using Prime Award Dollars, FY 2012-2016)
City of Greensboro, NC Disparity Study

Market Area	Dollar	Percent	Cumulative Dollar	Cumulative Percent
City of Greensboro	\$ 110,362,685	72.22%	\$ 110,362,685	72.22%
Guilford County (Excluding City of Greensboro)	\$ 3,318,667	2.17%	\$ 113,681,352	74.39%
Combined Statistical Area (CSA)*	\$ 7,649,433	5.01%	\$ 121,330,785	79.40%
North Central North Carolina Counties**	\$ 3,584,570	2.35%	\$ 124,915,355	81.74%
State of North Carolina	\$ 13,534,921	8.86%	\$ 138,450,276	90.60%
United States and Canada	\$ 14,365,582	9.40%	\$ 152,815,858	100.00%
Total	\$ 152,815,858	100.00%		

Griffin & Strong, P.C. 2017

*CSA Counties: Alamance, Caswell, Davidson, Davie, Forsyth, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin.

** North Central North Carolina Counties: Alamance, Caswell, Chatham, Davie, Davidson, Durham, Forsyth, Franklin, Granville, Hoke, Lee, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Scotland, Stokes, Vance, Wake, Warren.

Table 9: Relevant Market – Goods (Contracts and Purchase Orders)

(Using Prime Award Dollars, FY 2012-2016)
City of Greensboro, NC Disparity Study

Market Area	Dollar	Percent	Cumulative Dollar	Cumulative Percent
City of Greensboro	\$ 108,153,992	41.65%	\$ 108,153,992	41.65%
Guilford County (Excluding City of Greensboro)	\$ 9,105,515	3.51%	\$ 117,259,507	45.16%
Combined Statistical Area (CSA)*	\$ 31,826,118	12.26%	\$ 149,085,626	57.41%
North Central North Carolina Counties**	\$ 47,773,255	18.40%	\$ 196,858,881	75.81%
State of North Carolina	\$ 28,338,176	10.91%	\$ 225,197,056	86.72%
United States and Canada	\$ 34,479,707	13.28%	\$ 259,676,763	100.00%
Total	\$ 259,676,763	100.00%		

Griffin & Strong, P.C. 2017

*CSA Counties: Alamance, Caswell, Davidson, Davie, Forsyth, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin.

** North Central North Carolina Counties: Alamance, Caswell, Chatham, Davie, Davidson, Durham, Forsyth, Franklin, Granville, Hoke, Lee, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Scotland, Stokes, Vance, Wake, Warren.

G. Availability Analysis

1. Methodology

The methodology utilized to determine the availability of businesses for public contracting is crucial to understanding whether a disparity exists within the relevant market. Availability is a benchmark to examine whether there are any disparities between the utilization of M/WBEs and their availability in the marketplace.

Availability is the determination of the percentage of M/WBEs that are “ready, willing, and able” to provide goods or services to the City of Greensboro.

Croson and subsequent decisions give only general guidance as to how to measure availability. One common theme from the court decisions is that being qualified to perform work for a local jurisdiction is one of the key indices of an available firm. In addition, the firm must have demonstrated that it is both willing and able to perform the work.

The measures of availability utilized in this disparity study incorporate all of the criteria of availability required by Croson:

- The firm does business within an industry group from which the City of Greensboro makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with government.
- The firm is located within a relevant geographical area such that it can do business with the City of Greensboro.

For example:

Let: A = Availability Estimates

A (Asian) = Availability Estimates for Asian Business Enterprises

N (Asian) = Number of Asian Business Enterprises in the Relevant Market

N (M/WBE) = Number of Minority owned Business Enterprises

N (t) = Total number of businesses in the pool of bidders in the procurement category (for example, Construction)

Availability, (A), is a percentage and is computed by dividing the number of firms in each M/WBE group by the total number of businesses in the pool of bidders for that procurement category, N (t). For instance, availability for Asians is given by

$$A (\text{Asian}) = N (\text{Asian})/N (t)$$

and total availability for all M/WBE groups is given by

$$A (M/WBE) = N (M/WBE)/N (t).$$

Once these availability estimates were calculated, GSPC compared them to the percentage of firms utilized in the respective business categories in order to generate the disparity indices which will be discussed later in this analysis.

2. Measurement Basis for Availability

There are numerous approaches to measuring available, qualified firms. GSPC has established a methodology of measuring availability based upon demonstrated interest in doing business with governments. In determining those firms to be included in the availability pool, GSPC included the entire “Master Vendor File”.

- Greensboro Suppliers (Current)
- Bidders (Study Period)
- Contracts (Study Period)
- Purchase Orders (Study Period)
- Subcontractors (Study Period)
- Payment File (Study Period)
- North Carolina Department of Transportation DBE & SBE (Current)
- North Carolina HUB List (Current)

3. Capacity

The ability or capacity to perform the work is tested below in the Threshold Analysis. It is also tested in the Regression Analysis conducted in Chapter V below.

First, capacity is important to determine whether a separate availability estimate for primes and subcontractors is needed. GSPC performs a threshold analysis of the level of contracting done by prime contractors to determine if it is reasonable to believe that the firms in the marketplace that have at least registered to do business with governments and that are included in our availability lists, have the capacity to perform as prime contractors, or only as subcontractors. The threshold analysis shows the ladder of awards at each level and across all race/ethnicity/gender groups. GSPC also analyzed Awards under \$1,000,000 and found that, even after eliminating the largest Awards, there was still underutilization of M/WBE firms on smaller Awards.

Secondly, from the survey of business owners, we can see whether the level of contracting awarded to M/WBEs outside of contracting with the City of Greensboro indicates similar levels of contracting to those attained in City awards. If not, it may indicate a level of unutilized capacity of M/WBEs within the City’s contracting.

Finally, the regression analysis shows whether race/ethnicity/gender factors are impediments overall to the success of M/WBEs in obtaining awards in the Greensboro marketplace and whether, but for those factors, firms would have the capacity to provide goods and services on a level higher than what is presently being utilized.

a) Overall Award Thresholds to Determine Level of Contracting

In Construction, there were a total of 1,877 contracts and purchase orders for a total of \$295,806,223, over the Study Period in the Relevant Market. The average contract was \$ 158,939 with half of all contracts at \$5,213 or less. Only 57 or 3.04% of all Construction contracts were \$1M or more, but they account for 73.85% of all Construction Contracts and Purchase Orders.

Table 10: Award Thresholds-Construction

Using Contracts and Purchase Orders
City of Greensboro, NC Disparity Study

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
Under 5,000	926	49.33%	\$ 1,852,419	0.63%
5,000 to 10,000	256	13.64%	\$ 1,867,351	0.63%
10,001 to 50,000	380	20.25%	\$ 8,736,020	2.95%
50,001 to 100,000	90	4.79%	\$ 6,206,738	2.10%
100,001 to 250,000	82	4.37%	\$ 14,128,202	4.78%
250,001 to 500,000	46	2.45%	\$ 15,335,427	5.18%
500,001 to 750,000	23	1.23%	\$ 14,494,016	4.90%
750,001 to 1,000,000	17	0.91%	\$ 14,734,504	4.98%
1,000,001 to 1,500,000	12	0.64%	\$ 16,142,473	5.46%
1,500,001 to 2,000,000	14	0.75%	\$ 25,348,177	8.57%
2,000,001 to 2,500,000	7	0.37%	\$ 15,577,658	5.27%
2,500,001 to 5,000,000	15	0.80%	\$ 50,150,807	16.95%
Over 5,000,000	9	0.48%	\$ 111,232,432	37.60%
Total	1,877	100.00%	\$ 295,806,223	100.00%

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*Although the table shows all contracts awarded, the average and median were calculated after removing all Awards under \$100.

Average: \$ 158,939
Median: \$ 5,213

In Professional Services, there were a total of 2,399 contracts and purchase orders for a total of \$ 120,960,600 over the Study Period. The average contract was \$50,632 with half of all contracts at \$ 6,650 or less. Only 11 or 0.47% of all Professional Services contracts were \$1M or more, but they account for 24.89% of all Professional Services Contracts and Purchase Orders.

Table 11: Award Thresholds-Professional Services

Using Contracts and Purchase Orders
City of Greensboro, NC Disparity Study

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
Under 5,000	1,085	45.23%	\$ 2,475,917	2.05%
5,000 to 10,000	306	12.76%	\$ 2,230,308	1.84%
10,001 to 50,000	585	24.39%	\$ 14,675,688	12.13%
50,001 to 100,000	191	7.96%	\$ 13,854,200	11.45%
100,001 to 250,000	143	5.96%	\$ 23,147,260	19.14%
250,001 to 500,000	58	2.42%	\$ 19,706,520	16.29%
500,001 to 750,000	11	0.46%	\$ 6,958,779	5.75%
750,001 to 1,000,000	9	0.38%	\$ 7,808,649	6.46%
1,000,001 to 1,500,000	4	0.17%	\$ 4,618,064	3.82%
1,500,001 to 2,000,000	0	0.00%	-	0.00%
2,000,001 to 2,500,000	4	0.17%	\$ 8,957,776	7.41%
2,500,001 to 5,000,000	0	0.00%	-	0.00%
Over 5,000,000	3	0.13%	\$ 16,527,439	13.66%
Total	2,399	100.00%	\$ 120,960,600	100.00%

Griffin & Strong, P.C. 2017

*Although the table shows all contracts awarded, the average and median were calculated after removing all Awards under \$100.

Average: \$ 50,632
Median: \$ 6,650

In Other Services, there were a total of 3,259 contracts and purchase orders for a total of \$124,915,355 over the Study Period. The average contract was \$ 39,680 with half of all contracts at \$ 2,798 or less. Only 15 or 0.45% of all Other Professional Services contracts were \$1M or more, but they account for 47.45% of all Other Professional Services Contracts and Purchase Orders.

Table 12: Award Thresholds-Other Services

Using Contracts and Purchase Orders
City of Greensboro, NC Disparity Study

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
Under 5,000	2,121	65.08%	\$ 3,679,435	2.95%
5,000 to 10,000	374	11.48%	\$ 2,606,035	2.09%
10,001 to 50,000	523	16.05%	\$ 12,319,958	9.86%
50,001 to 100,000	108	3.31%	\$ 8,262,413	6.61%
100,001 to 250,000	62	1.90%	\$ 9,632,665	7.71%
250,001 to 500,000	31	0.95%	\$ 11,382,139	9.11%
500,001 to 750,000	14	0.43%	\$ 8,127,466	6.51%
750,001 to 1,000,000	11	0.34%	\$ 9,645,047	7.72%
1,000,001 to 1,500,000	3	0.09%	\$ 3,967,625	3.18%
1,500,001 to 2,000,000	2	0.06%	\$ 3,342,492	2.68%
2,000,001 to 2,500,000	1	0.03%	\$ 2,500,000	2.00%
2,500,001 to 5,000,000	5	0.15%	\$ 20,932,659	16.76%
Over 5,000,000	4	0.12%	\$ 28,517,421	22.83%
Total	3,259	100.00%	\$ 124,915,355	100.00%

Griffin & Strong, P.C. 2017

*Although the table shows all contracts awarded, the average and median were calculated after removing all Awards under \$100.

Average: \$ 39,680
Median: \$ 2,798

In Goods, there were a total of 15,593 contracts and purchase orders for a total of \$196,858,880 over the Study Period. The average contract was \$13,023 with half of all contracts at \$2,035 or less. Only 17 or 0.11% of all Goods contracts were \$1M or more, but they account for 27.52% of all Contracts and Purchase Orders in Goods.

Table 13: Award Thresholds-Goods

Using Contracts and Purchase Orders
City of Greensboro, NC Disparity Study

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
Under 5,000	11,643	74.67%	\$ 18,789,587	9.54%
5,000 to 10,000	1,673	10.73%	\$ 11,525,463	5.85%
10,001 to 50,000	1,734	11.12%	\$ 38,076,158	19.34%
50,001 to 100,000	321	2.06%	\$ 22,345,112	11.35%
100,001 to 250,000	140	0.90%	\$ 21,743,835	11.05%
250,001 to 500,000	40	0.26%	\$ 13,268,143	6.74%
500,001 to 750,000	19	0.12%	\$ 11,626,217	5.91%
750,001 to 1,000,000	6	0.04%	\$ 5,295,105	2.69%
1,000,001 to 1,500,000	8	0.05%	\$ 10,890,344	5.53%
1,500,001 to 2,000,000	2	0.01%	\$ 3,769,463	1.91%
2,000,001 to 2,500,000	1	0.01%	\$ 2,400,142	1.22%
2,500,001 to 5,000,000	3	0.02%	\$ 8,371,131	4.25%
Over 5,000,000	3	0.02%	\$ 28,758,179	14.61%
Total	15,593	100.00%	\$ 196,858,880	100.00%

Griffin & Strong, P.C. 2017

*Although the table shows all contracts awarded, the average and median were calculated after removing all Awards under \$100.

Average: \$13,023
Median: \$2,035

Overall, there were 23,128 awards made by the City of Greensboro from FY2012-FY2016 totaling \$738,541,058. The average dollar amount awarded was \$32,805; however, half of all contracts were \$2,563 or under. Only 100 of all contracts, or 0.44% were over \$1M, but they accounted for 49.02% of all contracting dollars.

Table 14: Award Thresholds-All Work Categories

Using Contracts and Purchase Orders
 All Procurement Categories in Relevant Market Area
 City of Greensboro, NC Disparity Study

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
Under 5,000	15,775	68.21%	\$ 26,797,357	3.63%
5,000 to 10,000	2,609	11.28%	\$ 18,229,158	2.47%
10,001 to 50,000	3,222	13.93%	\$ 73,807,824	9.99%
50,001 to 100,000	710	3.07%	\$ 50,668,462	6.86%
100,001 to 250,000	427	1.85%	\$ 68,651,961	9.30%
250,001 to 500,000	175	0.76%	\$ 59,692,229	8.08%
500,001 to 750,000	67	0.29%	\$ 41,206,478	5.58%
750,001 to 1,000,000	43	0.19%	\$ 37,483,305	5.08%
1,000,001 to 1,500,000	27	0.12%	\$ 35,618,506	4.82%
1,500,001 to 2,000,000	18	0.08%	\$ 32,460,132	4.40%
2,000,001 to 2,500,000	13	0.06%	\$ 29,435,577	3.99%
2,500,001 to 5,000,000	23	0.10%	\$ 79,454,597	10.76%
Over 5,000,000	19	0.08%	\$ 185,035,471	25.05%
Total	23,128	100.00%	\$ 738,541,058	100.00%

Griffin & Strong, P.C. 2017

*Although the table shows all contracts awarded, the average and median were calculated after removing all Awards under \$100.

Average: \$32,805
Median: \$2,563

Since 96.49% of the City’s prime awards were under \$100,000, and 99.09% are under \$500,000, GSPC determined that all firms, including those that have only provided services as subcontractors, have the capacity to perform as prime contractors on the majority of City awards. There is no need to separate the availability estimates between prime contractors and subcontractors, as all can perform as both prime

contractors and subcontractors. Notwithstanding this determination, GSPC does not suggest that all firms have the capacity to perform on all contracts. However, even in its disparity analysis of contracts under \$1,000,000, GSPC found statistically significant underutilization of M/WBE firms. Other issues of capacity are controlled for in the regression analysis in Chapter V. There we found that even when we controlled for numerous factors like size of firm, education of owner, number of employees, etc. there was still a statistically significant disparity in the utilization of M/WBE firms.

b) *City Award Thresholds by Race/Ethnicity/Gender*

GSPC measured the highest level of contracting awarded by the City to each race/ethnicity/gender group and then compared that to the percentage of each M/WBE group that responded with gross revenues higher than those awarded by the City. The revenues include both public and private contracting by the respondents. Hispanic American owned firms and Native American owned firms both have 87.5% more revenue than the contract awarded; Asian American owned firms have 60.0% unutilized capacity; Women owned firms have 32.3% more revenue than the contract awarded; and African American owned businesses have 26.8% more revenue than the contract awarded. This means that that percentage of firms could have performed in contracts higher than those awarded to that race/ethnicity/gender group.

Table 15: Highest Awards by M/WBE Status compared to Survey Responses

(from \$5,000 and over award data and
Question 11 responses from Survey of Business Owners)
City of Greensboro, NC Disparity Study

Race/Ethnicity	Highest Award	% Surveyed with Revenues in Excess of the Highest Award (Unutilized capacity) ⁶²
African American	\$344,000	26.8%
Asian American	\$133,025	60.0%
Hispanic American	\$145,000	87.5%
Native American	\$118,707	87.5%
Nonminority Female	\$1,999,710	32.3%
Non-M/WBE	\$ 28,725,090	22.5%

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⁶² Reflects an “at least” percentage

Table 16: Gross Revenues of Firms for 2016 by Race/Ethnicity/Gender

From the GSPC Survey of Business Owners
City of Greensboro, NC Disparity Study

Which of the following categories best approximates your company's gross revenues for calendar year 2016? Your best estimate will suffice.	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
\$100,000 or less	10 7 %	12 12.9 %	44 45.4 %	1 20 %	3 30 %	0 0 %	2 33.3 %	0 0 %	72 19 %
\$100,001 - \$250,000	5 3.5 %	16 17.2 %	15 15.5 %	1 20 %	0 0 %	1 12.5 %	1 16.7 %	0 0 %	39 10.3 %
\$250,001 - \$500,000	12 8.5 %	10 10.8 %	11 11.3 %	0 0 %	0 0 %	2 25 %	0 0 %	1 5.6 %	36 9.5 %
\$500,001 - \$750,000	9 6.3 %	4 4.3 %	6 6.2 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 5.6 %	21 5.5 %
\$750,001 - \$1,000,000	6 4.2 %	8 8.6 %	5 5.2 %	1 20 %	0 0 %	0 0 %	1 16.7 %	0 0 %	21 5.5 %
\$1,000,001 - \$1,320,000	6 4.2 %	5 5.4 %	1 1 %	0 0 %	1 10 %	1 12.5 %	1 16.7 %	1 5.6 %	16 4.2 %
\$1,320,001 - \$1,500,000	4 2.8 %	1 1.1 %	1 1 %	0 0 %	1 10 %	0 0 %	0 0 %	0 0 %	7 1.8 %
\$1,500,001 - \$5,000,000	23 16.2 %	22 23.7 %	7 7.2 %	1 20 %	4 40 %	0 0 %	0 0 %	3 16.7 %	60 15.8 %
\$5,000,001 - \$10,000,000	19 13.4 %	8 8.6 %	2 2.1 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5.6 %	30 7.9 %
Over \$10 million	32 22.5 %	3 3.2 %	4 4.1 %	1 20 %	0 0 %	3 37.5 %	0 0 %	8 44.4 %	51 13.5 %

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In addition to the foregoing unutilized capacity, the Private Sector Analysis found in Chapter V of this report determined that M/WBEs had underutilized capacity. For all the reasons set forth in the section, GSPC determined that M/WBE capacity is sufficient to bid and be awarded the substantial majority of contracts as primes from the City of Greensboro. This data provides evidence for the use of similar availability estimates for prime and total utilization (prime plus subcontractor utilization). However, additional analyses are presented. Disparity based on bidder availability for construction and Professional Services is presented in Appendix F. Disparity based on contracts of \$1 million or less are presented in Appendix G. A regression analysis controlling for a host of capacity factors is located in Chapter V.

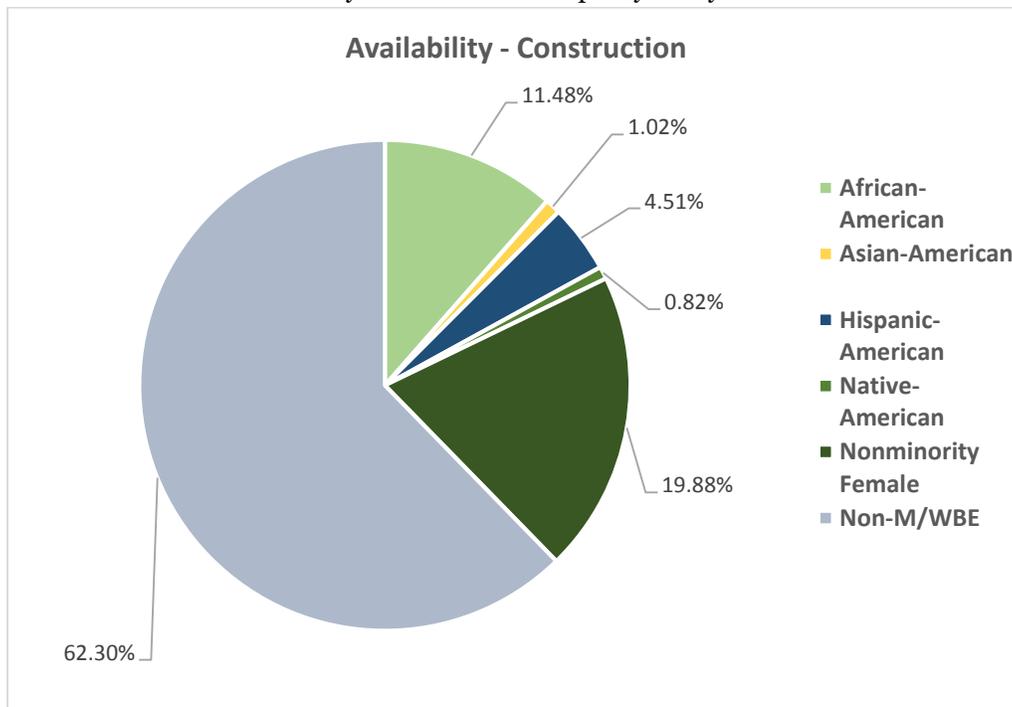
4. Availability Estimates

Below are the Availability Estimates for the Study. The data is separated into the four (4) major business categories: Construction, Professional Services, Other Services, and Goods. Figures 3-7 show the number of firms by race/gender/ethnicity as compared with the total number of firms. All availability (not broken down by work category) is contained in Appendix H.

The availability analyzed from the Master Vendor File includes all unique vendors in each work category.⁶³ The Greensboro availability in Figure 3 below shows that, in Construction, African American owned firms make up 11.48% of all construction firms, Nonminority Female owned firms make up 19.88%. Asian American owned firms are 1.02%, and Hispanic American and Native American owned firms have availability of 4.51% and 0.82%, respectively, in Construction within the Relevant Market. In total, M/WBEs account for 37.70% of all available firms in Construction.

Figure 3: Availability Estimates – Construction

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study



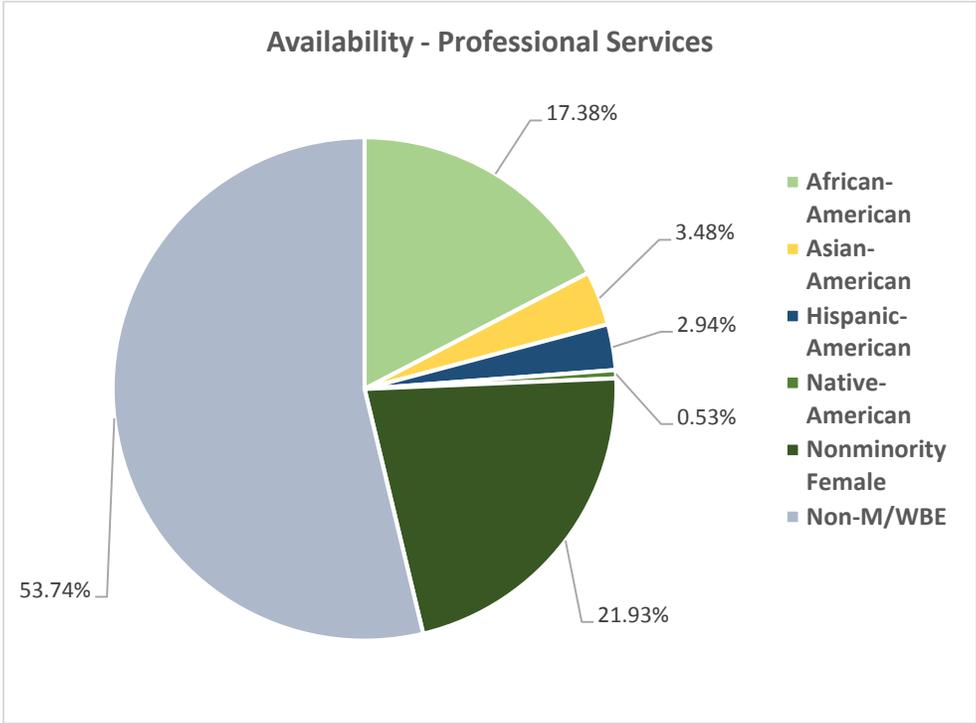
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⁶³ Firms can count in more than one business category if they perform services in each category, but can only be counted once in each business category.

In Professional Services, availability in Figure 4 indicates that Non-M/WBE owned firms make up 53.74% of all available firms and M/WBEs are 46.26%. African American owned firms represent 17.38% of all Professional Services firms and Nonminority Female owned firms make up 21.93% of all available Professional Services firms. Asian American owned Professional Services firms account for 3.48%. Hispanic American owned firms have 2.94% and Native American owned firms have .53% availability in this category.

Figure 4: Availability Estimates-Professional Services

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

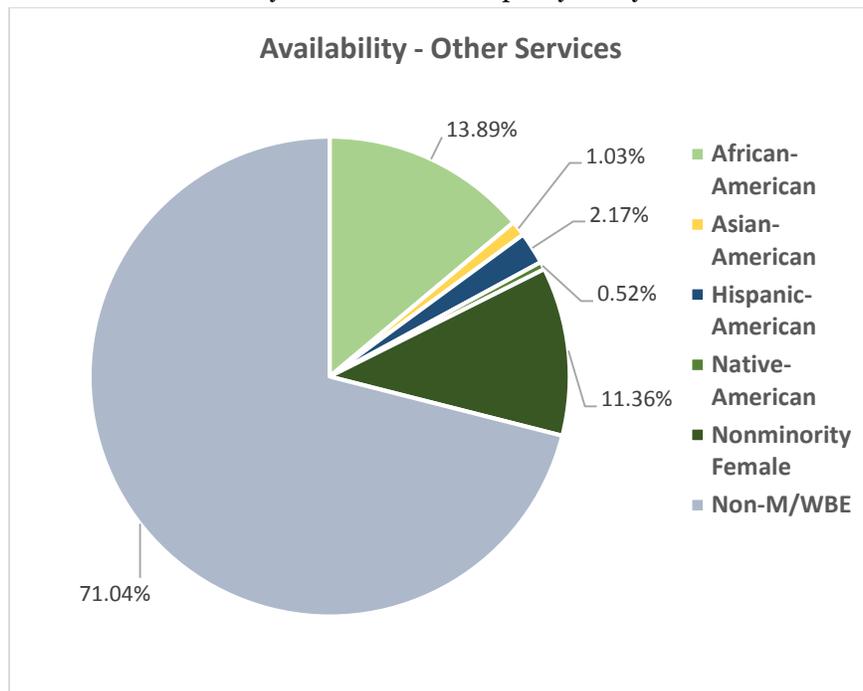


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As set out in the availability Figure 5, African American owned firms make up 13.89% of Other Services firms and Nonminority Female owned firms make up 11.36%. Non-M/WBE owned firms account for 71.04%, while Asian American owned firms are 1.03%. Hispanic American owned firms are 2.17% and Native American owned firms have 0.52% availability in this category. M/WBEs are 28.96% of all available firms in Other Professional Services.

Figure 5: Availability Estimate - Other Services

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

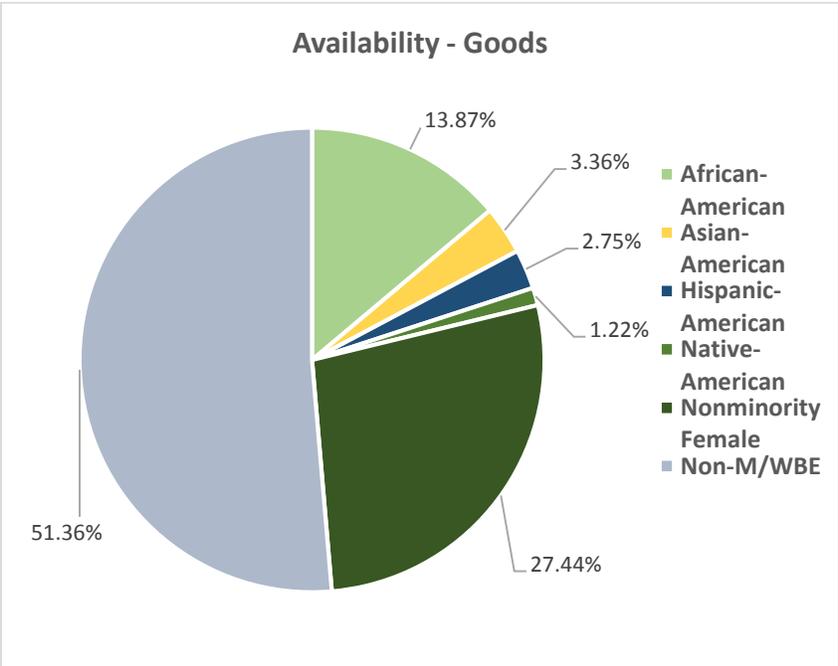


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Goods availabilities are reflected in Figure 6 so that businesses owned by African Americans make up 13.87% and Women owned 27.44% of the firms. Non-M/WBEs account for 51.36% of all availability, while Asian American owned firms have 3.36%. Hispanic American owned firms have 2.75% and Native American owned firms have 1.22% availability in this category. M/WBEs total 48.64% of all available firms in Goods.

Figure 6: Availability Estimates - Goods

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study



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H. Utilization Analysis

1. Prime Utilization

The relevant award history for the City has been recorded based upon the purchase order and contracts database provided by the City. In the Prime Utilization tables below, the dollars and percentage of dollars awarded in each of the four (4) major procurement categories have been broken out by race/ethnicity and gender for each year of the Study Period. The total of each race/ethnicity/gender group represented in the M/WBE category will, when added to

***PRIME UTILIZATION** is the percentage of actual payments made directly by the City during the Study Period to M/WBEs in comparison to all actual payments made directly to all vendors by the City during the Study Period.*

the Non-M/WBE Category, equal the Total Column.

As indicated in Tables 17 and 18, twenty-five M/WBEs (15 MBEs and 10 Women businesses) received contracts in Construction during the five years of this study. A total of fifteen (15) MBEs received \$3,215,339 during the Study Period with an average to each firm of \$214,356, while ten (10) Nonminority Female owned firms were awarded a total of \$15,015,933 with an average to each firm of \$1,501,593. One-hundred sixty-six (166) Non-M/WBE firms were awarded \$277,574,951 with an average to each firm of \$1,672,138. M/WBEs received 6.16% of the total Construction awarded dollars.

Table 17: Prime Utilization – Construction by Number of Firms

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	6	6.59%	0	0.00%	0	0.00%	0	0.00%	6	6.59%	7	7.69%	13	14.29%	78	85.71%	91	20.36%
2013	9	10.23%	0	0.00%	0	0.00%	0	0.00%	9	10.23%	8	9.09%	17	19.32%	71	80.68%	88	19.69%
2014	6	6.67%	0	0.00%	0	0.00%	0	0.00%	6	6.67%	8	8.89%	14	15.56%	76	84.44%	90	20.13%
2015	4	4.40%	0	0.00%	1	1.10%	1	1.10%	6	6.59%	6	6.59%	12	13.19%	79	86.81%	91	20.36%
2016	7	8.05%	0	0.00%	0	0.00%	0	0.00%	7	8.05%	8	9.20%	15	17.24%	72	82.76%	87	19.46%
Total 2012-2016	32	7.16%	0	0.00%	1	0.22%	1	0.22%	34	7.61%	37	8.28%	71	15.88%	376	84.12%	447	100.00%
Total Unique Number of Businesses (FY 2012-2016)*	13	6.81%	0	0.00%	1	0.52%	1	0.52%	15	7.85%	10	5.24%	25	13.09%	166	86.91%	191	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

Table 18: Prime Utilization – Construction by Dollars

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 188,806	\$ 1,243,293	\$ 746,228	\$ 736,858	\$ 270,152	\$ 3,185,339
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 188,806	\$ 1,243,293	\$ 746,228	\$ 766,858	\$ 270,152	\$ 3,215,339
Nonminority Female	\$ 5,717,353	\$ 2,072,514	\$ 4,080,229	\$ 2,341,490	\$ 804,346	\$ 15,015,933
TOTAL M/WBE	\$ 5,906,160	\$ 3,315,808	\$ 4,826,457	\$ 3,108,348	\$ 1,074,498	\$ 18,231,271
TOTAL NON-M/WBE	\$ 39,829,833	\$ 58,338,847	\$ 51,046,676	\$ 63,393,736	\$ 64,965,860	\$ 277,574,951
TOTAL FIRMS	\$ 45,735,992	\$ 61,654,655	\$ 55,873,133	\$ 66,502,084	\$ 66,040,358	\$ 295,806,223
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.41%	2.02%	1.34%	1.11%	0.41%	1.08%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.05%	0.00%	0.01%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.41%	2.02%	1.34%	1.15%	0.41%	1.09%
Nonminority Female	12.50%	3.36%	7.30%	3.52%	1.22%	5.08%
TOTAL M/WBE	12.91%	5.38%	8.64%	4.67%	1.63%	6.16%
TOTAL NON-M/WBE	87.09%	94.62%	91.36%	95.33%	98.37%	93.84%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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CITY OF GREENSBORO 2018 DISPARITY STUDY

As shown in Tables 19 and 20, in Professional Services there were eleven (11) MBEs that shared a total amount of \$3,136,502 which was 2.59% of the total Professional Services awarded dollars. Ten (10) Nonminority Female owned firms were awarded 2.95% or \$3,569,737 of the total Professional Services dollars, which was the highest percentage of dollars awarded to M/WBEs. The average paid to M/WBE firms was \$356,974 compared to \$391,282 to Non-M/WBE firms.

Table 19: Prime Utilization – Professional Services by Number of Firms

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	2	1.56%	1	0.78%	1	0.78%	0	0.00%	4	3.13%	5	3.91%	9	7.03%	119	92.97%	128	18.58%
2013	2	1.43%	2	1.43%	0	0.00%	0	0.00%	4	2.86%	6	4.29%	10	7.14%	130	92.86%	140	20.32%
2014	4	2.80%	2	1.40%	0	0.00%	0	0.00%	6	4.20%	6	4.20%	12	8.39%	131	91.61%	143	20.75%
2015	3	2.03%	2	1.35%	1	0.68%	0	0.00%	6	4.05%	7	4.73%	13	8.78%	135	91.22%	148	21.48%
2016	3	2.31%	1	0.77%	2	1.54%	0	0.00%	6	4.62%	5	3.85%	11	8.46%	119	91.54%	130	18.87%
Total 2012-2016	14	2.03%	8	1.16%	4	0.58%	0	0.00%	26	3.77%	29	4.21%	55	7.98%	634	92.02%	689	100.00%
Total Unique Number of Businesses*	7	2.40%	2	0.68%	2	0.68%	0	0.00%	11	3.77%	10	3.42%	21	7.19%	271	92.81%	292	100.00%

Griffin & Strong, P.C. 2017

* Total unique number represents the number of unduplicated firms during the Study Period.

Table 20: Prime Utilization – Professional Services by Dollars

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 234,886	\$ 224,956	\$ 184,535	\$ 1,180,295	\$ 718,355	\$ 2,543,027
Asian American	\$ 49,700	\$ 213,810	\$ 92,000	\$ 198,840	\$ 39,125	\$ 593,475
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 284,586	\$ 438,766	\$ 276,535	\$ 1,379,135	\$ 757,480	\$ 3,136,502
Nonminority Female	\$ 419,663	\$ 112,094	\$ 301,171	\$ 1,233,274	\$ 1,503,536	\$ 3,569,737
TOTAL M/WBE	\$ 704,250	\$ 550,860	\$ 577,705	\$ 2,612,409	\$ 2,261,016	\$ 6,706,239
TOTAL NON-M/WBE	\$ 14,256,915	\$ 24,757,820	\$ 19,177,927	\$ 21,697,273	\$ 34,364,426	\$ 114,254,361
TOTAL FIRMS	\$ 14,961,165	\$ 25,308,680	\$ 19,755,632	\$ 24,309,681	\$ 36,625,442	\$ 120,960,600
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.57%	0.89%	0.93%	4.86%	1.96%	2.10%
Asian American	0.33%	0.84%	0.47%	0.82%	0.11%	0.49%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	1.90%	1.73%	1.40%	5.67%	2.07%	2.59%
Nonminority Female	2.81%	0.44%	1.52%	5.07%	4.11%	2.95%
TOTAL M/WBE	4.71%	2.18%	2.92%	10.75%	6.17%	5.54%
TOTAL NON-M/WBE	95.29%	97.82%	97.08%	89.25%	93.83%	94.46%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As indicated in Tables 21 and 22, fifteen (15) African American owned firms represented 1.83% of all firms to be awarded dollars in Other Services. Fourteen (14) women owned firms were paid \$1,604,810, representing 1.71%. The average dollars paid to M/WBE firms was \$114,629 compared to \$147,217 to Non-M/WBE firms in Other Services, the one procurement category in which M/WBEs receiving higher average contract awards.

Table 21 Prime Utilization – Other Services by Number of Firms

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	3	0.92%	0	0.00%	1	0.31%	0	0.00%	4	1.23%	7	2.15%	11	3.37%	315	96.63%	326	19.61%
2013	2	0.50%	0	0.00%	1	0.25%	1	0.25%	4	1.00%	9	2.25%	13	3.25%	387	96.75%	400	24.07%
2014	11	4.45%	0	0.00%	1	0.40%	0	0.00%	12	4.86%	8	3.24%	20	8.10%	227	91.90%	247	14.86%
2015	9	2.62%	0	0.00%	1	0.29%	1	0.29%	11	3.21%	8	2.33%	19	5.54%	324	94.46%	343	20.64%
2016	9	2.60%	0	0.00%	1	0.29%	1	0.29%	11	3.18%	6	1.73%	17	4.91%	329	95.09%	346	20.82%
Total 2012-2016	34	2.05%	0	0.00%	5	0.30%	3	0.18%	42	2.53%	38	2.29%	80	4.81%	1582	95.19%	1662	100.00%
Total Unique Number of Businesses*	15	1.83%	0	0.00%	1	0.12%	2	0.24%	18	2.20%	14	1.71%	32	3.91%	786	96.09%	818	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

Table 22: Prime Utilization – Other Services by Dollars

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 509,999	\$ 602,056	\$ 1,778,455	\$ 1,658,784	\$ 2,492,910	\$ 7,042,206
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ 50,481	\$ 145,502	\$ 50,000	\$ 145,500	\$ 158,000	\$ 549,483
Native American	\$ -	\$ -	\$ -	\$ -	\$ 5,692	\$ 5,692
TOTAL MINORITY	\$ 560,480	\$ 747,558	\$ 1,828,455	\$ 1,804,284	\$ 2,656,602	\$ 7,597,380
Nonminority Female	\$ 634,443	\$ 240,306	\$ 127,608	\$ 145,728	\$ 456,724	\$ 1,604,810
TOTAL M/WBE	\$ 1,194,923	\$ 987,865	\$ 1,956,063	\$ 1,950,013	\$ 3,113,326	\$ 9,202,190
TOTAL NON-M/WBE	\$ 18,869,337	\$ 39,955,160	\$ 9,556,481	\$ 28,220,972	\$ 19,111,216	\$ 115,713,165
TOTAL FIRMS	\$ 20,064,260	\$ 40,943,024	\$ 11,512,544	\$ 30,170,984	\$ 22,224,542	\$ 124,915,355
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.54%	1.47%	15.45%	5.50%	11.22%	5.64%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.25%	0.36%	0.43%	0.48%	0.71%	0.44%
Native American	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%
TOTAL MINORITY	2.79%	1.83%	15.88%	5.98%	11.95%	6.08%
Nonminority Female	3.16%	0.59%	1.11%	0.48%	2.06%	1.28%
TOTAL M/WBE	5.96%	2.41%	16.99%	6.46%	14.01%	7.37%
TOTAL NON-M/WBE	94.04%	97.59%	83.01%	93.54%	85.99%	92.63%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As indicated in Tables 23 and 24, twenty-eight (28) M/WBEs represented 1.73% of all firms to be awarded dollars in Goods, averaging \$82,669 per firm. In comparison, 1,616 Non-M/WBE firms represented 98.82% of awards to all firms in Goods, averaging \$120,386 per firm.

Table 23: Prime Utilization – Goods by Number of Firms

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	2	0.79%	1	0.13%	0	0.00%	0	0.00%	7	0.93%	7	0.93%	14	1.85%	742	98.15%	756	20.39%
2013	1	1.21%	1	0.13%	0	0.00%	0	0.00%	10	1.34%	8	1.08%	18	2.42%	726	97.58%	744	20.06%
2014	2	0.82%	1	0.14%	0	0.00%	0	0.00%	7	0.96%	9	1.23%	16	2.19%	713	97.81%	729	19.66%
2015	3	0.38%	1	0.13%	0	0.00%	0	0.00%	4	0.51%	11	1.40%	15	1.91%	770	98.09%	785	21.17%
2016	2	0.29%	2	0.29%	0	0.00%	0	0.00%	4	0.58%	11	1.59%	15	2.16%	679	97.84%	694	18.72%
Total 2012-2016	10	0.27%	6	0.16%	0	0.00%	0	0.00%	32	0.86%	46	1.24%	78	2.10%	3630	97.90%	3708	100.00%
Total Unique Number of Businesses*	6	0.37%	2	0.12%	0	0.00%	0	0.00%	8	0.50%	20	1.24%	28	1.73%	1588	98.27%	1616	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

Table 24: Prime Utilization – Goods by Dollars

In the Relevant Market – Central Region, NC
City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 41,859	\$ 19,021	\$ 369,574	\$ 107,648	\$ 23,407	\$ 561,510
Asian American	\$ -	\$ -	\$ -	\$ -	\$ 2,799	\$ 2,799
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 41,859	\$ 19,021	\$ 369,574	\$ 107,648	\$ 26,206	\$ 564,309
Nonminority Female	\$ 150,725	\$ 216,206	\$ 473,384	\$ 563,841	\$ 346,286	\$ 1,750,443
TOTAL M/WBE	\$ 192,584	\$ 235,227	\$ 842,959	\$ 671,489	\$ 372,493	\$ 2,314,752
TOTAL NON-M/WBE	\$ 27,454,422	\$ 30,974,717	\$ 36,431,071	\$ 69,351,334	\$ 30,332,584	\$ 194,544,129
TOTAL FIRMS	\$ 27,647,007	\$ 31,209,944	\$ 37,274,030	\$ 70,022,823	\$ 30,705,077	\$ 196,858,880
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.15%	0.06%	0.99%	0.15%	0.08%	0.29%
Asian American	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.15%	0.06%	0.99%	0.15%	0.09%	0.29%
Nonminority Female	0.55%	0.69%	1.27%	0.81%	1.13%	0.89%
TOTAL M/WBE	0.70%	0.75%	2.26%	0.96%	1.21%	1.18%
TOTAL NON-M/WBE	99.30%	99.25%	97.74%	99.04%	98.79%	98.82%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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2. Total Utilization (Prime and Subcontractor Awards)

The City only tracks subcontracting dollars allocated to M/WBEs but does not track Non-M/WBE subcontractors. GSPC conducted a total utilization analysis by combining prime contract dollars with subcontract dollars, after subtracting subcontract dollars from prime contract dollars on a contract by contract basis. This analysis was only conducted for construction and Professional Services which had significant levels of subcontracting reported.

TOTAL UTILIZATION is the percentage of dollars awarded to combined Prime Contractors (in the Relevant Market) and Subcontractors, by ethnic/gender category, after removing subcontract dollars from prime dollars on a contract by contract basis.

MBEs received \$10,004,145 during the Study Period, 2.74% of the total Construction awarded dollars, while Nonminority Female owned firms were awarded a total of \$23,733,842, 8.02% of the total Construction awarded dollars. M/WBEs received 11.41% of the total Construction awarded dollars.

All utilization, without regard to work category, is demonstrated in Appendix J.

Table 25: Total Utilization - Construction by Dollars (Prime & Subcontractor Combined)

In the Relevant Market
City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 756,856	\$ 2,428,334	\$ 1,546,274	\$ 1,502,081	\$ 1,872,284	\$ 8,105,829
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ 216,000	\$ 11,960	\$ 491,420	\$ 1,035,740	\$ -	\$ 1,755,120
Native American	\$ -	\$ 11,543	\$ 111,615	\$ 18,538	\$ 1,500	\$ 143,195
TOTAL MBE	\$ 972,856	\$ 2,451,837	\$ 2,149,309	\$ 2,556,358	\$ 1,873,784	\$ 10,004,145
Nonminority Female	\$ 6,328,813	\$ 3,231,372	\$ 7,001,320	\$ 3,972,084	\$ 3,200,253	\$ 23,733,842
TOTAL M/WBE	\$ 7,301,669	\$ 5,683,209	\$ 9,150,629	\$ 6,528,442	\$ 5,074,038	\$ 33,737,987
NON-M/WBE	\$ 38,434,323	\$ 55,971,445	\$ 46,722,504	\$ 59,973,643	\$ 60,966,321	\$ 262,068,236
TOTAL FIRMS	\$ 45,735,992	\$ 61,654,655	\$ 55,873,133	\$ 66,502,084	\$ 66,040,358	\$ 295,806,223
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.65%	3.94%	2.77%	2.26%	2.84%	2.74%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.47%	0.02%	0.88%	1.56%	0.00%	0.59%
Native American	0.00%	0.02%	0.20%	0.03%	0.00%	0.05%
TOTAL MBE	2.13%	3.98%	3.85%	3.84%	2.84%	3.38%
Nonminority Female	13.84%	5.24%	12.53%	5.97%	4.85%	8.02%
TOTAL M/WBE	15.96%	9.22%	16.38%	9.82%	7.68%	11.41%
NON-M/WBE	84.04%	90.78%	83.62%	90.18%	92.32%	88.59%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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In reference to Professional Services, as shown in Table 26, MBEs received \$6,930,735 during the Study Period, 5.65% of the total Professional Services awarded dollars, while Nonminority Female owned firms were awarded a total of \$3,643,189, 2.97% of the total Professional Services awarded dollars. M/WBEs received 8.62% of the total Professional Services awarded dollars.

Table 26: Total Utilization – Professional Services by Dollars (Prime and Subcontractor Combined)

City of Greensboro Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 309,886	\$ 224,956	\$ 1,006,212	\$ 2,570,086	\$ 2,023,310	\$ 6,134,450
Asian American	\$ 49,700	\$ 213,810	\$ 92,000	\$ 198,840	\$ 39,125	\$ 593,475
Hispanic American	\$ -	\$ -	\$ 10,290	\$ -	\$ 25,600	\$ 35,890
Native American	\$ -	\$ -	\$ -	\$ 166,920	\$ -	\$ 166,920
TOTAL MBE	\$ 359,586	\$ 438,766	\$ 1,108,502	\$ 2,935,846	\$ 2,088,035	\$ 6,930,735
Nonminority Female	\$ 419,663	\$ 112,094	\$ 290,221	\$ 1,680,005	\$ 1,141,206	\$ 3,643,189
TOTAL M/WBE	\$ 779,250	\$ 550,860	\$ 1,398,722	\$ 4,615,851	\$ 3,229,241	\$ 10,573,923
TOTAL NON-M/WBE	\$ 14,181,915	\$ 24,757,820	\$ 18,356,910	\$ 19,693,831	\$ 33,396,201	\$ 110,386,676
TOTAL FIRMS	\$ 14,961,165	\$ 25,308,680	\$ 19,755,632	\$ 24,309,681	\$ 36,625,442	\$ 120,960,600
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.07%	0.89%	5.09%	10.57%	5.52%	5.07%
Asian American	0.33%	0.84%	0.47%	0.82%	0.11%	0.49%
Hispanic American	0.00%	0.00%	0.05%	0.00%	0.07%	0.03%
Native American	0.00%	0.00%	0.00%	0.69%	0.00%	0.14%
TOTAL MBE	2.40%	1.73%	5.61%	12.08%	5.70%	5.73%
Nonminority Female	2.81%	0.44%	1.47%	6.91%	3.12%	3.01%
TOTAL M/WBE	5.21%	2.18%	7.08%	18.99%	8.82%	8.74%
NON-M/WBE	94.79%	97.82%	92.92%	81.01%	91.18%	91.26%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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I. Determination of Disparity

This section of the report addresses the crucial question of whether, and to what extent, there is disparity between the utilization of MBEs/WBEs as measured against their availability in the City of Greensboro marketplace.

1. Methodology

The statistical approach to answer this question is to assess the existence and extent of disparity by comparing the M/WBE utilization percentages (by dollars) to the percentage of the total pool of M/WBE firms in the relevant geographic and product areas. The actual disparity derived as a result of employing this approach is measured by use of a Disparity Index (DI).

***DISPARITY INDICES** calculate the difference between the percentage of the City’s **UTILIZATION** of M/WBEs during the Study Period and the **AVAILABILITY** percentage of M/WBEs.*

The Disparity Index is defined as the ratio of the percentage of M/WBE firms utilized (U) divided by the percentage of such firms available in the marketplace, (A):

Let: U =Utilization percentage for the M/WBE group
 A =Availability percentage for the M/WBE group
 DI =Disparity Index for the M/WBE group
 DI =U/A

The results obtained by a disparity analysis will result in one of three conclusions: overutilization, underutilization or parity. Underutilization is when the Disparity Index is below one. Overutilization is when the Disparity Index is over one. Parity, or the absence of disparity is when the Disparity Index is one (1.00) which indicates that the utilization percentage equals the availability percentage. In situations where there is availability, but no utilization, the corresponding disparity index will be zero. Finally, in cases where there is neither utilization nor availability, the corresponding disparity index is undefined and designated by a dash (-) symbol. Disparity analyses are presented separately for each procurement category and for each race/gender/ethnicity group. They are also disaggregated by year, for each year of the Study Period.

2. Prime Disparity Indices

In Table 27, Construction, for the entire Study Period, there is underutilization of M/WBEs in all categories during every year of the Study Period. Non-M/WBEs were overutilized every year of the Study.

In Table 28, Professional Services, for the entire Study Period, there is underutilization of M/WBEs in all categories during every year of the Study Period. Non-M/WBEs were overutilized every year of the Study.

In Table 29, the Other Services, for the entire Study Period, there is underutilization of M/WBEs in all categories during every year of the Study Period, except that African American owned firms were overutilized in 2014. Non-M/WBEs were overutilized every year of the Study.

In Table 30, Goods, for the overall Study Period, there is underutilization of M/WBEs in all categories. Non-M/WBEs were overutilized every year of the Study.

Table 27: Disparity Indices – Construction (Prime)

In the Relevant Market
City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.41%	11.48%	3.60	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MINORITY	0.41%	17.83%	2.32	Underutilization	*	
	Nonminority Female	12.50%	19.88%	62.89	Underutilization	*	
	TOTAL M/WBE	12.91%	37.70%	34.25	Underutilization	*	
	Non-M/WBE	87.09%	62.30%	139.80	Overutilization		
2013	African American	2.02%	11.48%	17.57	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MINORITY	2.02%	17.83%	11.31	Underutilization	*	
	Nonminority Female	3.36%	19.88%	16.91	Underutilization	*	
	TOTAL M/WBE	5.38%	37.70%	14.26	Underutilization	*	
	Non-M/WBE	94.62%	62.30%	151.89	Overutilization		
2014	African American	1.34%	11.48%	11.64	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MINORITY	1.34%	17.83%	7.49	Underutilization	*	
	Nonminority Female	7.30%	19.88%	36.74	Underutilization	*	
	TOTAL M/WBE	8.64%	37.70%	22.91	Underutilization	*	
	Non-M/WBE	91.36%	62.30%	146.66	Overutilization		
2015	African American	1.11%	11.48%	9.66	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.05%	4.51%	1.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MINORITY	1.15%	17.83%	6.47	Underutilization	*	
	Nonminority Female	3.52%	19.88%	17.71	Underutilization	*	
	TOTAL M/WBE	4.67%	37.70%	12.40	Underutilization	*	
	Non-M/WBE	95.33%	62.30%	153.02	Overutilization		
2016	African American	0.41%	11.48%	3.56	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MINORITY	0.41%	17.83%	2.29	Underutilization	*	
	Nonminority Female	1.22%	19.88%	6.13	Underutilization	*	
	TOTAL M/WBE	1.63%	37.70%	4.32	Underutilization	*	
	Non-M/WBE	98.37%	62.30%	157.91	Overutilization		
Total	African American	1.08%	11.48%	9.38	Underutilization	*	p <.05
	Asian American	0.00%	1.02%	0.00	Underutilization	*	p <.05
	Hispanic American	0.01%	4.51%	0.22	Underutilization	*	p <.05
	Native American	0.00%	0.82%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	1.09%	17.83%	6.10	Underutilization	*	p <.05
	Nonminority Female	5.08%	19.88%	25.54	Underutilization	*	p <.05
	TOTAL M/WBE	6.16%	37.70%	16.35	Underutilization	*	p <.05
	Non-M/WBE	93.84%	62.30%	150.63	Overutilization		

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Table 28: Disparity Indices – Professional Services (Prime)

In the Relevant Market
City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.57%	17.38%	9.03	Underutilization	*	
	Asian American	0.33%	3.48%	9.56	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MINORITY	1.90%	24.33%	7.82	Underutilization	*	
	Nonminority Female	2.81%	21.93%	12.79	Underutilization	*	
	TOTAL M/WBE	4.71%	46.26%	10.18	Underutilization	*	
	Non-M/WBE	95.29%	53.74%	177.31	Overutilization		
2013	African American	0.89%	17.38%	5.11	Underutilization	*	
	Asian American	0.84%	3.48%	24.30	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MINORITY	1.73%	24.33%	7.13	Underutilization	*	
	Nonminority Female	0.44%	21.93%	2.02	Underutilization	*	
	TOTAL M/WBE	2.18%	46.26%	4.71	Underutilization	*	
	Non-M/WBE	97.82%	53.74%	182.02	Overutilization		
2014	African American	0.93%	17.38%	5.37	Underutilization	*	
	Asian American	0.47%	3.48%	13.40	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MINORITY	1.40%	24.33%	5.75	Underutilization	*	
	Nonminority Female	1.52%	21.93%	6.95	Underutilization	*	
	TOTAL M/WBE	2.92%	46.26%	6.32	Underutilization	*	
	Non-M/WBE	97.08%	53.74%	180.63	Overutilization		
2015	African American	4.86%	17.38%	27.94	Underutilization	*	
	Asian American	0.82%	3.48%	23.53	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MINORITY	5.67%	24.33%	23.32	Underutilization	*	
	Nonminority Female	5.07%	21.93%	23.14	Underutilization	*	
	TOTAL M/WBE	10.75%	46.26%	23.23	Underutilization	*	
	Non-M/WBE	89.25%	53.74%	166.07	Overutilization		
2016	African American	1.96%	17.38%	11.29	Underutilization	*	
	Asian American	0.11%	3.48%	3.07	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MINORITY	2.07%	24.33%	8.50	Underutilization	*	
	Nonminority Female	4.11%	21.93%	18.72	Underutilization	*	
	TOTAL M/WBE	6.17%	46.26%	13.35	Underutilization	*	
	Non-M/WBE	93.83%	53.74%	174.58	Overutilization		
Total	African American	2.10%	17.38%	12.10	Underutilization	*	p <.05
	Asian American	0.49%	3.48%	14.12	Underutilization	*	p <.05
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.53%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	2.59%	24.33%	10.66	Underutilization	*	p <.05
	Nonminority Female	2.95%	21.93%	13.46	Underutilization	*	p <.05
	TOTAL M/WBE	5.54%	46.26%	11.99	Underutilization	*	p <.05
	Non-M/WBE	94.46%	53.74%	175.75	Overutilization		

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Table 29: Disparity Indices – Other Services (Prime)

In the Relevant Market
City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.54%	13.89%	18.30	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.25%	2.17%	11.60	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	2.79%	17.60%	15.87	Underutilization	*	
	Nonminority Female	3.16%	11.36%	27.84	Underutilization	*	
	TOTAL M/WBE	5.96%	28.96%	20.56	Underutilization	*	
	Non-M/WBE	94.04%	71.04%	132.39	Overutilization		
2013	African American	1.47%	13.89%	10.59	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.36%	2.17%	16.39	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	1.83%	17.60%	10.37	Underutilization	*	
	Nonminority Female	0.59%	11.36%	5.17	Underutilization	*	
	TOTAL M/WBE	2.41%	28.96%	8.33	Underutilization	*	
	Non-M/WBE	97.59%	71.04%	137.37	Overutilization		
2014	African American	15.45%	13.89%	111.24	Overutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.43%	2.17%	20.03	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	15.88%	17.60%	90.22	Underutilization	*	
	Nonminority Female	1.11%	11.36%	9.76	Underutilization	*	
	TOTAL M/WBE	16.99%	28.96%	58.66	Underutilization	*	
	Non-M/WBE	83.01%	71.04%	116.85	Overutilization		
2015	African American	5.50%	13.89%	39.59	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.48%	2.17%	22.24	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	5.98%	17.60%	33.97	Underutilization	*	
	Nonminority Female	0.48%	11.36%	4.25	Underutilization	*	
	TOTAL M/WBE	6.46%	28.96%	22.32	Underutilization	*	
	Non-M/WBE	93.54%	71.04%	131.67	Overutilization		
2016	African American	11.22%	13.89%	80.77	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.71%	2.17%	32.79	Underutilization	*	
	Native American	0.03%	0.52%	4.96	Underutilization	*	
	TOTAL MINORITY	11.95%	17.60%	67.90	Underutilization	*	
	Nonminority Female	2.06%	11.36%	18.09	Underutilization	*	
	TOTAL M/WBE	14.01%	28.96%	48.37	Underutilization	*	
	Non-M/WBE	85.99%	71.04%	121.05	Overutilization		
Total	African American	5.64%	13.89%	40.59	Underutilization	*	p <.05
	Asian American	0.00%	1.03%	0.00	Underutilization	*	p <.05
	Hispanic American	0.44%	2.17%	20.29	Underutilization	*	p <.05
	Native American	0.00%	0.52%	0.88	Underutilization	*	p <.05
	TOTAL MINORITY	6.08%	17.60%	34.55	Underutilization	*	p <.05
	Nonminority Female	1.28%	11.36%	11.31	Underutilization	*	p <.05
	TOTAL M/WBE	7.37%	28.96%	25.44	Underutilization	*	p <.05
	Non-M/WBE	92.63%	71.04%	130.40	Overutilization		

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Table 30: Disparity Indices – Goods (Prime)

In the Relevant Market
City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.15%	13.87%	1.09	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MINORITY	0.15%	21.21%	0.71	Underutilization	*	
	Nonminority Female	0.55%	27.44%	1.99	Underutilization	*	
	TOTAL M/WBE	0.70%	48.64%	1.43	Underutilization	*	
	Non-M/WBE	99.30%	51.36%	193.36	Overutilization		
2013	African American	0.06%	13.87%	0.44	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MINORITY	0.06%	21.21%	0.29	Underutilization	*	
	Nonminority Female	0.69%	27.44%	2.52	Underutilization	*	
	TOTAL M/WBE	0.75%	48.64%	1.55	Underutilization	*	
	Non-M/WBE	99.25%	51.36%	193.25	Overutilization		
2014	African American	0.99%	13.87%	7.15	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MINORITY	0.99%	21.21%	4.68	Underutilization	*	
	Nonminority Female	1.27%	27.44%	4.63	Underutilization	*	
	TOTAL M/WBE	2.26%	48.64%	4.65	Underutilization	*	
	Non-M/WBE	97.74%	51.36%	190.31	Overutilization		
2015	African American	0.15%	13.87%	1.11	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MINORITY	0.15%	21.21%	0.72	Underutilization	*	
	Nonminority Female	0.81%	27.44%	2.93	Underutilization	*	
	TOTAL M/WBE	0.96%	48.64%	1.97	Underutilization	*	
	Non-M/WBE	99.04%	51.36%	192.85	Overutilization		
2016	African American	0.08%	13.87%	0.55	Underutilization	*	
	Asian American	0.01%	3.36%	0.27	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MINORITY	0.09%	21.21%	0.40	Underutilization	*	
	Nonminority Female	1.13%	27.44%	4.11	Underutilization	*	
	TOTAL M/WBE	1.21%	48.64%	2.49	Underutilization	*	
	Non-M/WBE	98.79%	51.36%	192.36	Overutilization		
Total	African American	0.29%	13.87%	2.06	Underutilization	*	p < .05
	Asian American	0.00%	3.36%	0.04	Underutilization	*	p < .05
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	p < .05
	Native American	0.00%	1.22%	0.00	Underutilization	*	small number
	TOTAL MINORITY	0.29%	21.21%	1.35	Underutilization	*	p < .05
	Nonminority Female	0.89%	27.44%	3.24	Underutilization	*	p < .05
	TOTAL M/WBE	1.18%	48.64%	2.42	Underutilization	*	p < .05
	Non-M/WBE	98.82%	51.36%	192.43	Overutilization		

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3. Prime and Subcontractor Utilization Disparity Indices

In Table 31, Construction, for the entire Study Period, there is underutilization of M/WBEs in all categories during every year of the Study Period. Non-M/WBEs were overutilized every year of the Study.

In Table 32, Professional Services, for the entire Study Period, there is underutilization of M/WBEs in all categories during every year of the Study Period, except that Native American owned firms were overutilized in 2015. Non-M/WBEs were overutilized every year of the Study.

It is worth observing here that there was underutilization for all M/WBE groups using bidder availability for construction and Professional Services (Appendix F) and for contracts of \$1 million or less for all procurement categories (Appendix G).

Table 31: Disparity Indices – Construction (Prime and Subcontractor)

City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.65%	11.48%	14.42	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.47%	4.51%	10.48	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	2.13%	17.83%	11.93	Underutilization	*	
	Nonminority Female	13.84%	19.88%	69.62	Underutilization	*	
	TOTAL M/WBE	15.96%	37.70%	42.34	Underutilization	*	
	Non-M/WBE	84.04%	62.30%	134.90	Overutilization		
2013	African American	3.94%	11.48%	34.32	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.02%	4.51%	0.43	Underutilization	*	
	Native American	0.02%	0.82%	2.28	Underutilization	*	
	TOTAL MBE	3.98%	17.83%	22.31	Underutilization	*	
	Nonminority Female	5.24%	19.88%	26.37	Underutilization	*	
	TOTAL M/WBE	9.22%	37.70%	24.45	Underutilization	*	
	Non-M/WBE	90.78%	62.30%	145.73	Overutilization		
2014	African American	2.77%	11.48%	24.12	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.88%	4.51%	19.51	Underutilization	*	
	Native American	0.20%	0.82%	24.37	Underutilization	*	
	TOTAL MBE	3.85%	17.83%	21.58	Underutilization	*	
	Nonminority Female	12.53%	19.88%	63.04	Underutilization	*	
	TOTAL M/WBE	16.38%	37.70%	43.44	Underutilization	*	
	Non-M/WBE	83.62%	62.30%	134.24	Overutilization		
2015	African American	2.26%	11.48%	19.68	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	1.56%	4.51%	34.55	Underutilization	*	
	Native American	0.03%	0.82%	3.40	Underutilization	*	
	TOTAL MBE	3.84%	17.83%	21.56	Underutilization	*	
	Nonminority Female	5.97%	19.88%	30.05	Underutilization	*	
	TOTAL M/WBE	9.82%	37.70%	26.04	Underutilization	*	
	Non-M/WBE	90.18%	62.30%	144.77	Overutilization		
2016	African American	2.84%	11.48%	24.71	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.28	Underutilization	*	
	TOTAL MBE	2.84%	17.83%	15.92	Underutilization	*	
	Nonminority Female	4.85%	19.88%	24.38	Underutilization	*	
	TOTAL M/WBE	7.68%	37.70%	20.38	Underutilization	*	
	Non-M/WBE	92.32%	62.30%	148.19	Overutilization		
Total	African American	2.74%	11.48%	23.88	Underutilization	*	p <.05
	Asian American	0.00%	1.02%	0.00	Underutilization	*	p <.05
	Hispanic American	0.59%	4.51%	13.16	Underutilization	*	p <.05
	Native American	0.05%	0.82%	5.91	Underutilization	*	p <.05
	TOTAL MBE	3.38%	17.83%	18.97	Underutilization	*	p <.05
	Nonminority Female	8.02%	19.88%	40.37	Underutilization	*	p <.05
	TOTAL M/WBE	11.41%	37.70%	30.25	Underutilization	*	p <.05
	Non-M/WBE	88.59%	62.30%	142.22	Overutilization		

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Table 32: Disparity Indices – Professional Services (Prime and Subcontractor)

City of Greensboro, NC Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.07%	17.38%	11.92	Underutilization	*	
	Asian American	0.33%	3.48%	9.56	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	2.40%	24.33%	9.88	Underutilization	*	
	Nonminority Female	2.81%	21.93%	12.79	Underutilization	*	
	TOTAL M/WBE	5.21%	46.26%	11.26	Underutilization	*	
	Non-M/WBE	94.79%	53.74%	176.38	Overutilization		
2013	African American	0.89%	17.38%	5.11	Underutilization	*	
	Asian American	0.84%	3.48%	24.30	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	1.73%	24.33%	7.13	Underutilization	*	
	Nonminority Female	0.44%	21.93%	2.02	Underutilization	*	
	TOTAL M/WBE	2.18%	46.26%	4.71	Underutilization	*	
	Non-M/WBE	97.82%	53.74%	182.02	Overutilization		
2014	African American	5.09%	17.38%	29.31	Underutilization	*	
	Asian American	0.47%	3.48%	13.40	Underutilization	*	
	Hispanic American	0.05%	2.94%	1.77	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	5.61%	24.33%	23.06	Underutilization	*	
	Nonminority Female	1.47%	21.93%	6.70	Underutilization	*	
	TOTAL M/WBE	7.08%	46.26%	15.31	Underutilization	*	
	Non-M/WBE	92.92%	53.74%	172.90	Overutilization		
2015	African American	10.57%	17.38%	60.83	Underutilization	*	
	Asian American	0.82%	3.48%	23.53	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.69%	0.53%	128.40	Overutilization		
	TOTAL MBE	12.08%	24.33%	49.63	Underutilization	*	
	Nonminority Female	6.91%	21.93%	31.52	Underutilization	*	
	TOTAL M/WBE	18.99%	46.26%	41.05	Underutilization	*	
	Non-M/WBE	81.01%	53.74%	150.74	Overutilization		
2016	African American	5.52%	17.38%	31.79	Underutilization	*	
	Asian American	0.11%	3.48%	3.07	Underutilization	*	
	Hispanic American	0.07%	2.94%	2.38	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	5.70%	24.33%	23.43	Underutilization	*	
	Nonminority Female	3.12%	21.93%	14.21	Underutilization	*	
	TOTAL M/WBE	8.82%	46.26%	19.06	Underutilization	*	
	Non-M/WBE	91.18%	53.74%	169.66	Overutilization		
Total	African American	5.07%	17.38%	29.18	Underutilization	*	p < .05
	Asian American	0.49%	3.48%	14.12	Underutilization	*	p < .05
	Hispanic American	0.03%	2.94%	1.01	Underutilization	*	p < .05
	Native American	0.14%	0.53%	25.81	Underutilization	*	p < .05
	TOTAL MBE	5.73%	24.33%	23.55	Underutilization	*	p < .05
	Nonminority Female	3.01%	21.93%	13.74	Underutilization	*	p < .05
	TOTAL M/WBE	8.74%	46.26%	18.90	Underutilization	*	p < .05
	Non-M/WBE	91.26%	53.74%	169.80	Overutilization		

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J. Determining the Significance of Disparity Indices

The determination that a particular ethnic or gender group has been overutilized or underutilized is not, standing alone, proof of discrimination. Typically, the determination of whether a disparity is “statistically significant” can be based on the depth of the disparity in that any disparity index that is less than .80 is considered to be a statistically significant underutilization and any disparity index over 1.10 is considered to be a statistically significant overutilization. The disparity indices impact as designated in Tables 27-32 as “overutilization”, “underutilization”, or “parity” have been bolded to indicate such statistically significant impact.

Typically, the determination of whether a disparity is “substantially significant” can be based on any disparity index that is less than .80. Further, GSPC uses a statistical test that considers whether or not the typical disparity index across all vendor categories is equal to unity. This constitutes a null hypothesis of “parity” and the test estimates the probability that the typical disparity index departs from unity, and the magnitude of the calculated test statistic indicates whether there is typically underutilization or overrepresentation. Statistical significance tests were performed for each disparity index derived for each MBE/WBE group, and in each procurement category. This approach to statistical significance is consistent with the case law and the Transportation Research Board approach to statistical significance in disparity studies.

The existence of a statistically significant disparity between the availability and utilization of minority or women owned businesses that is determined to likely be the result of the owners’ race, gender, or ethnicity will impact the recommendations provided as a result of this study. GSPC will, in such a case, make recommendations for appropriate and narrowly-tailored race/ethnicity/gender-neutral remedies for this discrimination to give all firms equal access to public contracting with the City. GSPC will also, if appropriate, recommend narrowly-tailored race/ethnicity/gender-conscious remedies. If no statistically significant disparity is found to exist or if such a disparity is not determined to be a likely result of firm owners’ race, ethnicity, or gender on their success in the marketplace, GSPC may still make recommendations to support the continuation of engagement, outreach, small business development, and non-discrimination policies in the procurement processes of the City of Greensboro.

K. Conclusion

Generally, every M/WBE group was underutilized in each category in total throughout the Study Period as prime contractors, as subcontractors in the prime survey, and in total utilization. In addition, GSPC also reviewed prime awards under \$1,000,000 (Appendix G), under \$300,000 (Appendix M) and performed a bidder analysis (Appendix F). As would be expected the analysis of smaller contracts showed stronger M/WBE prime utilization. However, all of these analyses demonstrated with few exceptions underutilization of M/WBE groups in each procurement category. Further econometric analysis of disparities is contained in Chapter V below.

V. ANALYSIS OF PRIVATE AND PUBLIC CONTRACTING DISPARITIES IN GREENSBORO NORTH CAROLINA

A. Introduction

In this section GSPC considers the market entry, private sector, public contracting and subcontracting outcomes and experiences of Minority owned firms relative to non-Minority owned firms in the relevant market area for the City of Greensboro. Our analysis utilizes data from business firms that are either willing and able, or have actually contracted/subcontracted with the City of Greensboro, with the aim of determining if the likelihood of successful contracting/subcontracting opportunities—actual and perceived—with the city of Greensboro is conditioned in a statistically significant manner on the race, ethnicity, or gender status of firm owners. Such an analysis is a useful and important complement to estimating simple disparity indexes, which assume all things important for success and failure are equal among business firms competing for public contracts, and are based on unconditional moments—statistics that do not necessarily inform causality or source of differences across such statistics. As simple disparity indexes do not condition on possible confounders of new firm entry, and success and failure in public sector contracting/subcontracting by business firms, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased.

Our analysis posits that there are possible confounders of success and failure in the entry of new firms in the market and public sector contracting/subcontracting that are sources of heterogeneity among business firms that lead to differences in success and failure. Failure to condition on the sources of heterogeneity in success/failure in new firm formation and public sector contracting/subcontracting outcomes can leave simple disparity indexes devoid of substantive policy implications as they ignore the extent to which firm owner race/ethnicity characteristics are causal factors. Disparate outcomes could possibly reflect in part or in whole outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in the formation of new firms and public sector contracting/subcontracting outcomes. If the race, ethnicity, or gender status of a firm owner conditions lower likelihoods of success/failure, this would be suggestive of these salient and mostly immutable characteristics causing the observed disparities.

A broad context for considering disparities by firm ownership status can be informed by considering private sector outcomes in the Greensboro-High Point NC Metropolitan Market Area. In general, the success and failure of Minority owned firms in public contracting could be conditioned by their outcomes in the private sector regarding their revenue generating capacity. The value of a descriptive private sector analysis is that it situates disparity analyses in the "but-for" justification. Ian Ayres and Frederick Vars (1998), in their consideration of the constitutionality of public affirmative programs, posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to Minority owned businesses, which potentially increases the cost of which Minority owned businesses can provide services required under

public contracts relative to non-Minority owned businesses.⁶⁴ This private discrimination means that Minority owned firms may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by Minority owned firms in the private sector can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the absence of such private sector discrimination, they would be able to compete with other firms in bidding for public contracts. Table 33 reports on firm ownership type and revenue for the GHPMA from the US Census Bureau's 2012 Survey of Business Owners (SBO).⁶⁵ The SBO Data are collected every five years since 1972, for years ending in "2" and "7" as part of the economic census. The program began as a special project for Minority owned businesses in 1969 and was incorporated into the economic census in 1972 along with the Survey of Women owned Businesses. The GSPC descriptive private sector analysis considers the percentage of representation in the population of firms and revenue across the firm ownership type classifications.

For the GHPMA, Table 33 reveals that relative to Caucasian owned firms, the revenue shares of each Minority owned firm never exceeds three-and-three-tenths percent (Women).⁶⁶ This is particularly a stark finding for firms owned by Women and African Americans, as each represent approximately 37 and 17 percent respectively of all firms in the GHPMA, but each have revenue shares far smaller than their firm representation shares—approximately three-and-one-tenth percent respectively.⁶⁷ In general, all Minority owned firms have revenue shares below their firm representation shares, consistent with and suggestive of—but not necessarily causal evidence for—Minority owned firms facing discriminatory barriers in the private sector of the GHPMA.

⁶⁴ See: Ayres, Ian, and Fredrick E. Vars. 1998, "When does private discrimination justify public affirmative action?" *Columbia Law Review*, 98: 1577-1641.

⁶⁵ SBO data are publicly available at <http://www.census.gov/programs-surveys/sbo/data.html>

⁶⁶ The percentages do not "add-up" to one, as the women ownership category is not "mutually exclusive" of the other race/ethnicity categories.

⁶⁷ These shares are determined by netting out the total revenue for publicly held and not classifiable by race, gender, ethnicity from the value in the top row, and using it as the denominator for revenue shares. This is arguably the more relevant ratio as publicly held firms account for approximately 72 percent of the market area total revenue report in the first row of Table 33.

Table 33: Firm Ownership Type and Revenue Characteristics
For Greensboro-High Point NC Metro Market Area:

2012 Survey Of Business Owners Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Revenue (\$1,000)	Percentage of Market Area Total Revenue (approximate)
All	62,806	100	97,218,526	100
Women	23,519	.3745	3,222,399	.0331
Caucasian	45,864	.7302	25,999,768	.2674
African American	10,966	.1746	585,180	.0060
American Indian & Alaskan Native	425	.0067	14,566	.0001
Asian	2,913	.0463	889,456	.0091
Asian Indian	497	.0079	253,918	.0026
Chinese	370	.0059	364,200	.0037
Filipino	40	.0006	534	.0001
Japanese	52	.0008	27,888	.0003
Korean	255	.0041	84,192	.0009
Vietnamese	1,191	.0189	73,318	.0007
Other Asian	571	.0091	86,461	.0009
Native Hawaiian & Other Pacific Islander	53	.0008	7,184	.0001
Hispanic	2,316	.0368	457,274	.0047
Some Other Race	988	.0157	108,477	.0011
Publicly Held and not classifiable by race, gender, ethnicity	1,955	.0311	69,561,865	.7155

Source: US Census Bureau Survey of Business Owners

Given that publicly held firms are not usually classifiable by Minority and Women Business Enterprise (M/WBE) status, and account for a disproportionate share of revenues, a simple comparison of an M/WBE firm and revenue share may not inform the existence of any private sector disparities with precision. In this context, the ratio of an M/WBE market share to revenue share may be more informative of disparities. For example, in the case of firms owned by African Americans, this ratio is (.1746)/ (.0060) or approximately 29.1, suggesting that the revenue share of firms owned by African Americans would have to increase by a factor of approximately 29 to achieve population share parity in the GHPMA.

Table 34 replicates Table 33, to the extent the SBO data enable, for the GHPMA construction sector—a sector which is a significant venue for public sector contracting.⁶⁸ As in the case of the private sector overall in Table 33, all Minority owned construction firms have revenue shares below their firm representation shares, consistent with and suggestive of—but not necessarily causal evidence for—Minority owned firms facing discriminatory barriers in the private construction sector of the GHPMA. For many of the non-Minority owned construction firms in the GHPMA, the revenue was suppressed due to quality issues. However, the population parity for the class of non-Caucasian construction firms in the “Some Other Race” category is perhaps instructive of disparities in the construction market. In this case the population share disparity ratio is (.0525)/ (.0084) or approximately 6.24, suggesting that the revenue share of construction firms owned by non-Caucasians would have to increase by a least a factor of approximately 6.24 to achieve population share parity in the GHPMA.

Table 34: Firm Ownership Type and Revenue Characteristics

For Greensboro-High Point NC Metropolitan Market Area Construction Sector:
2012 Survey Of Business Owners

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Revenue (\$1,000)	Percentage of Market Area Total Revenue (approximate)
All	5,442	100	2,727,773	100
Women	606	.1113	183,657	.0673
Caucasian	4,644	.8534	2,265,448	.8305
African American	356	.0654	Withheld ^a	-
American Indian & Alaskan Native	93	.0171	4,840	.0018
Asian	56	.0103	Withheld ^a	-
Hispanic	635	.1167	Withheld ^a	-
Some Other Race	285	.0525	22,906	.0084
Publicly Held and not classifiable by race, gender, ethnicity	23	.0042	381,818	.1399

Source: US Census Bureau Survey of Business Owners

Notes: ^aData withheld by Census Bureau because estimate did not meet publication standards

Overall, the descriptive summary in Tables 33-34 suggests that in the GHPMA private sector, Minority owned firms face barriers that translate into lower firm revenues in general, and in the construction sector. In general, if being a Minority owned firm in the GHPMA private sector is associated with lower firm

⁶⁸ For the construction sector, 2012 SBO data do not provide detailed disaggregated race/ethnicity detail to the same extent as for all sectors.

revenue, this lends some support to the “but-for” justification for Affirmative Action in public procurement. Lower revenues for Minority owned firms in the GHPMA market area is suggestive of private discrimination that undermines their capacity to compete with non-Minority owned firms for public contracting opportunities. This could motivate a private discrimination justification for Affirmative Action in the City of Greensboro procurement policies, otherwise the City of Greensboro is potentially a *passive participant* in private discrimination against Minority owned firms with respect to its procurement practices.

To explicitly examine potential disparities in the rates of self-employment and earnings from self-employment in the GHPMA, GSPC developed and estimated the parameters of models using 2016 American Community Survey (ACS) data.⁶⁹ The ACS (which is a project of the U.S. Census Bureau) has replaced the decennial census as the key source of information about American population and housing characteristics. The 2000 ACS is an approximately 1-in-100 weighted public use sample consisting of U.S households with the smallest identifiable unit being the Public Use Microdata Unit (PUMA), which is a geographic area containing at least 100,000 individuals. The specification of each model controls for those variables (that are customary in the literature) utilized to explain self-employment, and self-employment earnings. They are used to estimate the effects of M/WBE status on self-employment and self-employment earnings while minimizing and/or eliminating confounding factors.⁷⁰ GSPC determines statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as $P\text{-value} \leq .10$, which GSPC highlights in bold for all parameter estimates

In the GSPC Logit model of self-employment, the estimated parameters are odds ratios, and when greater (less) than unity indicate that having a particular characteristics increases (decreases) the likelihood of being self-employed. In the case of the M/WBE status indicators (e.g. African American, Female), the excluded category is Caucasian Males, and a positive (negative) odds ratio indicates that relative to Caucasian Males, having that M/WBE characteristic increases (decreases) the likelihood of being self-employed in the GHPMA. The self-employment earnings model estimates parameters with Ordinary Least Squares (OLS).

Table 35 reports parameter estimates across all business sectors in the GHPMA. The estimated odds ratios with statistical significance suggest that Caucasian Males, Females, African Americans, Pacific Islander Americans, and the Disabled are less likely to be self-employed in the GHPMA. Asian Americans, on the other hand, are more likely to be self-employed. In the case of Females, African Americans, Pacific Islander Americans, and the Disabled, these odds ratios estimates are suggestive of barriers to self-employment for these types of M/WBEs in the GHPMA. These barriers could be ameliorated through successful M/WBE public contracting programs that induce M/WBE firm entry. Chatterji, Chay, and Fairlie (2014) find that

69 ACS data are publicly available at <https://usa.ipums.org/usa/>. See: Steven Ruggles, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek. 2017. Integrated Public Use Microdata Series: Version 7.0 [dataset]. Minneapolis: University of Minnesota. <https://doi.org/10.18128/D010.V7.0>.

70 See: Grilo, Isabel, and Roy Thurik. 2008. "Determinants of Entrepreneurial Engagement Levels in Europe and the US." *Industrial and Corporate Change* 17: pp. 1113-1145, and Van der Sluis, Justin, Mirjam Van Praag, and Wim Vijverberg. 2008. "Education and Entrepreneurship Selection and Performance: A Review of the Empirical Literature." *Journal of economic surveys* 22: pp. 795-841.

the self-employment rate of African American Americans is increasing with respect to the provisioning and establishment of M/WBE "set-aside" public procurement programs.⁷¹

Table 35 reports parameter estimates for the construction sector in the GHPMA—an important sector in the market for public procurement. The estimated odds ratios with statistical significance suggest that relative to Caucasian Males, Females, African Americans, Pacific Islander Americans, Asian Americans, Other Race Americans, and the Disabled are less likely to be self-employed in the GHPMA. Hispanic Americans and Native Americans on the other hand, are relatively more likely to be self-employed. In the case of Females, African Americans, Pacific Islander Americans, Asian Americans, Other Race Americans, and the Disabled, these odds ratios estimates are suggestive of barriers to self-employment in the construction for these type of M/WBEs in the GHPMA, that could be ameliorated through successful M/WBE public contracting programs that induce M/WBE firm entry as Marion (2009) finds that the self-employment rate of African American Americans in construction is increasing with respect to the provisioning and establishment of M/WBE "set-aside" public construction procurement programs.⁷² In this context, the existence of a proportionality between M/WBE entry and set-asides in the construction sector (Marion, 2009) suggests that the Logit parameter estimates in Table 35 could be informing (at least in part, for M/WBEs—particularly Females, African Americans, Pacific Islander Americans, Asian Americans, Other Race Americans, and the Disabled) of disparities in the awarding of public sector construction projects in the Greensboro-High Point Market Area.

Table 36 reports OLS parameter estimates of the GSPC self-employment earnings model for the GHPMA. Due to high collinearity between the individual M/WBE indicators, the model estimated in Table 36 creates a composite M/WBE indicator for the firm being owned by one of the Minority groups in the GSPC sample, including Disabled, along with indicators for the three sectors under consideration in the GSPC analysis: Construction, Professional Services, and Other Services. GSPC includes terms for the interaction of the composite M/WBE indicator and the sector, which enable an estimate of how M/WBE self-employment earnings differs in that sector relative to non-M/WBEs—the reference group.

The estimated *parameters with* statistical significance in Table 37 suggest that relative to non-M/WBEs, the self-employment earnings of M/WBEs are lower in every business sector in the GHPMA. The composite M/WBE indicator has a statistically significant negative sign, suggesting that being an M/WBE lowers self-employment earnings across all business sectors in the GHPMA. The statistic negative sign and statistical significance of the interaction of M/WBE status with the Professional Services sector suggest that the self-employment earnings disparity between M/WBEs and non-M/WBEs is highest in that sector. To the extent that firm entry in a market is an increasing function of expected firm earnings, the OLS parameter estimates in Table 37 are suggestive of barriers to self-employment for M/WBEs in the GHPMA. These barriers could be ameliorated through successful M/WBE public contracting programs that induce M/WBE firm entry. Price (2012) finds that the self-employment rate of African American Americans is increasing with respect to the establishment of public procurement programs that increase expected revenue for M/WBEs.⁷³

⁷¹ Chatterji, Aaron K., Kenneth Y. Chay, and Robert W. Fairlie. 2014. "The Impact of City Contracting Set-asides on Black Self-employment and Employment." *Journal of Labor Economics* 32: pp. 507-561.

⁷² Marion, Justin. 2009. "Firm Racial Segregation and Affirmative Action in the Highway Construction Industry." *Small Business Economics* 33: Article 441.

⁷³ Price, Gregory N. 2012. "Race, Trust in Government, and Self-employment," *American Economist* 57: pp. 171-187.

Table 35: Self-Employment/Business Ownership Model:

Logit Parameter Odds Ratio Estimates from the 2016 American Community Survey

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Self Employment in The Greensboro-Highpoint Metropolitan Area (Binary)			
<i>Regressors:</i>			
Constant	.0007	.0023	.0214
Age	1.07	.1201	.5369
Age-Squared	.9996	.0011	.7715
Married	1.82	.3611	.0039
Female	.0920	.0477	.0000
African American	.1486	.1511	.0613
Hispanic American	7.76	4.56	.0000
Native American	7.77	7.19	.0273
Pacific Islander American	.0011	.0021	.0000
Asian American	.0002	.0001	.0000
Other Race American	.0003	.0001	.0000
College Degree	.4162	.1181	.0025
Speaks English Only	2.95	1.93	.0992
Disabled	.0001	.0001	.0000
Value of Home (\$)	.9999	.0011	.1863
Interest, Dividend, and Rental Income (\$)	.999	.0023	.8149
Mortgage Payment (\$)	1.01	.0003	.3115
Number of Observations	3001		
<i>Pseudo-R²</i>	.163		

Bold P-value indicates statistical significance level of .10 or lower.

Source of Data: American Community Survey 2016, IPUMs USA

Table 36: Construction Sector Self-Employment/Business Ownership Model:

Logit Parameter Odds Ratio Estimates from the 2016 American Community Survey

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Self Employment in The Greensboro-Highpoint Metropolitan Area (Binary)			
<i>Regressors:</i>			
Constant	.0007	.0023	.0214
Age	1.07	.1201	.5369
Age-Squared	.9996	.0011	.7715
Married	1.82	.3611	.0039
College Degree	.0920	.0477	.0000
Speaks English Only	.1486	.1511	.0613
Value of Home (\$)	7.76	4.56	.0000
Interest, Dividend, and Rental Income (\$)	7.77	7.19	.0273
Mortgage Payment (\$)	.0011	.0021	.0000
M/WBE			
Construction	.0002	.0001	.0000
Professional Services	.0003	.0001	.0000
Other Services	.4162	.1181	.0025
M/WBE x Construction	2.95	1.93	.0992
M/WBE x Professional Services	.0001	.0001	.0000
M/WBE x Other Services	.9999	.0011	.1863
Number of Observations	3001		
<i>Pseudo-R²</i>	.163		

Bold P-value indicates statistical significance level of .10 or lower.

Source of Data: American Community Survey 2016, IPUMs USA

Table 37: Self-Employment/Business Ownership Earnings Model:

Ordinary Least Squares Estimates from the 2016 American Community Survey

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Pre-Tax Self-employment Income (\$)			
<i>Regressors:</i>			
Constant	-1737.55	815.64	.0863
Age	121.16	28.22	.0089
Age-Squared	-.8939	.3242	.0416
Married	63.39	434.84	.8914
College Degree	183.42	624.62	.7813
Speaks English Only	-1256.41	969.97	.2529
Value of Home (\$)	.0011	.0008	.2751
Interest, Dividend, and Rental Income (\$)	-.0088	.0059	.1974
Mortgage Payment (\$)	.4035	.3549	.3173
M/WBE	-666.93	218.36	.0283
Construction	4261.17	1633.57	.0485
Professional Services	4570.69	1432.89	.0247
Other Services	2487.39	918.23	.0423
M/WBE x Construction	-1609.53	2402.05	.5331
M/WBE x Professional Services	-3992.32	1200.33	.0218
M/WBE x Other Services	347.25	601.52	.5894
Number of Observations	4286		
R ²	.018		

Bold P-value indicates statistical significance level of .10 or lower.

Source of Data: American Community Survey 2016, IPUMs USA

B. Building Permits

As data from both aggregate census and customized surveys such as that of GSPC may not capture all the relevant business dynamics in the Greensboro-Highpoint relevant market area—particularly of business firms not certified as M/WBES and/or mismeasured in both aggregate census data and the GSPC survey—of the relevant market area of a political jurisdiction such as the City of Greensboro, GSPC also analyzed building permit data for the City of Greensboro over the 2012 – 2016 time period. The GSPC building permit sample contains 15,233 building approved building permit applications between 2012 – 2016 for the City of Greensboro. It consists of all firms with identifiable names, for which M/WBEs were identified based upon certified M/WBES with the State of North Carolina. In this context, the building permit data could also be biased, as GSPC can only identify an M/WBE based upon it being registered with the State of North Carolina.

Among the 15,233 approved building permits, twenty, or approximately .001—or 1 tenth of one percent—were held by M/WBES. The total value of the building permits was approximately 1.6 billion dollars, of which M/WBES held a share of approximately .009—or approximately 1 percent. In general, the revenue share of M/WBES is approximately identical to their share of building permits. However, in contrast to the market and revenue shares of M/WBES suggested by the aggregate census data revealed in the SBO and ACS, the building permit shares of M/WBES suggest that their underrepresentation among firms in the City of Greensboro is far more severe than for the Greensboro-Highpoint relevant market area in general.

C. GSPC Data

The City of Greensboro private sector disparity analysis is based on data compiled by GSPC from its Survey of Business Owners, and constitutes firms from the City of Greensboro marketplace. A total of 383 firms responded to the survey. The demographics of those firms are contained in Appendix I.

The GSPC survey was a survey that captured data on firm and individual owner characteristics. The GSPC research interest is to the extent that M/WBE status conditions success/failure with the City of Greensboro in public contracting opportunities. In this analysis, use of the GSPC survey data is limited to the measured covariates that, in GSPC's opinion, are best suited for evaluating the extent to which M/WBE status is a possible cause of public contracting disparities in the City of Greensboro. From the 397 GSPC survey responses available, Table 38 reports a summary on the description, mean and standard deviation of the covariates from the GSPC survey that are relevant to the analysis, and utilizes these as regressors and regressands in GSPC's econometric specifications.

Table 38: Covariate Summary

Covariate	Description	Mean	Standard Deviation	Number of Observations
Number of Prime Contractor Bids Submitted to City of Greensboro: 2012 - 2016	<i>Categorical Variable:</i> 1 = Zero bids 2 = 1 - 10 bids 3 = 11 - 25 bids 4 = 26 - 50 bids 5 = 51 - 100 bids 6 = More than 100 bids	.6322	1.06	397
Firm Entered Market Between 2012 – 2016	<i>Binary Variable:</i> 1 = Yes	.209	.407	397
Served as a Prime Contractor On a City of Greensboro Project: 2012 - 2016	<i>Binary Variable:</i> 1 = Yes	.015	.122	397
Served as a Subcontractor On a City of Greensboro Project: 2012 - 2016	<i>Binary Variable:</i> 1 = Yes	.012	.112	397
Pre-Qualification Requirements Are a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1= Yes	.151	.359	397
Performance Bond Requirements Are a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1 = Yes	.106	.308	397
Bid Bond Requirements Are a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1 = Yes	.108	.311	397
Financing is a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1 = Yes	.096	.295	397
Informal Networks Are a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1 = Yes	.073	.260	397
Selection Process is a Barrier to Submitting Bids and Securing Contracts from City of Greensboro	<i>Binary Variable:</i> 1 = Yes	.126	.32	397
Gross Revenue of at Least \$2,500,001	<i>Binary Variable:</i> 1 = Yes	.0906	.2875	397
Bonding Limit at Least \$2,500,001	<i>Binary Variable:</i> 1 = Yes	.0277	.1643	397
Number of Times Rejected for A Bank Loan: 2012 - 2016	<i>Categorical Variable:</i> 1 = None 2 = 1 – 10 times 3 = 11 – 25 times 4 = 26 – 50 times 5 = 51 – 100 times 6 = Over 100 times	.0274	.3201	397
Majority Firm Owner Is African American	<i>Binary Variable:</i> 1 = Yes	.242	.429	397
Majority Firm Owner Is Asian American	<i>Binary Variable:</i> 1 = Yes	.015	.122	397
Majority Firm Owner Is Hispanic	<i>Binary Variable:</i> 1 = Yes	.025	.157	397
Majority Firm Owner Is Native American	<i>Binary Variable:</i> 1 = Yes	.020	.141	397
Majority Firm Owner Is Other Race	<i>Binary Variable:</i> 1 = Yes	.098	.298	397
Majority Firm Owner Is a Woman	<i>Binary Variable:</i> 1 = Yes	.383	.487	397
Firm Owner Has More Than Twenty Years of Experience	<i>Binary Variable:</i> 1 = Yes	.649	.478	397
Firm Has More Than Ten Employees	<i>Binary Variable:</i> 1 = Yes	.169	.375	397
Firm Owner has a Baccalaureate Degree	<i>Binary Variable:</i> 1 = Yes	.421	.494	397

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D. Statistical and Econometric Framework

Methodologically, the GSPC statistical and econometric analysis of possible M/WBE public contracting disparities with the City of Greensboro utilizes a Categorical Regression Model (CRM) framework.⁷⁴ As the covariates measuring public contracting activity/outcomes and other respondent characteristics in Table 38 are categorical responses to questionnaire items (e.g. public contracting bid ranges, yes, no), a CRM views the categories as latent variables with likelihood thresholds that are conditioned on other covariates. In the case where there are more than two categories and the succession of categories have a natural ranking, a CRM permits a determination as to how particular covariates condition the likelihood/probability of being in the highest valued category relative to the lower-valued categories. In the case of just two categorical but not naturally ordered categories, the CRM reduces to a Binary Regression Model (BRM).⁷⁵

For all the CRM/BRM parameter estimates below, GSPC reports them as “odds ratios”, which measure the ratio of the probability of success and the probability of failure relative to the omitted group in all GSPC’s specifications—non-Minority owned firms.⁷⁶ When the odds ratio is greater (less) than unity for a parameter, the measure characteristic has the effect of increasing (decreasing) the likelihood of the outcome under consideration relative to non-Minority owned firms. GSPC determine statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as P-value $\leq .10$, which GSPC highlights in bold for all parameter estimates.

While the GSPC sample constitutes a random stratified cluster sample, the response rate was approximately 50 percent. As nonresponse probabilities are unknown, GSPC estimates all parameters from our CRM/BRM specifications with bootstrapped standard errors to minimize/eliminate the bias that can result from the sample being unrepresentative of the population of interest due to nonresponse.⁷⁷ To the extent that bootstrapped standard errors enable consistent estimation of parameters given misspecification that

⁷⁴ See: Richard D. McKelvey and William Zavoina. 1975. “A Statistical Model for the Analysis of Ordinal Level Dependent Variables,” *Journal of Mathematical Sociology*, 4: pp. 103 - 120.

⁷⁵ More formally, if the latent realization of an outcome is Y_i^* , ranging from $-\infty$ to ∞ , a structural and conditional specification for Y_i^* is $Y_i^* = \mathbf{X}_i \beta + \varepsilon_i$, where \mathbf{X} is a vector of exogenous covariates, β is a vector of coefficients measuring the effects of particular covariates on the realization of Y_i^* , and ε_i is a random error. For categorical and ordinal outcomes $m = 1 \dots J$, $Y_i = m$ if $\tau_{m-1} \leq Y_i^* < \tau_m$, where the τ_i are thresholds for the particular realizations of $Y_i^* = m$. Conditional on \mathbf{X} the likelihood/probability that Y_i takes on a particular realization is $Pr(Y_i = m | \mathbf{X}) = \Phi(\tau_m - \mathbf{X}\beta) - \Phi(\tau_{m-1} - \mathbf{X}\beta)$, where Φ is the cumulative density function of ε . The GSPC methodology utilizes covariates that control and/or proxy for the education level of the firm owner, the age of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing.

⁷⁶ An “odds-ratio” is also a measure of “effect size” in that in addition to the statistical significance of a parameter, the “odds-ratio” provides a measure of a parameter estimate’s “practical magnitude.” For an “odds-ratio” the practical magnitude is the absolute value of 1 minus the “odds-ratio”, measuring the percentage change in the likelihood of observing the dependent outcome.

⁷⁷ See: Bradley Efron and Robert J. Tibshirani. 1993. *An Introduction to the Bootstrap*, Chapman and Hall, NY.

could result from the omission of sampling and nonresponse weights, CRM/BRM parameter estimates with bootstrapped standard errors effects can mitigate/eliminate the bias caused by a sample that may not be fully representative of the population of interest.⁷⁸ Standard errors are also clustered on firm business category, as outcomes in particular sectors can be correlated (e.g. not independent), and if not accounted for, would lead to biased parameter estimates.⁷⁹

E. The Relative New Firm Entry Propensities of Minority Firm Owners in Greensboro-High Point NC Metropolitan Market Area

GSPC first examines the effects of M/WBE status on an individual's participation in the private sector as a relatively new business firm in the GHPMA. To the extent that M/WBEs have a lower likelihood of market entry relative to non-M/WBEs, it would suggest that private discrimination against Minority owned businesses is sufficiently present to warrant consideration of public sector legal remedies such as Affirmative Action and Minority "set-aside" contracting, that would improve the prospects for the entry of new Minority owned firms in the market. Such a perspective on discrimination suggests that entry barriers impede the formation of Minority owned firms. The counterfactual is that in the absence of such entry barriers, manifested perhaps as discrimination against Minority owned firms in access to capital, credit, etc., M/WBEs would be able to enter the market and compete with non-M/WBEs in bidding and securing public contracts from the City of Greensboro.

To determine if M/WBE status is a barrier to the formation of new businesses in the GHPMA, Tables 39-40 report, for each of the distinct M/WBEs in the GSPC sample, the estimated parameters of a Logit BRM with a binary variable for a firm establishing itself between the years 2012 – 2016 as the dependent variable. As standard control covariates GSPC includes measures of, or proxies for, the firm's owner's experience, the size of the firm, firm gross revenue, firm bonding status, firm financial standing, whether or not the firm is in the construction/Construction sector, and the education of the firm owner. As a goodness-of-fit measure, Pseudo- R^2 is reported.⁸⁰

The parameter estimates in Tables 39-40 suggest that with the exception of Hispanic owned firms, being an M/WBE is not a barrier to entering the market, as none of the estimated coefficients on the Minority status indicator is negative and significant—the estimated odds ratio is not statistically significant in these instances. For African American M/WBEs, the positive and significant odds ratio suggest that these firms are more likely to be new entrants to the market. As the excluded group in the regression specification is non-Minority owned firms, this suggests that with the exception of firms owned by Hispanics and African Americans, M/WBEs owned are neither more nor less likely to be new entrants to the GHPMA. To the extent that market experience is an important determinant of and correlated with success in bidding and

⁷⁸ See: Silvia Goncalves and Halbert White. 2005. "Bootstrap Standard Error Estimates for Linear Regression," *Journal of the American Statistical Association*, 100: pp. 970 -979., and Stanislav Kolenikov. 2010. "Resampling Variance Estimation for Complex Survey Data," *Stata Journal*, 10: pp. 165 – 199.

⁷⁹ The business categories are: 1.) Construction, 2.) Construction Related Professional Services (Including Architecture and Engineering), 3.) Professional Services, 4.) Other Services, and 5.) Goods.

⁸⁰ Pseudo- R^2 is not to be interpreted as the R^2 in standard Ordinary Least Squares (OLS) estimation, as OLS proceeds by minimizing variance to get parameter estimates. Logit specifications are likelihood-based, and higher values of Pseudo- R^2 indicate that the specified model is an increasingly better alternative to a null model with only an intercept.

securing public contracts, most M/WBES in the GHPMA are no different than non-Minority owned firms in being recent entrants to the market. This suggests that, with the exception of new firms owned by Hispanics and African Americans, the market experience of Minority owned firms and non-Minority owned firms is similar. To the extent that this also implies similar knowledge/experience about bidding and securing public contracts, any disparities in public contracting outcomes between Minority and non-Minority owned firms—with the exception of Hispanic and African American owned M/WBES—cannot be explained by differential market experience.

Table 39: Logit Parameter Estimates (Odds Ratio)

Business Enterprise Ownership Status and African American New Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.6835	.4900	.5960
Owner Has More Than 20 Years of Experience	.1918	.0454	.0001
Firm Has More Than 10 Employees	.4181	.2518	.0418
Firm Owner has a Baccalaureate Degree	.8304	.1525	.3112
Gross Revenue at Least \$2,500,001	.5067	.2468	.1635
Single Project Bonding Limit at Least \$500,001	.8959	.5221	.8514
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	2.81	1.03	.0051
Firm is in the Construction Sector	.3229	.2014	.0715
Firm is Certified as An African American Owned Business Enterprise	2.05	.5001	.0037
Number of Observations	397		
<i>Pseudo-R²</i>	.191		

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Table 40: Logit Parameter Estimates (Odds Ratio)

Business Enterprise Ownership Status and New Asian Owned Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.8232	.5003	.7496
Owner Has More Than 20 Years of Experience	.1845	.0357	.0001
Firm Has More Than 10 Employees	.3753	.2016	.0682
Firm Owner has a Baccalaureate Degree	.9192	.1714	.6524
Gross Revenue at Least \$2,500,001	.4926	.2271	.1257
Single Project Bonding Limit at Least \$500,001	.9713	.6596	.9661
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.84	.9191	.0001
Firm is in the Construction Sector	.3043	.1685	.0328
Firm is Certified as An Asian Owned Business Enterprise	.5674	3.61	.9293
Number of Observations	397		
<i>Pseudo-R²</i>	.179		

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Table 41: Logit Parameter Estimates (Odds Ratio)

Business Enterprise Ownership Status and Hispanic Owned Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.8335	.5431	.7802
Owner Has More Than 20 Years of Experience	.1857	.0509	.0001
Firm Has More Than 10 Employees	.3674	.2192	.0936
Firm Owner has a Baccalaureate Degree	.9416	.1811	.7553
Gross Revenue at Least \$2,500,001	.4806	.3138	.2622
Single Project Bonding Limit at Least \$500,001	.8853	.5431	.7809
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.82	1.05	.0001
Firm is in the Construction Sector	.3109	.1721	.0352
Firm is Certified as Hispanic owned Business Enterprise	.0012	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.188		

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Table 42: Logit Parameter Estimates (Odds Ratio):

Business Enterprise Ownership Status and Native American Owned Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.8117	.5323	.7501
Owner Has More Than 20 Years of Experience	.1837	.0427	.0001
Firm Has More Than 10 Employees	.3685	.2011	.0674
Firm Owner has a Baccalaureate Degree	.9237	.1886	.6975
Gross Revenue at Least \$2,500,001	.4889	.1992	.0791
Single Project Bonding Limit at Least \$500,001	.8922	.4904	.8363
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.89	1.09	.0001
Firm is in the Construction Sector	.3072	.1774	.0417
Firm is Certified as A Native American Owned Business Enterprise	1.51	10.26	.9523
Number of Observations	397		
<i>Pseudo-R²</i>	.178		

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Table 43: Logit Parameter Estimates (Odds Ratio)

Business Enterprise Ownership Status and Other Race Owned Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.8071	.3676	.6385
Owner Has More Than 20 Years of Experience	.1855	.0359	.0001
Firm Has More Than 10 Employees	.3735	.1832	.0459
Firm Owner has a Baccalaureate Degree	.9274	.1299	.5914
Gross Revenue at Least \$2,500,001	.4978	.2786	.2137
Single Project Bonding Limit at Least \$500,001	.8875	.6294	.8661
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.87	.9044	.0001
Firm is in the Construction Sector	.3079	.1424	.0117
Firm is Certified as An Other Race Owned Business Enterprise	1.04	.4873	.9314
Number of Observations	397		
<i>Pseudo-R</i> ²	.178		

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Table 44: Logit Parameter Estimates (Odds Ratio)

Business Enterprise Ownership Status and Women Owned Firm Entry
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered Market Between 2012-2016 (Binary)			
<i>Regressors:</i>			
Constant	.6596	.5009	.5849
Owner Has More Than 20 Years of Experience	.1961	.0561	.0001
Firm Has More Than 10 Employees	.3928	.2502	.1427
Firm Owner has a Baccalaureate Degree	.9097	.2262	.7045
Gross Revenue at Least \$2,500,001	.4895	.3286	.2870
Single Project Bonding Limit at Least \$500,001	.9924	.6859	.9918
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.67	1.01	.0001
Firm is in the Construction Sector	.3008	.1932	.0613
Firm is Certified as A Women Owned Business Enterprise	1.53	.6903	.3427
Number of Observations	397		
Pseudo-R ²	.184		

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F. M/WBEs and Bank Loan Denials in The Greensboro-High Point NC Metropolitan Market Area

To the extent that M/WBEs are credit-constrained as a result of facing discrimination in private lending markets, their capacity to compete for and execute public project could be compromised. In this context, a political jurisdiction that awards public contracts is potentially a *passive participant* in discrimination as M/WBEs may only have recourse to higher cost financing due to facing discrimination in private credit markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by M/WBEs in the private sector can rationalize targeted public contracting programs by political jurisdictions, and the capacity and growth of M/WBEs could be enhanced with access to public contracting opportunities (Bates, 2009).⁸¹

To determine if M/WBE status is a barrier to the formation of new businesses in the GHPMA, Tables 45-50 report, for each of the distinct M/WBEs in the GSPC sample, the estimated parameters of an Ordinal Logit BRM with the dependent variable being a categorical variable for the number of times the firm was denied a private bank loan between the years 2012 – 2016. The estimated odds ratios reveal that for the five distinct M/WBEs in the GSPC sample, relative to non-M/WBEs—the excluded group in the CRM specification—African American M/WBEs are more likely to be denied loans in the private credit market, as the estimated odds ratio is positive and statistically significant. For all the other M/WBEs, the odds ratio is negative and significant, suggesting that relative to non-M/WBEs, firms owned by Asians, Hispanics, Native Americans, and Other Races in the GHPMA, are less likely to be rejected for bank loans. This suggests that among M/WBEs in the GHPMA, those owned by African Americans are most likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

⁸¹ See: Bates, Timothy. 2009 "Utilizing Affirmative Action in Public Sector Procurement as a Local Economic Development Strategy." *Economic Development Quarterly*, 23: pp. 180 - 192., and Bates, Timothy, and Alicia Robb. 2013. "Greater Access to Capital is Needed to Unleash the Local Economic Development Potential of Minority-owned Businesses." *Economic Development Quarterly*, 27: pp.250 - 259.

Table 45: Ordinal Logit Parameter Estimates (Odds Ratio)

African American Ownership Status and Number of Bank Loan Denials
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 <i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	3.12	1.94	.0673
Firm Has More Than 10 Employees	.0002	.0001	.0001
Firm Owner has a Baccalaureate Degree	1.05	1.04	.9597
Gross Revenue at Least \$2,500,001	.0001	.0001	.0001
Single Project Bonding Limit at Least \$500,001	40.12	44.35	.0014
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	5.38	39.40	.8185
Firm is in the Construction Sector	.7158	.3998	.5492
Firm is Certified as An African American Owned Business Enterprise	2.03	.6536	.0272
Number of Observations	397		
<i>Pseudo-R²</i>	.225		

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Table 46: Ordinal Logit Parameter Estimates (Odds Ratio)

Asian Ownership Status and Number of Bank Loan Denials
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 <i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.82	1.71	.0882
Firm Has More Than 10 Employees	.0004	.0002	.0001
Firm Owner has a Baccalaureate Degree	1.15	1.04	.8783
Gross Revenue at Least \$2,500,001	.0003	.0001	.0001
Single Project Bonding Limit at Least \$500,001	45.67	48.51	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	7.39	63.38	.8153
Firm is in the Construction Sector	.6580	.3373	.4140
Firm is Certified as An Asian Owned Business Enterprise	.0001	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.224		

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Table 47: Ordinal Logit Parameter Estimates (Odds Ratio)

Hispanic Ownership Status and Number of Bank Loan Denials
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 <i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	3.93	11.49	.6407
Firm Has More Than 10 Employees	.0001	.0002	.0001
Firm Owner has a Baccalaureate Degree	1.04	.9803	.9649
Gross Revenue at Least \$2,500,001	.0001	.0001	.0001
Single Project Bonding Limit at Least \$500,001	46.78	172.95	.2984
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	7.73	59.94	.7925
Firm is in the Construction Sector	.9491	.4059	.9037
Firm is Certified as A Hispanic owned Business Enterprise	.0001	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.233		

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Table 48: Ordinal Logit Parameter Estimates (Odds Ratio)

Native American Ownership Status and Number of Bank Loan Denials
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 <i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	3.12	8.12	.6613
Firm Has More Than 10 Employees	.0003	.0002	.0001
Firm Owner has a Baccalaureate Degree	1.05	1.21	.9627
Gross Revenue at Least \$2,500,001	.0001	.0001	.0001
Single Project Bonding Limit at Least \$500,001	38.83	129.26	.2721
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	7.62	69.57	.8249
Firm is in the Construction Sector	.7349	.3480	.5152
Firm is Certified as A Native American owned Business Enterprise	.0001	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.219		

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Table 49: Ordinal Logit Parameter Estimates (Odds Ratio): Other Race Ownership Status and Number of Bank Loan Denials

In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.71	1.79	.1316
Firm Has More Than 10 Employees	.0002	.0001	.0001
Firm Owner has a Baccalaureate Degree	.9784	1.11	.9853
Gross Revenue at Least \$2,500,001	.0001	.0001	.0001
Single Project Bonding Limit at Least \$500,001	34.95	32.91	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	6.77	58.69	.8257
Firm is in the Construction Sector	.8274	.3867	.6852
Firm is Certified as An Other Race owned Business Enterprise	.0001	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.231		

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Table 50: Ordinal Logit Parameter Estimates (Odds Ratio)

In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of Bank Loan Denials: 2012-2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	3.14	10.40	.7283
Firm Has More Than 10 Employees	.0002	.0001	.0001
Firm Owner has a Baccalaureate Degree	1.06	1.15	.9538
Gross Revenue at Least \$2,500,001	.0001	.0001	.0001
Single Project Bonding Limit at Least \$500,001	40.91	49.47	.0024
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	7.60	56.08	.7834
Firm is in the Construction Sector	.7371	2.50	.9281
Firm is Certified as A Women Owned Business Enterprise	1.11	4.26	.9793
Number of Observations	397		
<i>Pseudo-R²</i>	.218		

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G. Are Minority Owned Firms Less Likely To Compete for Contracts in Greensboro-High Point NC Metropolitan Market Area?

One reason disparities in public contracting outcomes between M/WBEs and Non-M/WBEs could exist is that relative to Non-M/WBEs, M/WBEs are less likely to submit bids for public contracts. To determine if this is the case in the GHPMA, Tables 51-56 report Ordinal Logit parameter estimates of a CRM with the number of prime contracting bids submitted by a firm to the City of Greensboro between 2012 - 2016 as the dependent variable, for each of the distinct M/WBEs in the GSPC sample. The parameter estimates in Tables 51-56 suggest that with the exception of African American and Native American M/WBEs, Minority owned firms are not less likely to submit prime bid submissions relative to Non-M/WBEs, as the estimated odds ratio is not statistically significant in these instances.

For Native American and African American M/WBEs, relative to Non-M/WBEs, the likelihood of prime bid submission is higher and statistically significant. To the extent that public contracting success is proportional to the number of submissions, this suggests that, with the exception of M/WBEs owned by Native Americans and African Americans, any public contracting disparities in the City of Greensboro, between M/WBEs and Non-M/WBEs cannot be explained by differential public bid submission rates to the City of Greensboro. Indeed, in the case of M/WBEs owned by Native Americans and African American, their relatively high prime bid submission rate would suggest, all things being equal, a higher success rate relative to other firms in securing public contracts to the extent that public contracting success is proportional to the number of submissions.

Table 51: Ordinal Logit Parameter Estimates (Odds Ratio)

African American Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of: Prime Contractor Bids Submitted to City of Greensboro: 2012 - 2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	.7772	.0912	.0325
Firm Has More Than 10 Employees	1.07	.2419	.7763
Firm Owner has a Baccalaureate Degree	1.06	.0756	.2961
Gross Revenue at Least \$2,500,001	1.45	.1069	.0001
Single Project Bonding Limit at Least \$500,001	.5178	.1124	.0027
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	.8689	.1530	.4259
Firm is in the Construction Sector	1.46	.1339	.0001
Firm is Certified as An African American owned Business Enterprise	1.51	.3092	.0465
Number of Observations	397		
<i>Pseudo-R²</i>	.012		

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Table 52: Ordinal Logit Parameter Estimates (Odds Ratio)

Asian American Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of: Prime Contractor Bids Submitted to City of Greensboro: 2012 - 2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	.7594	.1461	.1463
Firm Has More Than 10 Employees	.9947	.4515	.9917
Firm Owner has a Baccalaureate Degree	1.14	.0932	.1073
Gross Revenue at Least \$2,500,001	1.45	.0694	.0001
Single Project Bonding Limit at Least \$500,001	.4951	.1287	.0073
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.07	.1992	.7008
Firm is in the Construction Sector	1.43	.2290	.0253
Firm is Certified as An Asian American Owned Business Enterprise	2.41	1.98	.2836
Number of Observations	397		
Pseudo-R ²	.009		

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Table 53: Ordinal Logit Parameter Estimates (Odds Ratio)

Hispanic Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of: Prime Contractor Bids Submitted to City of Greensboro: 2012 - 2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	.7512	.1641	.1917
Firm Has More Than 10 Employees	.9904	.3695	.9793
Firm Owner has a Baccalaureate Degree	1.12	.1721	.4452
Gross Revenue at Least \$2,500,001	1.43	.1068	.0001
Single Project Bonding Limit at Least \$500,001	.5442	.1583	.0369
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.06	.1799	.7327
Firm is in the Construction Sector	1.40	6.55	.9423
Firm is Certified as A Hispanic owned Business Enterprise	.9602	4.20	.9931
Number of Observations	397		
<i>Pseudo-R²</i>	.012		

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Table 54: Ordinal Logit Parameter Estimates (Odds Ratio)

Native American Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of: Prime Contractor Bids Submitted to City of Greensboro: 2012 - 2016 (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	.7448	.1752	.2113
Firm Has More Than 10 Employees	.9705	.3804	.9397
Firm Owner has a Baccalaureate Degree	1.12	.1026	.2218
Gross Revenue at Least \$2,500,001	1.39	.1229	.0001
Single Project Bonding Limit at Least \$500,001	.5501	.1167	.0053
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.07	.2006	.7215
Firm is in the Construction Sector	1.39	3.54	.8942
Firm is Certified as A Native American owned Business Enterprise	1.69	.2103	.0001
Number of Observations	397		
Pseudo-R ²	.009		

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Table 55: Ordinal Logit Parameter Estimates (Odds Ratio)

Other Race Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of			
Greensboro: 2012 - 2016			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	.7515	.1813	.2364
20 Years of Experience			
Firm Has More Than	.9907	.3418	.9786
10 Employees			
Firm Owner has a	1.14	.1569	.3424
Baccalaureate Degree			
Gross Revenue at Least	1.42	.0818	.0001
\$2,500,001			
Single Project Bonding	.5448	.1376	.0163
Limit at Least \$500,001			
Financing Requirements	1.07	.1899	.7013
Are a Barrier for Obtaining			
City of Greensboro Projects			
Firm is in the Construction	1.38	6.67	.9458
Sector			
Firm is Certified as	1.17	.1333	.1775
An Other Race owned			
Business Enterprise			
Number of	397		
Observations			
<i>Pseudo-R²</i>	.008		

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Table 56: Ordinal Logit Parameter Estimates (Odds Ratio)

Women Ownership Status and Prime Bid Submissions
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of			
Greensboro: 2012 - 2016			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	.7924	.1769	.2973
20 Years of Experience			
Firm Has More Than	1.03	.3334	.9313
10 Employees			
Firm Owner has a	1.11	.1455	.4084
Baccalaureate Degree			
Gross Revenue at Least	1.42	.1214	.0001
\$2,500,001			
Single Project Bonding	.5518	.1753	.0613
Limit at Least \$500,001			
Financing Requirements	1.02	.1527	.8895
Are a Barrier for Obtaining			
City of Greensboro Projects			
Firm is in the Construction	1.39	3.47	.8941
Sector			
Firm is Certified as	1.36	.2831	.1382
A Women Owned			
Business Enterprise			
Number of	397		
Observations			
<i>Pseudo-R²</i>	.011		

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H. Minority Owned Firms And Prime Contracting in Greensboro-High Point NC Metropolitan Market Area

To the extent that frequency of public contract bids reflects past experience as a prime contractor, M/WBEs can potentially become frequent prime contract bidders by actually gaining experience as successful prime contractors. As such, the frequency of prime bids by M/WBEs firms need not be a concern if they are actually gaining valuable experience as prime contractors that will translate into frequent contract bids and success later. To explore if this is the case in the GHPMA, Tables 57-62 report Logit BRM parameter estimates where the dependent variable is whether or not a firm served as a prime contractor for the City of Greensboro between 2012 – 2016.

The parameter estimates in Tables 57-62 suggest that relative to Non-M/WBEs, those African Americans, Asians, Hispanics, and Native Americans, were less likely to have served as prime contractors in the City of Greensboro, as the estimated odds ratio is statistically significant and less than one in these instances. For Other Race M/WBEs, the estimated odds ratio is positive and significant, suggesting that relative to Non-M/WBEs, Other Race M/WBEs are more likely to have won prime contracts from the City of Greensboro during 2012- 2016.

In general, the estimated odds ratios in Tables 57-62 suggest that relative to Non-M/WBEs, the likelihood of M/WBEs owned by African Americans, Hispanics, and Native Americans winning bids for prime contracts with the City of Greensboro is lower. To the extent that public contract success is proportional to prior experience as a prime contractor, this suggests that any public contracting success disparities between Non-M/WBEs, and M/WBEs owned by African Americans, Hispanics, and Native Americans may reflect past constraints on public contract success if current success is correlated with the experience gained from past success.

Table 57: Logit Parameter Estimates (Odds Ratio)

African American Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0061	.0057	.0001
Owner Has More Than 20 Years of Experience	2.41	2.77	.4453
Firm Has More Than 10 Employees	3.35	2.43	.0951
Firm Owner has a Baccalaureate Degree	.3497	3.06	.9047
Gross Revenue at Least \$2,500,001	7.53	8.53	.0753
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	6.80	4.05	.0013
Firm is in the Construction Sector	.7265	.5524	.6748
Firm is Certified as An African American owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.183		

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Table 58: Logit Parameter Estimates (Odds Ratio)

Asian Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0044	.0031	.0001
Owner Has More Than 20 Years of Experience	2.79	1.86	.1249
Firm Has More Than 10 Employees	4.21	2.42	.0125
Firm Owner has a Baccalaureate Degree	.2793	2.04	.8625
Gross Revenue at Least \$2,500,001	8.13	6.87	.0131
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.38	1.43	.0043
Firm is in the Construction Sector	.7306	.4872	.6383
Firm is Certified as An Asian owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.136		

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Table 59: Logit Parameter Estimates (Odds Ratio)

Hispanic Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0042	.0035	.0001
Owner Has More Than 20 Years of Experience	2.92	2.23	.1613
Firm Has More Than 10 Employees	4.30	2.21	.0058
Firm Owner has a Baccalaureate Degree	.2848	2.03	.8617
Gross Revenue at Least \$2,500,001	8.03	5.48	.0029
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.52	1.98	.0251
Firm is in the Construction Sector	.7547	.5222	.6847
Firm is Certified as A Hispanic owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.138		

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Table 60: Logit Parameter Estimates (Odds Ratio)

Native American Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0042	.0035	.0001
Owner Has More Than 20 Years of Experience	2.89	2.33	.1858
Firm Has More Than 10 Employees	4.44	2.19	.0031
Firm Owner has a Baccalaureate Degree	.2912	2.08	.8634
Gross Revenue at Least \$2,500,001	8.34	6.09	.0043
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.41	1.64	.0115
Firm is in the Construction Sector	.7228	.5120	.6479
Firm is Certified as A Native American owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.140		

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Table 61: Logit Parameter Estimates (Odds Ratio)

Other Race Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0031	.0009	.0001
Owner Has More Than 20 Years of Experience	2.81	.9667	.0047
Firm Has More Than 10 Employees	4.58	1.47	.0001
Firm Owner has a Baccalaureate Degree	.3336	.1317	.0058
Gross Revenue at Least \$2,500,001	7.41	3.76	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	4.99	2.25	.0001
Firm is in the Construction Sector	.6135	.1484	.0437
Firm is Certified as An Other Race owned Business Enterprise	4.09	2.17	.0083
Number of Observations	397		
<i>Pseudo-R²</i>	.165		

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Table 62: Logit Parameter Estimates (Odds Ratio)

Women Ownership Status and Prime Contracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Greensboro:			
2012 – 2016			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0042	.0015	.0001
Owner Has More Than 20 Years of Experience	2.85	1.73	.0842
Firm Has More Than 10 Employees	4.27	2.55	.0157
Firm Owner has a Baccalaureate Degree	.2830	1.78	.8413
Gross Revenue at Least \$2,500,001	8.29	4.69	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	3.44	1.36	.0029
Firm is in the Construction Sector	.7353	.4138	.5857
Firm is Certified as A Women Owned Business Enterprise	1.01	.7635	.9883
Number of Observations	397		
<i>Pseudo-R²</i>	.134		

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I. Minority Owned Firms And SubContracting in the Greensboro-High Point NC Metropolitan Market Area

To the extent that submitting and winning public contract bids requires experience, which can also be gained through subcontracting with lead prime firms, M/WBEs can potentially become more frequent and successful prime contract bidders by acquiring experience as subcontractors. As such, the low-frequency of prime bid submission and lower likelihood of being a prime contractor by M/WBEs need not be concern if they are gaining valuable subcontracting experience that will translate into high frequency contract bids and success later. To explore if this is the case in GHPMA, Tables 63-68 report Logit BRM parameter estimates where the dependent variable is whether or not a firm served as a subcontractor on a City of Greensboro project between 2012 – 2016.

The parameter estimates in Tables 63-68 suggest relative to Non-M/WBEs, M/WBEs owned by African Americans, Asians, and Native Americans were less likely to have been subcontractors, as the estimated odds ratio is statistically significant and less than one in these instances. For Other Race M/WBEs, the estimated odds ratio is positive and significant, suggest a higher likelihood, relative to Non-M/WBEs, of having subcontractor experience with the City of Greensboro. To the extent that public contract success is proportional to prior experience as a subcontractor, this suggests that any public contract success disparities between Non-M/WBEs, and M/WBEs owned by African Americans, Asians, and Native Americans reflects constraints on access to subcontracting opportunities if success with respect to securing prime contracts is correlated with the experience gained from experiences as a subcontractor on City of Greensboro projects.

Table 63: Logit Parameter Estimates (Odds Ratio)

African American Ownership Status and SubContracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on City of Greensboro Project (Binary)			
<i>Regressors:</i>			
Constant	.0039	.0012	.0001
Owner Has More Than 20 Years of Experience	.7601	.4342	.6315
Firm Has More Than 10 Employees	2.33	17.94	.9128
Firm Owner has a Baccalaureate Degree	2.19	1.27	.1751
Gross Revenue at Least \$2,500,001	3.09	.7423	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.77	.2283	.0001
Firm is in the Construction Sector	6.89	3.09	.0001
Firm is Certified as An African American owned Business Enterprise	.5548	.1452	.0247
Number of Observations	397		
<i>Pseudo-R²</i>	.121		

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Table 64: Logit Parameter Estimates (Odds Ratio)

Asian Ownership Status and SubContracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on			
City of Greensboro Project			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0035	.0011	.0001
Owner Has More Than 20 Years of Experience	.8082	.3953	.6638
Firm Has More Than 10 Employees	2.48	15.88	.8872
Firm Owner has a Baccalaureate Degree	2.07	.9337	.1079
Gross Revenue at Least \$2,500,001	2.83	.6708	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.45	.3056	.0742
Firm is in the Construction Sector	6.94	3.08	.0001
Firm is Certified as An Asian owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.117		

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Table 65: Logit Parameter Estimates (Odds Ratio)

Hispanic Ownership Status and Subcontracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on			
City of Greensboro Project			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0025	.0033	.0001
Owner Has More Than 20 Years of Experience	.6108	.4211	.4758
Firm Has More Than 10 Employees	2.83	21.61	.8913
Firm Owner has a Baccalaureate Degree	2.37	1.68	.2247
Gross Revenue at Least \$2,500,001	3.82	.2940	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.19	.2866	.4483
Firm is in the Construction Sector	8.56	6.06	.0028
Firm is Certified as A Hispanic owned Business Enterprise	18.58	134.99	.6883
Number of Observations	397		
<i>Pseudo-R²</i>	.179		

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Table 66: Logit Parameter Estimates (Odds Ratio)

Native American Ownership Status and SubContracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on			
City of Greensboro Project			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.0035	.0013	.0001
Owner Has More Than 20 Years of Experience	.7499	.3639	.5538
Firm Has More Than 10 Employees	2.58	17.20	.8875
Firm Owner has a Baccalaureate Degree	2.19	.8955	.0539
Gross Revenue at Least \$2,500,001	3.44	.9713	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.31	.2561	.1703
Firm is in the Construction Sector	7.31	3.91	.0001
Firm is Certified as A Native American owned Business Enterprise	.0002	.0001	.0001
Number of Observations	397		
<i>Pseudo-R²</i>	.124		

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Table 67: Logit Parameter Estimates (Odds Ratio)

Other Race Ownership Status and SubContracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on City of Greensboro Project (Binary)			
<i>Regressors:</i>			
Constant	.0015	.0022	.0001
Owner Has More Than 20 Years of Experience	.8009	.6068	.7713
Firm Has More Than 10 Employees	2.61	19.03	.8956
Firm Owner has a Baccalaureate Degree	3.71	3.76	.1952
Gross Revenue at Least \$2,500,001	2.96	1.17	.0061
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.25	.6787	.6783
Firm is in the Construction Sector	7.18	7.19	.0494
Firm is Certified as An Other Race owned Business Enterprise	9.03	8.56	.0217
Number of Observations	397		
Pseudo-R ²	.179		

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Table 68: Logit Parameter Estimates (Odds Ratio)

Women Ownership Status and SubContracting
In Greensboro-High Point NC Metropolitan Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Served as:			
As a subcontractor on City of Greensboro Project (Binary)			
<i>Regressors:</i>			
Constant	.0005	.0035	.2974
Owner Has More Than 20 Years of Experience	1.43	.7477	.4928
Firm Has More Than 10 Employees	4.43	33.45	.8442
Firm Owner has a Baccalaureate Degree	2.28	1.37	.1729
Gross Revenue at Least \$2,500,001	3.59	1.25	.0001
Single Project Bonding Limit at Least \$500,001	.0002	.0001	.0001
Financing Requirements Are a Barrier for Obtaining City of Greensboro Projects	1.54	.6103	.2817
Firm is in the Construction Sector	8.22	1.18	.0001
Firm is Certified as A Women Owned Business Enterprise	8.65	60.72	.7581
Number of Observations	397		
<i>Pseudo-R²</i>	.192		

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J. Conclusion

GSPC’s analysis of disparities in public contracting and subcontracting outcomes in the City of Greensboro aimed to provide some policy-relevant insight into observed unconditional disparity indexes. A descriptive private sector analysis of the GHPMA private sector revealed that, in general, being an M/WBE in the GHPMA is associated with lower firm revenue and less self-employment, which lends some support to the “but-for” justification for Affirmative Action in public procurement. Lower revenues for M/WBES in the GHPMA is suggestive of private sector discrimination that undermines Minority owned firms’ capacity to compete with Non-Minority owned firms for public contracting opportunities. In this context, Table 69 provides specific detail on which M/WBES in the GHPMA are constrained by private sector discrimination that translates into lower revenue. The parameter estimates from the GSPC sample suggest that M/WBE firms owned by African Americans and Women are particularly harmed by private sector discrimination, as the odds ratio is significant and less than unity relative to firms owned by Caucasian Males.

Table 69: Firm Revenue and M/WBE Status

Greensboro-Highpoint Market Area:
Logit Parameter Odds Ratio Estimates

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Revenue (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 years of Experience	2.92	.4544	.0000
Firm Has More Than 10 Employees	10.55	2.82	.0000
Firm Owner has A Baccalaureate Degree	1.24	.0917	.0037
Single Project Bonding Limit at Least \$500,001	2.55	.3780	.0000
Financing Requirements are a Barrier for Obtaining City of Greensboro Projects	.3631	.0918	.0000
Firm is in the Construction Sector	1.96	.3924	.0015
Firm is Certified as an African American Owned Business Enterprise	.5479	.1054	.0000
Firm is Certified as an Asian American Owned Business Enterprise	.8331	5.39	.9773
Firm is Certified as a Hispanic American Owned Business Enterprise	.7352	.1802	.2109
Firm is Certified as a Native American Owned Business Enterprise	1.62	.2483	.0025
Firm is Certified as an Other Race owned Business Enterprise	.8992	.3712	.7971
Firm is Certified as Women Owned Business Enterprise	.7895	.1126	.0974
Number of Observations	397		
<i>Pseudo-R²</i>	.101		

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Our disparity analysis explicitly links a business firm’s M/WBE status to public contracting outcomes in the GHPMA. Parameter estimates from categorical regression models suggest that, in general, with the exception of African American and Hispanic M/WBES, while a firm’s M/WBE status has no statistically

significant effect on entering the GHPMA as a new firm, for the majority of the M/WBEs in the GHPMA, being an M/WBE does have an adverse impact on securing public contracting and subcontracting opportunities relative to Non-M/WBEs in general. GSPC also finds that in the GHPMA, African American M/WBEs are more likely to be denied loans in the private credit market. This suggests that among M/WBEs in the GHPMA, those businesses owned by African Americans are most likely to have their capacity to compete for public contracts diminished with the City of Greensboro as a result of private sector credit market discrimination.

The results of the GSPC disparity analysis provide a framework to rationalize any observed disparities in public contracting success with the City of Greensboro between M/WBEs and Non-M/WBEs in the GHPMA. Indeed our results suggest that there are disparities in public contracting outcomes. As relative to Non-M/WBEs, the likelihood of M/WBEs owned by African Americans, Asians, Hispanics and Native Americans winning bids for prime contracts with the City of Greensboro is lower. Our analysis suggests that any disparities that exist cannot be explained by differential M/WBE/Non-M/WBE prime contract submissions, but can possibly be explained, at least in part, by M/WBEs being less likely to have served as subcontractors and prime contractors in the past, and in the case of African American M/WBEs, by discrimination in private credit markets that constrain public procurement capacity. As our regression model controls and/or proxies for the education level of the firm owner, the age and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing; none of these factors are driving the disparities between M/WBEs and Non-M/WBEs in the likelihood of winning prime contracts from the City of Greensboro. In this context, our results are also consistent with disparities in winning prime contracts with the City of Greensboro being driven by discrimination against M/WBEs owned by African Americans, Asians, Hispanics, and Native Americans.

In general, the results of the GSPC disparity analysis suggest that any observed disparities in public contracting outcomes between M/WBEs and Non-M/WBEs are not explained by differential capacities for public contracting with the City of Greensboro. Our regression results control for firm public contracting capacity by including measures for the education level of the firm owner, the age and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing. This inclusion of these control covariates in our regression specifications permits an assessment of public contracting success/failure conditional on M/WBE and Non-M/WBE public contracting capacity. Our findings of public contracting success disparities between M/WBEs and Non-M/WBEs, even after controlling for public contracting disparities, suggests that relative to Non-M/WBEs, M/WBEs face barriers in securing public contracts with the City of Greensboro.

Overall, the GSPC private sector analysis enables some inferences regarding the impact/effectiveness of the City of Greensboro's M/WBE program between 2012 – 2016. Three results from our analysis are particularly informative:

1. The regression parameter estimates of the impact of M/WBE status on submitting bids to the City of Greensboro suggest that for Native American and African American owned firms, relative to Non-M/WBEs, the likelihood of prime bid submission is higher and statistically significant. To the

extent that public contracting success is proportional to the number of submissions, this suggests that, with the exception of M/WBE firms owned by Native Americans and African Americans, any public contracting disparities in the City of Greensboro, between M/WBEs and Non-M/WBEs, cannot be explained by differential public bid submission rates to the City of Greensboro.

2. The regression parameter estimates of the impact of M/WBE status on winning prime bids with the City of Greensboro suggest that relative to Non-M/WBEs, those firms owned by African Americans, Asian Americans, Hispanic Americans, and Native Americans, were less likely to have served as prime contractors in the City of Greensboro, as the estimated odds ratio is statistically significant and less than one in these instances. For Other Race M/WBEs, the estimated odds ratio is positive and significant, suggesting that relative to Non-M/WBEs, Other Race M/WBEs are more likely to have won prime contracts from the City of Greensboro during 2012- 2016.
3. The regression parameter estimates of the impact of M/WBE status on serving as subcontractors suggest relative to Non-M/WBEs, M/WBEs owned by African Americans, Asian Americans, and Native Americans were less likely to have been subcontractors.

These findings are useful for assessing how impactful/effective the M/WBE Program is, or what the City of Greensboro M/WBE program has accomplished over the Study Period. In general, the regression-based findings suggest that the Greensboro M/WBE Program has not been effective in reducing—at least not eliminating, disparities in public contracting outcomes between M/WBES and Non-M/WBES.

VI. ANECDOTAL EVIDENCE

A. Introduction

The anecdotal evidence portion of this disparity study draws from various forms of qualitative evidence collected over a period of several months, including survey data from firms, in-depth interviews with business owners, meetings with organizations, public hearing testimony, and focus group discussions. This information was gathered in a transparent manner. Where interested parties were not able to participate in any other forum, they were provided with the opportunity to submit their comments for consideration to the study team via email. The purpose of collecting and analyzing these various forms of anecdotal evidence is to reveal the diverse perspectives of business owners and stakeholders in the Greensboro marketplace with regard to doing business in, and with, the City of Greensboro. Much of the anecdotal data will also be used in this chapter to provide a comparative analysis of the experiences of Minority and Women owned businesses as they relate to those of Non-Minority owned firms.

The opportunity to provide public hearing testimony was widely advertised and maintained as a part of the public record in the form of recordings and transcripts. Business owners and community members were encouraged to speak on the record regarding their experiences doing business or attempting to do business with the City of Greensboro. Focus groups were assembled by soliciting participation from a random sample of firms in the Greensboro area. Interviews were also conducted through utilization of a random stratified sample, by ethnicity and gender. Included for discussion were a variety of topics, including the participants' business history to their experiences with City bids, credit, and bonding.

The online survey of business owners was broadly advertised for participation by every firm willing and available in the Greensboro marketplace. Firms were contacted in person, through news/social media, and email blasts and were urged to participate. The findings from the survey are presented throughout the chapter below to provide a broader perspective to the issues raised in the anecdotal collection process. This chapter will attempt to aggregate the data collected and provide a comprehensive interpretation of major themes across demographics that will inform the Findings and Recommendations at the end of this study.

B. Anecdotal Interviews and Survey of Business Owners

In addition to statistical analysis, The GSPC Online Survey of Business Owners also gathered anecdotal impressions. The survey gathered 383 responses from business owners, including 144 Non-M/WBEs 94 Nonminority Female, 97 African American, 6 Asian American, 10 Hispanic American, 8 Native American, 6 Bi-racial, and 18 businesses who identified as "Other". Additionally, thirty (30) in-person anecdotal interviews were conducted with business owners in the Greensboro area. Of these interviews, nine businesses (9) were owned by Non-Minority men, nine (9) identified as Non-Minority Women, one (1) was owned by a Native American, three (3) business owners were Asian American, five (5) were African American owned, and three (3) were Hispanic American owned.

Of anecdotal interviewees that are certified or eligible to be certified, over half believe that certification is ineffective, and nearly a quarter have chosen not to become certified for this reason. Several interviewees cited difficulty obtaining bonding or credit, the majority of which were minorities. Notably, the majority of

Non-M/WBEs expressed positive attitudes toward diverse hiring and subcontracting. Still, over one-third of M/WBEs interviewed either chose not to bid with the City of Greensboro or were unsuccessful in their bids. Over half of the Non-M/WBE businesses that participated in interviews successfully bid with the City during the study period, whereas only a quarter of Minority and Women owned firms did so. Interviews were conducted in a loosely guided format and some interviews did not touch directly on all of the topics presented.

1. Discrimination and Informal Networks

Several interview participants felt strongly that racial discrimination is at play in the City's business practices, and while the majority of respondents had not experienced discrimination, those who recounted their experiences were emphatic in their beliefs regarding the City's practices. Among them were AI-4, a Native American business owner, who stated that she felt "tricked by the cultural resource center in Greensboro into thinking there was more social diversity and acceptance" but that the diversity is only surface level, and though people are "politically correct" there is a lot of segregation and disparate spending. She described the infrastructure spending downtown as "wasteful" considering the inequality in Greensboro, stating that the beneficiaries are primarily "young educated professionals" who are primarily Caucasian. Of the space downtown and opportunities to relocate, she states that "they don't want us down there; it's not for us." While she believes some minorities are "accepted downtown," they are those with a good education, and that there is an expectation of cultural assimilation ("don't act black"). "We are not white enough" to get money from the City Council, AI-4 asserts.

AI-1, is an African American who stated that its courier business has struggled to get a foot in the door at the City, though its owner asserts that he has attended several vendor functions and reached out to various agencies and council members for assistance. AI-1 is frank in his belief that the barriers he has experienced are a result of his race, stating that certain City officials have implied to him that they do not feel that African Americans are professional, trustworthy, or capable enough to do business with the City, and that he would have to work to gain their trust before they would assist him in finding business at the City. This, he argues, supports his belief that there is a "Good Old Boy" or informal network at the City of Greensboro that is exclusionary to minorities.

AI-8, an African American Woman with a business in sustainable architecture, made statements that seemed to support the impressions of both AI-1 and AI-4, stating that "Greensboro and the powers that be want to keep money in certain hands." Her belief is that it is not always racially motivated, but more the fact that "it is a closed community" and officials at the City have "friends, family, associates that they feel comfortable with and will bypass qualified businesses to support them (AI-8). To support her points, she recalls approaching the City Manager with plans to utilize federal grant money awarded to Greensboro for sustainable architecture, and finding that they had created a position internal to the City for someone to implement those same plans, neither giving her credit nor the opportunity to compete for a position as an external consultant. AI-8 stated that this behavior was "unscrupulous" and "to the detriment of the City" because her firm has a "proven track record" in the field. Though she does business in several other Southeastern and Midwestern states, she has failed to do business with the City.

When asked if they felt that there was an informal network at the City of Greensboro that “monopolizes the public contracting process,” 40 % of survey respondents of all races and genders responded that there was such a network (Survey Page 62). Among those who responded “yes,” African Americans had by far the highest percentage at 73 percent, compared to 28 % of Non-M/WBEs, 32 % of Non-Minority Women, and 30 % of Hispanic Americans who felt the same. When asked if they had experienced discriminatory conduct in the private sector, 14 % of total participants (all races and ethnicities), including 34 % of African Americans and 11 % of Women owned firms, stated that they felt that they had (Survey Page 60).

In the private sector, however, Non-M/WBE firms were vocal about their support for diversity in subcontracts and their awareness of the importance of diversity. AI-3, a Caucasian Male contractor, described being affected from a young age observing discrimination against an African American peer, and takes pains not to discriminate in the same manner. AI-9 and AI-2 remarked that their companies are committed to diversity and utilize Minority subcontractors whenever possible. AI-7, AI-6 and AI-5 all stated that they have a history of hiring Minority and Women owned firms. Often these responses occurred in the portion of the interview in which firm owners were asked how they identify in terms of race and gender, or if they had ever experienced discrimination. Two Caucasian Female owned firms indicated their discomfort with the “identity question,” with AI-17 stating that she prefers not to “focus on race” and “care(s) more about reliability.” When asked if they “believe that some Non-Minority prime contractors only utilize M/W/DBE companies when required to do so by the City of Greensboro,” the majority of Non-M/WBE survey respondents (58 percent) and a thin majority of Nonminority Female (51 percent) chose “neither agree nor disagree,” with the second highest percentages (18% and 28% respectively) choosing “agree” (Survey Page 71). To the same question, 45% of African Americans chose “strongly agree” and 27 % picked “agree” (Survey Page 71).

2. Capacity and Bonding

Several participants cited capacity issues and contract sizing as barriers to participation with the City. The majority of those who voiced concerns with contract sizes or the City’s methods of rotating contracts were, Nonminority Female owned small businesses. For instance, AI-4 stated that few businesses in her area (“outside of downtown”) have the capacity to tackle City projects as they are currently bundled, specifically referencing municipal bond projects. AI-22 stated that “cities have this mindset that they need big consultants to do everything, and smaller consultants can provide a lot of good service and we’re more suited to work on small projects,” however, she finds that the City rarely bundles projects to facilitate small business participation. In addition, she stated that she prefers the opportunity of being a prime contractor to working on teams. Having previously been successful as a prime on small contracts in Raleigh, she found that it is more beneficial for her firm to “be able to work directly” with a city, though the opportunity doesn’t seem to be there in Greensboro. Similarly, AI-15 says that her environmental firm, which she started with her husband in 2005, is “forced to be a subcontractor” and that their work with the City is usually “part of a bigger project.” Though she says that her firm has a good track record and is very efficient, there are few opportunities for them to act as the prime. Among the respondents to GSPC’s survey, 14 % of Nonminority Female, 19 % of African Americans, and 25 % of Asian Americans listed the size of contracts as a barrier to their participation.

However, AI-17 stated that her hauling company, inherited by her husband from her father-in-law with her as a 60 % owner, pursued certification but bid on more than ten contracts before winning one. Finally, they achieved a contract where they were one of two firms on-call to the police department 24 hours a day, and had to have all of the expensive equipment necessary to do any job, big or small. Shortly after that contract, however, City Council broke it into smaller contracts, putting more firms “on rotation” and shifting her previous contract, which automatically renewed, to “every 5 years.” She asserts that their firm is more qualified and has invested more in equipment and training to meet the needs of the original contract, and considers unfair the new efforts to break down contracts.

Bonding was also a problem for several interviewees, who found it difficult to obtain financial services within Greensboro. AI-8, for instance, stated that she had difficulty obtaining capital and had to go outside of the Triad region to get credit and bonding to begin her work with the government. She stated that these issues are crucial because “growth is based on resources” and identifies that had she not been mobile enough to look elsewhere, the unwillingness of Greensboro banks to do business with her firm would have been a potential setback. When asked if performance bond requirements were prohibitive, 11 % of all respondents answered that they were, though African Americans had a higher positive response rate to this question at 24 % of respondents compared to 13 % of Nonminority Female, and Native Americans (Survey Page 24). Percentages were slightly lower, but similar, among those who responded “yes” to the same question about bid bonds (Survey Page 26).

3. Outreach

Several participants cited a lack of outreach from the City as a deterrent to them pursuing business or learning about potential bids. AI-10 states that he used to receive emails, but in the past 5 years has not received any emails regarding upcoming bids, or phone calls notifying him of opportunities to participate. AI-23 states that he feels that there is not a sufficient process in place to provide outreach to M/WBE certified firms, or to follow-up with them after a bid. In his experience, it has been more possible to get work through his HUB certification. AI-1 notes that many startups need help to understand the bidding process and that the City does not provide sufficient resources in that direction.

According to AI-4, the reasons behind the lack of outreach felt by some other business owners is due to the fact that there is no “actual dialogue between the City and the constituents that the City serves, except to a few” and those “few” are already established and have relationships. In her estimation, constituents that are not “high wage earners” do not have a “voice” and are not provided access to the City’s bidding process. “Most of us are not able to take the time that it takes to go down and shout and stay at it until we get heard,” AI-4 states, frustrated. She states that entire segments of the Greensboro business population are not “invited to the table” and also “have a lot to lose” by speaking up about the apparent lack of transparency or outreach.

4. Certification

Perspectives on certification with the City of Greensboro varied throughout the interview process, but it was clear that several were dissatisfied with the restrictions on certification, while others found it to be incredibly useful once attained. AI-20, a Non-M/WBE business owner, says that the business certified when his wife (who was 100 % owner) was alive, but that he couldn't get business with the City after she passed away. He identified outreach issues with the City as part of his difficulty. When his wife was alive, however, certification was helpful to them. AI-8, an African American Woman, recalls being instructed by the M/WBE staff that she could not be certified because she was outside of the Greensboro area, and she has found it difficult to do business in the City without certification. AI-11, a Nonminority Female business owner, stated that certification has not helped her at all, and it was clear to her that the program was not "going to be of any benefit" to her firm. Her expectation that the certification would "open doors" for them has not been realized. On the other hand, two Hispanic owned businesses stated that they found certification to be incredibly helpful and easy. AI-26 stated that it has provided "networking opportunities" for them to collaborate with other Small, Minority, and Women owned businesses, which they have found to be an integral aspect of their success.

C. Public Hearings

GSPC held two public hearings on September 27th, 2017, at the Nussbaum Center for Entrepreneurship and Thursday, September 28th, 2017 at the Greensboro Coliseum Complex's Odeon Theatre with estimated attendance at the two at about 35-40 individuals. At each hearing, the topic of discussion was introduced by GSPC's staff, participants were reminded that they were speaking on the record and invited to give testimony.⁸² Several themes emerged in both public hearings, and the impressions gleaned from the hearings are grouped into thematic sections below.

1. Private Sector Discrimination

Similar to the interview responses, there was a stark difference between the perspectives of Non-M/WBE and Minority business owners with regards to the current business climate in Greensboro, and prime contractors' efforts to subcontract to M/WBE firms. Advocating for minority designers and engineers, PH-2 implores Greensboro to insert more requirements on the design side, stating with certainty that the data would support the availability of firms in the marketplace. "We're starving," he stated, without contracts from the City. "We have to go down to South Carolina, Virginia to work but we can't work right here," because "prime contractors here don't want to share" (PH-2). Meanwhile, PH-1 has been successful in finding subcontracting work for his Construction business, but stated that that there is so much discrimination on some of his jobs that he is tempted to have his employees wear body cameras to record it. He recalled that he has been called the "N-word" on jobs before, and that there is currently a contractor undergoing litigation with another firm for similar treatment, yet is still receiving City contracts.

⁸² PH-1 through PH-8 attended the first hearing and PH-9 through PH-20 attended the second.

Contrary to these assertions, PH-18, a Non-M/WBE contractor, states that part of his job is to advertise to and find minority owned firms to meet the Good Faith Efforts, but the ten county requirement of the M/WBE program limits their ability to find firms that could increase their utilization. “It’s kind of frustrating sometimes, because we can send out maybe 60 invitations to bid and only receive 5 or 6 responses.” He stated that he had been introduced to several firms recently that he had heard of, but wasn’t aware of what they did. He also commented that his last several projects have had M/WBE subcontractors and “we didn’t have any problem with them...it’s not about who the contractor is.” Though PH-18’s firm may, like the majority of Non-M/WBE owned firms interviewed for this study, assert a desire for diversity, there is a clear schism between these firms and ones that may be operating in the marketplace with less than stellar intentions.

PH-1 stated that the City should not only provide closer inspection and provisions for subcontractors, but also support its minority owned firms by making verified workplace discrimination grounds for termination of contracts. “You send me out there to work with this racist man, and I have to bite my tongue to try to get along with him because he’s writing my checks...but it gets to a point where you can’t be agreeable anymore” (PH-1). According to PH-1, others in the community have encouraged him not to complain, because it has always been this way and “it’s not going to change,” but he is persistent. PH-19, an African American business owner, responded to PH-18’s claim of a lack of response, saying that “it costs money to bid and when you do, you keep hearing the same story: you’re too high. It’s like we’re chasing our tails.” He stated that many firms are dissuaded from quoting and attending pre-bids; there are many contractors who “deliberately try to put the subs out of business;” and “we can’t make a law to put hate out of a person’s heart...it has nothing to do with construction; it’s a whole different problem.” PH-19 stated that “the undercurrent of all this...is racism” and likened it to playing football with people continuing to move the goal posts. Like PH-1, PH-6, representing a Women owned business, stated that there should be a temporary “disbarment policy” for prime contractors that repeatedly submit false information on participation or fail to meet their goals, which would mimic policies in place by the State of North Carolina.

2. Varying Inspection Standards

With regard to public sector discrimination, there were several references to being “inspected out of jobs,” and accusations that the qualifications and standards for performance on contracts changes were based unpredictably on the racial or ethnic identity of the business owner. Several owners brought up the work being done at the Greensboro Coliseum, asserting that those handling the purchasing for goods, services, and construction for the division operates outside of the City’s set procedures and are not answerable to anyone. PH-2 argues that they “do whatever they want to do” at the Coliseum and minorities have not been able to participate as a result. PH-6 states that it seems that those running the operations act outside of the City’s organizational structure with “a lot of money that’s spent in our community that nobody looks at.” PH-14, stated that it is “imperative” for “specialty projects” to operate under the same procedures and oversight of other contracts, and that “all projects should adhere to the same guidelines with regard to notification and the criteria for qualification.”

PH-2 and PH-7, in the first public hearing, stated that though they are equally qualified to majority firms they have been “inspected out of jobs” by discretionary inspection standards. PH-1 states that when things go wrong on site, the subcontractor becomes the “scapegoat” because inspection and verification is not up

to par, and the prime contractor is able to blame the failings or changes that need to be made on the quality of the subcontractor's work, whether or not is true. PH-1 feels "singled out" and states that if they are Caucasian, prime contractors can "get by with 60 or 70 percent," whereas he has to "be 100% all the time" (PH-1). Notably, 29% of African Americans responded to GSPC's survey that prequalification requirements are a barrier to doing business with the City, nearly triple the same response by Non-M/WBEs (Survey Page 23).

3. WBE Requirements

Several participants in the second public hearing discussed the WBE requirements, which are separate from the MBE goals, and their impact on Minority Women, specifically. PH-1 stated that he believes that Nonminority Female businesses benefit disproportionately in comparison to their Minority Female counterparts because black women are automatically categorized by race and Caucasian Female business owners have a specific portion of work set out for them that Minority Women do not have access to. Aside from his fervent belief that a portion of WBEs in Greensboro are fronts for their husband's businesses, where a woman's spouse is operating the firm and reaping the benefits of her WBE status, PH-1 argues that African American Women should be able to reap the benefits of the WBE goals. They state that, "she [the black woman] is still a woman...but the way the system is set up now, she doesn't count like the white woman counts" (PH-1).

PH-5, also an African American, stated that the focus should be on raising overall goals for both MBEs and WBEs, stating that focusing on WBEs feeds into "divide and conquer" tactics because "white males win 90% of the contracts." However, PH-6 a Nonminority Female business owner, herself, voiced her agreement with PH-1, saying that it is "completely unfair for black women to have to choose whether they will be considered black or women. I don't understand that at all" (PH-6). She advocated breaking the WBE goal into Minority Women segments because "Minority Women are probably more disparaged than any other group" (PH-6).

4. M/WBE Program Structure

There was clear praise for the M/WBE program administrators and staff, with several business owners at both meetings singing their praises. PH-9, a Female consulting firm, spoke very highly of them, citing consistent outreach and help with documents and forms that she, coming from the private sector, had struggled to understand. She stated that Greensboro has been the only government organization that her firm has been able to work with consistently, and attributes their success to the City staff's assistance. Similarly, PH-13, an African American business owner, says that the M/WBE program has given him the opportunity to "get on jobs and to perform" as well as to grow financially and "put people to work from our communities." Though PH-11 has experienced discrimination in both the public and private sectors, and describes being an African American Woman in the tech field as "climbing Mount Everest," she praises the "ladies of M/WBE" at the City as "phenomenal" in helping her to understand the contracting process.

While many praised the program staff, it was acknowledged many times at both hearings that the current organizational structure at the City does not afford the staff much ability to effect change when it comes to

purchasing officers or prime contractors. PH-7 states that the M/WBE program staff has done an “excellent job” and “run around tirelessly trying to handle what they can handle;” however, they have not been able to monitor what goes on, on work sites, or to intervene in the inspection process when it is unfair. While PH-12 believes that the City of Greensboro “has one of the most progressive M/WBE programs that I’ve seen since the ‘60’s,” he states that the “problem...is implementation.” He referenced GFE as “an illusion of inclusion,” where primes can pretend to contact minorities with no intention of actually hiring them. He places the blame, not on the M/WBE staff, but on the lack of authority of oversight granted to them. At two different meetings, four separate individuals, PH-2, PH-5, PH-14, and PH-17, advocated for the M/WBE Program Director to have the authority to report directly to the City Manager or City Council to enable her to enforce the City’s M/WBE policies without being on a “peer-level” with purchasers.

a) *Barriers to Participation*

Beyond assertions of discrimination, several business owners expressed that they struggle with other barriers that keep them from participating with the City of Greensboro to the extent that they would like. Among them, certification requirements, outreach, and subcontractor payments were discussed. PH-3 is simply concerned with “how to bid,” stating that he doesn’t know where to go to get information about opportunities. While he has been down to the City, and the officials were helpful, he has not received the outreach necessary to be aware of City business that is on the horizon. Similarly, PH-4 stated that it is difficult to know about upcoming bids, because each department has different processes and practices, and each does their own procurements. He stated for a centralized system that would enable firm owners to be notified uniformly. Eleven percent of total respondents to the survey listed a lack of knowledge of purchasing processes as a barrier to participation.

Several business owners had issues with the certification requirements, asserting by turns that they were too cumbersome or too exclusionary. PH-10, an African American business owner, reports that having to “prove” that he is black to be certified as Minority owned is an unnecessary burden that Non-minorities do not have to encounter and states that the process for certification is too cumbersome for a small business. He cites having to obtain his parents’ birth certificates which list their ethnicities because that practice ended in the 1970’s before he was born. Several participants, stated that it is a “shame” to have to “prove that you are black in 2017.” PH-15, a Nonminority Female business owner from Raleigh, was excluded from certification altogether because of the M/WBE program’s “ten-county” requirement and was disappointed to discover this after winning a job. She noted that she had been told by a prime contractor that they initially hired her as a result of her DBE status and kept working with her because she runs a “good firm,” supporting her statement that the M/WBE program “gets us in the door” and that not just those within the Greensboro MSA should have access.

PH-1 and PH-2 both recounted issues with timely payment, with PH-1 citing an experience wherein his firm was not paid for 120 days after work was completed. He informed the City that he was not being paid, although the prime contractor was still receiving payments, and no action was taken. He thinks that “contractors’ money should stop on all projects with the City of Greensboro” if they have not paid their subcontractors. PH-1 believes that such inaction is particularly egregious when working with a “public

body” because “we know the money is there,” stating that he should not have to “beg for work and then beg for my money” (PH-1). PH-2 stated that “quick pay is nonexistent” and 120-day payments are crippling for small businesses, even putting them out of business. As a solution, he proposes that the City “put money into a technological system” that monitors subcontractors’ payments.

b) *Calls to Action*

Several participants discussed the importance of voting and being active politically to creating the policy changes necessary for minority owned businesses to flourish. PH-5 told the crowd that “the City belongs to you,” stating that African Americans pay “40 percent” of the City’s taxes and see that money used to develop communities other than their own, echoing sentiments by AI-4 in the anecdotal interviews. PH-16, a political candidate in District 2, expressed that while he understood that many present consider Greensboro to be “progressive,” his campaign’s research revealed that \$184 million were spent with “one community” and \$5.3 million dollars “came to the African American community.” He referred to the issue as one of economic injustice, calling it an “apartheid system,” hearkening to the discontent among some interview participants with the segregation in Greensboro and infrastructure spending.

PH-5 advocated organizing, lobbying, and suing for improper conduct, as well as enacting anti-trust law to prevent “cities from conspiring with general contractors” to shut businesses out. PH-14, a former program administrator from Winston-Salem, also stated that the Minority business community has to organize and “operate as a collective body” and advocate for themselves.

PH-20 expressed his appreciation for Councilwoman Hightower’s presence and criticized the lack of presence by the rest of City Council, questioning their commitment to the Program “when it’s not a photo opportunity.”

D. Focus Group

The City of Greensboro focus group was held on September 26th, 2017, from 12 to 2 PM at the Greensboro Public Library. Fourteen (14) Greensboro-area business owners initially agreed to participate after being identified and contacted by random sample. The focus group was initially scheduled for early September. However, after rescheduling due to inclement weather produced by Hurricane Irma, ten individuals agreed to participate in the focus group. Three (3) African American male business owners attended the event. The focus group was facilitated by a member of the GSPC project team, who allowed the conversation to organically evolve, interjecting only occasionally to ask questions for discussion or clarify statements by participants.

All three participants held strong, negative views on the M/WBE program, expressing doubts about its usefulness as well as the City’s commitment to its success. FG-1 believes that certification is “a waste of time” and believes that the problem with M/WBEs are not just in Greensboro, but with the whole of North Carolina. He states that he does not try to win projects through his M/WBE status but tries to win by his qualifications, yet there is “always a reason why he doesn’t win” (FG-1). In his estimation, the M/WBE program only “maintain(s) the status quo” and is designed to “pacify” the Minority community. FG-2

concluded, stating that he “does better without the program,” that the administrators of the M/WBE program don’t “go to bat for their own people.” In his opinion, the Federal government’s 8(a) program has been a better resource, because the Greensboro M/WBE program lacks oversight. All three participants agreed that the M/WBE program lacks systems to properly notify potential vendors of upcoming bids, with FG-3 asserting that he did not know that Greensboro had an M/WBE program until receiving the disparity study emails, though he is a registered vendor with the City. He states that he is not alone in this, that many business owners are not aware of opportunities to bid. FG-1 asserted that “if people have never bid, it’s because people don’t know” about the opportunities.

In addition to these concerns about the program, the vendors were also in agreement that they feel they are held to a higher standard than Non-M/WBE firms, which FG-1 finds particularly disconcerting and disheartening. FG-1 believes that he has to work as a subcontractor on projects that he can self-perform, only receiving a portion of the work that he has the capacity to execute. He chalks this up to being viewed as less competent due to his race. Though he notes that this is not true, it makes him “neurotic” about ensuring that his work exceeds expectations. FG-3 said that Minority owned firms are expected to “be above and beyond” their competition, and that a Minority owned firm that has been around for a while has to be “great at what (they) do, or (they) aren’t around anymore” (FG-3). When asked in the survey if “in general, M/W/DBEs tend to be viewed by Non-M/WBEs as less competent, 50 % of African American respondents selected either “agree” or “strongly agree,” while 26 % of Nonminority Female owned businesses and 14 % of Non-M/WBE owned firms selected the same.

The business owners also recounted instances of unfair treatment, asserting that there are exclusionary practices in both the private and public sectors in Greensboro. FG-2 recalls that he was the low bidder by \$40,000 on a Greensboro project and was passed over. FG-2 also notes that private firms don’t inform him of non-public projects, which he believes calls into question their actual desire to do business with M/WBEs when they are not required to do so. FG-1 states that, though he has done work in several jurisdictions outside of Greensboro, he does not believe that there is opportunity in the City because larger firms win many small projects. FG-3’s experience has been losing contracts to Caucasian contractors who, in his belief, “did not have the resources to participate,” counting both contracts as the only time she has lost a bid.

The focus group participants were clear that they believed their impressions were shared by a number of their peers in the Minority business community. According to FG-2, the perceived lack of transparency does not help the City’s image with Minority contractors. “Everything is done behind closed doors,” FG-2 stated, asserting that people don’t bid with the City because they don’t believe it’s “worth the time.” When asked if they are afraid of retaliation for speaking up about unfair practices, FG-2 replied that “there is a political element that intimidates many people,” and that he himself has been “threatened” for speaking up in the past. FG-3 stated that “sometimes people don’t make waves out of fear,” and FG-1 stated that it is simply that “when you upset the apple cart, they might throw you something but it’s in a resentful way.”

E. Organizational Meetings

GSPC did outreach to 44 local organizations community and business organizations. Those organizations that agreed to meet include the Charlotte-Mecklenburg NAACP, the Greensboro Chamber of Commerce, the Greensboro Community Development Fund, the Community Foundation of Greater Greensboro,

Downtown Greensboro, Incorporated, and the City of Greensboro MWBE Coordinating Committee. A full list of the firms that GSPC contacted is contained in Appendix P.

Though the discussions varied based on the focus of the organizations, each organization representative interviewed touched on their impressions of the City's M/WBE efforts and the current climate for minority and female business owners in Greensboro. Several noted and are involved in the regeneration efforts in the downtown Greensboro area, and expressed a desire to assist with informing minorities of the opportunities there. Several offered their opinions, as organizations that regularly deal with entrepreneurs, on what the City could do to improve its engagement with M/WBEs in particular.

A representative of Downtown Greensboro, Inc. ("DGI"), an economic development nonprofit, discussed with GSPC their M/WBE recruitment efforts, which they have initiated with the help of the City's M/WBE program. DGI is planning to host several events to help firms understand certification and network across demographics, and the goal of the organization is to attract businesses to the downtown area to assist with its regeneration. She finds that compared to her previous work in Brooklyn, New York, Greensboro has an added barrier of segregation between "East Greensboro and non-East Greensboro," noting that it appears that African Americans perceive downtown as "for white people." DGI hopes to shift this perception and offer Minority owned businesses the opportunity to be a part of downtown's redevelopment. The DGI representative is new to Greensboro and admits to not being sure where the mentality of segregation emerges from. "Do Women and minorities choose to have their businesses elsewhere or are they being discriminated against?" she asks. She does note, however, that wealthy men seem to "kind of run downtown," though she sees many small businesses and "mom and pop" stores in the area. It is continuing to grow with the opening of LeBauer Park and Union Square, and plans for a new hotel and a walking trail.

GSPC's conversation with three representatives of the Greensboro Chamber of Commerce, revealed that they believe that "things are moving forward," especially in downtown Greensboro. The Chamber itself provides a monthly "coffee and conversation" series to educate local businesses and provide opportunities for networking, touching on issues of capital, marketing, and customer acquisition. They discussed the City's Minority Business Accelerator, which they admit needs to be "more structured" but aims to make introductions between companies on the "supply side" and "demand side" to help them form partnerships with Minority owned businesses. The Chamber has assisted this effort by constructing a Minority business task force and helping to recommend firms for participation. Of the City's M/WBE program, the employees at the Chamber say that the director is a "great resource" and they often refer uncertified firms to her. They note that for small businesses, certification can be an "overwhelming" and time-consuming process while they are also focused on running their business.

An official of Greensboro Chamber of Commerce told GSPC that capital is one of the major barriers that small businesses encounter, and that the City is "very open and receptive to early stage companies." She believes that for small businesses, "finding the support systems" present a challenge, and the Chamber, the M/WBE program, and other organizations such as DGI are working to provide that. The City financially supports some of the local programs run by these organizations, and she "feels supported" by the City in her work at the Chamber of Commerce. When asked about the segregation perceived by some in the Minority owned business community, she replied that she is not aware of such a divide, and that the diverse membership of the Chamber has "happened naturally" without tailored programs for minorities and Women.

Presenting a different perspective, an officer of the Charlotte-Mecklenburg NAACP told GSPC that “racism and implicit bias” play a role in contracting across the state of North Carolina, expressing her frustration that even workforce projects such as “Charlotte Works” tended to give most of the jobs to the “cream of the crop”—highly educated individuals who did not necessarily need the leg up. It is her belief that Caucasian people benefit from such programs more than low-income African Americans. “The people that need to be served are not being served here,” she stated, arguing that African Americans are being pushed back into the Jim Crow era to become “indentured servants” who are unable to provide for their families. She feels that funding does not go to those with the most need, and that it would behoove the governments in the Triad to look at workforce development, because “it gives pride and keeps funding within the community” when workers are trained to move past entry-level positions.

GSPC’s team also met with a representative of the Community Foundation of Greater Greensboro, a local business that focuses on fundraising and philanthropy. His firm is involved with large capital projects, such as the new performing arts center, which he says allows them to have a broader perspective on the implementation of diversity initiatives. Like the official with the NAACP, he believes that the City has “institutional bias” and Minority owned firms are hesitant to apply to do business with the City, because they have not previously been included and have not seen the necessary changes to the process that would make them feel welcomed. He asserts that the financial criterion of capital projects is exclusionary to Minority owned businesses, preventing them from being competitive in that space. The Community Foundation representative also stated that the inability of Minority contractors to work on large projects, such as the arts center, due to financial barriers leads to issues of “fronts” and “pass-throughs,” where Non-M/WBE owned firms create Minority partners to meet the requirements. He believes that the focus needs to be on building capacity. Despite this, he stated that the local M/WBE office is “engaged” and “doing the best they can,” though he thinks that they are limited by policy. He believes that minorities also benefit from a “system” of pass-throughs, that he knows individuals who will go to Council and complain about the lack of Minority participation but “walk out and get paid by majority firms.” His answer to the perceived segregation in Greensboro is for the City to support apprenticeships in the high schools and develop relationships with local colleges. The Community Foundation representative feels the younger generation of minorities feels very welcome in the downtown area, while the older generation has a mindset that “downtown” isn’t for them. Regardless, he believes that there is a unique opportunity for the City to encourage and empower younger generations to participate by working with the Universities.

The Greensboro Community Development Fund, a local Community Development Financial Institution (“CDFI”), reports that the City of Greensboro has done a lot of benefit for their organization, with them receiving half a million dollars from the City in funding for the past three years. Of that funding, \$350,000 was specifically allocated for lending to small, women and minority businesses. They feel that the City could better communicate these opportunities as a resource for M/WBEs. While the M/WBE office has been the champion for the local M/WBE community, they are seen as being on the “outside” of the contracting process, “They are a silo, not because that is where they (M/WBE office) want to be, but because that is where they have been placed”, he states, “Their existence seems to be ad-hoc to daily business.” Furthermore, they attribute much of this to the City being unwilling to “seek out” and support new entrants to the market. While they recognize the City trying to make some effort to improve the issue with M/WBE contracting, the overall City culture remains “closed off” to people based on their ethnicity or socioeconomic background, “Depending on what side of town you live on, you might be unable to use the public transit that your tax dollars help pay for.”

For the Greensboro M/WBE Coordinating Committee, a quasi-governmental group of business owners commissioned by the Greensboro M/WBE program plan to oversee local equity efforts, they experience difficulties both as business owners and within the City political structure. GSPC met with a member of this group who corroborated some negative experiences reported by local M/WBEs, including their own “unpleasant” experience in the contracting process, which included walking away from a City subcontract because of potentially harmful contract language forced on them by the Prime, “That should never happen on a City contract”, she says, and recognizes that if it happened to them, “Then it may also happen to other businesses who are not as comfortable walking away.”

The Committee as a whole reports feeling “handled and manipulated” by the City, as they do not set their own agenda, but it is passed down from the City. While the current M/WBE program plan permits for the committee to choose its own chair, the City has made practice of appointing a chair on their behalf, which has, at least for the duration of the interviewee’s appointment, always been one of the Assistant City Managers. In some ways, the committee sees their interaction with the City as representative of the overall culture towards diversity, “When the City Council doesn’t show up at any of your meetings, and Councilwoman Hightower is the only one, when they don’t come it sends a message that there is no concern for what is happening in their program.” Additionally, they find exchanging information pertinent to their role as problematic, feeling they often have to “go to battle” for information. While their desire is to collaborate to further M/WBE outcomes with the City, the lack of partnership creates an adversarial relationship, “It is an us versus them feeling instead of us working together for the same goal”. They feel their current process is conversation oriented, with the City legal department’s approach often seen as an additional barrier. They feel legal too often focuses on justifying a lack of action, saying “Legal always gives responses that are never pro- M/WBE program, but feels like it favors someone else.” Furthermore, she states that, “We get a lot of reasons for why something can’t happen but never any discussion on ways they can make something happen.”

In the operation of the M/WBE Program, the Committee sees some opportunity to improve, most notably, holding Economic Development projects subject to the M/WBE program and additional oversight in Sole Source procurements. Specifically, they desire to see the M/WBE program review specifications which make procurements exempt from the M/WBE goals, even if there are subcontracting opportunities available. Overall, they desire to do more for the community but need the support of City Council and the latitude to operate within the guidelines of the M/WBE Program Plan. Some areas where the Committee hopes to improve include developing a consistent outreach tool to communicate with the M/WBE community and doing more capacity building, “The only time they hear from us can’t be to rally the community.” They also feel they could be better in engaging external community organizations to help coordinate these efforts, which they hope to do in the future.

In addition to the interview above, members of the Committee made the following recommendations:

- Make M/WBE goal achievement as a standard for each department's performance evaluation.
- Establish prequalification criteria that the General Contractor must meet to do business with the City.
- The City should conduct better training and compliance of all City departments as it applies to purchasing procedures at all levels, specifically to include the Coliseum Complex.
- Again, sole source contracts were mentioned and for there to be a verification process to substantiate that they are sole source.

- Economic development projects should conform to the M/WBE Program requirements before approval of contracts.
- There should be procedures to qualify “On Call” contracts to reduce their usage where normal purchasing procedures should prevail.

While they did not have an opportunity to be formally interviewed, the Greensboro NAACP did provide a statement on their position regarding the Disparity Study. They are most concerned about Compliance and Enforcement within the Greensboro M/WBE program, and hope that more consequences for non-compliance with the program will help increase opportunities for future M/WBEs. They are also advocates for opening up the universe of contracting opportunities to be more intentional in seeking M/WBE inclusion on small dollar and informally bid contracts.

F. Email Comments

GSPC also solicited email comments throughout the study process as a method of gathering information from those who were not available for any of the other events or selected for interview. The address, GreensboroStudy@gspclaw.com, was widely disseminated to potential study participants in all correspondence and announcements related to the study. The email responses GSPC received were limited, but several supported statements made by business owners in the public hearings, interviews, and focus group. EC-7 sent a message that her firm went under as a result of attempting to do business in Greensboro, stating that “it took money to make money” and that she didn’t have the “correct connections.” EC-9 echoed the concerns of many at the public hearings regarding the Greensboro Coliseum, citing “unfair trade practices” and a system that “excludes minorities” or ensures that they “do not make any money on the project.” EC-3 identified a bid whose specifications were so prescriptive as to make it, in his eyes, a “single source contract disguised as a competitive bid.” EC-3 believes that there is “absolutely no opportunity” for Minority contractors in Greensboro. Finally, EC-8 wrote that the challenges faced by her company are the “lack of advertised opportunities” for goods and services, as well as “micro and small purchases” that happen without competition. Her suggestion was that the City adopt a policy to incentivize buyers to “invest those funds with local, small, Minority, and Women owned businesses. EC-10 expressed that City departments should provide justification for sole source purchases and that economic development reimbursement contracts should be required to use the same selection process used by the City to procure design professionals.

G. Conclusion

Through several months of qualitative data gathering, GSPC has found certain clear themes within and across Greensboro’s many demographics that reflect the way its citizens view their prospects as business owners and what, if anything, needs to change. There was much discussion, in many forums, about the primary issues facing the City of Greensboro as seen by the business owners who chose to participate in our study. Among them were issues of outreach and awareness of bids, late payment, prime contractor discrimination and misconduct, exclusionary practices on City contracts, certification requirements, the M/WBE program structure, contract sizing, and on-site monitoring.

Though many MBEs stated that they had experienced discrimination of some form in either the public or private sector, the testimonials of Non-M/WBEs indicated significant variation in experience. While several Non-M/WBE businesses and Nonminority Female owned businesses voiced a belief in and desire for diversity, and sometimes a discomfort with talking about race at all, the African American community in Greensboro was especially vocal about the role that they believe race has played in limiting their opportunities in and with the City. Testimonies were made regarding hostile work environments, disparaging racial comments from City officials, and discriminatory tactics by inspectors and prime contractors alike.

In seeking to address these issues, the role of the City then becomes establishing mechanisms by which such behavior, when reported, is investigated and action taken. It also requires a restructuring of the M/WBE program office to equip them---as they have first contact with many Minority owned businesses---to address concerns of malfeasance and monitor activity on worksites. Many in the minority community expressed doubt that the City truly desires to create this change. However, by putting in place the appropriate checks and balances, the City stands to regain the trust that has been lost by segments of the minority business community.

In addition, several references were made to the Greensboro Coliseum and to the downtown area, more generally, as being unfriendly toward minority business owners. Concerns were expressed that purchasing at the Coliseum does not seem to follow the guidelines of the City and is therefore enabled in exclusionary practices against minorities. A few business owners also discussed the fact that much money is being spent regenerating the downtown area, but they do not feel welcome to do business there, and feel that there is an informal network at play. The sense that City contracts are subject to favoritism or “who you know” is one that the City will have to work to combat through greater efforts at outreach and transparency. Methods for fostering transparency and minority outreach will be discussed in the “Findings and Recommendations” chapter of this study.

It should be noted that the issues facing many M/WBEs stem not only from their race, ethnicity, or gender, but also from the relative size of their firms, and that the whole economy benefits from practices that support small businesses, as well as diversity. Several business owners discussed issues of late payment by prime contractors, which has the potential to put small firms out of business, and cited difficulties with contract sizing at the City of Greensboro. By unbundling contracts and breaking them into their smaller component parts, the City may create opportunity for small firms that typically perform as subcontractors to work directly with the City. For those projects where it is not possible or practical, it is important to have reporting mechanisms in place whereby prime contractors must provide confirmation of their subcontractor payments at a reasonable interval of time after their payment has cleared. This reporting will also enable program administrators to make a case for withholding prime payments when they have not honored their subcontractor agreements.

It is clear that many M/WBE’s hold the program in great esteem, and desire that it remain and grow to its greatest potential for effectiveness. Much praise was heard for the program and certification. In fact, several who took issue with certification did so because they were excluded from participating due to their location and desired to be a part of the program. In the “Findings and Recommendations” section of this study, GSPC will address the options for expanding inclusion into the program.

VII. FINDINGS AND RECOMMENDATIONS

This chapter presents the findings and conclusions resulting from the disparity study conducted for the City of Greensboro related to Construction, Professional Services, Other Services, and Goods for FY2012-FY2016.

As outlined in the Legal Analysis in Chapter I, the courts have indicated that for a race-based or gender-based preference program to be maintained there must be a clear evidentiary foundation established for the establishment of programs or the continuation of existing programs. As the detailed findings below will demonstrate, GSPC found sufficient statistically significant underutilization of minority and Nonminority Female owned firms as prime contractors and as subcontractors in all four (4) work categories that GSPC analyzed. A regression analysis was performed and found that there was evidence to indicate that the disparities were likely caused by the race, ethnicity, or gender status of the firm owners such that an inference of discrimination can be made. GSPC also collected and analyzed anecdotal evidence of the experiences of firms in the City's marketplace in order to help shape GSPC's recommendations.

A. FINDINGS

GSPC's findings responded to the five (5) research questions as follows:

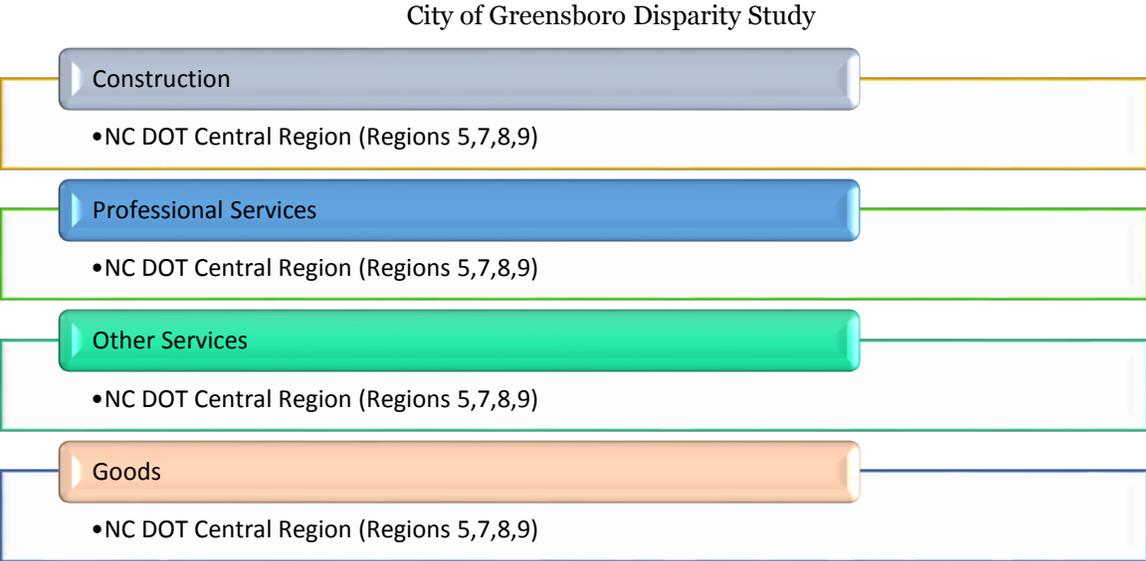
1. GSPC concluded, based upon the outcome of its Availability/Utilization Disparity analysis in Chapter IV of the report and the analyses in Appendix F, G, and M that, in total, there is a statistically significant disparity in the relevant geographic and product markets between the number of qualified minority and Nonminority Female owned firms ("M/WBE") willing and able to provide goods or services to the City in each of the category of contracts and the number of such firms actually utilized by the City (whether as prime contractors/consultants or subcontractors/consultants). GSPC found that M/WBEs were statistically significantly underutilized as prime contractors, as subcontractors, and as prime and subcontractors combined in every work category during the Study Period, with the exception of African American owned firms in Other Services on prime contracts less than \$300,000. Chapter V of the Study also found very low utilization of M/WBEs on private sector commercial projects.
2. Having found that a statistically significant disparity exists, race and gender are still significant after controlling for other factors. Specifically, in Chapter V of the Study, GSPC found that being an M/WBE does have an adverse impact on securing public contracting and subcontracting opportunities relative to Non-M/WBEs in general.
3. The City of Greensboro currently has no remedial program for M/WBE subcontractors on Construction contracts under \$300,000 which would make it a race-neutral program. In those awards, GSPC found that M/WBE construction subcontractors were awarded 3.77% of construction Award dollars compared to 37.70% Availability. This would indicate that race and gender neutral remedies alone are insufficient to remedy the identified disparities.

4. GSPC found quantitative and qualitative evidence from the Study to legally support race and/or gender conscious elements in a remedial program.
5. GSPC has proposed recommendations that are narrowly tailored to the strong basis in evidence from the disparity study as is explained in the recommendations themselves below.

FINDING 1: GEOGRAPHIC MARKETS

The figure below summarizes the geographical area where at least 75% of prime awardees were located in each industry. In analyzing the Relevant Market data, GSPC tabulated the percentage of dollars awarded, beginning with the City of Greensboro (by zip codes). GSPC continued counting in radius surrounding the City of Greensboro until the cumulative percentage was equal to or greater than 75%. The availability and utilization analyses were conducted only on firms with offices within the geographical markets. The results were as follows:

Figure 4: Summary of Relevant Geographic Market (by awards)



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FINDING 2: M/WBE UTILIZATION ON SMALLER PRIME CONTRACTS

As would be expected M/WBEs won a larger share of smaller prime contracts on City projects.

On prime contracts less than \$300,000 M/WBEs were awarded 24.67% of Construction dollars, 7.68% of Professional Services dollars, 18.99% of Other Services dollars and 1.99% of Goods dollars.

On prime contracts less than \$1 million M/WBEs were awarded 17.21% of Construction dollars, 5.46% of Professional Services dollars, 10.28% of Other Services dollars and 2.03% of Goods dollars.

FINDING 3: AVAILABILITY

The measures of availability utilized in this disparity study incorporate all of the criteria of availability required by Croson:

- The firm does business within an industry group from which the City of Greensboro makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with government.
- The firm is located within a relevant geographical area such that it can do business with the City of Greensboro.

The firms used to calculate Availability came from the Master Vendor File (See Chapter IV (G)(2)). GSPC found that firms were available to provide goods and services to the City as reflected in the following percentages by each race, ethnicity, and gender group.

Table 70: Summary of Availability Estimates by Work Category

In the Relevant Market
(Based upon the Master Vendor File)
City of Greensboro Disparity Study

Ethnicity	Construction	Professional Services	Other Services	Goods
African American	11.48%	17.38%	13.89%	13.87%
Asian American	1.02%	3.48%	1.03%	3.36%
Hispanic American	4.51%	2.94%	2.17%	2.75%
Native American	0.82%	0.53%	0.52%	1.22%
Total Minority	17.83%	24.33%	17.61%	21.20%
Nonminority Female	19.88%	21.93%	11.36%	27.44%
Total M/WBE	37.71%	46.26%	28.97%	48.64%
Non-M/WBE	62.30%	53.74%	71.04%	51.36%
Total	100%	100%	100%	100%

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FINDING 4: M/WBE UTILIZATION

As the table below shows, the City of Greensboro awarded a total of \$738,541,060 in prime spending in the Relevant Market during the study period and \$36,454,454 of this amount, or 4.94% of this amount was awarded with M/WBE firms as prime contractors.

Table 71: Summary of Prime Utilization by Work Category

In the Relevant Market
(Based upon Awards FY2012-FY2016)
City of Greensboro Disparity Study

Prime Awards (using Contracts and Purchase Orders)										
	Construction		Professional Services		Other Services		Goods		Total	
African American	\$3,185,339	1.08%	\$2,543,027	2.10%	\$7,042,206	5.64%	\$561,510	0.29%	\$13,332,082	1.81%
Asian American	\$0	0.00%	\$593,475	0.49%	\$0	0.00%	\$2,799	0.00%	\$596,274	0.08%
Hispanic American	\$30,000	0.01%	\$0	0.00%	\$549,483	0.44%	\$0	0.00%	\$579,483	0.08%
Native American	\$0	0.00%	\$0	0.00%	\$5,692	0.00%	\$0	0.00%	\$5,692	0.00%
Total Minority	\$3,215,339	1.09%	\$3,136,502	2.59%	\$7,597,381	6.08%	\$564,309	0.29%	\$14,513,531	1.97%
Nonminority Female	\$15,015,933	5.08%	\$3,569,737	2.95%	\$1,604,810	1.28%	\$1,750,443	0.89%	\$21,940,923	2.97%
Total M/WBE	\$18,231,272	6.16%	\$6,706,239	5.54%	\$9,202,190	7.37%	\$2,314,752	1.18%	\$36,454,453	4.94%
Total Non M/WBE	\$277,574,951	93.84%	\$114,254,361	94.46%	\$115,713,165	92.63%	\$194,544,129	98.82%	\$702,086,606	95.06%
Total Firms	\$295,806,223	100.00%	\$120,960,600	100.00%	\$124,915,355	100.00%	\$196,858,881	100.00%	\$738,541,059	100.00%

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FINDING 5: M/WBE TOTAL UTILIZATION (PRIME AND SUBCONTRACTOR COMBINED)

Since the City does not track Non-M/WBE subcontractors, GSPC could not determine a complete analysis of the percentage of dollars that M/WBE firms received in comparison to Non-M/WBE subcontractors. (Although it did solicit prime contractors for information on all of their subcontractors and received a sample response in Appendix K, along with a copy of the Prime Vendor Questionnaire). As an alternative method, GSPC compared total M/WBE award dollars (prime and subcontractor) to total Non-M/WBE award dollars in order to demonstrate the percentages of awards received by M/WBEs that can be compared to the existing M/WBE goals and Availabilities. The utilization tables are presented in Table 72 and the disparity outcome is presented in Table 74.

Of all total combined prime and contractor dollars in Construction, minority owned firms received 3.38% and WBEs received 8.02%, for a combined M/WBE total of 11.41%.

In Professional Services, MBEs received 5.73% and WBEs received 3.01%, for a combined total of 8.74% awarded to all M/WBEs in Professional Services during the Study Period.

Table 72: Summary of Total Utilization (Prime & Subcontractor Combined)

In the Relevant Market
 (Based upon Awards FY2012-FY2016)
 City of Greensboro Disparity Study

Business Ownership Classification	Construction		Professional Services	
	\$	%	\$	%
African American	\$ 8,105,829	2.74%	\$ 6,134,450	5.07%
Asian American	\$ -	0.00%	\$ 593,475	0.49%
Hispanic American	\$ 1,755,120	0.59%	\$ 35,890	0.03%
Native American	\$ 143,195	0.05%	\$ 166,920	0.14%
Total Minority	\$ 10,004,144	3.38%	\$ 6,930,735	5.73%
Nonminority Female	\$ 23,733,842	8.02%	\$ 3,643,189	3.01%
Total M/WBE	\$ 33,737,986	11.41%	\$ 10,573,924	8.74%
Non-M/WBE	\$ 262,068,236	88.59%	\$ 110,386,676	91.26%
Total	\$ 295,806,223	100.00%	\$ 120,960,600	100.00%

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FINDING 6: SUMMARY OF DISPARITY ANALYSIS FOR FY2012-FY2016

The tables below indicate those M/WBE groups where a statistically significant disparity was found.

Table 73: Summary of Disparity Outcomes of Statistically Significant Underutilization of M/WBEs in Prime Contracting

City of Greensboro Disparity Study

	Construction	Professional Services	Other Services	Goods
African American	X	X	X	X
Asian American	X	X	X	X
Hispanic American	X	X	X	X
Native American	X	X	X	X
Nonminority Female	X	X	X	X

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Table 74: Summary of Disparity Outcomes of Statistically Significant Underutilization of M/WBEs in Total Utilization

	Construction	Professional Services
African American	X	X
Asian American	X	X
Hispanic American	X	X
Native American	X	X
Nonminority Female	X	X

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Disparity was also found for (1) Prime Awards less than \$300,000, (2) Prime Awards less than \$1 million, and (3) Prime Awards using bidder availability. One exception was the overutilization of African American firms on Other Services Prime Awards less than \$300,000.

FINDING 7: POLICY FINDINGS

1. Authorization and Enforcement of Current Program Goals

There is an on-going discussion of the appropriate parameters of the current M/WBE program that must be resolved in order for there to be a cohesive and uniformly effective program. Under North Carolina G.S 160A-3 and 4 the City can only operate under the authority of the State. The question is: “Under what State authority does the M/WBE program and its Good Faith Efforts requirement operate?” The State has set a verifiable ten percent (10%) goal for participation of minority businesses based upon the total value of work for each project that “receives State appropriations for a building project or other State grant funds for a

building project.”⁸¹ Local government entities are required to follow those same goals, “provided, however, a local government unit may apply a different verifiable goal that was adopted prior to December 1, 2001, if the local government unit had and continues to have a sufficiently strong basis in evidence to justify the use of that goal.” In fact, the City of Greensboro had a minority goals (the State’s definition of minority includes female owned businesses, as well as ethnic minorities) above 10%. Previous disparity studies and the current study provide the necessary strong basis in evidence to justify the continued use of different goals.

The current aspirational M/WBE goals set forth in the M/WBE Plan are as follows:

- Construction: 15%
- Professional Services: 11%
- Good and Services: 8%

These goals are based on the 2012 City disparity study and have not been subsequently adjusted.

GSPC reviewed hard copy documentation for forty submissions on twelve Construction projects between late 2015 and early 2017. All of the projects in this sample had M/WBE goals. The median MBE goal was 5% and median WBE goal was 6%.⁸³ No combined MBE and WBE goal exceeded 19%. For goals submitted by primes, the median MBE goal was 4% and 4.8% for WBEs. For fourteen submissions (35%), the bidder met both the MBE and WBE goals.

2. Good Faith Efforts

The City applies Good Faith Efforts (“GFE”) requirements on bidders for Construction projects above \$300,000. In this model, only failure to satisfy GFE, not failure to meet project goals, impacts contract award. Failure to submit GFE makes the bid nonresponsive.

First, the City GFE list very similar to the State GFE list. Second, a bidder can comply with the City GFE requirements by satisfying the first five requirements and thus without negotiating in good faith with M/WBEs. This feature has led to a concern amongst some City staff that the GFE requirements have been easily satisfied without using or negotiating with M/WBEs. For example, GSPC has reviewed GFE forms on projects with 10% WBE and 10% MBE goals. Bidders claim 50 GFE points, with little or no achievement. They can claim 10 points for making contacts, 10 points for making plans available, 10 points for attending the pre-bid meeting, and 20 points for providing a quick pay quick pay. If the prime bidder was discriminatory, there is nothing in those 50 points that would demonstrate that it made an earnest effort to subcontract to M/WBEs.

⁸³ In a review of M/WBE goals in a sample of 40 projects from FY 2008 through FY 2009-10, the median M/WBE project goal was 12.4 percent.

Similarly, the GFE requirements for meeting the current program goals are authorized under [North Carolina §143.128.2\(f\)](#) and require the public entity to require bidders to undertake good faith efforts using a fifty (50) point system. However, it also authorizes that that public entity “may require that additional good faith efforts be taken, as indicated in its bid specifications.”

The GFE Program as implemented by the City has not been as effective as it could be in determining the true good faith efforts of prime contractors in trying to attain the goals. The legislative purpose of Good Faith Efforts which is partially expressed in §143.128.2(c)b is to evidence that the bidder took action to recruit and select minority businesses for participation in the contract. Instead, the fifty (50) point system allows bidders to add up to the fifty (50) points without ever negotiating in good faith with any M/WBE. In such a case, a responsive and responsible minority firm could submit the lowest bid to the prime bidder, never get a response or be contacted, and yet the bidder can still obtain fifty (50) points and a determination of good faith efforts. To take a recent important example, the awardee on the \$50 million Tanger Center won the bid while only proposing about 3 % M/WBE utilization.

In addition, the M/WBE Program Office itself does not have the authority to make the final determination of good faith efforts. There have been several instances where the M/WBE Program has determined that good faith efforts were not met, but that determination was overruled by the City Manager. (City of Greensboro “Special Instructions to Respondents Regarding Compliance with The City of Greensboro Minority and Women Business Enterprise (M/WBE) Program”, Section X).

3. On-Call Contracts

The use of on-call contracts may be a barrier to M/WBE participation because, once on-call firms are selected the list is closed, and there may be no additional opportunities to bid or gain awards in those areas for three to five years.

4. Bonding

City staff reports that bonding remains an issue for M/WBE contractors, including, on occasion, for subcontractors.

5. Prompt Payment

City staff report that prompt payment is still an issue, but that subcontractors are afraid to report payment problems for fear that prime contractors will not work with them again. City staff also reported that some primes are holding 10% retainage on subcontractors, rather than 5%. Only about 42.5 % of M/WBE survey respondents reported being paid in less than thirty days for City of Greensboro projects.

6. Certification

Originating department staff did report the exclusions of certain groups from certification above as being a problem in program implementation. First, the exclusion again narrows the pool of firms eligible to satisfy project M/WBE goals. Second, bidders in several instances submitted names of firms from the excluded

list to satisfy project goals even though this information is provided in the pre-bid process. Some staff also felt that the geographic area for certification was too narrow

7. Bifurcated Bidding

In April 2014, the City put into place a bifurcated bidding process to strengthen the GFE requirements. Criticisms by City staff and outside legal counsel were made that the apparent low bidder could receive a waiver of M/WBE goals that other bidders had complied with, putting the other bidders at a competitive disadvantage, or the apparent low bidder could engage in bid shopping of M/WBEs.

The bifurcated bidding process (which is not required on every project) has the following steps:

- Bidders submit sealed technical proposals and M/WBE GFE package separately. Bidders do not include their technical proposal or bid price in the GFE package.
- On bid opening, GFE envelopes are opened first. No technical proposal is opened until there is a final determination made on all GFE proposals.

Previously the City reviewed the GFE submissions of the low bidder. The low bidder also had the option of paying a 5% contract penalty in lieu of meeting the M/WBE goal or satisfying GFE requirements.

In the review of hard copy documentation for forty submissions on twelve Construction projects referred to above GSPC found:

- There were nine bids rejected for failing to meet the goals and the 50 points for GFE packages. Of those nine rejections, six rejections were reversed and three were upheld by the City Manager's office.
- Bidders always submitted GFE with more than 50 points, but when bidders failed GFE review, it was due to the M/WBE Office not granting points for certain components of bidders' GFE packages.

8. Financial and Management Assistance

The City does not currently have a loan program or bonding program for small business.⁸⁴ For minority business loans, the City's primary partner is the Greensboro Community Development Fund, formerly known as the Greensboro Venture Capital Fund.

The City has offered workshops on how to do business with the City. For most of its management and technical assistance, the City works with the Guilford Technical College Nussbaum Center, which provides business counseling.

9. DBE Program

The 2016 City DBE plan proposed a triennial 2017-19 DBE goal of 5%, with 2% to be achieved by race neutral means and 3% through race conscious means.

⁸⁴ The City started a Target Loan Program ("TLP") in 2005 with \$1 million in funding from Community Development Block grants and local banks. The TLP made eight loans for \$1.3 million between 2005 and 2010.

10. M/WBE Office Budget and Staffing

The City M/WBE office has an adopted budget of \$342,438 for FY 2016-17.

The City M/WBE office has a budgeted staff of 2.5 full time employees for FY 2016-17. However, the M/WBE Office has had an additional full-time staff person since mid-2015, funded by another department, bringing the total staff to 3.5 full-time equivalent employees.

11. Reporting M/WBE Utilization

The Purchasing Department and other City departments send M/WBE award data to the M/WBE Office on a quarterly basis. The M/WBE Office compiles this data but has not released an M/WBE utilization report yet.

12. Economic Development

The City M/WBE Plan provides that when the City provides incentives for a project the City “shall require the developer to apply mandatory M/WBE subcontract participation goals to the construction portion of the project.” The City practice is to apply M/WBE subcontractor participation to the amount of the City incentive, not the value of the entire project. City resolutions and City contracts on the same project have not been consistent on this issue.

FINDING 8: PRIVATE SECTOR DISCRIMINATION

1. Regression Analysis

Our analysis explicitly links a business firm owner’s race/ethnicity/gender to public contracting outcomes in the Greensboro-Highpoint relevant market area. Indeed, our results suggest that in general, a firm owner’s race, ethnicity, and gender have, in several instances a statistically significant and adverse effect on entering the Greensboro-Highpoint market area as a new firm, and for firms in general, and those in Construction, securing public contracting and subcontracting opportunities relative to Non-M/WBE owned firms.

Specifically, GSPC found that:

- M/WBEs are LESS LIKELY to have served as prime contractors and subcontractors.
- M/WBEs are EQUALLY LIKELY AS Non-M/WBEs to submit bids.
- M/WBEs are LESS LIKELY THAN Non-M/WBEs to have revenues that equal or exceed their market representation.
- African Americans and Women owned firms are MORE LIKELY THAN Non-M/WBEs to be new entrants to the Greensboro-Highpoint market.
- African American owned firms are MORE LIKELY THAN Non-M/WBEs to face financing barriers.
- African American owned firms are MORE LIKELY THAN Non-M/WBEs to perceive that the bidding process is unfair.

- African American firms are MORE likely than Non-M/WBEs to be denied bank loans.

2. Building Permit Analysis

Among the 15,233 approved building permits, twenty, or approximately .001—or 1 tenth of one percent—were held by M/WBEs. The total value of the building permits was approximately 1.6 billion dollars, of which M/WBEs held a share of approximately .009—or approximately 1 percent. In general, the revenue share of M/WBEs is approximately identical to their share of building permits. However, in contrast to the market and revenue shares of M/WBEs suggested by the aggregate census data revealed in the SBO and ACS, the building permit shares of M/WBEs suggest that their underrepresentation among firms in the City of Greensboro is far more severe than for the Greensboro-Highpoint relevant market area in general.

FINDING 9: ANECDOTAL FINDINGS

1. Culture Issues and Discrimination

Though many minority respondents in several forums recounted experiences of discriminatory conduct in the private and public sectors, as well as on job sites, Non-M/WBE firms asserted that they have no problem working with minorities. However, survey results revealed that they might simply be turning a blind eye to the issues behind “political correctness.”

Survey Results:

- 14% of total respondents reported having experienced discriminatory conduct in the private sector, including 34% of African-Americans and 11% of Women-owned firms
- 58% of Non-M/WBE males and 51% of Nonminority females neither agree nor disagree with the statement that “Some non-minority prime contractors only utilize M/W/DBE companies when required to do so by the City of Greensboro. 45% of African-Americans “strongly” agreed and 27% agreed.

Key Quotes:

- “I was tricked by the cultural resources in Greensboro into thinking there was more social diversity and acceptance”
- “You send me out there to work with this racist man, and I have to bite my tongue to try to get along with him because he’s writing my checks...but it gets to a point where you can’t be agreeable anymore”
- “I prefer not to focus on race...I care more about reliability.”

2. Exclusionary Practices at the City

Several minority firm owners discussed issues with getting business (or even knowing about business) at the City, and the Coliseum in particular. There was also a widespread belief that the regeneration of downtown has been exclusionary to minority firms—that they are not welcome. However, “mixed” organizations like the Chamber of Commerce asserted that effort is being put in to provide networking opportunities for all businesses in Greensboro and that the regeneration efforts have been inclusive.

Survey Results

- 40% of total respondents believe there is an informal network of vendors who do business within the City, including 73% of African-Americans, 28% of Non-M/WBE males, 32% of Nonminority Females, and 30% of Hispanic Americans

Key Quotes:

- “Everything is done behind closed doors,”
- “Sometimes people don’t make waves out of fear”
- “There is no actual dialogue between the City and the constituents that the City serves, except to a few”
- The officials at the Coliseum “do whatever they want to do”
- Of the downtown area: “they don’t want us down there, it’s not for us”

3. M/WBE Program Structure and Monitoring

Very few minorities, believe that the M/WBE program has the “teeth” or structure that it needs to be effective. Though there were several people who asserted that the program officers were committed and passionate, without the statutory oversight, their abilities to effectuate change are limited.

Key Quotes

- “Certification is a waste of time... (the program) only maintain(s) the status quo” and is designed to “pacify” the minority community.
- The “ladies of M/WBE” at the City are “phenomenal” in assisting with the contracting process
- The City of Greensboro “has one of the most progressive M/WBE programs that I’ve seen since the ‘60’s... but the problem...is implementation”
- M/WBE program officers “need to be placed on a peer-level with purchasers”

4. Other Barriers to Participation

- Varying inspection standards
- Late payments
- WBE set asides can only be filled by Nonminority Females
- Bonding and insurance requirements
- Lack of prime opportunities for small businesses

FINDING 10: EFFECTIVENESS OF RACE-NEUTRAL MEASURES

The City's race and gender-conscious program has been demonstrated in these findings to not be effective in remedying the statistically significant underutilization of M/WBE groups in every work category. In addition, since the City does not apply its race and gender-conscious program to awards under \$300,000 in Construction, the awards in those categories would demonstrate whether a race-neutral program has been effective.

GSPC conducted a separate analysis for M/WBE subcontractor utilization on those Construction Awards under \$300,000. In those awards, GSPC found that M/WBE construction subcontractors were awarded 3.77% of Construction Award dollars. This is evidence of the limits of current race and gender-neutral conscious measures.

FINDING 11: COMPARISON TO THE PREVIOUS CITY DISPARITY STUDY

Tables 75 and 76 shows a comparison in M/WBE utilization between the last City disparity study and the current Study, for prime contractors and subcontractors, respectively. For prime contracting, M/WBE utilization increased for all groups in absolute dollar terms and in percentages. For subcontracting, M/WBE utilization increased for all groups in absolute dollar terms (except Hispanic Americans who were not covered by goals during the study period), but decreased in percentage terms for all groups. The subcontractor percentages are a percentage of the prime contract dollars, not the subcontract dollars.

Table 75: Comparison of Prime Awards in Current Study to Previous MGT Study

Current Study (FY2012-FY-2016) compared to MGT Study (FY2006-FY2010)
 (in the 10-County Current M/WBE Program Area)
 In Construction

Business Ownership Classification	Current M/WBE Program Area -- 10 Counties				
	Prime (2006-2010 Disparity Study)		Prime (2012-2016 Disparity Study)		Difference (+/-)
	\$	%	\$	%	
African American	\$ 198,310	0.21%	\$ 3,185,339	1.30%	1.08%
Asian American	\$ -	0.00%	\$ -	0.00%	0.00%
Hispanic American	\$ -	0.00%	\$ 30,000	0.01%	0.01%
Native American	\$ -	0.00%	\$ -	0.00%	0.00%
TOTAL MINORITY	\$ 198,310	0.21%	\$ 3,215,339	1.31%	1.09%
Nonminority Female	\$ 2,637,505	2.85%	\$ 15,015,933	6.11%	3.26%
TOTAL M/WBE	\$ 2,835,815	3.07%	\$ 18,231,271	7.42%	4.35%
NON-M/WBE	\$ 89,566,997	96.93%	\$ 227,522,262	92.58%	-4.35%
TOTAL PRIME AWARDS	\$ 92,402,811	100.00%	\$ 245,753,533	100.00%	

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Table 76: Comparison of Subcontractor Awards in Current Study to Previous MGT Study

Current Study (FY2012-FY-2016) compared to MGT Study (FY2006-FY2010)
 (in the 10-County Current M/WBE Program Area)
 In Construction

Business Ownership Classification	Current M/WBE Program Area--10 counties				
	Subcontractors (2006-2010 Disparity Study)		Subcontractors (2012-2016 Disparity Study)		Difference (+/-)
	\$	% Relative to Total Prime \$	\$	% Relative to Total Prime \$	
African American	\$ 2,853,070	3.09%	\$ 5,155,603	2.10%	-0.99%
Asian American	\$ -	0.00%	\$ -	0.00%	0.00%
Hispanic American	\$ 3,540,468	3.83%	\$ 1,725,120	0.70%	-3.13%
Native American	\$ 3,500	0.00%	\$ 143,195	0.06%	0.05%
TOTAL MINORITY	\$ 6,397,038	6.92%	\$ 7,023,918	2.86%	-4.06%
Nonminority Female	\$ 5,918,819	6.41%	\$ 9,518,959	3.87%	-2.53%
TOTAL M/WBE	\$ 12,315,857	13.33%	\$ 16,542,877	6.73%	-6.60%
TOTAL PRIME AWARDS	\$ 92,402,811		\$ 245,753,533		

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B. COMMENDATIONS

Within the Disparity Study process, GSPC is careful to look for opportunities to highlight the successes and advancements being made through equitable processes and diverse contracting initiatives. The set of commendations below are areas where we believe the City of Greensboro and its staff should be noted for their contributions to inclusion and equity.

COMMENDATION 1: DEDICATED M/WBE PROGRAM STAFF

Throughout the Anecdotal Evidence collection, the most consistent source of praise for the City of Greensboro was for the staff of the M/WBE Program Office. Specifically, it was requested that Gwen Carter and her staff be allocated additional resources and increased autonomy to help them be more effective in their charge. They were consistently referred to as the local “champions” for the M/WBE community, and were noted to be gracious, helpful, and dedicated to connecting and advancing the Greensboro business community.

COMMENDATION 2: VENDOR ROTATION

The M/WBE Office in collaboration with the Field Operations Department and the Code Enforcement Division utilized the vendor rotation program element on occasion to increase opportunities for M/WBE firms that may not otherwise have been able to obtain a contract with the City. Six M/WBE firms were prequalified to participate in this Program.

COMMENDATION 3: CONTRACT DE-BUNDLING

The Police Department utilized the de-bundling program element on occasion to enhance the ability of M/WBE firms to bid and compete for security services contracts at various City locations. This use of this program enabled an MBE to receive its first contract with the City.

COMMENDATION 4: MENTOR-PROTÉGÉ PROGRAM

The Mentor Protégé Program was established to enhance the capacity of M/WBE firms, foster relationships between M/WBE firms and the private sector and increase the number of qualified firms in the Greensboro marketplace. In 2016, four M/WBE firms participated in the City’s Mentor Protégé Program. M/WBE firms received training at one of the City’s Water Treatment Plants in process piping integration, power distribution unit upgrades and bridge maintenance and repair administration. Periodic reports were collected from the team to assess the effectiveness of the training. The first program participants will graduate in 2017.

COMMENDATION 5: APPROVAL FOR SUBCONTRACTOR TERMINATION OR SUBSTITUTION

The City already required that any subcontractor that is bid with a project is required to stay on the project unless the City approved their termination or substitution.

A survey of DBE mentor-protégé programs found that project-specific mentor-protégé agreements are preferable because: (1) M/WBEs “earn while they learn,” (2) the agreements provide specific assistance, and (3) the agreements require less legal assistance than agreements lasting many years.⁸⁶

C. RECOMMENDATIONS

As demonstrated by the findings above, GSPC has determined that the City of Greensboro has a compelling governmental interest in the continuation of a race and/gender based remedial program. The recommendations made below reflect what GSPC believes to be the issues which must be addressed in order for the program to achieve its objectives. The legal basis for these recommendations is contained in Appendix A.

RECOMMENDATION 1: M/WBE GOALS

The findings of this Study⁸⁷ indicate that the City of Greensboro should continue to implement a program to promote M/WBE utilization.

1. The City should review its current annual aspirational goals and should set contract by contract goals based upon the determined availability of firms in each trade group where there are subcontracting opportunities on individual contracts. The City should do a periodic review of the contract goal-setting process.
2. The City should establish clear, consistent, and authoritative guidelines for good faith efforts that supplements the fifty (50) point requirement to better carry out the legislative intent of good faith efforts. This might include a requirement that at least some of the fifty (50) point requirement be satisfied through consideration and utilization of any M/WBE that is the lowest, responsible and responsive bidder.
3. M/WBE goals should include African American, Asian American, Hispanic American, Native American, and Nonminority Female owned businesses.
4. Annual aspirational goals should be based upon some demonstrated measure of availability above for each work category. The DBE program approach to aspirational goal setting is one widely accepted by the federal courts. Contract goals should be set contract-by-contract and set in accordance with the

⁸⁶ Cynthia Ordnoff et al, *Defining the Problem: Disadvantaged Business Enterprise Program Impediments Identified by Survey of Program Administrators*, *Public Works Management & Policy*, 2011.

⁸⁷ The need for the continuation of a race and gender conscious subcontractor program is also demonstrated through a comparison of the outcomes from the current Study compared to the previous disparity study by MGT of America. In that comparison, although the subcontractor award dollars to M/WBEs in Construction have increased the relative percentage spent with M/WBE Construction subcontractors has decreased by 6.60%. To the contrary, both the award dollars and the relative percentage spent with M/WBE prime contractors has increased. See Appendix O. This supports GSPC’s recommendations that M/WBEs should be encouraged to continue to bid as prime contractors and the City should strengthen its M/WBE subcontractor Program.

percentage of availability of MBE and WBE firms in each trade where subcontracting opportunities are available.

RECOMMENDATION 2: DEVELOP FORECASTING PLAN

The City should consider reviewing all of its anticipated expenditures for each upcoming fiscal year as part of its budget approval process, based on the anticipated expenditures of each department. M/WBE spending targets could be set based on M/WBE availability to perform the work anticipated on various projects. Anticipated expenditures could be made public as a forecast which would allow M/WBE firms to understand early on what projects are anticipated in the coming fiscal year and to prepare to compete for them.

Planning plays an important role in establishing and maintaining effective remedial programs. This begins with understanding what services and goods the City will be buying in the year to come.

1. **Targeted Outreach**- Annual forecasting will enable the contract compliance personnel to recruit and target firms that are capable of doing the work for notification of the work;
2. **Encourage Teaming**- Knowing ahead of time what work will be presented in the coming year will give room for contract compliance to schedule networking events and encourage firms to team. It also gives more time for mandatory pre-bid conferences where potential prime contractors can meet potential subcontractors;
3. **Supportive Services** - Annual forecasting will allow the City to provide supportive services well in advance of the bid issuance, if needed. Supportive services may be offered internally in coordination with other agencies, the Small Business Administration bonding program, and the Small Business Development Centers. This is particularly important on the City's large capital projects to insure diverse supplier participation.

RECOMMENDATION 3: GREATER OVERSIGHT BY M/WBE PROGRAM OFFICE

The City should increase the monitoring capacity of the M/WBE Program Office with the ability to investigate and respond to accusations of misconduct.

The determination by the M/WBE Office that a bidder has not met Good Faith Efforts should not be overturned if supported by an objective checklist and observation. This undermines the effectiveness of the program itself when requirements are not met, yet the bidder continues in the process. If the overruling of the M/WBE Program Office is because there are differing subjective decisions, then the guidelines should be revised to be more objective.

Best practices for enforcement of Good Faith Efforts provisions is to launch a swift non-discrimination investigation. This assumes that if a certain percentage of the goal, which is based upon contract by contract trade availability, that the City would ask, that if firms are available, why did the prime not use them? The prime would then affirmatively demonstrate why it did not use available firms. This and other best practices from programs around the country are included in a Best Practices Review in Appendix L.

RECOMMENDATION 4: ON-CALL CONTRACTS

Of the 49 on-call contracts awarded, two were awarded to African American owned firms and one to a Nonminority Female owned firm, with the remaining 46 to Non-M/WBE firms. On-call contracts can be a deterrent to an open procurement process, particularly when they are closed to any new entrants for 3-5 years. Whenever possible, contracts should be separately bid, except in emergency situations.

RECOMMENDATION 5: BONDING AND INSURANCE ISSUES

The City should review its bonding and insurance requirements in an effort to reduce the burden on small, minority and woman-owned businesses. A comprehensive effort should be undertaken to ensure that the City is not requiring limits which are higher than necessary to protect the City's interests.

RECOMMENDATION 6: SMALL BUSINESS RESERVE PROGRAM

There is such an underutilization of M/WBE firms as primes that it is important that the City increase their participation levels. Availability estimates and the low level of contracting shown in the Threshold Analysis demonstrate that small businesses can perform as prime contracts on the majority of contracts. Since most M/WBE firms are small businesses, this means that they have a better chance to be successful at winning awards when competing only against other small businesses. The first step is to institute a race and gender neutral program that designates certain contracts, particularly in Construction, that can only be bid on by small businesses in accordance with the SBA guidelines or other guidelines that the City might set.

The City of Charlotte has a Targeted Outreach and Designated Contracts program for SBEs.⁹⁰ Under this program the City can designate certain contracts for solicitation of SBEs only. For Construction and Commodities Contracts, the SBE program is limited to informal contracts. In deciding on these designated SBE contracts the City considers the size and scope of the project, SBE availability and the views of the City Department issuing the contract. For Charlotte SBEs are defined as firms with 25 % or less of the US SBA small business size standards.

The NCDOT SBE program, started in 1994, allows for the restriction of solicitation and awards to SBEs.⁹¹ construction, maintenance and repair projects of \$500,000, after soliciting at least three informal written bids from SBEs, award contracts to the lowest responsible bidder. For NCDOT SBEs are defined as firms with an annual net income of \$1,500,000, or less, after cost of goods sold is deducted.

⁹⁰ City of Charlotte, Charlotte Business Inclusion Program, Part A Background and Administration, Section 2.3 Targeted Outreach and Designated Contracts for SBEs.

⁹¹ N.C.G.S. 136-28.10 Highway Fund and Highway Trust Fund Small Project Bidding.

RECOMMENDATION 7: REFORM DATA INFRASTRUCTURE

GSPC had numerous challenges as it relates to collecting the data for this Study:

1. The City does not accurately track or maintain subcontracting data. Since the M/WBE program is a subcontracting program, it is imperative that the City immediately track the firms, addresses, work descriptions and race/ethnicity and gender of subcontractors.
2. Most of the data did not clearly indicate, and in very little detail what work was done. The City should begin using commodity codes (i.e. NIGP)
3. Much of the data extracted were duplicates which could cause inaccurate tracking and reporting.
4. Addresses were often times incorrect. GSPC utilized the emails contained in the bid notification data files and the majority of them bounced back as no good. This means that firms who can potentially perform work for the City are not being notified of bid opportunities.
5. The information comes from too many data sources that do not connect.

RECOMMENDATION 8: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION

It is our recommendation that the City of Greensboro implement a policy permitting an investigation into possible intentional discrimination in cases where the lowest bidding prime contractor has failed to reach more than ¼ (25%) of the M/WBE participation goal set for the contract/project. This investigation would be triggered regardless of any purported “good faith efforts,” and in fact, would be conducted as an interim step before any evaluation of proffered good faith is undertaken by the City. This recommendation is intended to prevent the City from passively and/or unwittingly participating in or funding private discriminatory conduct, and also, to combat the (continued) subversion of the good faith efforts provision in the relevant statute (G.S. § 143-128.2(f)). This tool does not have to be used for every projects, but particularly for larger projects for which bidders submit little to no proposed M/WBE utilization.

RECOMMENDATION 9: ECONOMIC DEVELOPMENT PROJECTS

The City should be commended for applying M/WBE goals to economic development projects that the City has providing some land, tax incentives, infrastructure improvements, or other pecuniary value to the overall project. The private sector goals program has a basis in the evidence of low private sector utilization of M/WBEs in private sector commercial construction in Greensboro. The City should improve the tracking of compliance with this program element to determine the effectiveness of the goals program for economic development projects. Available evidence only showed 1% M/WBE utilization on private sector projects that had assistance from the City. The existing evidence suggests that more compliance efforts should be placed on M/WBE goals on private sector projects.

RECOMMENDATION 10: VENDOR ROTATION

The City should be commended for having a vendor rotation component in its M/WBE program. Vendor rotation has been used by several jurisdictions to increase M/WBE utilization. According to staff interviews, however, vendor rotation has not been used that often in City procurement. Some other approaches to vendor rotation, including rotating diverse teams in a pre-selected pool, such as the City on-call contracts (to the extent that they continue to be utilized), in procurement areas where such a practice is consistent with the state law prohibition against prequalification of firms in Professional Services

Miami-Dade County has utilized an Equitable Distribution Program, a centralized rotational system, in which a pool of qualified small architecture and engineering professionals are rotated awards.⁹³ Each firm's position in the qualified pools is based on their prior contracting. The rotational system applies to projects with an estimated construction cost of \$2 million or less and/or study engagements less than \$200,000.

⁹³ Miami-Dade County, Administrative Order No.: 3-39

VIII. CONCLUSION

This study provides evidence to support continued use of race- and gender-conscious elements in the Greensboro M/WBE program.

The 2014 City M/WBE Plan is a program in transition with new staffing and a new set of rules. The City M/WBE plan has race conscious and race neutral elements, although not all the program components have been implemented. Some M/WBE Plan business development components have been implemented primarily through partnership and funding of external organizations. The City M/WBE Plan is also limited by the parameters of State local purchasing law which governs local procurement and local M/WBE programs.

The biggest controversies for the current City M/WBE Plan have been the bifurcated bidding process, the 50-point Good Faith Efforts system, and the certification definitions by geography, ethnic group and procurement type. Controversies in these areas have led to frustration on the part of participants and staff.

The City of Greensboro M/WBE Program has not been fully effective. The City has made more relative progress in M/WBE prime utilization, than non-M/WBE primes have made in percentage utilization of M/WBE subcontractors. The key to the Program becoming more effective, may be to review the way that the Good Faith Efforts Program works. GSPC has presented some recommendations and additional tools to assist the City with improving participation moving forward and is ready to assist the City with implementing its recommendations.

APPENDIX A

Detail Legal Analysis and
Legal Basis for Disparity Study
Recommendations

APPENDIX A – DETAILED LEGAL ANALYSIS AND LEGAL BASIS FOR STUDY RECOMMENDATIONS

A. Legal Basis for Disparity Study Recommendations

For each recommendation made by GSPC in this Disparity Study and restated here, it has provided a legal basis for the recommendation below.

RECOMMENDATION 1: M/WBE GOALS

The findings of this Study¹ indicate that the City of Greensboro should continue to implement a program to promote M/WBE utilization.

1. The City should review its current annual aspirational goals and should set contract by contract goals based upon the determined availability of firms in each trade group where there are subcontracting opportunities on individual contracts. The City should do a periodic review of the contract goal-setting process.

2. The City should establish clear, consistent, and authoritative guidelines for good faith efforts that supplements the fifty (50) point requirement to better carry out the legislative intent of good faith efforts. This might include a requirement that at least some of the fifty (50) point requirement be satisfied through consideration and utilization of any M/WBE that is the lowest, responsible and responsive bidder.

3. M/WBE goals should include African American, Asian American, Hispanic American, Native American, and Nonminority Female owned businesses.

4. Annual aspirational goals should be based upon some demonstrated measure of availability above for each work category. The DBE program approach to aspirational goal setting is one widely accepted by the federal courts. Contract goals should be set contract-by-contract and set in accordance with the percentage of availability of MBE and WBE firms in each trade where subcontracting opportunities are available.

Legal Basis for Recommendation 1

Continued implementation of the City's M/WBE Program is justified based on the Findings and supporting data/information for each Finding. Further, the information and analysis utilized to arrive at this recommendation satisfy, in our view, the constitutional equal protection considerations applied to such programs (and discussed at length in the Legal Analysis section of this Study). Each aspect of this recommendation is addressed in turn.

¹ The need for the continuation of a race and gender conscious subcontractor program is also demonstrated through a comparison of the outcomes from the current Study compared to the previous disparity study by MGT of America. In that comparison, although the subcontractor award dollars to M/WBEs in Construction have increased the relative percentage spent with M/WBE Construction subcontractors has decreased by 6.60%. To the contrary, both the award dollars and the relative percentage spent with M/WBE prime contractors has increased. See Appendix O. This supports GSPC's recommendations that M/WBEs should be encouraged to continue to bid as prime contractors and the City should strengthen its M/WBE subcontractor Program.

The aspirational goals of the Program are race-based, and so must pass constitutional muster under Croson and the relevant case authorities interpreting and applying the guidance of Croson.

As an initial matter, GSPC has concluded that the City's current race-neutral measures have been shown statistically to be ineffective or insufficient to avoid significant disparities as between awards and availability. See Finding 10, *supra*. Croson informs that in order to satisfy the narrow tailoring requirement for race-based remedies, the public entity must first attempt race-neutral methods and determine whether such methods have been effective in eradicating the diversity problems identified. Croson, 488 U.S. at 507-508.

Looking now at the recommendation to continue setting annual aspirational goals, GSPC has provided the Findings and other information necessary to justify continuation of such race-based goal-setting. Findings 2, 3, 4, 5, and 6 establish the significant statistical disconnect as between M/WBE availability and utilization across the various work categories. Finding 8 details the private sector discrimination found using the accepted regression analysis method.² Further, the anecdotal evidence discussed in Finding 9 (and the underlying survey results) likewise supports the conclusion that M/WBE race-based goals continue to be needed to remedy present discrimination and/or the present effects of past discrimination.

The above Findings and supporting data/information are consistent with the types of evidentiary support that courts have deemed sufficient to satisfy the strict scrutiny standard for race-based measures (*i.e.*, "a strong basis in evidence"). See H.B. Rowe. ("A state need not conclusively prove the existence of past or present racial discrimination to establish a strong basis in evidence for concluding that remedial action is necessary. Instead, a state may meet its burden by relying on "a significant statistical disparity" between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors. We further require that such evidence be "corroborated by significant anecdotal evidence of racial discrimination.") (citations omitted). Accordingly, a combination of statistical disparities in the utilization of MBE/WBEs and particularized anecdotal accounts of discrimination by the MBE/WBEs (or others) – as provided herein -- satisfy the factual predicate.

Consistent with legal precedent, GSPC recommends, however, that the M/WBE goals be applied only to women and to ethnicities for which underutilization has been established through the use of statistical analysis and anecdotal evidence. H.B. Rowe at 239 (finding that the State produced a "strong basis in evidence" justifying the statutory scheme on its face and as applied to African American, Native American, and Nonminority Females subcontractors, but that the same was not shown as applied to other minority groups).

Lastly, the recommendation for periodic review of the contract goal-setting process is encouraged in the relevant case law as part of the narrow tailoring requirement. Essentially, the courts are concerned that a program or goal not continue beyond its usefulness in remedying an identified diversity problem. As an example, the Fourth Circuit had little problem rejecting a challenged college scholarship program because it had no "sunset" provision. Podberesky v. Kirwin, 38 F.3d 147, 160 (4th Cir. 1994) ("The program thus could remain in force indefinitely based on arbitrary statistics unrelated to constitutionally permissible purposes."). In contrast, in H.B. Rowe, the court specifically noted with approval the mandatory review and sunset provisions included in the relevant North Carolina statute (§ 136-28.4). H.B. Rowe, 615 F.3d at 239.

RECOMMENDATION 2: DEVELOP FORECASTING PLAN

The City should consider reviewing all of its anticipated expenditures for each upcoming fiscal year as part

² See the guidance provided in Webster v. Fulton County, Georgia, 51 F.Supp.2d 1354 (N.D. Ga. 1999).

of its budget approval process, based on the anticipated expenditures of each department. M/WBE spending targets could be set based on M/WBE availability to perform the work anticipated on various projects. Anticipated expenditures could be made public as a forecast which would allow M/WBE firms to understand early on what projects are anticipated in the coming fiscal year and to prepare to compete for them.

Planning plays an important role in establishing and maintaining effective remedial programs. This begins with understanding what services and goods the City will be buying in the year to come.

1. **Targeted Outreach**- Annual forecasting will enable the contract compliance personnel to recruit and target firms that are capable of doing the work for notification of the work;
2. **Encourage Teaming**- Knowing ahead of time what work will be presented in the coming year will give room for contract compliance to schedule networking events and encourage firms to team. It also gives more time for mandatory pre-bid conferences where potential prime contractors can meet potential subcontractors;
3. **Supportive Services** - Annual forecasting will allow the City to provide supportive services well in advance of the bid issuance, if needed. Supportive services may be offered internally in coordination with other agencies, the Small Business Administration bonding program, and the Small Business Development Centers. This is particularly important on the City's large capital projects to insure diverse supplier participation.

Legal Basis for Recommendation 2

Several aspects of the forecasting plan recommended herein are race-neutral and thus do not raise the equal protection concerns that arise from race-conscious or race-based solutions, discussed at length in the Legal Analysis section of the Study, supra.

To the extent that certain outreach or networking efforts are directed exclusively (or, perhaps, primarily) toward minority or women owned firms, such efforts appear consistent with the existing state law. See e.g., G.S. § 136-28.4(a).³

Regardless, we submit that the private sector analysis and anecdotal evidence gathered as part of this Study (Findings 8, 9) provide legally-defensible justification for any race-conscious outreach and networking efforts used to address the disparities and barriers to entry/success cited herein. For example, we have concluded that the City's current race-neutral measures have been shown statistically to be ineffective or insufficient to avoid significant disparities as between awards and availability. See Finding 10, supra. Also, targeted outreach or networking efforts would not appear to place any additional burden or requirement on innocent third parties. These are among the relevant factors to be considered when addressing the narrow tailoring requirement. See Tuttle v. Arlington County School Board, 195 F.3d 698 (4th Cir. 1999).

RECOMMENDATION 3: GREATER OVERSIGHT BY M/WBE PROGRAM OFFICE

³ "It is the policy of this State, based on a compelling governmental interest, to encourage and promote participation by disadvantaged minority-owned and women-owned businesses in contracts let by the Department pursuant to this Chapter for the planning, design, preconstruction, construction, alteration, or maintenance of State transportation infrastructure and in the procurement of materials for these projects. All State agencies, institutions, and political subdivisions shall cooperate with the Department of Transportation and among themselves in all **efforts to conduct outreach and to encourage and promote the use of disadvantaged minority-owned and women-owned businesses** in these contracts." (emphasis added).

The City should increase the monitoring capacity of the M/WBE Program Office with the ability to investigate and respond to accusations of misconduct.

The determination by the M/WBE Office that a bidder has not met Good Faith Efforts should not be overturned if supported by an objective checklist and observation. This undermines the effectiveness of the program itself when requirements are not met, yet the bidder continues in the process. If the overruling of the M/WBE Program Office is because there are differing subjective decisions, then the guidelines should be revised to be more objective.

Best practices for enforcement of Good Faith Efforts provisions is to launch a swift non-discrimination investigation. This assumes that if a certain percentage of the goal, which is based upon contract by contract trade availability, that the City would ask, that if firms are available, why did the prime not use them? The prime would then affirmatively demonstrate why it did not use available firms. This and other best practices from programs around the country are included in a Best Practices Review in Appendix N.

Legal Basis for Recommendation 3

GSPC does not view this recommendation as requiring an independent legal basis for justification, as the existence and mission of the Program Office – justified by prior studies and the present study -- would not be changed. Rather, having conducted the Policy Review and collected Anecdotal Evidence regarding the current M/WBE Program (see Findings 7(2), 9), GSPC has concluded that the Program is being subverted or undermined despite efforts by the Program Office to effectively monitor/remedy the Program. GSPC specifically addressed concerns about the Good Faith Efforts (GFE) requirements and Appeal Process relating thereto in Finding 7(2).

To the extent that giving the Program Office the express authority to conduct non-discrimination investigations consistent with state and federal law and accepted “best practices” (See Recommendation 9 and Appendix N), is an expansion of the Program Office’s mission, the legal support for such action is addressed at length *infra* regarding Recommendation 9.

GSPC also submits that because the Program itself is supported by prior diversity studies and by the current study, giving additional “teeth” or authority to the Program Office to monitor/execute the Program as written does not implicate an additional equal protection question.

RECOMMENDATION 4: ON-CALL CONTRACTS

Of the 49 on-call contracts awarded, two were awarded to African American owned firms and one to a Nonminority Female owned firm, with the remaining 46 to Non-M/WBE firms. On-call contracts can be a deterrent to an open procurement process, particularly when they are closed to any new entrants for 3-5 years. Whenever possible, contracts should be separately bid, except in emergency situations.

Legal Basis for Recommendation 4

To the extent that on-call contracts are used in procurement areas where such practices are consistent with state law, ensuring that the duration of the on-call eligibility list(s) (e.g., 3-5 years) does not effectively create a barrier to M/WBE participation, is a race-neutral solution. The underutilization findings cited above in the Recommendation invite scrutiny and new/renewed strategies for avoiding or remedying such

underutilization in the on-call contract system. Barring elimination of or reduction in the use of on-call contracts, as is recommended, refining the eligibility requirements is an advisable race-neutral first step.

As discussed in the Legal Analysis section, Croson instructs that before race-conscious remedies can be employed, race-neutral measures must be attempted and demonstrated to be ineffective to remedy the disparities targeted. Croson, 488 U.S. at 507-508.

RECOMMENDATION 5: BONDING AND INSURANCE ISSUES

The City should review its bonding and insurance requirements in an effort to reduce the burden on small, minority and woman-owned businesses. A comprehensive effort should be undertaken to ensure that the City is not requiring limits which are higher than necessary to protect the City's interests.

Legal Basis for Recommendation 5

Similar to the Forecasting Plan and outreach efforts addressed in Recommendation 2, ensuring that the City is setting/requiring appropriate limits for bonds and insurance is a race-neutral measure. That minority or women owned firms are facing a potentially unnecessary barrier to entry or success in public contracting due to the existing bonding and/or insurance requirements – and thus would benefit from the type of “audit” GSPC recommends – does not render this a race-conscious measure. Informed bond and insurance thresholds for City contracts would assist smaller firms, regardless of minority or gender make-up.

As discussed, undertaking race-neutral measures first is an important aspect of the narrow tailoring requirement under Croson and its progeny which protects the public entity from a constitutional challenge initially (pending efficacy analyses).

RECOMMENDATION 6: SMALL BUSINESS RESERVE PROGRAM

There is such an underutilization of M/WBE firms as primes that it is important that the City increase their participation levels. Availability estimates and the low level of contracting shown in the Threshold Analysis demonstrate that small businesses can perform as prime contracts on the majority of contracts. Since most M/WBE firms are small businesses, this means that they have a better chance to be successful at winning awards when competing only against other small businesses. The first step is to institute a race and gender neutral program that designates certain contracts, particularly in Construction, that can only be bid on by small businesses in accordance with the SBA guidelines or other guidelines that the City might set.

The City of Charlotte has a Targeted Outreach and Designated Contracts program for SBEs.⁴ Under this program the City can designate certain contracts for solicitation of SBEs only. For Construction and Commodities Contracts, the SBE program is limited to informal contracts. In deciding on these designated SBE contracts the City considers the size and scope of the project, SBE availability and the views of the City Department issuing the contract. For Charlotte SBEs are defined as firms with 25 percent or less of the US SBA small business size standards.

⁴ City of Charlotte, Charlotte Business Inclusion Program, Part A Background and Administration, Section 2.3 Targeted Outreach and Designated Contracts for SBEs.

The NCDOT SBE program, started in 1994, allows for the restriction of solicitation and awards to SBEs.⁵ construction, maintenance and repair projects of \$500,000, after soliciting at least three informal written bids from SBEs, award contracts to the lowest responsible bidder. For NCDOT SBEs are defined as firms with an annual net income of \$1,500,000, or less, after cost of goods sold is deducted.

Legal Basis for Recommendation 6

This recommendation is, by its very terms, to be implemented in a race-neutral fashion. Again, such a program feature would assist or be applicable to all small businesses, regardless of make-up. Equal protection concerns are therefore not implicated. See Croson, supra.

Of note, the NCDOT and Charlotte programs cited in the Recommendation have not faced legal challenge, much less been found constitutionally barred.

RECOMMENDATION 7: REFORM DATA INFRASTRUCTURE

GSPC had numerous challenges as it relates to collecting the data for this Study:

1. The City does not accurately track or maintain subcontracting data. Since the M/WBE program is a subcontracting program, it is imperative that the City immediately track the firms, addresses, work descriptions and race/ethnicity and gender of subcontractors.
2. Most of the data did not clearly indicate, and in very little detail what work was done. The City should begin using commodity codes (i.e. NIGP)
3. Much of the data extracted were duplicates which could cause inaccurate tracking and reporting
4. Addresses were often times incorrect. GSPC utilized the emails contained in the bid notification data files and the majority of them bounced back as no good. This means that firms who can potentially perform work for the City are not being notified of bid opportunities.
5. The information comes from too many data sources that do not connect.

Legal Basis for Recommendation 7

The recommendation for improved data collection is race-neutral and offered merely in furtherance of maintaining and collecting more reliable information for future study of the Program, so no additional legal justification is required.

RECOMMENDATION 8: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION (including Legal Basis)

It is our recommendation that the City of Greensboro implement a policy permitting an investigation into possible intentional discrimination in cases where the lowest bidding prime contractor has failed to reach more than ¼ (25%) of the M/WBE participation goal set for the contract/project. This investigation would

⁵ N.C.G.S. 136-28.10 Highway Fund and Highway Trust Fund Small Project Bidding.

be triggered regardless of any purported “good faith efforts,” and in fact, would be conducted as an interim step before any evaluation of proffered good faith is undertaken by the City. This recommendation is intended to prevent the City from passively and/or unwittingly participating in or funding private discriminatory conduct, and also, to combat the (continued) subversion of the good faith efforts provision in the relevant statute (G.S. § 143-128.2(f)).

As discussed at greater length in the Legal Analysis, an M/WBE program can be justified under a strict scrutiny analysis when the governmental entity demonstrates active or passive participation in discriminatory conduct. See, pp. ___. Passive participation can be found where a governmental entity fails to adjust its procurement practices to account for the effects of private discrimination on the availability and utilization of minority- and women-owned businesses. Id. Stated otherwise, the governmental entity can refuse to essentially fund private discrimination in the award of public contracts (i.e., infusing funds into a discriminatory industry). We submit that a significant failure to achieve or approach the M/WBE participation goals despite availability raises the potential for private discrimination such that the City risks becoming a passive participant to discrimination if it fails to inquire further about the potential for intentional discrimination before awarding a contract implicating public monies.

The investigative administrative step proposed herein appears consistent with, and enabled by, the existing City ordinance governing the M/WBE program. It is also consistent with governing county, state, and federal legislation addressing nondiscrimination generally and in public contracting in particular. Specifically, 2-117 proposes to “establish a clear policy against discrimination in business transactions and dealings on the basis of race, gender, religion, national origin, ethnicity, age, or disability,” and authorizes “**the establishment and administration of narrowly tailored policy and contracting procedures** by the city manager **to prevent the city from becoming a passive participant in private sector marketplace discrimination[.]**” Id. (emphasis added). To those ends, it expressly provides that “the city **shall not contract with business firms that discriminate** in the solicitation, selection, hiring, or treatment of vendors, suppliers, subcontractors, or commercial customers[.]” and authorizes the city manager to “assign duties, responsibilities and **establish appropriate procedures for administration and implementation of a narrowly tailored policy and contracting procedures** to prevent the City from becoming a passive participant in private sector marketplace discrimination[.]” Id. (emphasis added).

The 50-point Good Faith Efforts Program does not require that prime contractors consider the M/WBE bids in good faith, even if they are the lowest bidder. In fact, there is no way for the M/WBE subcontractor or the M/WBE Program to know if the M/WBE subcontractor was, in fact, the lowest bidder. So, the M/WBE subcontractor could have been the lowest responsive and responsible bidder, not be awarded the subcontract, and prime could still meet the 50-points. If an investigation it triggered, it requires nothing more of the prime contractor, but provides an extra tool for the City to determine whether or not a prime contractor has acted in a discriminatory manner and would allow the M/WBE Program to better determine what efforts the prime made to actually meet the goals.

In our view, the existing ordinance not only permits this additional investigative initiative, it could be credibly stated that it is required by the legislation. Facilitating, awarding public monies, and becoming a party to a written contract with a reasonable basis to question whether private discrimination is occurring (as evidenced by the abject failure to approach or meet M/WBE participation goals despite availability) risks passive participation in such discrimination by the City, which the policy is expressly intended to avoid and to remedy.⁶

⁶ Significantly, the City’s webpage for purchasing provides that “bidders must comply with nondiscrimination provisions.” This requirement further supports a mechanism for ensuring that compliance is present before the

Of note, the Governor of North Carolina issued Executive Order No. 24 in October 2017, prohibiting discrimination on the basis of “race, color, ethnicity, national origin, age, disability, pregnancy, religion, National Guard or veteran status, sexual orientation, [or] gender identity or expression[.]” In this decree, the Governor expressly applies the Order to procurement of state contracts, directing the Department of Administration to:

Require, where necessary, the state contracts or subcontracts managed by and through DOA for (i) construction of public buildings, (ii) other public works, and (iii) goods or services including provisions, in accordance with existing federal and state law, which establish that bids are awarded on the basis of merit and qualifications and perspective contractors will not be discriminated, harassed or retaliated against on the basis of Prohibited Grounds:

Executive Order No. 24, sec. B(1)(a).

The reach of this recent Executive Order is unclear at this point, but it is notably consistent with the City’s ordinance in the recognition that government money should not be awarded in the face of private discrimination (or, we submit, with strong suspicion of private discrimination).

Finally, additional support for this recommendation can be found in Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987. These federal laws prohibit race and gender discrimination (among other protected classes) in any program or service for which federal money is utilized. See, e.g., Title VI Fact Sheet, State of North Carolina (NCDOT Office of Civil Rights).

Title VI is the federal law that protects individuals and groups from discrimination on the basis of race, color, and national origin in all programs, services, and activities of a Federal-aid recipient. The law specifically states: “No person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.” (Title VI, the statute, is codified at 42 U.S.C. 2000d)

The relevant jurisprudence establishes that the scope of Title VI is broader than it appears on its face, as the linkage to federal funding need not be direct and exclusive. See, for example, Bob Jones University v. Johnson, 396 F.Supp. 597 (D. S.C. 1974), affirmed, 529 F.2d 514 (4th Cir. 1975) (schools accepting veterans subsidized with VA education benefits are recipients of federal financial assistance within the meaning of Title VI). Accordingly, Title VI provides an additional basis for the recommended investigative initiative.

RECOMMENDATION 9: ECONOMIC DEVELOPMENT PROJECTS

The City should be commended for applying M/WBE goals to economic development projects that the City has providing some land, tax incentives, infrastructure improvements, or other pecuniary value to the overall project. The private sector goals program has a basis in the evidence of low private sector utilization of M/WBEs in private sector commercial construction in Greensboro. The City should improve the tracking of compliance with this program element to determine the effectiveness of the goals program for economic development projects. Available evidence only should 1 percent M/WBE utilization on private sector projects that had assistance from the City. The existing evidence suggests that more compliance efforts should be placed on M/WBE goals on private sector projects.

question of good faith efforts arises. The M/WBE program instituted and maintained by Guilford County similarly prohibits “discrimination in opportunities” for contracting with the County.

Legal Basis for Recommendation 9

GSPC does not view this recommendation as requiring an independent legal basis for justification, as the City's role in economic development projects would not change. Rather, having found statistically significant underutilization of M/WBE firms in such projects, GSPC has concluded that the M/WBE Program would benefit from greater oversight by the City on economic development projects vis-à-vis utilization/awards; oversight similar to that exercised on public contracts.

RECOMMENDATION 10: VENDOR ROTATION

The City should be commended for having a vendor rotation component in its M/WBE program. Vendor rotation has been used by several jurisdictions to increase M/WBE utilization. According to staff interviews, however, vendor rotation has not been used that often in City procurement. Some other approaches to vendor rotation, including rotating diverse teams in a pre-selected pool, such as the City on-call contracts (to the extent that they continue to be utilized), in procurement areas where such a practice is consistent with the state law prohibition against prequalification of firms in Professional Services

Miami-Dade County has utilized an Equitable Distribution Program, a centralized rotational system, in which a pool of qualified small architecture and engineering professionals are rotated awards.⁷ Each firm's position in the qualified pools is based on their prior contracting. The rotational system applies to projects with an estimated construction cost of \$2 million or less and/or study engagements less than \$200,000.

Legal Basis for Recommendation 10

The factual predicate for this recommendation is based on the econometric evidence of disparities in the private sector, disparities in building permits and low M/WBE utilization in the available data on City economic development projects.

B. Recent Noteworthy Cases

The Legal Analysis provided in the body of this Disparity Study discusses at length the key cases on M/WBE programs and legislation from the United States Supreme Court, subsequent decisions from federal Circuit Courts of Appeal, and significant decisions from the Fourth Circuit – which governs the City of Greensboro. For those seeking the most recent court decisions implicating M/WBE or DBE programs, we include in this Appendix an overview of recent decisions which reiterate or expand upon the legal principles discussed in case authorities in the above Legal Analysis.

Kossman Contracting Co. v. City of Houston, Case No. H-14-1203 (S.D. Texas February 16, 2016) (municipal M/WBE program is reviewed with significant emphasis on the disparity study commissioned by the City of Houston, and the statistical analysis included therein).

This very recent decision by a federal District Court in Houston contains a thorough overview of the types of information and statistical analysis which best inform a disparity study; in this case, one conducted to evaluate the past and present status of M/WBEs in the geographic area covered by the City of Houston's remedial M/WBE program.

⁷ Miami-Dade County, Administrative Order No.: 3-39

Consistent with the discussion in the Legal Analysis about statistical analyses, the Court in *Kossman Contracting* evaluated the disparity study as it related to the compelling state interest showing of the City, and to the narrow-tailoring requirement of a strict scrutiny review. The key feature of the supporting study was a regression analysis addressing availability and utilization. *Id.* at pp. 2-10. Using both statistical and anecdotal evidence, the study concluded that “business discrimination against M/WBEs existed in the geographic and industry markets for [the City’s] awarding of construction contracts”:

[W]e conclude that there is strong evidence of large, adverse, and frequently statistically significant disparities between minority and female participation in business enterprise activity in [Defendant’s] relevant market area and the actual current availability of those businesses. We further conclude that these disparities cannot be explained solely, or even primarily, by difference between M/WBE and non-M/WBE business populations in factors untainted by discrimination, and that these differences therefore give rise to a strong inference of the continued presence of discrimination in [Defendant’s] market area. There is also strong anecdotal evidence of continuing barriers to the full and fair participation of M/WBEs on [Defendant] contracts and subcontracts, despite the implementation of the M/W/SBE Program, and in the wider Houston construction economy. Remedial efforts remain necessary to ensure that Houston does not function as a passive participant in discrimination.

Kossman, at p. 11.

As for the narrow-tailoring requirement, the Court noted that the company conducting the disparity study issued recommendations to the City regarding ways that the program could be adjusted to better achieve its goals within the constitutional framework. *Id.* at pp. 11-12.

Finally, the Court in *Kossman* conducted a lengthy legal overview of what it dubbed “Croson’s Continuing Significance.” In this section of the opinion, the Court opined about why a statistical analysis like that presented on behalf of the City of Houston in the present case is necessary and proper under the Equal Protection scheme established by Croson and refined by its (continuing) progeny. *Id.* at pp. 34-49, and 53-62. In many respects, this opinion provides a roadmap for success in implementing and defending a M/WBE program.

Midwest Fence Corp. v. U.S. DOT, Case No. 15-1827 (7th Cir., November 4, 2016) (finding federal and Illinois state DBE programs constitutional under facial and “as applied” challenges by non-DBE subcontractor, noting lack of success of race-neutral and gender-neutral initiatives and finding programs to be narrowly tailored to achieve governmental interest)

In the most recent Circuit-level decision on the federal DBE program for the U.S. Department of Transportation, and state adjunct program(s), the Seventh Circuit in *Midwest Fence v. U.S. DOT* upheld the federal and state programs in the face of a facial and as-applied challenge by an aggrieved non-DBE subcontractor.

Before addressing the programs themselves, the court first reasoned that *Midwest Fence* had the requisite standing to level its challenges:

The plaintiff need only demonstrate that it is able and ready to bid on contracts and that a discriminatory policy prevents it from doing so on an equal basis. Causation and redressability follow from this definition of injury: causation, because the theory is that the policy prevents equal competition; redressability, because invalidating the policy will again place the plaintiff on equal footing for competitive purposes.

The district court correctly found that *Midwest Fence* has standing[.] By alleging and then offering evidence of lost bids, decreased revenue, and difficulties keeping its business afloat as a result of the DBE program and its inability to compete for contracts on an equal footing with DBEs, *Midwest Fence* showed both causation and redressability.

Id. at 12 (citations omitted).

Addressing next the constitutionality of the DBE programs, the court reiterated the strict scrutiny standard, with the recognition that several courts (including the U.S. Supreme Court) have ruled that remedying past discrimination is a compelling government interest, thus satisfying the first prong of the analysis:

The federal DBE program authorizes and to some extent requires state governments to rely on racial classifications in awarding government contracts. Accordingly, the equal protection challenge requires the government to show that the program can survive strict scrutiny, meaning that the program serves a compelling government interest and is narrowly tailored to advance that interest. *Adarand Constructors*, 515 U.S. at 235; *Northern Contracting, Inc. v. Illinois*, 473 F.3d 715, 720 (7th Cir. 2007). Remedying the effects of past or present discrimination can be a compelling governmental interest. *Shaw*, 517 U.S. at 909. In this appeal, *Midwest Fence* does not challenge the national compelling interest in remedying past discrimination. We therefore focus on whether the federal program is narrowly tailored. . . . Narrow tailoring requires “a close match between the evil against which the remedy is directed and the terms of the remedy.”

Id. at 14, 16 (citation omitted).

Next, applying the standardized considerations for narrow tailoring discussed in *Croson* and *Adarand II* (among several others), the Seventh Circuit aligned itself with the Circuit Courts of Appeals for the Eighth, Ninth, and Tenth Circuits, concluding that the federal DOT program narrowly tailored to achieve its race- and gender-based governmental interests. Id. at 23.

Lastly, in its evaluation of the state DBE programs, the *Midwest Fence* court provided a detailed analysis of the various types of statistical evidence proffered, including availability and utilization data (with disparity indices or ratios), regression analysis, and anecdotal evidence. Id. at 29-34.

APPENDIX B

Data Assessment Report

CITY OF GREENSBORO, NORTH CAROLINA

2017 DISPARITY STUDY

DATA ASSESSMENT REPORT

Griffin & Strong, P.C. (“GSPC”) conducted data assessment meetings during February 7th and 8th, 2017, regarding the City of Greensboro, North Carolina (“City”) Disparity Study. This report summarizes those meetings and sets forth action items and preliminary questions to be answered. It is necessary to issue a data assessment report prior to completing the data collection plan in order to confirm that GSPC has the correct understanding of how and where data is kept by Greensboro. IT has requested that all data requests generated under the Data Collection Plan be directed to the department that owns the data with a copy to IT.

I. Scope Statement

The purpose of this disparity study (“Study”) is to analyze procurement data to determine the utilization of Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) and Disadvantaged Business Enterprises (DBEs), (collectively M/W/DBEs), relative to the availability of such firms to compete for City business on Construction, Professional Services and Goods and Other Services contracts.

The Study will collect and analyze relevant data on “ready, willing and able” vendors in the areas of:

1. Construction services
2. Professional services
3. Goods & Other Services

Initially, the study period for the disparity study was determined as a four (4) year study period from July 1, 2011 through June 30, 2015 (FY2012-2015). GSPC has agreed to include an additional year, July 1, 2015-June 30, 2016 (FY2016), in the Study in order to capture the most recent data available.

The dollars spent (whether as prime contractors or subcontractors) will be collected and analyzed from the following departments:

- ❖ Coliseum
- ❖ Police
- ❖ Fire
- ❖ Transportation
- ❖ Field Operations
- ❖ Engineering & Inspections
- ❖ Water Resources
- ❖ Libraries & Museums
- ❖ Planning
- ❖ Neighborhood Development
- ❖ Minority, Women Business Enterprise
- ❖ Human Resources
- ❖ Information Technology
- ❖ Parks & Recreation
- ❖ Economic Development & Business Support
- ❖ City Clerk
- ❖ Guilford Metro 911
- ❖ Office of Workforce Development
- ❖ City Attorney
- ❖ Communications & Marketing
- ❖ Human Relations
- ❖ Internal Audit
- ❖ Budget & Evaluation
- ❖ Financial & Administrative Services

II. Data Assessment Meetings

GSPC conducted on site data assessment meetings to ascertain the location, types, and constraints on the data needed for the study, as well as obtain a basic understanding of the City's purchasing practices, based upon the following interview schedule:

February 7th, 2017 –

Nagesh Annambhotia	IT	Nagesh.Annambhotia@greensboro-nc.gov
Christie Hofer	IT	Christie.Hofer@greensboro-nc.gov (send data request & cc on all data requests)
Tiffany Jones	MWBE Office	
Gwen Carter	MWBE Office	(send data request & cc on all data requests)

February 8th, 2017 –

Matt Brown	Coliseum	Matt.Brown@greensboro-nc.gov
Butch Shumate	E & I	Butch.Shumate@greensboro-nc.gov
Ute Munro	E & I	Ute.Munro@greensboro-nc.gov (send data request)
Todd Lambert	E & I	Todd.Lambert@greensboro-nc.gov
Ted Kallam	E & I	Ted.Kallam@greensboro-nc.gov
Vonda Wingate	Economic Development	Vonda.Wingate@greensboro-nc.gov
Chris Payne	Finance	Chris.Payne@greensboro-nc.gov (send data request)
Susan Crotts	Finance/Central Contracting	Susan.Crotts@greensboro-nc.gov
Dale Dillon	Finance/Purchasing	Dale.Dillon@greensboro-nc.gov
Anita Wilson	Finance/Treasury	Anita.Wilson@greensboro-nc.gov
Charlene Dillard	Human Resources	Charlene.Dillard@greensboro-nc.gov
Sue Schwartz	Planning	Sue.Schwartz@greensboro-nc.gov
Hanna Cockburn	Planning	Hanna.Cockburn@greensboro-nc.gov
Dana Clukey	Planning	Dana.Clukey@greensboro-nc.gov
Dena Keese	Library	Dena.Keese@greensboro-nc.gov
Allison Staton	CCD	Allison.Staton@greensboro-nc.gov
Michael Swails	Fire Dept.	Michael.Swails@greensboro-nc.gov
Brian James	Police	Brian.James@greensboro-nc.gov
Virginia Spillman	Water Resources	Claudia.Spillman@greensboro-nc.gov
Elijah Williams	Water Resources	Elijah.Williams@greensboro-nc.gov
Sowell, Kimberly	Water Resources	Kimberly.Sowell@greensboro-nc.gov (cc on Water Resources requests)
Gilley, Wade	Water Resources	Wade.Gilley@greensboro-nc.gov (send data request)

	request)	
Veronica Covert	Water Resources	Veronica.Covert@greensboro-nc.gov
Kim Welborn	FOD	Kim.Welborn@greensboro-nc.gov
Tonya Williams	FOD	Tonya.Williams@greensboro-nc.gov (send data request)
Chris Marriott	FOD	Chris.Marriott@greensboro-nc.gov
Darrell Williams	GDOT	Edwin.Williamson@greensboro-nc.gov
Chris Spencer	GDOT	Chris.Spencer@greensboro-nc.gov
Cari Hopson	GDOT	Cari.Hopson@greensboro-nc.gov
Beth Benton	Code Enforcement	Elizabeth.Benton@greensboro-nc.gov
Valerie Moore	Neighborhood Development	Valerie.Moore@greensboro-nc.gov
Cindy Blue	Neighborhood Development	Cynthia.Blue@greensboro-nc.gov

III. Preliminary Purchasing Practices

The City of Greensboro is subject to the State of North Carolina purchasing standards and has a total of 20 departments under the direction of three Assistant City Managers. There are two additional departments, Police and the Coliseum, who operate separately and are not under the Assistant City Managers. The purchasing structure is set as being quasi-centralized. The City has a Central Contracting Division, but a substantial amount of purchasing is done independently of Purchasing. Specifically, Water Resources and Engineering & Inspections handle most of their own bid and award processes for Construction and Professional Services and many of the other departments handle their own bids and awards for Professional Services contracts, as well as On-Call contracts (Coliseum, Parks & Rec, Water Resources, GDOT, and others). The Central Contracting division does substantially all bids and awards for Services and the Purchasing Division for Goods.

A. Types of Contracts

1. Over \$30,000 in vertical construction requires a formal bid.
2. Construction and Professional Services contracts over \$30,000 are formally bid through RFPs or RFQs that originate within the user departments for Construction and Professional Services. This includes On-Call contracts that allow departments to create a list of firms that can be utilized for certain services without additional bidding.
3. Professional Services contracts under \$20,000 are informally bid and have a goal of obtaining at least 3 proposals.
4. Contracts under \$1,000 are acquired through P-Cards or Check Order requests and also require 3 quotes.

This process is different for construction contracts, which are managed separately through the Engineering and Facilities' ProTrack system. While the Lawson supplier system tracks supplier and vendors, and shows all firms who are registered to do business or have received payment from the City, it does not house contracts or information for subcontractors utilized. These contracts for construction and professional services are housed separately with the Contract and Routing System ("CARS") which allows for the tracking of all City contracts and houses all signed City contracts.

IV. MWBE Program

The Greensboro MWBE program is a newly developed program which was voted into effect in 2014 and has functioned for the past two fiscal years (2015 and 2016). At the time of its adoption, goals were made to apply to all contracts for "construction related services, professional services, goods, real estate development, renovation, maintenance" and other services awarded by the City or in conjunction with any other governmental, quasi-governmental or private entity. The only contracts withheld from these requirements are as follows:

- Contracts susceptible to the Department of Transportation DBE program and Airport Concessions DBE program (ACDBE)
- Sole Source Contracts for Goods and Supplies
- Contracts for utilities, water and sewer from a government agency or municipal utility district
- Emergency contracts for goods or supplies where the City Manager determines it necessary for the preservation of public health or safety.
- Contracts for the City's lease or purchase of a real property where the City is lessee or purchaser.
- Personal Services grants or contracts involving the unique abilities or style of a particular individual.

Initial goals for the program were set by the previous Disparity Study at 15% participation for Construction projects, 11% for Professional Service Contracts and 8% for Goods and other Services. These are annual aspirational goals that were adopted in 2014 after the last Disparity Study. They do not apply to all ethnicities in all work categories.

The categories of Minority Group Members and/or women that are eligible for certification as owning, managing, and controlling M/WBEs by Industry Categories are narrowly tailored based upon Disparity Study Update results as follows:

Construction Prime Contracting: African-Americans and non-Minority females

Construction Subcontracting: African-Americans, Asian-Americans, Native Americans, and non-Minority females

Professional Services: African-Americans, Hispanic Americans, Native Americans, and non-Minority females

Goods and Other Services: African-Americans, Hispanic-Americans, and non-Minority females

Several incentives for Minority participation are given across these differing types of contracting. Some examples of this are “Best Value Contracting” in goods and other services contracts between \$30,000 to \$500,000, where the City may allocate up to 20% of the total available selection criteria Points for award to any Respondent that is a certified MWBE. Another example is an MWBE rotation of vendors for “routine” professional services contracts valued below \$30,000.

For the subcontractor program, the City uses the Supplier List (see definition below), MWBE goals are calculated by dividing the number of MWBE certified firms in a given trade (or within a specific NIGP Code) into the total number of firms in the same trade (or within that specific NIGP Code) for a given project. Contracts under \$30,000 are “encouraged” to utilize MWBEs, including P-card purchases, unless there is a) exemption, b) waiver, or c) good faith efforts.

Only firms within the 10-County MSA that are on the State’s HUB list or NCDOT are currently included in the MWBE Program. The MWBE Program has an Access list of about 500 firms they captured and to whom they sent questionnaires. There is a list of firms by commodities. It also includes bonding capacity, primary scopes and certifying agency.

The MWBE Goal Setting Committee does have a program plan, not all of which has been implemented. The original plan called for “phasing” in of the recommendations of the plan, but some of the recommendations were never fully incorporated. In particular, the SBE Program has not been implemented because it is not approved under the State procurement laws. GSPC has been provided a copy of that plan. It was put together with consultation from Attorney Franklin Lee after the last study.

The MWBE Program participates in the purchasing process. Once the specifications have been developed for a bid, they are sent to the MWBE Program to review to see if there are any barriers. MWBE is also provided a list of the needed specialty trades with estimates. The MWBE Program determines what the MWBE participation should be. There are not always specific goals if there are not sufficient subcontracting opportunities or a sufficient number of MWBE firms. Once a month, the MWBE Program meets with the Goals Setting Committee to review contracting. The MWBE committee is also active in complaint driven contract audits.

Note that On-Call contracts are submitted with MWBE subcontractors already included based upon historical information on this type of work. Since CMAR contracts include subcontractors as the work becomes available and not necessarily when the contract is awarded, GSPC will count the subcontractors that were awarded during the Study Period and only the Prime dollars that were correspondingly allocated.

V. Data Assessment

A. General Data

Summary of Operating Systems:

1. General procurement data, like Suppliers List, Award Data, etc., are housed in the Lawson system that has been used for Human Resources, Supplier Management, Inventory Control, Finance, and General Ledger since 2003. Everything for commodities is tracked here for both formal and informal purchases.
2. Contract data is housed in the CARS system (Contract Approval & Routing System). Note that this is the routing system to get contracts signed, so mostly all contracts are in this system.
3. Construction data for Engineering & Inspections and Water Resources are housed in the ProTrack system. Construction data also includes some limited subcontractor data.
4. P card purchases are tracked separately through Bank of America and is monitored in house by Dale Dillon of the finance department.
5. GEPS is the Greensboro E-Procurement System. It includes Events and Bids

Commodity Code System: Greensboro utilizes NIGP codes on a limited basis in Lawson supplier portal during the vendor set up process, NAICS codes in Access MWBE list pulled from the state HUB list.

Issue: Professional services contracts are bid out by multiple departments

B. Specific Data files

It was determined in this meeting that GSPC will need from Greensboro:

- Solicitations List – (Study Period)
- Events List – (issued during Study Period)
- Supplier List (current)
- Vendor List (current)
- Contracts (made during Study Period)
- P. O's (made during the Study Period)
- Payments (made during Study Period)
- P-Cards (made during Study Period)
- Bidders list (during the Study Period)
- Subcontractor data (during the Study Period)
- Certified MWBE list (current)
- Work code keys and descriptions

1. Solicitations

Water Resources has a master solicitations list, but there is no master solicitations list for other contracts. The bid# is the contract# and follows from solicitations through contracts.

2. Events

A requisition is created and sent to Purchasing who gives it an event#. Event numbers are chronological starting from 2007 and are assigned to a solicitation. When notices are generated out of GEPS and sent out to prospective bidders, the event# is used.

3. Supplier List

The Supplier List is maintained by Purchasing, but Purchasing said to get the list directly from IT. Registration for City contracts originates with the Lawson supplier portal, an outward facing database where firms are invited to register to do business with the City of Greensboro. Firms are allowed to go in and register the type of work they desire to receive notice about through chosen NIGP codes. Lawson has been in place since 2003, and serves as the full ERP system for Human Resources, Supplier Management,

Purchasing, General Ledger, Inventory Control and Enterprise Asset management system. The Supplier List also indicates MWBE status, but since firms self-identify, firms may not be certified.

IMPORTANT NOTE: Supplier List is linked to Vendor list below

Issue: Firms on the Lawson Supplier List are allowed to select NIGP codes not only in the areas that they perform in, but also in areas that they are interested in. There is no primary NIGP code listing so there is no way to know if firms actually perform in the areas that they are listed under or if they are simply attempting to stay abreast of upcoming bids. GSPC can attempt to minimize the impact of this by matching firms to City Access MWBE list by primary work categories, by listing them only in the NIGP codes that they bid in or are awarded in, matching them to primary codes that they are registered in for other jurisdictions; and match the obvious words in their names to what they do (e.g. XYZ Construction, assumed to be a construction company; ABE Hauling, assume to be a trucking company, etc.) Additionally, GEPS may have selected NIGP codes for firms.

Issue: Discuss how we are identifying, if at all, firms that are not certified from the Supplier List.

Issue: Resolve the work categories. They seem to be slightly different in various data files. In the supplier portal, they are a) Construction, b) Professional Services, and c) Commodities. GSPC will use the definitions from the previous disparity study. We should also note that the NC Purchasing Codes does not have any standards for other service contracts outside of Professional Services.

Issue: Vendors do not keep their data updated, which may also include their certification information.

Issue: The North Carolina purchasing standards do not permit Professional Services to go through the supplier portal, but they will be on the Vendor List and show up in awards. This means that GSPC will have to rely on outside lists to get a more comprehensive list of available Professional Services firms.

4. Vendor List

The Vendor List is maintained by Treasury. Once notice of a bid is given, and a firm places its bid, upon awarded contract they then transition through the system to become a registered vendor. This process includes provision of relevant paperwork and tax

documents. Vendors are identified by the City as supplier firms who have been awarded City contracts.

The Vendor List is an accounts payable list and is maintained by the Finance Department. A firm must be on this list in order to have payments processed, but a firm can be on this list even though they are not on the supplier list. All vendors must be in the Lawson system.

5. Contracts

Contracts are contained in CARS, except for Water Resources and Engineering & Facilities, that are maintained in ProTrack. All Goods & Services contracts go through Purchasing as a P.O. On-Call contracts are not in CARS. The On-Call contract amounts will have to be picked up from P.O.'s and/or Task Orders to see encumbered amounts. Double check the list to make sure all department contracts are in CARS once we get the data.

Each department maintains information on their On-Call contracts. Many of the department reported that they took all the firms that submitted for On-Calls, but Water Resources selected 10 and tries to allocate the work among those 10 firms. The challenge is that the last On-Calls for Water Resources were for 5 years and if not already on the list, firms could not be considered as primes.

Departments with On-Call contracts are:

- Water Resources for Professional Services in Design for Capital Improvements
- Engineering & Inspection
- Field Operations
- Transportation
- Planning
- Neighborhood Development
- Check with Other Departments as well.

Reimbursement Agreements won't show up in CARS because an outside agency does the purchasing process and then the City reimburses them. GSPC should be able to pick these up by searching the payment file for "reimbursement agreement." If not, we will have to ask each department for them.

Confirming Agreements are contracts that were not competitively bid. Should come up in CARS.

Goods are done through Purchasing for most all purposes for all departments and are reflected in P.O.'s.

Issue: Are all contracts reviewed as part of the study even if they are subject to the federal DBE Program. Typically, federal dollars are through FTA for transportation and some NCDOT state dollars for roadway repair, maintenance, and sidewalks. Transit funds are used for building repair & maintenance.

C. P.O.'s

P.O.'s are used for Goods and non-construction or non-professional services contracts through Purchasing. There are emergency P.O.'s and we will see more of them popping up in later years of the Study instead of On-Calls. Awaiting opinion from legal on which way to go.

D. Payments

The Payment files are maintained by Treasury. Payment data should have a P.O. number (whenever encumbered), a contract number, or may have ACH (check with Roberta Johnson to get ACH data). Contract number should be in the P.O. field.

E. P-Cards

There is a separate P-card system maintained by Purchasing. They are tied back to the account number in the general ledger and are through Bank of America. The work category can be taken from the General Ledger Code attached to each purchase; however, it is not a mandatory field. GSPC will have to see the data to determine how much of it actually has General Ledger Codes attached.

F. Bidders

Bid tabulations are in electronic format and contained in GEPS, except that Engineering & Inspections has bid tabs for their department and Water Resources in electronic PDF. Subs that were bid may be available through paper file of proposals. Also, there is a "Bid List" kept in GEPS that contains the Event Number, Bid Number and a list of everyone that was notified of a particular bid.

Note that Water Resources bids through Engineering & Inspection for Construction & Construction Related Professional Services contracts. They have 3 kinds of contracts: a) CMAR (estimated that there are 2 of those), b) mentor/protégé, and c) Bifurcated (A, meet goals or not and B, low bid).

To get bidders for On-Call contracts, we will have to go to the project manager.

Issue: For Professional Service RFPs for Water Resources and Engineering & Facilities, if the project manager is not still employed, it is not definite that the project manager's bidder documentation is still housed within the department.

G. Subcontractors

Most subcontractors are not tracked by the City. Only Water Resources and Engineering & Inspections track subcontractors in their system (both awards and actuals). These have only been tracked since 2013, and only for MWBE subcontractors, and they are only tracked on awards and not for bids. Note: Wade Gilley has been entering the information directly from contracts into his database. We will see in his comments field, where there are no subs, it will say how it was bid and what was reflected in the contract for subs. GSPC will have to conduct a prime vendor questionnaire to obtain subcontractor payment data.

H. Certified MWBE list

The City of Greensboro uses the State of North Carolina's Hub list for certified MWBEs. There are also MWBEs in the Supplier List, but they are self-identified and may not be certified.

Issue: We should resolve how we are going to treat the non-certified, self-identified MWBEs, if at all. GSPC is not including them in the formal disparity study analysis.

Issue: GSPC counts firms that were certified, even if they are no longer certified, in availability. This is because they were certified at some time during the Study Period. However, Purchasing has erased the certification from these firms from the Lawson system, even historically. GSPC will have to obtain various historical HUB lists to make up for this.

APPENDIX C

Data Collection Plan

**GREENSBORO, NORTH CAROLINA
DATA COLLECTION PLAN**

The data collection plan utilizes the information gathered in the Data Assessment Report, and sets forth a preliminary plan for actual retrieval of the data.

A. Collect Electronic Data

Assigned	Task	Start	Finish	Completed
Mcj/fl/tj	Submit request for electronic data, including the following to Chris Payne in Finance: 1. Contracts from CARS (for awards from 7/1/2011-6/30/2016) 2. Bidder List (7/1/2011-6/30/2016) 3. Bid Tabulations (7/1/2011-6/30/2016) 4. Vendor List (Current) 5. Solicitations from (7/1/2011-6/30/2016) 6. P.O.s (7/1/2011-6/30/2016) 7. Confirming Agreements (7/1/2011-6/30/2016) 8. Work code keys and descriptions.	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Anita Wilson in Treasury: 1. Payments (7/1/2011-6/30/2016) 2. List of Check Orders 3. Payment files (3 rd party purchasing only) (7/1/2011-6/30/2016) 4. G/L Code Descriptions (Current)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Dale Dillon in Treasury: 1. P-Card Purchases (7/1/2011-6/30/2016) 2. G/L Code Descriptions (Current)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Roberta Johnson in Treasury: 3. ACH payments (7/1/2011-6/30/2016) 4. G/L Code Descriptions (Current)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Ute Munroe in Engineering & Inspections: 1. Engineering & Inspections and Water Resources Bid Tabs for Construction and Construction Related Services including On-Call Contracts (for awards from 7/1/2011-6/30/2016) – may need to come from public share folder 2. List of On-Call Agreements 3. Subcontractor awards (7/1/2011-6/30/2016) 4. Contracts (7/1/2011-6/30/2016) 5. Informal Quotes (7/1/2011-6/30/2016)	2/20/2017	3/20/2017	

Mcj/fl/tj	Submit request for electronic data, including the following to Wade Gilley in Water Resources: 1. Bid Tabs for On-Call (7/1/2011-6/30/2016) 2. List of On-Call Agreements (7/1/2011-6/30/2016) 3. Subcontractor awards (7/1/2011-6/30/2016) 4. Contracts (7/1/2011-6/30/2016) 5. Master List of Solicitations (7/1/2011-6/30/2016) 6. Informal Quotes (7/1/2011-6/30/2016)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Chrystie Hofer in IT: 1. Supplier List (Current)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Gwen Carter in MWBE Office: 1. List of local MWBEs (Current)	2/20/2017	3/20/2017	
Mcj/fl/tj	Submit request for electronic data, including the following to Other Individual Department Representatives Present at the Data Assessment Meetings plus Matt Brown (Coliseum): 1. On-Call List from 7/1/2011-6/30/2016) 2. Bidders for On-Call Contracts from 7/1/2011-6/30/2016 3. Bid Tabulations (7/1/2011-6/30/2016) 4. Informal Quotes (7/1/2011-6/30/2016)	2/20/2017	3/20/2017	
	ALL ELECTRONIC DATA COLLECTED		4/7/2017	

B. Prime Vendor Questionnaire

Assigned	Task	Start	Finish	Completed
Mcj/sj	Prepare questions for Prime Vendor Questionnaire – primary purpose is to obtain subcontractor data, as well as information on the prime itself to verify the City’s data.	2/20/2017	4/7/2017	
Mcj/sj	Prepare letter for signature by the City Manager to accompany the questionnaire (Letter should be dated 4/18/2017)	4/7/2017	4/17/2017	
Fl/tj	Clean data files to prepare for mail merge	4/7/2017	4/17/2017	
Sj to Mailing House	Send survey instrument to mailing house to do mail merge a) Vendor Name & Address and b) Contract information, then questionnaires sent by mailing house with a return date of 4	4/14/2017	4/18/2017	
Ra/spm	Phone or email follow up on all unreturned questionnaires	5/19/2017	5/26/2016	
	ALL COMPLETED QUESTIONNAIRES IN BY		5/26/2016	

C. Collect Manual Data

Assigned	Task	Start	Finish	Completed
Mcj/fl/tj	Gwen Carter: MWBE Exemptions, Waivers (Good Faith Efforts) from 7/1/2011-6/30/2016 (hard copies or PDF)	2/20/2017	3/20/2017	
	ALL MANUAL DATA COLLECTED		3/20/2017	

D. Survey of Business Owners

Assigned	Task	Start	Finish	Completed
Sterj/price	Prepare questions for Survey of Business Owners primary use is for Private Sector Analysis and Anecdotal Evidence	4/1/2017	4/7/2017	
Mcj	Obtain City's current data files	4/7/2017	4/7/2017	
Fl/tj	Clean data files	4/10/2017	6/18/2017	
Creative Research Solutions, LLC	Send questions and datafiles to Creative Research Solutions, LLC to conduct the telephone survey of at least 250 firms	6/19/2017	8/4/2017	
	ALL SURVEY TABLES RECEIVED BY GSPC		8/4/2017	

E. Purchasing Practices, Policies & Procedures Interviews

Assigned	Task	Start	Finish	Completed
JVE	Contact Purchasing buyers and departments to make appoints to be interviewed	2/13/2017	2/28/2017	
JVE	Conduct policy interviews with the following departments Transportation, Engineering & Inspections, Water Resources, Coliseum, Neighborhood Development, MWBE Office, Economic Development & Business Support, City Attorney, Purchasing/Finance	3/2/2017	3/3/2017	
JVE	Interviews will be written up as completed	3/3/2017	3/17/2017	
	PURCHASING PRACTICES INTERVIEWS COMPLETED		3/31/2017	

F. Anecdotal Evidence

Assigned	Task	Start	Finish	Completed
Mcj/fl/tj	Take random sample of Relevant Market Vendors	4/7/2017	4/10/2017	
GMc	Set up in-person interviews	4/11/2017	7/28/2017	
GMc	Conduct interviews using a script but receiving information not on script as well (interviews are recorded) and write up summary of interviews, particularly documenting any accounts of marketplace discrimination	4/11/2017	8/11/2017	
Rks/Sterj/JC	Conduct public hearings & focus group	9/12/2017	9/14/2017	
	ANECDOTAL EVIDENCE COLLECTED		9/14/2017	

G. Private Sector Analysis

Assigned	Task	Start	Finish	Completed
Price	Collect publicly available data e.g. census and economic data as useful	8/7/2017	11/6/2017	
	PRIVATE SECTOR DATA COLLECTED		11/6/2017	

H. External Data

Assigned	Task	Start	Finish	Completed
mcj	Request electronic vendor data from HUB, NCDOT, Guilford County, surrounding counties & cities	2/20/2017	3/20/2017	
SterJ	Research and request recent disparity studies (executive summaries) from nearby jurisdictions	2/20/2017	3/20/2017	
	EXTERNAL DATA COLLECTED		3/20/2017	

I. Miscellaneous Reports & Data

Assigned	Task	Start	Finish	Completed
Mcj	MWBE Plan by Franklin Lee (2/8/13)			X
	Disparity Study by MGT of America (6/14/12)			X
	List of contracts set for destruction from City Clerk 2/9/17			X
	State of North Carolina Hub List			X
	MISCELLANEOUS REPORTS & DATA COLLECTED		3/14/14	

Personnel Assigned Key

Mcj – Michele Clark Jenkins, Project Manager

Sterj-Sterling Johnson, Deputy Project Manager

Tj-Tanesha Jones, Sr. Data Analyst

RH-Dr. Rom Haghighi, Chief Statistician

Fl-Felicia Loetscher, Data Analyst

Sj-Susan Johnson, Project Administrator

Ams-Andrea Stokes, Administration Support

GMc-Gerry McCants, Local Subcontractor

JVE-Vince Egan, Principal Investigator

JC-Joy Cook, Local Subcontractor

Price-Dr. Gregory Price, Senior Economist

Respectfully submitted this 13th day of February, 2017

By Michele Clark Jenkins
Project Manager
Griffin & Strong, P.C.

APPENDIX D

Work Category Assignments

APPENDIX D – WORK CATEGORY ASSIGNMENTS

The 2018 Greensboro Disparity Study Quantitative Analysis separated firms into four (4) work categories. Below, GSPC has provided a description of what types of goods and services were assigned to each of the four (4) work categories.

Construction:

- Building construction
- Road construction
- Excavation and demolition
- Concrete work
- Pavement
- Pipeline building
- Water-work construction
- Renovation
- Electrical Services
- Wood (84 Lumber Co.)

Professional Services:

- Consulting services
- Accounting
- Legal
- A &E
- Laboratory analysis/work
- Forensic work
- Analytical work
- Translation
- Research and analysis
- Computer programing
- Environmental services

Other Services:

- Trucking Services
- Repairs
- Landscaping
- Janitorial and cleaning services
- IT and data management
- Building services
- Building maintenance
- Plumbing
- Hauling Services
- Packaging
- Personnel and staffing services
- Tree care and services
- Handyman services

Goods:

- Fuel
- Supplies (including construction, electrical, and landscaping)
- Furniture
- Auto and auto parts
- Pre-fabricated items
- Road and traffic signs
- Cleaning supplies
- Anything which can be sold in a store including office machines and computers

APPENDIX E

Awards by County (Dollars)

APPENDIX E – AWARDS BY COUNTY

The tables in Appendix E (Tables E-1 through E-4) presents the dollar value of awards by county for all City prime spending, broken down by the four procurement categories. The counties are arranged from the highest dollar value to the lowest dollar value. The first percentage column is the percentage of City prime spending with firms in that county and the last column is the cumulative percentage of City spending with firms for that county and the counties above it.

These tables do not indicate the geographical Relevant Market, which was determined by starting with the City of Greensboro, then pulling out to surrounding geographical boundaries, until a benchmark of 75% of awards was achieved. (See Chapter IV Quantitative Analysis, Tables 6-9)

Table E-1
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Construction

County, State	Amount	Percent	Cumulative Percent
Construction			
GUILFORD COUNTY, NC	\$ 199,678,959	52.77%	52.77%
WAKE COUNTY, NC	\$ 64,924,262	17.16%	69.92%
MECKLENBURG COUNTY, NC	\$ 30,751,879	8.13%	78.05%
SURRY COUNTY, NC	\$ 19,066,868	5.04%	83.09%
WAYNE COUNTY, NC	\$ 17,469,700	4.62%	87.71%
FORSYTH COUNTY, NC	\$ 15,898,887	4.20%	91.91%
ALAMANCE COUNTY, NC	\$ 9,905,009	2.62%	94.52%
CATAWBA COUNTY, NC	\$ 5,287,346	1.40%	95.92%
LINCOLN COUNTY, NC	\$ 3,999,220	1.06%	96.98%
MOORE COUNTY, NC	\$ 3,998,723	1.06%	98.03%
BUNCOMBE COUNTY, NC	\$ 2,111,505	0.56%	98.59%
LAUDERDALE COUNTY, AL	\$ 941,300	0.25%	98.84%
ROCKINGHAM COUNTY, NC	\$ 828,558	0.22%	99.06%
LOUDOUN COUNTY, VA	\$ 739,990	0.20%	99.26%
UNION COUNTY, NC	\$ 614,317	0.16%	99.42%
CHESAPEAKE CITY COUNTY, V	\$ 575,000	0.15%	99.57%
CHARLESTON COUNTY, SC	\$ 360,564	0.10%	99.67%
DAVIDSON COUNTY, NC	\$ 279,118	0.07%	99.74%
ROBESON COUNTY, NC	\$ 227,414	0.06%	99.80%
IREDELL COUNTY, NC	\$ 120,511	0.03%	99.83%
ROWAN COUNTY, NC	\$ 107,460	0.03%	99.86%
RANDOLPH COUNTY, NC	\$ 96,134	0.03%	99.89%
DURHAM COUNTY, NC	\$ 84,612	0.02%	99.91%
CUYAHOGA COUNTY, OH	\$ 69,216	0.02%	99.93%
ORANGE COUNTY, FL	\$ 67,588	0.02%	99.94%
JOHNSTON COUNTY, NC	\$ 55,215	0.01%	99.96%
TAYLOR COUNTY, FL	\$ 35,923	0.01%	99.97%
CHESTERFIELD COUNTY, VA	\$ 23,186	0.01%	99.97%
JEFFERSON COUNTY, KY	\$ 22,512	0.01%	99.98%
DEKALB COUNTY, GA	\$ 13,435	0.00%	99.98%
COOK COUNTY, IL	\$ 10,987	0.00%	99.99%
CUMBERLAND COUNTY, NC	\$ 10,648	0.00%	99.99%
WESTCHESTER COUNTY, NY	\$ 10,517	0.00%	99.99%
DENVER COUNTY, CO	\$ 5,610	0.00%	99.99%
ROANOKE CITY COUNTY, VA	\$ 4,812	0.00%	99.99%
HILLSBOROUGH COUNTY, FL	\$ 4,617	0.00%	100.00%
MONTGOMERY COUNTY, NC	\$ 4,500	0.00%	100.00%
FULTON COUNTY, GA	\$ 4,000	0.00%	100.00%
WASHINGTON COUNTY, PA	\$ 3,100	0.00%	100.00%
HENRY COUNTY, VA	\$ 2,565	0.00%	100.00%
ANNE ARUNDEL COUNTY, MD	\$ 1,329	0.00%	100.00%
Total	\$ 378,417,097	100.00%	

Table E-2
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Professional Services

Professional Services			
County, State	Amount	Percent	Cumulative Percent
GUILFORD COUNTY, NC	\$ 60,972,991	41.59%	41.59%
WAKE COUNTY, NC	\$ 53,331,563	36.38%	77.98%
MECKLENBURG COUNTY, NC	\$ 18,035,248	12.30%	90.28%
FORSYTH COUNTY, NC	\$ 4,582,216	3.13%	93.40%
MORGAN COUNTY, AL	\$ 997,608	0.68%	94.09%
GASTON COUNTY, NC	\$ 854,944	0.58%	94.67%
DAVIDSON COUNTY, NC	\$ 634,951	0.43%	95.10%
BREVARD COUNTY, FL	\$ 634,706	0.43%	95.53%
ALAMANCE COUNTY, NC	\$ 574,749	0.39%	95.93%
ORANGE COUNTY, NC	\$ 530,803	0.36%	96.29%
CABARRUS COUNTY, NC	\$ 367,580	0.25%	96.54%
ESSEX COUNTY, NJ	\$ 333,250	0.23%	96.77%
GWINNETT COUNTY, GA	\$ 309,870	0.21%	96.98%
FULTON COUNTY, GA	\$ 294,661	0.20%	97.18%
FAIRFAX COUNTY, VA	\$ 257,071	0.18%	97.35%
FAIRFIELD COUNTY, CT	\$ 250,500	0.17%	97.53%
CHITTENDEN COUNTY, VT	\$ 226,283	0.15%	97.68%
ROCKINGHAM COUNTY, NC	\$ 207,838	0.14%	97.82%
COOK COUNTY, IL	\$ 153,057	0.10%	97.93%
DISTRICT OF COLUMBIA COUN	\$ 151,001	0.10%	98.03%
CANADA	\$ 149,549	0.10%	98.13%
SUFFOLK COUNTY, MA	\$ 148,580	0.10%	98.23%
BALTIMORE CITY COUNTY, MD	\$ 139,064	0.09%	98.33%
DALLAS COUNTY, TX	\$ 127,200	0.09%	98.41%
PALM BEACH COUNTY, FL	\$ 119,613	0.08%	98.50%
RICHMOND CITY COUNTY, VA	\$ 116,450	0.08%	98.58%
DURHAM COUNTY, NC	\$ 91,085	0.06%	98.64%
SAN DIEGO COUNTY, CA	\$ 82,945	0.06%	98.69%
DAKOTA COUNTY, MN	\$ 82,626	0.06%	98.75%
RICHLAND COUNTY, SC	\$ 75,000	0.05%	98.80%
CUYAHOGA COUNTY, OH	\$ 73,770	0.05%	98.85%
SCOTT COUNTY, IA	\$ 73,440	0.05%	98.90%
KING COUNTY, WA	\$ 70,104	0.05%	98.95%
SOMERSET COUNTY, NJ	\$ 70,000	0.05%	99.00%
SANGAMON COUNTY, IL	\$ 68,510	0.05%	99.04%
DENVER COUNTY, CO	\$ 64,653	0.04%	99.09%
PITT COUNTY, NC	\$ 63,156	0.04%	99.13%
NEW CASTLE COUNTY, DE	\$ 62,600	0.04%	99.17%
SAINT LOUIS CITY COUNTY,	\$ 61,099	0.04%	99.22%
BOTETOURT COUNTY, VA	\$ 60,000	0.04%	99.26%
ORANGE COUNTY, CA	\$ 59,428	0.04%	99.30%
ESCAMBIA COUNTY, FL	\$ 55,000	0.04%	99.33%
PHILADELPHIA COUNTY, PA	\$ 54,609	0.04%	99.37%
CATAWBA COUNTY, NC	\$ 49,750	0.03%	99.41%
BOULDER COUNTY, CO	\$ 49,466	0.03%	99.44%
MONROE COUNTY, NY	\$ 48,500	0.03%	99.47%

Table E-2 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Professional Services

SAINT LUCIE COUNTY, FL	\$ 47,478	0.03%	99.51%
ORANGE COUNTY, FL	\$ 45,000	0.03%	99.54%
LEON COUNTY, FL	\$ 43,986	0.03%	99.57%
RANDOLPH COUNTY, NC	\$ 42,468	0.03%	99.59%
MARION COUNTY, FL	\$ 38,025	0.03%	99.62%
UTAH COUNTY, UT	\$ 32,578	0.02%	99.64%
DOUGLAS COUNTY, NE	\$ 32,100	0.02%	99.66%
HUDSON COUNTY, NJ	\$ 30,970	0.02%	99.69%
NEW YORK COUNTY, NY	\$ 30,970	0.02%	99.71%
PLACER COUNTY, CA	\$ 30,000	0.02%	99.73%
CHARLES COUNTY, MD	\$ 27,425	0.02%	99.75%
SAN FRANCISCO COUNTY, CA	\$ 26,650	0.02%	99.76%
VOLUSIA COUNTY, FL	\$ 23,400	0.02%	99.78%
DANE COUNTY, WI	\$ 20,500	0.01%	99.79%
NEW HAVEN COUNTY, CT	\$ 20,000	0.01%	99.81%
MOBILE COUNTY, AL	\$ 19,800	0.01%	99.82%
CHESTER COUNTY, PA	\$ 18,000	0.01%	99.83%
LATAH COUNTY, ID	\$ 15,200	0.01%	99.84%
CARVER COUNTY, MN	\$ 14,456	0.01%	99.85%
COBB COUNTY, GA	\$ 14,000	0.01%	99.86%
DEKALB COUNTY, GA	\$ 13,600	0.01%	99.87%
SHELBY COUNTY, TN	\$ 13,522	0.01%	99.88%
DELAWARE COUNTY, IN	\$ 13,500	0.01%	99.89%
CHESTERFIELD COUNTY, VA	\$ 12,800	0.01%	99.90%
LOS ANGELES COUNTY, CA	\$ 12,000	0.01%	99.91%
MIDDLESEX COUNTY, MA	\$ 11,988	0.01%	99.92%
NOT DETERMINED	\$ 11,980	0.01%	99.92%
PRINCE WILLIAM COUNTY, VA	\$ 10,908	0.01%	99.93%
MARIPOSA COUNTY, CA	\$ 10,641	0.01%	99.94%
HARNETT COUNTY, NC	\$ 10,133	0.01%	99.95%
MARICOPA COUNTY, AZ	\$ 9,750	0.01%	99.95%
BERKELEY COUNTY, SC	\$ 9,225	0.01%	99.96%
TARRANT COUNTY, TX	\$ 8,500	0.01%	99.96%
CHATHAM COUNTY, GA	\$ 6,945	0.00%	99.97%
DUPAGE COUNTY, IL	\$ 6,400	0.00%	99.97%
LANCASTER COUNTY, PA	\$ 6,276	0.00%	99.98%
JEFFERSON COUNTY, KY	\$ 5,600	0.00%	99.98%
NEW HANOVER COUNTY, NC	\$ 5,458	0.00%	99.99%
PIERCE COUNTY, WA	\$ 4,000	0.00%	99.99%
IREDELL COUNTY, NC	\$ 3,730	0.00%	99.99%
RAMSEY COUNTY, MN	\$ 3,700	0.00%	99.99%
OAKLAND COUNTY, MI	\$ 2,686	0.00%	100.00%
RIVERSIDE COUNTY, CA	\$ 2,663	0.00%	100.00%
ALLEN COUNTY, IN	\$ 1,975	0.00%	100.00%
WASHINGTON COUNTY, WI	\$ 813	0.00%	100.00%
SALT LAKE COUNTY, UT	\$ 433	0.00%	100.00%
LARIMER COUNTY, CO	\$ 427	0.00%	100.00%
SACRAMENTO COUNTY, CA	\$ 299	0.00%	100.00%
Total	\$ 146,590,050	100.00%	

Table E-3
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Other Services

Other Services			
County, State	Amount	Percent	Cumulative Percent
GUILFORD COUNTY, NC	\$ 113,681,352	74.39%	74.39%
MECKLENBURG COUNTY, NC	\$ 8,871,919	5.81%	80.20%
FORSYTH COUNTY, NC	\$ 4,755,721	3.11%	83.31%
WAKE COUNTY, NC	\$ 2,757,079	1.80%	85.11%
CATAWBA COUNTY, NC	\$ 2,668,621	1.75%	86.86%
ROCKINGHAM COUNTY, NC	\$ 1,457,007	0.95%	87.81%
FAIRFAX COUNTY, VA	\$ 1,181,708	0.77%	88.59%
FULTON COUNTY, GA	\$ 1,043,051	0.68%	89.27%
CANADA	\$ 1,020,386	0.67%	89.94%
COOK COUNTY, IL	\$ 999,108	0.65%	90.59%
DURHAM COUNTY, NC	\$ 708,437	0.46%	91.05%
PHILADELPHIA COUNTY, PA	\$ 642,704	0.42%	91.47%
ALLEGHENY COUNTY, PA	\$ 611,979	0.40%	91.87%
DAVIDSON COUNTY, TN	\$ 560,000	0.37%	92.24%
RAMSEY COUNTY, MN	\$ 500,707	0.33%	92.57%
PENDER COUNTY, NC	\$ 484,360	0.32%	92.89%
SURRY COUNTY, NC	\$ 430,297	0.28%	93.17%
RANDOLPH COUNTY, NC	\$ 407,683	0.27%	93.43%
NEW HANOVER COUNTY, NC	\$ 360,502	0.24%	93.67%
JEFFERSON COUNTY, AL	\$ 337,358	0.22%	93.89%
GREENVILLE COUNTY, SC	\$ 295,954	0.19%	94.08%
FAIRFIELD COUNTY, CT	\$ 282,774	0.19%	94.27%
ALAMANCE COUNTY, NC	\$ 282,669	0.18%	94.45%
CHATHAM COUNTY, NC	\$ 280,201	0.18%	94.64%
HAMILTON COUNTY, TN	\$ 277,725	0.18%	94.82%
GWINNETT COUNTY, GA	\$ 262,159	0.17%	94.99%
MONROE COUNTY, PA	\$ 255,813	0.17%	95.16%
LOS ANGELES COUNTY, CA	\$ 251,459	0.16%	95.32%
DUVAL COUNTY, FL	\$ 239,082	0.16%	95.48%
BALDWIN COUNTY, AL	\$ 223,208	0.15%	95.63%
LANCASTER COUNTY, SC	\$ 207,984	0.14%	95.76%
SEDGWICK COUNTY, KS	\$ 203,791	0.13%	95.90%
ONONDAGA COUNTY, NY	\$ 201,787	0.13%	96.03%
NEW YORK COUNTY, NY	\$ 194,089	0.13%	96.15%
NEW CASTLE COUNTY, DE	\$ 188,050	0.12%	96.28%
ORANGE COUNTY, CA	\$ 178,457	0.12%	96.39%
DUPAGE COUNTY, IL	\$ 172,617	0.11%	96.51%
SANTA CLARA COUNTY, CA	\$ 165,571	0.11%	96.62%
ORANGE COUNTY, NC	\$ 165,250	0.11%	96.72%
DALLAS COUNTY, TX	\$ 163,414	0.11%	96.83%
SNOHOMISH COUNTY, WA	\$ 158,917	0.10%	96.93%
WILSON COUNTY, NC	\$ 156,267	0.10%	97.04%
KINGS COUNTY, NY	\$ 153,703	0.10%	97.14%
CHESTERFIELD COUNTY, VA	\$ 153,526	0.10%	97.24%
DAVIDSON COUNTY, NC	\$ 145,840	0.10%	97.33%
HENRY COUNTY, GA	\$ 145,131	0.09%	97.43%
MARION COUNTY, IN	\$ 143,745	0.09%	97.52%
DISTRICT OF COLUMBIA COUN	\$ 143,238	0.09%	97.62%

Table E-3 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)

Other Services

CUMBERLAND COUNTY, NC	\$ 140,516	0.09%	97.71%
DENVER COUNTY, CO	\$ 138,626	0.09%	97.80%
BREVARD COUNTY, FL	\$ 135,960	0.09%	97.89%
MONTGOMERY COUNTY, NC	\$ 135,063	0.09%	97.98%
HAMILTON COUNTY, OH	\$ 123,654	0.08%	98.06%
MIDDLESEX COUNTY, NJ	\$ 116,643	0.08%	98.13%
HARTFORD COUNTY, CT	\$ 114,739	0.08%	98.21%
HAMILTON COUNTY, IN	\$ 109,425	0.07%	98.28%
ROWAN COUNTY, NC	\$ 107,479	0.07%	98.35%
KING GEORGE COUNTY, VA	\$ 104,625	0.07%	98.42%
VENTURA COUNTY, CA	\$ 101,315	0.07%	98.48%
CHARLESTON COUNTY, SC	\$ 94,793	0.06%	98.55%
UNION COUNTY, NC	\$ 87,467	0.06%	98.60%
ATLANTIC COUNTY, NJ	\$ 86,000	0.06%	98.66%
LARIMER COUNTY, CO	\$ 83,848	0.05%	98.72%
IREDELL COUNTY, NC	\$ 82,786	0.05%	98.77%
HENNEPIN COUNTY, MN	\$ 78,934	0.05%	98.82%
BRUNSWICK COUNTY, NC	\$ 77,920	0.05%	98.87%
BUNCOMBE COUNTY, NC	\$ 76,597	0.05%	98.92%
SAN DIEGO COUNTY, CA	\$ 76,580	0.05%	98.97%
COLLIN COUNTY, TX	\$ 75,216	0.05%	99.02%
SCOTT COUNTY, IA	\$ 75,200	0.05%	99.07%
WILLIAMSON COUNTY, TN	\$ 72,750	0.05%	99.12%
FORT BEND COUNTY, TX	\$ 72,527	0.05%	99.17%
BROWARD COUNTY, FL	\$ 70,443	0.05%	99.21%
ANNE ARUNDEL COUNTY, MD	\$ 63,127	0.04%	99.25%
CLARK COUNTY, IN	\$ 60,000	0.04%	99.29%
TRAVIS COUNTY, TX	\$ 59,450	0.04%	99.33%
YORK COUNTY, SC	\$ 59,412	0.04%	99.37%
RICHMOND CITY COUNTY, VA	\$ 56,807	0.04%	99.41%
SUFFOLK COUNTY, MA	\$ 55,803	0.04%	99.44%
NOT DETERMINED	\$ 54,350	0.04%	99.48%
FRANKLIN COUNTY, OH	\$ 53,742	0.04%	99.51%
MORRIS COUNTY, NJ	\$ 53,492	0.04%	99.55%
PROVIDENCE COUNTY, RI	\$ 50,000	0.03%	99.58%
CHARLOTTESVILLE CITY COUN	\$ 48,930	0.03%	99.61%
MCHENRY COUNTY, IL	\$ 47,825	0.03%	99.65%
NORFOLK CITY COUNTY, VA	\$ 44,328	0.03%	99.67%
WINDSOR COUNTY, VT	\$ 44,203	0.03%	99.70%
SAN BERNARDINO COUNTY, CA	\$ 43,971	0.03%	99.73%
CABARRUS COUNTY, NC	\$ 43,362	0.03%	99.76%
SAN MATEO COUNTY, CA	\$ 36,658	0.02%	99.78%
HILLSBOROUGH COUNTY, FL	\$ 36,526	0.02%	99.81%
MIDDLESEX COUNTY, MA	\$ 36,298	0.02%	99.83%
OCEAN COUNTY, NJ	\$ 34,450	0.02%	99.85%
HILLSBOROUGH COUNTY, NH	\$ 33,309	0.02%	99.88%
MARIN COUNTY, CA	\$ 32,253	0.02%	99.90%
MONTGOMERY COUNTY, PA	\$ 31,322	0.02%	99.92%
NASSAU COUNTY, NY	\$ 30,713	0.02%	99.94%
RIVERSIDE COUNTY, CA	\$ 29,662	0.02%	99.96%

Table E-3 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)

Other Services

WASHINGTON COUNTY, OR	\$ 28,692	0.02%	99.98%
JOHNSON COUNTY, KS	\$ 28,414	0.02%	100.00%
OAKLAND COUNTY, MI	\$ 28,350	0.02%	100.01%
YADKIN COUNTY, NC	\$ 26,129	0.02%	100.03%
AVERY COUNTY, NC	\$ 24,800	0.02%	100.05%
ORANGE COUNTY, FL	\$ 24,705	0.02%	100.06%
SAINT LUCIE COUNTY, FL	\$ 24,672	0.02%	100.08%
KNOX COUNTY, TN	\$ 24,000	0.02%	100.10%
LEWIS COUNTY, WA	\$ 23,100	0.02%	100.11%
QUEEN ANNES COUNTY, MD	\$ 22,959	0.02%	100.13%
TARRANT COUNTY, TX	\$ 22,343	0.01%	100.14%
JACKSON COUNTY, MO	\$ 22,200	0.01%	100.15%
WILL COUNTY, IL	\$ 20,845	0.01%	100.17%
ALAMEDA COUNTY, CA	\$ 20,284	0.01%	100.18%
VANCE COUNTY, NC	\$ 19,500	0.01%	100.19%
MONROE COUNTY, NY	\$ 19,166	0.01%	100.21%
HARRISONBURG CITY COUNTY,	\$ 17,790	0.01%	100.22%
ALBANY COUNTY, NY	\$ 17,264	0.01%	100.23%
DELAWARE COUNTY, PA	\$ 16,973	0.01%	100.24%
HOWARD COUNTY, MD	\$ 16,654	0.01%	100.25%
PICKAWAY COUNTY, OH	\$ 15,365	0.01%	100.26%
WASHINGTON COUNTY, MN	\$ 14,603	0.01%	100.27%
MARICOPA COUNTY, AZ	\$ 14,458	0.01%	100.28%
OCONEE COUNTY, GA	\$ 14,355	0.01%	100.29%
PIERCE COUNTY, WA	\$ 14,012	0.01%	100.30%
JOHNSON COUNTY, IA	\$ 13,910	0.01%	100.31%
SCHUYLKILL COUNTY, PA	\$ 13,450	0.01%	100.32%
MIAMI-DADE COUNTY, FL	\$ 11,258	0.01%	100.32%
TULSA COUNTY, OK	\$ 10,925	0.01%	100.33%
MADISON COUNTY, KY	\$ 10,765	0.01%	100.34%
PALM BEACH COUNTY, FL	\$ 9,585	0.01%	100.34%
POLK COUNTY, IA	\$ 9,440	0.01%	100.35%
IOWA COUNTY, IA	\$ 9,233	0.01%	100.36%
MONTGOMERY COUNTY, MD	\$ 9,203	0.01%	100.36%
KITSAP COUNTY, WA	\$ 8,841	0.01%	100.37%
SAINT LOUIS CITY COUNTY,	\$ 8,808	0.01%	100.37%
MILWAUKEE COUNTY, WI	\$ 8,710	0.01%	100.38%
LANE COUNTY, OR	\$ 8,707	0.01%	100.39%
SARPY COUNTY, NE	\$ 8,283	0.01%	100.39%
ESSEX COUNTY, MA	\$ 8,240	0.01%	100.40%
SAINT CLAIR COUNTY, IL	\$ 7,787	0.01%	100.40%
TEHAMA COUNTY, CA	\$ 7,000	0.00%	100.41%
BOULDER COUNTY, CO	\$ 6,981	0.00%	100.41%
LEHIGH COUNTY, PA	\$ 6,733	0.00%	100.42%
CUMBERLAND COUNTY, PA	\$ 6,500	0.00%	100.42%
CALCASIEU COUNTY, LA	\$ 6,484	0.00%	100.42%
WHATCOM COUNTY, WA	\$ 6,094	0.00%	100.43%
HARRIS COUNTY, TX	\$ 6,005	0.00%	100.43%
DAVIE COUNTY, NC	\$ 5,725	0.00%	100.44%
NEW HAVEN COUNTY, CT	\$ 5,611	0.00%	100.44%

Table E-3 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)

Other Services

BENTON COUNTY, AR	\$ 5,268	0.00%	100.44%
RUSSELL COUNTY, VA	\$ 5,175	0.00%	100.45%
ST JOSEPH COUNTY, IN	\$ 4,798	0.00%	100.45%
MONTGOMERY COUNTY, OH	\$ 4,600	0.00%	100.45%
MARATHON COUNTY, WI	\$ 4,517	0.00%	100.46%
KING COUNTY, WA	\$ 4,438	0.00%	100.46%
WASHTENAW COUNTY, MI	\$ 4,300	0.00%	100.46%
ALLEN COUNTY, KS	\$ 4,203	0.00%	100.46%
ADAMS COUNTY, PA	\$ 4,000	0.00%	100.47%
TALBOT COUNTY, MD	\$ 3,921	0.00%	100.47%
CHEATHAM COUNTY, TN	\$ 3,750	0.00%	100.47%
FREDERICK COUNTY, MD	\$ 3,750	0.00%	100.47%
CLACKAMAS COUNTY, OR	\$ 3,544	0.00%	100.48%
MIDDLESEX COUNTY, CT	\$ 3,497	0.00%	100.48%
STANLY COUNTY, NC	\$ 3,379	0.00%	100.48%
STOKES COUNTY, NC	\$ 3,300	0.00%	100.48%
MONROE COUNTY, GA	\$ 3,255	0.00%	100.49%
THURSTON COUNTY, WA	\$ 3,207	0.00%	100.49%
CRAWFORD COUNTY, IL	\$ 3,160	0.00%	100.49%
ARAPAHOE COUNTY, CO	\$ 3,053	0.00%	100.49%
FRANKLIN COUNTY, KS	\$ 2,864	0.00%	100.49%
FLORENCE COUNTY, SC	\$ 2,837	0.00%	100.49%
HENRICO COUNTY, VA	\$ 2,640	0.00%	100.50%
RICE COUNTY, MN	\$ 2,530	0.00%	100.50%
BALTIMORE COUNTY, MD	\$ 2,375	0.00%	100.50%
WESTMORELAND COUNTY, PA	\$ 2,200	0.00%	100.50%
VIRGINIA BEACH CITY COUNT	\$ 2,135	0.00%	100.50%
PERSON COUNTY, NC	\$ 2,050	0.00%	100.50%
ORANGE COUNTY, VT	\$ 2,000	0.00%	100.51%
CHEROKEE COUNTY, SC	\$ 1,955	0.00%	100.51%
ROCKLAND COUNTY, NY	\$ 1,938	0.00%	100.51%
ALBEMARLE COUNTY, VA	\$ 1,870	0.00%	100.51%
KANE COUNTY, IL	\$ 1,864	0.00%	100.51%
MADISON COUNTY, NC	\$ 1,700	0.00%	100.51%
PINELLAS COUNTY, FL	\$ 1,533	0.00%	100.51%
JAMES CITY COUNTY, VA	\$ 1,500	0.00%	100.51%
PRINCE WILLIAM COUNTY, VA	\$ 1,500	0.00%	100.51%
LIVINGSTON COUNTY, MI	\$ 1,344	0.00%	100.52%
CHESTER COUNTY, PA	\$ 1,332	0.00%	100.52%
LEE COUNTY, NC	\$ 1,000	0.00%	100.52%
NORFOLK COUNTY, MA	\$ 854	0.00%	100.52%
GEAUGA COUNTY, OH	\$ 757	0.00%	100.52%
INGHAM COUNTY, MI	\$ 750	0.00%	100.52%
SANTA BARBARA COUNTY, CA	\$ 208	0.00%	100.52%
CHITTENDEN COUNTY, VT	\$ (792,400)	-0.52%	100.00%
	\$ 152,815,858	100.00%	

Table E-4
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

Goods and Supplies			
County, State	Amount	Percent	Cumulative Percent
GUILFORD COUNTY, NC	\$ 117,259,507	45.16%	45.16%
WAKE COUNTY, NC	\$ 38,898,048	14.98%	60.14%
DAVIDSON COUNTY, NC	\$ 15,953,052	6.14%	66.28%
BURKE COUNTY, NC	\$ 13,987,694	5.39%	71.67%
FORSYTH COUNTY, NC	\$ 6,724,601	2.59%	74.25%
CANADA	\$ 6,603,669	2.54%	76.80%
MECKLENBURG COUNTY, NC	\$ 6,024,838	2.32%	79.12%
ALAMANCE COUNTY, NC	\$ 4,639,691	1.79%	80.90%
FULTON COUNTY, GA	\$ 3,910,600	1.51%	82.41%
ROCKINGHAM COUNTY, NC	\$ 3,358,921	1.29%	83.70%
DURHAM COUNTY, NC	\$ 3,231,214	1.24%	84.95%
COOK COUNTY, IL	\$ 2,333,936	0.90%	85.85%
GASTON COUNTY, NC	\$ 1,965,536	0.76%	86.60%
NASH COUNTY, NC	\$ 1,822,492	0.70%	87.31%
LEE COUNTY, NC	\$ 1,736,956	0.67%	87.98%
LINCOLN COUNTY, NC	\$ 1,622,263	0.62%	88.60%
FAIRFAX COUNTY, VA	\$ 1,434,029	0.55%	89.15%
RANDOLPH COUNTY, NC	\$ 1,426,896	0.55%	89.70%
DOUGLAS COUNTY, KS	\$ 1,359,613	0.52%	90.23%
ANNE ARUNDEL COUNTY, MD	\$ 1,043,402	0.40%	90.63%
ROWAN COUNTY, NC	\$ 1,013,480	0.39%	91.02%
MARICOPA COUNTY, AZ	\$ 860,090	0.33%	91.35%
CATAWBA COUNTY, NC	\$ 836,023	0.32%	91.67%
MOBILE COUNTY, AL	\$ 775,740	0.30%	91.97%
SCOTLAND COUNTY, NC	\$ 722,646	0.28%	92.25%
SPARTANBURG COUNTY, SC	\$ 705,628	0.27%	92.52%
HENRICO COUNTY, VA	\$ 687,267	0.26%	92.78%
UNION COUNTY, NC	\$ 519,371	0.20%	92.98%
LOS ANGELES COUNTY, CA	\$ 457,333	0.18%	93.16%
CALUMET COUNTY, WI	\$ 446,374	0.17%	93.33%
PICKENS COUNTY, SC	\$ 440,550	0.17%	93.50%
CUYAHOGA COUNTY, OH	\$ 418,369	0.16%	93.66%
MCLENNAN COUNTY, TX	\$ 411,759	0.16%	93.82%
SAINT CROIX COUNTY, WI	\$ 409,370	0.16%	93.98%
JOHNSTON COUNTY, NC	\$ 382,937	0.15%	94.13%
NAPA COUNTY, CA	\$ 370,930	0.14%	94.27%
HENNEPIN COUNTY, MN	\$ 354,344	0.14%	94.41%
LEXINGTON COUNTY, SC	\$ 353,863	0.14%	94.54%
ORANGE COUNTY, NC	\$ 348,325	0.13%	94.68%
ULSTER COUNTY, NY	\$ 347,276	0.13%	94.81%
VANCE COUNTY, NC	\$ 324,122	0.12%	94.93%
PERSON COUNTY, NC	\$ 319,430	0.12%	95.06%
FLOYD COUNTY, IN	\$ 318,575	0.12%	95.18%
DALLAS COUNTY, TX	\$ 312,277	0.12%	95.30%
DENVER COUNTY, CO	\$ 300,599	0.12%	95.42%
ORANGE COUNTY, IN	\$ 283,326	0.11%	95.53%
MONTGOMERY COUNTY, NC	\$ 276,621	0.11%	95.63%
BROWARD COUNTY, FL	\$ 273,933	0.11%	95.74%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

FRANKLIN COUNTY, NC	\$ 266,538	0.10%	95.84%
UTAH COUNTY, UT	\$ 264,765	0.10%	95.94%
YORK COUNTY, SC	\$ 255,185	0.10%	96.04%
SPOKANE COUNTY, WA	\$ 254,403	0.10%	96.14%
RICHMOND COUNTY, NC	\$ 237,409	0.09%	96.23%
VIRGINIA BEACH CITY COUNT	\$ 230,918	0.09%	96.32%
MORGAN COUNTY, AL	\$ 219,463	0.08%	96.40%
ALLEGHENY COUNTY, PA	\$ 214,004	0.08%	96.49%
SALT LAKE COUNTY, UT	\$ 213,071	0.08%	96.57%
GWINNETT COUNTY, GA	\$ 206,597	0.08%	96.65%
WILSON COUNTY, NC	\$ 194,491	0.07%	96.72%
IREDELL COUNTY, NC	\$ 177,825	0.07%	96.79%
POLK COUNTY, FL	\$ 175,448	0.07%	96.86%
CUMBERLAND COUNTY, ME	\$ 163,602	0.06%	96.92%
HILLSBOROUGH COUNTY, FL	\$ 156,291	0.06%	96.98%
MONROE COUNTY, TN	\$ 142,698	0.05%	97.04%
FAIRFIELD COUNTY, OH	\$ 142,172	0.05%	97.09%
OCEAN COUNTY, NJ	\$ 133,868	0.05%	97.14%
HARRIS COUNTY, TX	\$ 123,821	0.05%	97.19%
PICKAWAY COUNTY, OH	\$ 123,786	0.05%	97.24%
LANE COUNTY, OR	\$ 116,846	0.04%	97.28%
BUNCOMBE COUNTY, NC	\$ 116,497	0.04%	97.33%
CALVERT COUNTY, MD	\$ 114,139	0.04%	97.37%
CABARRUS COUNTY, NC	\$ 113,497	0.04%	97.42%
STOKES COUNTY, NC	\$ 108,262	0.04%	97.46%
KENT COUNTY, MI	\$ 104,360	0.04%	97.50%
LAKE COUNTY, IL	\$ 102,796	0.04%	97.54%
CITRUS COUNTY, FL	\$ 98,253	0.04%	97.57%
ORANGE COUNTY, FL	\$ 96,147	0.04%	97.61%
MADISON COUNTY, GA	\$ 96,075	0.04%	97.65%
BALTIMORE CITY COUNTY, MD	\$ 94,837	0.04%	97.69%
PORTSMOUTH CITY COUNTY, V	\$ 93,585	0.04%	97.72%
QUEEN ANNES COUNTY, MD	\$ 92,513	0.04%	97.76%
SUMTER COUNTY, SC	\$ 92,212	0.04%	97.79%
THOMAS COUNTY, GA	\$ 91,975	0.04%	97.83%
POWHATAN COUNTY, VA	\$ 91,350	0.04%	97.86%
KENNEBEC COUNTY, ME	\$ 91,324	0.04%	97.90%
TOMPKINS COUNTY, NY	\$ 90,677	0.03%	97.93%
SURRY COUNTY, NC	\$ 86,825	0.03%	97.97%
PATRICK COUNTY, VA	\$ 85,842	0.03%	98.00%
LUZERNE COUNTY, PA	\$ 83,716	0.03%	98.03%
GREENVILLE COUNTY, SC	\$ 81,441	0.03%	98.06%
SAN DIEGO COUNTY, CA	\$ 77,745	0.03%	98.09%
FAYETTE COUNTY, KY	\$ 77,041	0.03%	98.12%
RAMSEY COUNTY, MN	\$ 77,016	0.03%	98.15%
CLEVELAND COUNTY, NC	\$ 74,765	0.03%	98.18%
COBB COUNTY, GA	\$ 71,080	0.03%	98.21%
LA SALLE COUNTY, IL	\$ 70,781	0.03%	98.24%
WHITFIELD COUNTY, GA	\$ 69,960	0.03%	98.26%
BLOUNT COUNTY, TN	\$ 69,189	0.03%	98.29%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

CASS COUNTY, ND	\$ 67,192	0.03%	98.32%
PHILADELPHIA COUNTY, PA	\$ 64,691	0.02%	98.34%
WAYNE COUNTY, MI	\$ 62,221	0.02%	98.36%
MAURY COUNTY, TN	\$ 60,905	0.02%	98.39%
CRAVEN COUNTY, NC	\$ 60,533	0.02%	98.41%
COWETA COUNTY, GA	\$ 60,340	0.02%	98.43%
WASHINGTON COUNTY, MN	\$ 60,206	0.02%	98.46%
FORT BEND COUNTY, TX	\$ 59,656	0.02%	98.48%
HAMILTON COUNTY, OH	\$ 58,674	0.02%	98.50%
LORAIN COUNTY, OH	\$ 58,150	0.02%	98.53%
KNOX COUNTY, TN	\$ 56,135	0.02%	98.55%
SUMMIT COUNTY, OH	\$ 55,660	0.02%	98.57%
GRAYSON COUNTY, TX	\$ 53,991	0.02%	98.59%
RICHMOND CITY COUNTY, VA	\$ 53,050	0.02%	98.61%
TARRANT COUNTY, TX	\$ 52,266	0.02%	98.63%
DAVIE COUNTY, NC	\$ 51,554	0.02%	98.65%
HARNETT COUNTY, NC	\$ 50,526	0.02%	98.67%
NEW YORK COUNTY, NY	\$ 50,439	0.02%	98.69%
CADDO COUNTY, LA	\$ 49,626	0.02%	98.71%
FAIRFIELD COUNTY, CT	\$ 48,535	0.02%	98.73%
MONMOUTH COUNTY, NJ	\$ 48,225	0.02%	98.74%
MADISON COUNTY, OH	\$ 47,408	0.02%	98.76%
SARASOTA COUNTY, FL	\$ 47,280	0.02%	98.78%
KANAWHA COUNTY, WV	\$ 46,327	0.02%	98.80%
HANOVER COUNTY, VA	\$ 44,591	0.02%	98.82%
BREVARD COUNTY, FL	\$ 44,422	0.02%	98.83%
ROSS COUNTY, OH	\$ 43,266	0.02%	98.85%
NEW KENT COUNTY, VA	\$ 42,932	0.02%	98.87%
MONTGOMERY COUNTY, PA	\$ 42,865	0.02%	98.88%
TRAVIS COUNTY, TX	\$ 42,601	0.02%	98.90%
ADA COUNTY, ID	\$ 42,049	0.02%	98.92%
ORANGE COUNTY, CA	\$ 40,199	0.02%	98.93%
CALDWELL COUNTY, NC	\$ 39,073	0.02%	98.95%
ANDERSON COUNTY, SC	\$ 37,971	0.01%	98.96%
HENDRICKS COUNTY, IN	\$ 37,856	0.01%	98.98%
HILLSBOROUGH COUNTY, NH	\$ 37,256	0.01%	98.99%
JOHNSON COUNTY, KS	\$ 37,020	0.01%	99.00%
MONROE COUNTY, NY	\$ 37,015	0.01%	99.02%
ELLIS COUNTY, TX	\$ 35,013	0.01%	99.03%
DANE COUNTY, WI	\$ 34,538	0.01%	99.05%
PITT COUNTY, NC	\$ 34,479	0.01%	99.06%
MARSHALL COUNTY, MS	\$ 34,160	0.01%	99.07%
ESSEX COUNTY, NJ	\$ 34,051	0.01%	99.08%
DEKALB COUNTY, AL	\$ 33,587	0.01%	99.10%
JACKSON COUNTY, GA	\$ 33,212	0.01%	99.11%
BENTON COUNTY, AR	\$ 32,855	0.01%	99.12%
DOUGLAS COUNTY, GA	\$ 32,616	0.01%	99.14%
EL PASO COUNTY, TX	\$ 32,246	0.01%	99.15%
MIAMI-DADE COUNTY, FL	\$ 32,034	0.01%	99.16%
SEMINOLE COUNTY, FL	\$ 31,961	0.01%	99.17%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

WHITE COUNTY, AR	\$	31,475	0.01%	99.18%
LANCASTER COUNTY, PA	\$	31,230	0.01%	99.20%
MOORE COUNTY, NC	\$	30,855	0.01%	99.21%
HENRY COUNTY, VA	\$	30,645	0.01%	99.22%
WARREN COUNTY, NJ	\$	30,315	0.01%	99.23%
MARION COUNTY, FL	\$	29,832	0.01%	99.24%
WATAUGA COUNTY, NC	\$	29,493	0.01%	99.25%
SAMPSON COUNTY, NC	\$	29,111	0.01%	99.27%
LAKE COUNTY, FL	\$	29,050	0.01%	99.28%
CAMDEN COUNTY, NJ	\$	28,751	0.01%	99.29%
POPE COUNTY, AR	\$	28,355	0.01%	99.30%
NORFOLK CITY COUNTY, VA	\$	27,947	0.01%	99.31%
LINN COUNTY, IA	\$	27,877	0.01%	99.32%
MIDDLESEX COUNTY, MA	\$	27,779	0.01%	99.33%
CHATHAM COUNTY, GA	\$	27,761	0.01%	99.34%
POLK COUNTY, IA	\$	27,590	0.01%	99.35%
HAMILTON COUNTY, IN	\$	27,562	0.01%	99.36%
TRUMBULL COUNTY, OH	\$	27,470	0.01%	99.37%
FLORENCE COUNTY, SC	\$	26,209	0.01%	99.38%
CUMBERLAND COUNTY, NC	\$	26,181	0.01%	99.39%
CHESTER COUNTY, PA	\$	26,063	0.01%	99.40%
ROBESON COUNTY, NC	\$	25,837	0.01%	99.41%
HORRY COUNTY, SC	\$	25,753	0.01%	99.42%
WARREN COUNTY, KY	\$	25,570	0.01%	99.43%
HENDERSON COUNTY, NC	\$	25,146	0.01%	99.44%
SUFFOLK COUNTY, NY	\$	24,559	0.01%	99.45%
GLOUCESTER COUNTY, NJ	\$	24,387	0.01%	99.46%
DUPAGE COUNTY, IL	\$	24,197	0.01%	99.47%
ALLEN COUNTY, IN	\$	24,096	0.01%	99.48%
CUMBERLAND COUNTY, PA	\$	23,973	0.01%	99.49%
JEFFERSON COUNTY, KY	\$	23,938	0.01%	99.50%
RUSSELL COUNTY, VA	\$	22,567	0.01%	99.51%
JEFFERSON COUNTY, AL	\$	22,302	0.01%	99.52%
BERGEN COUNTY, NJ	\$	22,057	0.01%	99.53%
YADKIN COUNTY, NC	\$	21,912	0.01%	99.53%
ADAMS COUNTY, CO	\$	21,431	0.01%	99.54%
ROANOKE CITY COUNTY, VA	\$	20,898	0.01%	99.55%
SANTA CLARA COUNTY, CA	\$	20,831	0.01%	99.56%
COLLIN COUNTY, TX	\$	20,267	0.01%	99.57%
MARTIN COUNTY, FL	\$	20,202	0.01%	99.57%
SCOTT COUNTY, MO	\$	19,995	0.01%	99.58%
ALEXANDER COUNTY, NC	\$	19,835	0.01%	99.59%
UNION COUNTY, NJ	\$	19,743	0.01%	99.60%
CRAWFORD COUNTY, PA	\$	19,635	0.01%	99.60%
MERCER COUNTY, PA	\$	19,349	0.01%	99.61%
PIMA COUNTY, AZ	\$	19,320	0.01%	99.62%
MARION COUNTY, IN	\$	19,146	0.01%	99.63%
CARSON CITY COUNTY, NV	\$	18,958	0.01%	99.63%
MARSHALL COUNTY, WV	\$	18,470	0.01%	99.64%
KANE COUNTY, IL	\$	18,429	0.01%	99.65%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

AUSTIN COUNTY, TX	\$ 18,315	0.01%	99.65%
SEDGWICK COUNTY, KS	\$ 18,273	0.01%	99.66%
CHATHAM COUNTY, NC	\$ 18,081	0.01%	99.67%
KENTON COUNTY, KY	\$ 17,802	0.01%	99.68%
NEW HANOVER COUNTY, NC	\$ 17,201	0.01%	99.68%
NASSAU COUNTY, NY	\$ 17,037	0.01%	99.69%
LEE COUNTY, FL	\$ 16,776	0.01%	99.70%
BERKELEY COUNTY, SC	\$ 15,948	0.01%	99.70%
BUCKS COUNTY, PA	\$ 15,900	0.01%	99.71%
ONONDAGA COUNTY, NY	\$ 14,871	0.01%	99.71%
LUCAS COUNTY, OH	\$ 14,666	0.01%	99.72%
MARION COUNTY, OH	\$ 14,176	0.01%	99.72%
ORANGE COUNTY, NY	\$ 13,931	0.01%	99.73%
HAYWOOD COUNTY, NC	\$ 13,921	0.01%	99.74%
STARK COUNTY, ND	\$ 13,864	0.01%	99.74%
HOWARD COUNTY, MD	\$ 13,809	0.01%	99.75%
FRANKLIN COUNTY, OH	\$ 13,808	0.01%	99.75%
SMITH COUNTY, TX	\$ 13,750	0.01%	99.76%
HALIFAX COUNTY, NC	\$ 13,600	0.01%	99.76%
PALM BEACH COUNTY, FL	\$ 13,483	0.01%	99.77%
HENRY COUNTY, GA	\$ 13,140	0.01%	99.77%
LYNCHBURG CITY COUNTY, VA	\$ 12,795	0.00%	99.78%
KITSAP COUNTY, WA	\$ 12,593	0.00%	99.78%
FRANKLIN COUNTY, MA	\$ 12,471	0.00%	99.79%
WILL COUNTY, IL	\$ 12,363	0.00%	99.79%
BOULDER COUNTY, CO	\$ 12,105	0.00%	99.80%
WAUKESHA COUNTY, WI	\$ 12,078	0.00%	99.80%
PRINCE WILLIAM COUNTY, VA	\$ 11,810	0.00%	99.81%
JOHNSON COUNTY, IN	\$ 11,168	0.00%	99.81%
VENTURA COUNTY, CA	\$ 10,692	0.00%	99.81%
MEDINA COUNTY, OH	\$ 10,675	0.00%	99.82%
FAULKNER COUNTY, AR	\$ 10,627	0.00%	99.82%
MARATHON COUNTY, WI	\$ 10,563	0.00%	99.83%
TUSCARAWAS COUNTY, OH	\$ 10,408	0.00%	99.83%
DELAWARE COUNTY, PA	\$ 9,714	0.00%	99.83%
MILWAUKEE COUNTY, WI	\$ 9,053	0.00%	99.84%
HARTFORD COUNTY, CT	\$ 8,235	0.00%	99.84%
ROCKINGHAM COUNTY, NH	\$ 8,192	0.00%	99.84%
DEKALB COUNTY, GA	\$ 8,093	0.00%	99.85%
LAKE COUNTY, OH	\$ 8,089	0.00%	99.85%
MANATEE COUNTY, FL	\$ 8,043	0.00%	99.85%
NOT DETERMINED	\$ 8,000	0.00%	99.86%
SAN JOAQUIN COUNTY, CA	\$ 7,741	0.00%	99.86%
PENNINGTON COUNTY, MN	\$ 7,402	0.00%	99.86%
MARTIN COUNTY, NC	\$ 7,296	0.00%	99.86%
CLALLAM COUNTY, WA	\$ 7,259	0.00%	99.87%
MECKLENBURG COUNTY, VA	\$ 7,257	0.00%	99.87%
PINELLAS COUNTY, FL	\$ 7,244	0.00%	99.87%
NEW HAVEN COUNTY, CT	\$ 7,163	0.00%	99.88%
DELAWARE COUNTY, OH	\$ 7,144	0.00%	99.88%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

EL PASO COUNTY, CO	\$	6,979	0.00%	99.88%
LARIMER COUNTY, CO	\$	6,751	0.00%	99.88%
SONOMA COUNTY, CA	\$	6,149	0.00%	99.89%
FAIRFAX CITY COUNTY, VA	\$	6,058	0.00%	99.89%
VILAS COUNTY, WI	\$	6,053	0.00%	99.89%
VOLUSIA COUNTY, FL	\$	6,000	0.00%	99.89%
JESSAMINE COUNTY, KY	\$	5,967	0.00%	99.90%
WASHOE COUNTY, NV	\$	5,914	0.00%	99.90%
CLARK COUNTY, IN	\$	5,683	0.00%	99.90%
OAKLAND COUNTY, MI	\$	5,625	0.00%	99.90%
MONTGOMERY COUNTY, OH	\$	5,600	0.00%	99.90%
BERKSHIRE COUNTY, MA	\$	5,578	0.00%	99.91%
YORK COUNTY, ME	\$	5,564	0.00%	99.91%
SAINT LOUIS COUNTY, MO	\$	5,341	0.00%	99.91%
JEFFERSON COUNTY, LA	\$	5,223	0.00%	99.91%
PUTNAM COUNTY, WV	\$	5,137	0.00%	99.91%
OKLAHOMA COUNTY, OK	\$	5,006	0.00%	99.92%
ALEXANDRIA CITY COUNTY, V	\$	5,000	0.00%	99.92%
ERIE COUNTY, NY	\$	4,978	0.00%	99.92%
CHEROKEE COUNTY, GA	\$	4,799	0.00%	99.92%
UNION COUNTY, OH	\$	4,700	0.00%	99.92%
RICHLAND COUNTY, SC	\$	4,680	0.00%	99.93%
TULSA COUNTY, OK	\$	4,480	0.00%	99.93%
POTTER COUNTY, TX	\$	4,462	0.00%	99.93%
VENANGO COUNTY, PA	\$	4,299	0.00%	99.93%
DANVILLE CITY COUNTY, VA	\$	4,290	0.00%	99.93%
HOCKING COUNTY, OH	\$	4,281	0.00%	99.93%
HARFORD COUNTY, MD	\$	4,275	0.00%	99.94%
WASHTENAW COUNTY, MI	\$	4,265	0.00%	99.94%
SKAGIT COUNTY, WA	\$	4,238	0.00%	99.94%
BURLINGTON COUNTY, NJ	\$	4,171	0.00%	99.94%
CLAY COUNTY, MO	\$	4,079	0.00%	99.94%
LOUDOUN COUNTY, VA	\$	4,000	0.00%	99.94%
COLUMBIA COUNTY, GA	\$	3,990	0.00%	99.95%
MONTGOMERY COUNTY, MD	\$	3,982	0.00%	99.95%
LEE COUNTY, MS	\$	3,948	0.00%	99.95%
WILKES COUNTY, NC	\$	3,843	0.00%	99.95%
ASHE COUNTY, NC	\$	3,819	0.00%	99.95%
DAKOTA COUNTY, MN	\$	3,600	0.00%	99.95%
JASPER COUNTY, MO	\$	3,597	0.00%	99.95%
HARRISON COUNTY, MS	\$	3,440	0.00%	99.96%
WILLIAMSON COUNTY, TN	\$	3,369	0.00%	99.96%
WILSON COUNTY, TN	\$	3,352	0.00%	99.96%
MOHAVE COUNTY, AZ	\$	3,298	0.00%	99.96%
GRANVILLE COUNTY, NC	\$	3,262	0.00%	99.96%
WASHINGTON COUNTY, PA	\$	3,213	0.00%	99.96%
LENOIR COUNTY, NC	\$	3,150	0.00%	99.96%
CARROLL COUNTY, GA	\$	3,058	0.00%	99.96%
HUNTERDON COUNTY, NJ	\$	3,002	0.00%	99.97%
JEFFERSON COUNTY, TX	\$	3,000	0.00%	99.97%

Table E-4 (cont'd)
Greensboro Disparity Study
Awards by County
(Using Award Dollars, FY 2012-2016)
Goods and Supplies

MORGAN COUNTY, IN	\$ 2,994	0.00%	99.97%
SAINT LOUIS CITY COUNTY,	\$ 2,914	0.00%	99.97%
GRAVES COUNTY, KY	\$ 2,907	0.00%	99.97%
NORFOLK COUNTY, MA	\$ 2,801	0.00%	99.97%
RIVERSIDE COUNTY, CA	\$ 2,695	0.00%	99.97%
HERKIMER COUNTY, NY	\$ 2,667	0.00%	99.97%
SAN BERNARDINO COUNTY, CA	\$ 2,651	0.00%	99.97%
BLAIR COUNTY, PA	\$ 2,585	0.00%	99.97%
CARTERET COUNTY, NC	\$ 2,581	0.00%	99.98%
YAKIMA COUNTY, WA	\$ 2,562	0.00%	99.98%
ORANGE COUNTY, VA	\$ 2,503	0.00%	99.98%
BEDFORD COUNTY, VA	\$ 2,475	0.00%	99.98%
MIDDLESEX COUNTY, NJ	\$ 2,426	0.00%	99.98%
MAHONING COUNTY, OH	\$ 2,379	0.00%	99.98%
BOONE COUNTY, KY	\$ 2,377	0.00%	99.98%
WORCESTER COUNTY, MA	\$ 2,225	0.00%	99.98%
ANDROSCOGGIN COUTY, ME	\$ 2,194	0.00%	99.98%
NEW LONDON COUNTY, CT	\$ 2,141	0.00%	99.98%
POWESHIEK COUNTY, IA	\$ 2,085	0.00%	99.98%
JEFFERSON COUNTY, CO	\$ 2,053	0.00%	99.99%
QUEENS COUNTY, NY	\$ 2,005	0.00%	99.99%
DISTRICT OF COLUMBIA COUN	\$ 1,989	0.00%	99.99%
BALTIMORE COUNTY, MD	\$ 1,948	0.00%	99.99%
CRAWFORD COUNTY, AR	\$ 1,900	0.00%	99.99%
BREMER COUNTY, IA	\$ 1,767	0.00%	99.99%
NIAGARA COUNTY, NY	\$ 1,759	0.00%	99.99%
ANDROSCOGGIN COUNTY, ME	\$ 1,714	0.00%	99.99%
ORLEANS COUNTY, NY	\$ 1,705	0.00%	99.99%
KING COUNTY, WA	\$ 1,681	0.00%	99.99%
CHARLOTTESVILLE CITY COUN	\$ 1,601	0.00%	99.99%
MERCER COUNTY, NJ	\$ 1,596	0.00%	99.99%
SACRAMENTO COUNTY, CA	\$ 1,500	0.00%	99.99%
MONTGOMERY COUNTY, TX	\$ 1,400	0.00%	99.99%
STARK COUNTY, OH	\$ 1,374	0.00%	99.99%
WINNEBAGO COUNTY, WI	\$ 1,191	0.00%	100.00%
CUMBERLAND COUNTY, NJ	\$ 1,102	0.00%	100.00%
SAN FRANCISCO COUNTY, CA	\$ 1,080	0.00%	100.00%
CAYUGA COUNTY, NY	\$ 1,078	0.00%	100.00%
GENEVA COUNTY, AL	\$ 1,057	0.00%	100.00%
ANSON COUNTY, NC	\$ 1,017	0.00%	100.00%
BRUNSWICK COUNTY, NC	\$ 950	0.00%	100.00%
CERRO GORDO COUNTY, IA	\$ 932	0.00%	100.00%
SUFFOLK COUNTY, MA	\$ 834	0.00%	100.00%
MIAMI COUNTY, OH	\$ 815	0.00%	100.00%
SHELBY COUNTY, TN	\$ 791	0.00%	100.00%
PLACER COUNTY, CA	\$ 654	0.00%	100.00%
TUSCOLA COUNTY, MI	\$ 647	0.00%	100.00%
SNOHOMISH COUNTY, WA	\$ 337	0.00%	100.00%
FREMONT COUNTY, ID	\$ 326	0.00%	100.00%
RUTHERFORD COUNTY, NC	\$ 101	0.00%	100.00%
STEELE COUNTY, MN	\$ 92	0.00%	100.00%
Total	\$ 259,676,763	100.00%	

APPENDIX F

Bidder Analysis and Disparity

APPENDIX F - DISPARITY RESULTS BASED ON BIDDER AVAILABILITY

The tables in Appendix F (Tables F-1 through F-6) presents disparity based on prime bidder availability for construction and professional services. For the study period there was still disparity for all M/WBE groups based on prime bidder availability for professional services and construction (except for Asian Americans in construction, where there was no prime bidder availability).

Table F-1
Greensboro Disparity Study
Disparity Results Based on Bidder Availability
Business Ownership Classification by Fiscal Year, All Categories
(Using Award Dollars, FY 2012-2016)

Procurement Category	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016		Total	
	Number	Percent	Number	Percent								
Construction	193	73.38%	217	77.22%	197	70.61%	199	69.82%	159	70.35%	965	72.34%
Professional Services	49	18.63%	51	18.15%	68	24.37%	72	25.26%	56	24.78%	296	22.19%
Other Services	14	5.32%	4	1.42%	5	1.79%	7	2.46%	4	1.77%	34	2.55%
Goods and Supplies	7	2.66%	9	3.20%	9	3.23%	7	2.46%	7	3.10%	39	2.92%
Total	263	100.00%	281	100.00%	279	100.00%	285	100.00%	226	100.00%	1334	100.00%

Griffin & Strong, P.C. 2017

Table F-2
Greensboro Disparity Study
Disparity Results Based on Bidder Availability
Business Ownership Classification by Fiscal Year
(Using Award Dollars, FY 2012-2016)

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total Minority	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	19	7.22%	1	0.38%	0	0.00%	0	0.00%	20	7.60%
2013	21	7.47%	5	1.78%	0	0.00%	0	0.00%	26	9.25%
2014	20	7.17%	1	0.36%	0	0.00%	0	0.00%	21	7.53%
2015	22	7.72%	0	0.00%	2	0.70%	1	0.35%	25	8.77%
2016	13	5.75%	1	0.44%	0	0.00%	0	0.00%	14	6.19%
Total 2012-2016	95	7.12%	8	0.60%	2	0.15%	1	0.07%	106	7.95%
Total Unique Number of Businesses submitted bids*	15	4.72%	2	0.63%	1	0.31%	1	0.31%	19	5.97%

Fiscal Year	Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	19	7.22%	39	14.83%	224	85.17%	263	19.72%
2013	27	9.61%	53	18.86%	228	81.14%	281	21.06%
2014	27	9.68%	48	17.20%	231	82.80%	279	20.91%
2015	22	7.72%	47	16.49%	238	83.51%	285	21.36%
2016	9	3.98%	23	10.18%	203	89.82%	226	16.94%
Total 2012-2016	104	7.80%	210	15.74%	1124	84.26%	1334	100.00%
Total Unique Number of Businesses submitted bids*	15	4.72%	34	10.69%	284	89.31%	318	100.00%

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Table F-3
Greensboro Disparity Study
Disparity Results Based on Bidder Availability
Business Ownership Classification by Fiscal Year, Construction
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.65%	5.29%	31.30	Underutilization	*	
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	0.47%	0.44%	107.21	Overutilization		
	Native American	0.00%	0.44%	0.00	Underutilization	*	
	TOTAL MBE	2.13%	6.17%	34.49	Underutilization	*	
	Nonminority Female	13.84%	6.61%	209.41	Overutilization		
	TOTAL M/WBE	15.96%	12.78%	124.97	Overutilization		
	Non-M/WBE	84.04%	87.22%	96.34	Underutilization		
2013	African American	3.94%	5.29%	74.51	Underutilization	*	
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	0.02%	0.44%	4.40	Underutilization	*	
	Native American	0.02%	0.44%	4.25	Underutilization	*	
	TOTAL MBE	3.98%	6.17%	64.48	Underutilization	*	
	Nonminority Female	5.24%	6.61%	79.32	Underutilization	*	
	TOTAL M/WBE	9.22%	12.78%	72.15	Underutilization	*	
	Non-M/WBE	90.78%	87.22%	104.08	Overutilization		
2014	African American	2.77%	5.29%	52.35	Underutilization	*	
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	0.88%	0.44%	199.65	Overutilization		
	Native American	0.20%	0.44%	45.35	Underutilization	*	
	TOTAL MBE	3.85%	6.17%	62.37	Underutilization	*	
	Nonminority Female	12.53%	6.61%	189.63	Overutilization		
	TOTAL M/WBE	16.38%	12.78%	128.20	Overutilization		
	Non-M/WBE	83.62%	87.22%	95.87	Underutilization		
2015	African American	2.26%	5.29%	42.73	Underutilization	*	
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	1.56%	0.44%	353.54	Overutilization		
	Native American	0.03%	0.44%	6.33	Underutilization	*	
	TOTAL MBE	3.84%	6.17%	62.33	Underutilization	*	
	Nonminority Female	5.97%	6.61%	90.39	Underutilization		
	TOTAL M/WBE	9.82%	12.78%	76.84	Underutilization	*	
	Non-M/WBE	90.18%	87.22%	103.39	Overutilization		
2016	African American	2.84%	5.29%	53.63	Underutilization	*	
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	0.00%	0.44%	0.00	Underutilization	*	
	Native American	0.00%	0.44%	0.52	Underutilization	*	
	TOTAL MBE	2.84%	6.17%	46.01	Underutilization	*	
	Nonminority Female	4.85%	6.61%	73.33	Underutilization	*	
	TOTAL M/WBE	7.68%	12.78%	60.14	Underutilization	*	
	Non-M/WBE	92.32%	87.22%	105.84	Overutilization		
Total	African American	2.74%	5.29%	51.84	Underutilization	*	p <.05
	Asian American	0.00%	0.00%	-	n/a		
	Hispanic American	0.59%	0.44%	134.69	Overutilization		
	Native American	0.05%	0.44%	10.99	Underutilization	*	p <.05
	TOTAL MBE	3.38%	6.17%	54.84	Underutilization	*	p <.05
	Nonminority Female	8.02%	6.61%	121.42	Overutilization		
	TOTAL M/WBE	11.41%	12.78%	89.28	Underutilization		
	Non-M/WBE	88.59%	87.22%	101.57	Overutilization		

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Table F-4
Greensboro Disparity Study
Disparity Results Based on Bidder Availability
Business Ownership Classification by Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.07%	3.49%	59.38	Underutilization	*	
	Asian American	0.33%	2.33%	14.28	Underutilization	*	
	Hispanic American	0.00%	0.00%	-	n/a		
	Native American	0.00%	0.00%	-	n/a		
	TOTAL MBE	2.40%	5.81%	41.34	Underutilization	*	
	Nonminority Female	2.81%	10.47%	26.80	Underutilization	*	
	TOTAL M/WBE	5.21%	16.28%	31.99	Underutilization	*	
Non-M/WBE	94.79%	83.72%	113.22	Overutilization			
2013	African American	0.89%	3.49%	25.48	Underutilization	*	
	Asian American	0.84%	2.33%	36.33	Underutilization	*	
	Hispanic American	0.00%	0.00%	-	n/a		
	Native American	0.00%	0.00%	-	n/a		
	TOTAL MBE	1.73%	5.81%	29.82	Underutilization	*	
	Nonminority Female	0.44%	10.47%	4.23	Underutilization	*	
	TOTAL M/WBE	2.18%	16.28%	13.37	Underutilization	*	
Non-M/WBE	97.82%	83.72%	116.84	Overutilization			
2014	African American	5.09%	3.49%	146.01	Overutilization		
	Asian American	0.47%	2.33%	20.02	Underutilization	*	
	Hispanic American	0.05%	0.00%	-	n/a		
	Native American	0.00%	0.00%	-	n/a		
	TOTAL MBE	5.61%	5.81%	96.51	Underutilization		
	Nonminority Female	1.47%	10.47%	14.04	Underutilization	*	
	TOTAL M/WBE	7.08%	16.28%	43.49	Underutilization	*	
Non-M/WBE	92.92%	83.72%	110.99	Overutilization			
2015	African American	10.57%	3.49%	303.07	Overutilization		
	Asian American	0.82%	2.33%	35.17	Underutilization	*	
	Hispanic American	0.00%	0.00%	-	n/a		
	Native American	0.69%	0.00%	-	n/a		
	TOTAL MBE	12.08%	5.81%	207.72	Overutilization		
	Nonminority Female	6.91%	10.47%	66.04	Underutilization	*	
	TOTAL M/WBE	18.99%	16.28%	116.64	Overutilization		
Non-M/WBE	81.01%	83.72%	96.76	Underutilization			
2016	African American	5.52%	3.49%	158.36	Overutilization		
	Asian American	0.11%	2.33%	4.59	Underutilization	*	
	Hispanic American	0.07%	0.00%	-	n/a		
	Native American	0.00%	0.00%	-	n/a		
	TOTAL MBE	5.70%	5.81%	98.06	Underutilization		
	Nonminority Female	3.12%	10.47%	29.77	Underutilization	*	
	TOTAL M/WBE	8.82%	16.28%	54.16	Underutilization	*	
Non-M/WBE	91.18%	83.72%	108.91	Overutilization			
Total	African American	5.07%	3.49%	145.38	Overutilization		
	Asian American	0.49%	2.33%	21.10	Underutilization	*	p < .05
	Hispanic American	0.03%	0.00%	-	n/a		Small Number
	Native American	0.14%	0.00%	-	n/a		Small Number
	TOTAL MBE	5.73%	5.81%	98.55	Underutilization		
	Nonminority Female	3.01%	10.47%	28.78	Underutilization	*	p < .05
	TOTAL M/WBE	8.74%	16.28%	53.70	Underutilization	*	p < .05
Non-M/WBE	91.26%	83.72%	109.00	Overutilization			

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APPENDIX G

Disparity based upon contracts
\$1 Million or Less

APPENDIX G – UTILIZATION ON AWARDS LESS THAN \$1 MILLION

Tables G-1 through G-4 present the dollar value of awards by county for City spending with prime contractors in the relevant market, broken down by the four procurement categories, for contracts less than \$1 million. The percentage M/WBE prime utilization was generally higher when the larger awards were removed from the total award analysis, although this was not true for goods.

Tables G-5 through G-8 present the disparity analysis of awards less than \$1 Million in order to demonstrate that when the larger dollar awards are removed from the analysis there is still statistically significant underutilization of all M/WBE groups over the Study Period, even though Nonminority Female owned firms were overutilized in 2014 and Native American owned firms were overutilized in 2015

Table G-1						
Greensboro Disparity Study						
Utilization of Prime Analysis , Awards less than \$1Million						
Distribution of Dollars by Business Ownership and Fiscal Year, Construction						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 188,806	\$ 1,243,293	\$ 746,228	\$ 736,858	\$ 270,152	\$ 3,185,339
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
Native American	\$ -	\$ -	\$ -	\$ 227,414	\$ -	\$ 227,414
TOTAL MINORITY	\$ 188,806	\$ 1,243,293	\$ 746,228	\$ 994,272	\$ 270,152	\$ 3,442,753
Nonminority Female	\$ 2,053,797	\$ 2,428,172	\$ 4,514,260	\$ 2,368,293	\$ 1,020,799	\$ 12,385,321
TOTAL M/WBE	\$ 2,242,603	\$ 3,671,466	\$ 5,260,488	\$ 3,362,565	\$ 1,290,951	\$ 15,828,074
NON-M/WBE	\$ 17,652,826	\$ 11,943,267	\$ 8,678,441	\$ 16,098,590	\$ 21,749,671	\$ 76,122,795
TOTAL FIRMS	\$ 19,895,429	\$ 15,614,732	\$ 13,938,929	\$ 19,461,156	\$ 23,040,623	\$ 91,950,869
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.95%	7.96%	5.35%	3.79%	1.17%	3.46%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.15%	0.00%	0.03%
Native American	0.00%	0.00%	0.00%	1.17%	0.00%	0.25%
TOTAL MINORITY	0.95%	7.96%	5.35%	5.11%	1.17%	3.74%
Nonminority Female	10.32%	15.55%	32.39%	12.17%	4.43%	13.47%
TOTAL M/WBE	11.27%	23.51%	37.74%	17.28%	5.60%	17.21%
NON-M/WBE	88.73%	76.49%	62.26%	82.72%	94.40%	82.79%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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Table G-2

Greensboro Disparity Study
Utilization of Prime Analysis , Awards less than \$1Million
Distribution of Dollars by Business Ownership and Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 234,886	\$ 224,956	\$ 184,535	\$ 1,180,295	\$ 718,355	\$ 2,543,027
Asian American	\$ 49,700	\$ 213,810	\$ 92,000	\$ 198,840	\$ 39,125	\$ 593,475
Hispanic American	\$ 1,680	\$ -		\$ 53,807	\$ 254,709	\$ 310,196
Native American	\$ -	\$ -				\$ -
TOTAL MINORITY	\$ 286,266	\$ 438,766	\$ 276,535	\$ 1,432,942	\$ 1,012,189	\$ 3,446,698
Nonminority Female	\$ 419,663	\$ 112,094	\$ 301,171	\$ 1,233,274	\$ 397,964	\$ 2,464,165
TOTAL M/WBE	\$ 705,930	\$ 550,860	\$ 577,705	\$ 2,666,215	\$ 1,410,153	\$ 5,910,863
NON-M/WBE	\$ 18,998,566	\$ 23,714,421	\$ 17,510,162	\$ 22,314,058	\$ 19,901,361	\$ 102,438,567
TOTAL FIRMS	\$ 19,704,496	\$ 24,265,280	\$ 18,087,867	\$ 24,980,273	\$ 21,311,514	\$ 108,349,430
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.19%	0.93%	1.02%	4.72%	3.37%	2.35%
Asian American	0.25%	0.88%	0.51%	0.80%	0.18%	0.55%
Hispanic American	0.01%	0.00%	0.00%	0.22%	1.20%	0.29%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	1.45%	1.81%	1.53%	5.74%	4.75%	3.18%
Nonminority Female	2.13%	0.46%	1.67%	4.94%	1.87%	2.27%
TOTAL M/WBE	3.58%	2.27%	3.19%	10.67%	6.62%	5.46%
NON-M/WBE	96.42%	97.73%	96.81%	89.33%	93.38%	94.54%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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Table G-3

Greensboro Disparity Study
Utilization of Prime Analysis , Awards less than \$1Million
Distribution of Dollars by Business Ownership and Fiscal Year, Other Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 509,999	\$ 602,056	\$ 1,778,455	\$ 1,658,784	\$ 2,492,910	\$ 7,042,206
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ 50,481	\$ 145,502	\$ 50,000	\$ 145,500	\$ 158,000	\$ 549,483
Native American	\$ -	\$ 1,590	\$ -	\$ 1,863	\$ 5,692	\$ 9,145
TOTAL MINORITY	\$ 560,480	\$ 749,148	\$ 1,828,455	\$ 1,806,147	\$ 2,656,602	\$ 7,600,833
Nonminority Female	\$ 635,838	\$ 255,251	\$ 240,696	\$ 152,151	\$ 456,724	\$ 1,740,660
TOTAL M/WBE	\$ 1,196,318	\$ 1,004,400	\$ 2,069,151	\$ 1,958,298	\$ 3,113,326	\$ 9,341,493
NON-M/WBE	\$ 16,482,955	\$ 14,262,748	\$ 13,915,334	\$ 18,615,044	\$ 18,264,509	\$ 81,540,591
TOTAL FIRMS	\$ 17,679,273	\$ 15,267,147	\$ 15,984,485	\$ 20,573,342	\$ 21,377,836	\$ 90,882,083
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.88%	3.94%	11.13%	8.06%	11.66%	7.75%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.29%	0.95%	0.31%	0.71%	0.74%	0.60%
Native American	0.00%	0.01%	0.00%	0.01%	0.03%	0.01%
TOTAL MINORITY	3.17%	4.91%	11.44%	8.78%	12.43%	8.36%
Nonminority Female	3.60%	1.67%	1.51%	0.74%	2.14%	1.92%
TOTAL M/WBE	6.77%	6.58%	12.94%	9.52%	14.56%	10.28%
NON-M/WBE	93.23%	93.42%	87.06%	90.48%	85.44%	89.72%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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Table G-4

Greensboro Disparity Study

Utilization of Prime Analysis , Awards less than \$1Million

**Distribution of Dollars by Business Ownership and Fiscal Year, Goods and Supplies
(Using Award Dollars, FY 2012-2016)**

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 41,859	\$ 19,021	\$ 369,574	\$ 107,648	\$ 23,407	\$ 561,510
Asian American	\$ 38,468	\$ 17,082	\$ 63,701	\$ 35,906	\$ 36,547	\$ 191,704
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 80,328	\$ 36,103	\$ 433,275	\$ 143,554	\$ 59,954	\$ 753,214
Nonminority Female	\$ 150,725	\$ 926,477	\$ 1,314,244	\$ 570,087	\$ 355,710	\$ 3,317,243
TOTAL M/WBE	\$ 231,053	\$ 962,580	\$ 1,747,519	\$ 713,641	\$ 415,664	\$ 4,070,457
NON-M/WBE	\$ 36,071,070	\$ 40,074,635	\$ 40,688,899	\$ 43,216,704	\$ 36,167,712	\$ 196,219,021
TOTAL FIRMS	\$ 36,302,122	\$ 41,037,215	\$ 42,436,419	\$ 43,930,345	\$ 36,583,376	\$ 200,289,478
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.12%	0.05%	0.87%	0.25%	0.06%	0.28%
Asian American	0.11%	0.04%	0.15%	0.08%	0.10%	0.10%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.22%	0.09%	1.02%	0.33%	0.16%	0.38%
Nonminority Female	0.42%	2.26%	3.10%	1.30%	0.97%	1.66%
TOTAL M/WBE	0.64%	2.35%	4.12%	1.62%	1.14%	2.03%
NON-M/WBE	99.36%	97.65%	95.88%	98.38%	98.86%	97.97%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Table G-5
Greensboro Disparity Study
Utilization of Prime Analysis, Awards less than \$1Million
Business Ownership Classification by Fiscal Year, Prime Construction
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.95%	11.48%	8.27	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	0.95%	17.83%	5.32	Underutilization	*	
	Nonminority Female	10.32%	19.88%	51.93	Underutilization	*	
	TOTAL M/WBE	11.27%	37.70%	29.90	Underutilization	*	
	Non-M/WBE	88.73%	62.30%	142.43	Overutilization		
2013	African American	7.96%	11.48%	69.39	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	7.96%	17.83%	44.66	Underutilization	*	
	Nonminority Female	15.55%	19.88%	78.23	Underutilization	*	
	TOTAL M/WBE	23.51%	37.70%	62.36	Underutilization	*	
	Non-M/WBE	76.49%	62.30%	122.78	Overutilization		
2014	African American	5.35%	11.48%	46.65	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	5.35%	17.83%	30.03	Underutilization	*	
	Nonminority Female	32.39%	19.88%	162.93	Overutilization		
	TOTAL M/WBE	37.74%	37.70%	100.09	Overutilization		
	Non-M/WBE	62.26%	62.30%	99.94	Underutilization		
2015	African American	3.79%	11.48%	32.99	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.15%	4.51%	3.42	Underutilization	*	
	Native American	1.17%	0.82%	142.56	Overutilization		
	TOTAL MBE	5.11%	17.83%	28.66	Underutilization	*	
	Nonminority Female	12.17%	19.88%	61.22	Underutilization	*	
	TOTAL M/WBE	17.28%	37.70%	45.83	Underutilization	*	
	Non-M/WBE	82.72%	62.30%	132.79	Overutilization		
2016	African American	1.17%	11.48%	10.22	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	1.17%	17.83%	6.58	Underutilization	*	
	Nonminority Female	4.43%	19.88%	22.29	Underutilization	*	
	TOTAL M/WBE	5.60%	37.70%	14.86	Underutilization	*	
	Non-M/WBE	94.40%	62.30%	151.53	Overutilization		
Total	African American	3.46%	11.48%	30.19	Underutilization	*	p <.05
	Asian American	0.00%	1.02%	0.00	Underutilization	*	p <.05
	Hispanic American	0.03%	4.51%	0.72	Underutilization	*	p <.05
	Native American	0.25%	0.82%	30.17	Underutilization	*	p <.05
	TOTAL MBE	3.74%	17.83%	21.00	Underutilization	*	p <.05
	Nonminority Female	13.47%	19.88%	67.76	Underutilization	*	p <.05
	TOTAL M/WBE	17.21%	37.70%	45.65	Underutilization	*	p <.05
	Non-M/WBE	82.79%	62.30%	132.89	Overutilization		

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Table G-6
Greensboro Disparity Study
Disparity Results, Awards less than \$1 Million
Business Ownership Classification by Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.19%	17.38%	6.86	Underutilization	*	
	Asian American	0.25%	3.48%	7.26	Underutilization	*	
	Hispanic American	0.01%	2.94%	0.29	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	1.45%	24.33%	5.97	Underutilization	*	
	Nonminority Female	2.13%	21.93%	9.71	Underutilization	*	
	TOTAL M/WBE	3.58%	46.26%	7.75	Underutilization	*	
	Non-M/WBE	96.42%	53.74%	179.40	Overutilization		
2013	African American	0.93%	17.38%	5.33	Underutilization	*	
	Asian American	0.88%	3.48%	25.35	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	1.81%	24.33%	7.43	Underutilization	*	
	Nonminority Female	0.46%	21.93%	2.11	Underutilization	*	
	TOTAL M/WBE	2.27%	46.26%	4.91	Underutilization	*	
	Non-M/WBE	97.73%	53.74%	181.85	Overutilization		
2014	African American	1.02%	17.38%	5.87	Underutilization	*	
	Asian American	0.51%	3.48%	14.63	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	1.53%	24.33%	6.28	Underutilization	*	
	Nonminority Female	1.67%	21.93%	7.59	Underutilization	*	
	TOTAL M/WBE	3.19%	46.26%	6.90	Underutilization	*	
	Non-M/WBE	96.81%	53.74%	180.13	Overutilization		
2015	African American	4.72%	17.38%	27.19	Underutilization	*	
	Asian American	0.80%	3.48%	22.90	Underutilization	*	
	Hispanic American	0.22%	2.94%	7.32	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	5.74%	24.33%	23.58	Underutilization	*	
	Nonminority Female	4.94%	21.93%	22.52	Underutilization	*	
	TOTAL M/WBE	10.67%	46.26%	23.07	Underutilization	*	
	Non-M/WBE	89.33%	53.74%	166.21	Overutilization		
2016	African American	3.37%	17.38%	19.39	Underutilization	*	
	Asian American	0.18%	3.48%	5.28	Underutilization	*	
	Hispanic American	1.20%	2.94%	40.64	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	4.75%	24.33%	19.52	Underutilization	*	
	Nonminority Female	1.87%	21.93%	8.52	Underutilization	*	
	TOTAL M/WBE	6.62%	46.26%	14.30	Underutilization	*	
	Non-M/WBE	93.38%	53.74%	173.76	Overutilization		
Total	African American	2.35%	17.38%	13.50	Underutilization	*	p < .05
	Asian American	0.55%	3.48%	15.76	Underutilization	*	p < .05
	Hispanic American	0.29%	2.94%	9.73	Underutilization	*	p < .05
	Native American	0.00%	0.53%	0.00	Underutilization	*	p < .05
	TOTAL MBE	3.18%	24.33%	13.07	Underutilization	*	p < .05
	Nonminority Female	2.27%	21.93%	10.37	Underutilization	*	p < .05
	TOTAL M/WBE	5.46%	46.26%	11.79	Underutilization	*	p < .05
	Non-M/WBE	94.54%	53.74%	175.92	Overutilization		

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Table G-7
Greensboro Disparity Study
Disparity Results, Awards less than \$1 Million
Business Ownership Classification by Fiscal Year, Other Services
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.88%	13.89%	20.77	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.29%	2.17%	13.17	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	3.17%	17.60%	18.01	Underutilization	*	
	Nonminority Female	3.60%	11.36%	31.67	Underutilization	*	
	TOTAL M/WBE	6.77%	28.96%	23.36	Underutilization	*	
	Non-M/WBE	93.23%	71.04%	131.24	Overutilization		
2013	African American	3.94%	13.89%	28.40	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.95%	2.17%	43.95	Underutilization	*	
	Native American	0.01%	0.52%	2.02	Underutilization	*	
	TOTAL MBE	4.91%	17.60%	27.87	Underutilization	*	
	Nonminority Female	1.67%	11.36%	14.72	Underutilization	*	
	TOTAL M/WBE	6.58%	28.96%	22.72	Underutilization	*	
	Non-M/WBE	93.42%	71.04%	131.51	Overutilization		
2014	African American	11.13%	13.89%	80.12	Underutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.31%	2.17%	14.43	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	11.44%	17.60%	64.98	Underutilization	*	
	Nonminority Female	1.51%	11.36%	13.26	Underutilization	*	
	TOTAL M/WBE	12.94%	28.96%	44.70	Underutilization	*	
	Non-M/WBE	87.06%	71.04%	122.55	Overutilization		
2015	African American	8.06%	13.89%	58.06	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.71%	2.17%	32.62	Underutilization	*	
	Native American	0.01%	0.52%	1.75	Underutilization	*	
	TOTAL MBE	8.78%	17.60%	49.87	Underutilization	*	
	Nonminority Female	0.74%	11.36%	6.51	Underutilization	*	
	TOTAL M/WBE	9.52%	28.96%	32.87	Underutilization	*	
	Non-M/WBE	90.48%	71.04%	127.37	Overutilization		
2016	African American	11.66%	13.89%	83.97	Underutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.74%	2.17%	34.09	Underutilization	*	
	Native American	0.03%	0.52%	5.16	Underutilization	*	
	TOTAL MBE	12.43%	17.60%	70.59	Underutilization	*	
	Nonminority Female	2.14%	11.36%	18.81	Underutilization	*	
	TOTAL M/WBE	14.56%	28.96%	50.28	Underutilization	*	
	Non-M/WBE	85.44%	71.04%	120.27	Overutilization		
Total	African American	7.75%	13.89%	55.80	Underutilization	*	p < .05
	Asian American	0.00%	1.03%	0.00	Underutilization	*	p < .05
	Hispanic American	0.60%	2.17%	27.88	Underutilization	*	p < .05
	Native American	0.01%	0.52%	1.95	Underutilization	*	p < .05
	TOTAL MBE	8.36%	17.60%	47.51	Underutilization	*	p < .05
	Nonminority Female	1.92%	11.36%	16.86	Underutilization	*	p < .05
	TOTAL M/WBE	10.28%	28.96%	35.49	Underutilization	*	p < .05
	Non-M/WBE	89.72%	71.04%	126.30	Overutilization		

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Table G-8
Greensboro Disparity Study
Disparity Results, Awards less than \$1Million
Business Ownership Classification by Fiscal Year, Goods and Supplies
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.12%	13.87%	0.83	Underutilization	*	
	Asian American	0.11%	3.36%	3.15	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.22%	21.21%	1.04	Underutilization	*	
	Nonminority Female	0.42%	27.44%	1.51	Underutilization	*	
	TOTAL M/WBE	0.64%	48.64%	1.31	Underutilization	*	
Non-M/WBE	99.36%	51.36%	193.48	Overutilization			
2013	African American	0.05%	13.87%	0.33	Underutilization	*	
	Asian American	0.04%	3.36%	1.24	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.09%	21.21%	0.41	Underutilization	*	
	Nonminority Female	2.26%	27.44%	8.23	Underutilization	*	
	TOTAL M/WBE	2.35%	48.64%	4.82	Underutilization	*	
Non-M/WBE	97.65%	51.36%	190.15	Overutilization			
2014	African American	0.87%	13.87%	6.28	Underutilization	*	
	Asian American	0.15%	3.36%	4.46	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	1.02%	21.21%	4.81	Underutilization	*	
	Nonminority Female	3.10%	27.44%	11.29	Underutilization	*	
	TOTAL M/WBE	4.12%	48.64%	8.47	Underutilization	*	
Non-M/WBE	95.88%	51.36%	186.70	Overutilization			
2015	African American	0.25%	13.87%	1.77	Underutilization	*	
	Asian American	0.08%	3.36%	2.43	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.33%	21.21%	1.54	Underutilization	*	
	Nonminority Female	1.30%	27.44%	4.73	Underutilization	*	
	TOTAL M/WBE	1.62%	48.64%	3.34	Underutilization	*	
Non-M/WBE	98.38%	51.36%	191.55	Overutilization			
2016	African American	0.06%	13.87%	0.46	Underutilization	*	
	Asian American	0.10%	3.36%	2.97	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.16%	21.21%	0.77	Underutilization	*	
	Nonminority Female	0.97%	27.44%	3.54	Underutilization	*	
	TOTAL M/WBE	1.14%	48.64%	2.34	Underutilization	*	
Non-M/WBE	98.86%	51.36%	192.50	Overutilization			
Total	African American	0.28%	13.87%	2.02	Underutilization	*	p < .05
	Asian American	0.10%	3.36%	2.85	Underutilization	*	p < .05
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	p < .05
	Native American	0.00%	1.22%	0.00	Underutilization	*	small number
	TOTAL MBE	0.38%	21.21%	1.77	Underutilization	*	p < .05
	Nonminority Female	1.66%	27.44%	6.04	Underutilization	*	p < .05
	TOTAL M/WBE	2.03%	48.64%	4.18	Underutilization	*	p < .05
Non-M/WBE	97.97%	51.36%	190.76	Overutilization			

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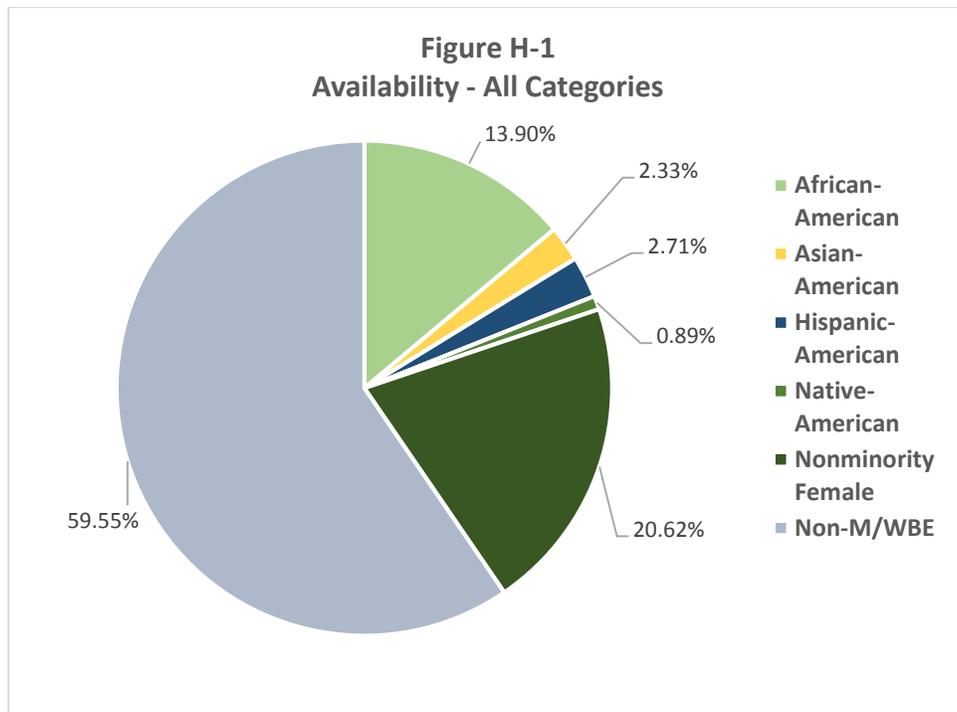
APPENDIX H

Availability (Combined Work Categories)

APPENDIX H – AVAILABILITY (COMBINED WORK CATEGORIES)

The table and figure in Appendix H shows availability across all procurement types combined for each race/ethnic/gender group.

Table H-1 Greensboro Disparity Study Availability of Firms by Business Ownership in Market Area Prime Data, All Categories (Using Award Dollars, FY 2012-2016)		
Business Ownership Classification	Number of Firms	Percent of Firms
African American	566	12.88%
Asian American	64	1.46%
Hispanic American	103	2.34%
Native American	17	0.39%
TOTAL MINORITY FIRMS	750	17.06%
Nonminority Female	676	15.38%
TOTAL M/WBE	1,426	32.44%
TOTAL NON-M/WDBE	2,970	67.56%
TOTAL FIRMS	4,396	100.00%
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APPENDIX I

Survey of Business Owners

Greensboro 2017 Disparity Study Results

A brief note on how tables are calculated

Duplicate responses and invalid businesses have been removed. Invalid and duplicate responses were based on responses flagged in the MFD column; only responses where MFD was blank are included.

The total count of responses for each question includes only those participants who responded to that question. Participants who skipped or were not given a question are not included.

<i>Which one of the following is your company's primary line of business?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Construction Services	25 17.4 %	23 24.5 %	21 21.6 %	0 0 %	3 30 %	1 12.5 %	2 33.3 %	1 5.6 %	76 19.8 %
Construction Related Professional Services (Including A&E)	18 12.5 %	11 11.7 %	19 19.6 %	2 33.3 %	2 20 %	2 25 %	2 33.3 %	2 11.1 %	58 15.1 %
Goods & Other Services	101 70.1 %	60 63.8 %	57 58.8 %	4 66.7 %	5 50 %	5 62.5 %	2 33.3 %	15 83.3 %	249 65 %
Total	144 100 %	94 100 %	97 100 %	6 100 %	10 100 %	8 100 %	6 100 %	18 100 %	383 100 %

<i>On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
None	6 4.2 %	8 8.5 %	13 13.5 %	0 0 %	1 10 %	0 0 %	1 16.7 %	0 0 %	29 7.6 %
1-10	45 31.2 %	44 46.8 %	62 64.6 %	4 66.7 %	4 40 %	4 50 %	5 83.3 %	3 16.7 %	171 44.8 %
11-30	46 31.9 %	23 24.5 %	13 13.5 %	1 16.7 %	2 20 %	1 12.5 %	0 0 %	2 11.1 %	88 23 %
31-50	12 8.3 %	8 8.5 %	5 5.2 %	0 0 %	1 10 %	0 0 %	0 0 %	1 5.6 %	27 7.1 %
51-75	7 4.9 %	5 5.3 %	1 1 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 5.6 %	15 3.9 %
76-100	6 4.2 %	1 1.1 %	1 1 %	0 0 %	0 0 %	2 25 %	0 0 %	0 0 %	10 2.6 %
101-300	10 6.9 %	4 4.3 %	0 0 %	0 0 %	2 20 %	0 0 %	0 0 %	3 16.7 %	19 5 %
Over 300	12 8.3 %	1 1.1 %	1 1 %	1 16.7 %	0 0 %	0 0 %	0 0 %	8 44.4 %	23 6 %
Total	144 100 %	94 100 %	96 100 %	6 100 %	10 100 %	8 100 %	6 100 %	18 100 %	382 100 %

<i>Is at least 51% of your company owned and controlled by a woman or women?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Yes	0 0 %	94 100 %	42 43.3 %	1 16.7 %	5 50 %	5 62.5 %	5 83.3 %	0 0 %	152 39.7 %
No	144 100 %	0 0 %	55 56.7 %	5 83.3 %	5 50 %	3 37.5 %	1 16.7 %	18 100 %	231 60.3 %
<i>Total</i>	144 100 %	94 100 %	97 100 %	6 100 %	10 100 %	8 100 %	6 100 %	18 100 %	383 100 %

<i>Which of the following categories would you consider to be the race or ethnic origin that the person or persons that own at least 51% of the company identify as? Would you say:</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Non-Minority	134 93.1 %	77 81.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	211 55.1 %
African American	0 0 %	0 0 %	96 99 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	96 25.1 %
Asian American	0 0 %	0 0 %	0 0 %	6 100 %	0 0 %	0 0 %	0 0 %	0 0 %	6 1.6 %
Hispanic American	0 0 %	0 0 %	0 0 %	0 0 %	10 100 %	0 0 %	0 0 %	0 0 %	10 2.6 %
Native American	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	8 100 %	0 0 %	0 0 %	8 2.1 %
Bi-Racial or Multi-Racial	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	6 100 %	0 0 %	6 1.6 %
Publicly Traded Company	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	7 38.9 %	7 1.8 %
Other (specify in text box below)	10 6.9 %	17 18.1 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	11 61.1 %	39 10.2 %
<i>Total</i>	144 100 %	94 100 %	97 100 %	6 100 %	10 100 %	8 100 %	6 100 %	18 100 %	383 100 %

<i>What is the highest level of education completed by the owner of your company? Would you say:</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Some High School	0 0 %	0 0 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.3 %
High School Graduate	10 6.9 %	9 9.6 %	1 1 %	0 0 %	1 10 %	2 25 %	2 33.3 %	1 5.6 %	26 6.8 %
Some College	25 17.4 %	24 25.5 %	16 16.7 %	0 0 %	2 20 %	1 12.5 %	0 0 %	0 0 %	68 17.8 %
College Graduate	62 43.1 %	41 43.6 %	49 51 %	1 20 %	5 50 %	4 50 %	3 50 %	2 11.1 %	167 43.8 %
Post Graduate Degree	27 18.8 %	16 17 %	28 29.2 %	3 60 %	2 20 %	1 12.5 %	1 16.7 %	2 11.1 %	80 21 %
Trade or Technical Certificate	6 4.2 %	2 2.1 %	1 1 %	1 20 %	0 0 %	0 0 %	0 0 %	0 0 %	10 2.6 %
Don't know	14 9.7 %	2 2.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	13 72.2 %	29 7.6 %
Total	144 100 %	94 100 %	96 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	381 100 %

<i>How many years of experience in your company's business line does the primary owner of your company have?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
None	0 0 %	1 1.1 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.5 %
1-5	3 2.1 %	6 6.5 %	7 7.2 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	17 4.5 %
6-10	6 4.2 %	8 8.6 %	11 11.3 %	0 0 %	1 10 %	1 12.5 %	1 16.7 %	1 5.6 %	29 7.6 %
11-15	6 4.2 %	14 15.1 %	10 10.3 %	1 20 %	1 10 %	0 0 %	1 16.7 %	1 5.6 %	34 8.9 %
16-20	9 6.3 %	9 9.7 %	20 20.6 %	1 20 %	0 0 %	0 0 %	0 0 %	1 5.6 %	40 10.5 %
More than 20	119 83.2 %	55 59.1 %	48 49.5 %	3 60 %	8 80 %	7 87.5 %	3 50 %	15 83.3 %	258 67.9 %
Total	143 100 %	93 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	380 100 %

<i>Which of the following categories best approximates your company's gross revenues for calendar year 2016? Your best estimate will suffice.</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
\$100,000 or less	10 7 %	12 12.9 %	44 45.4 %	1 20 %	3 30 %	0 0 %	2 33.3 %	0 0 %	72 19 %
\$100,001 - \$250,000	5 3.5 %	16 17.2 %	15 15.5 %	1 20 %	0 0 %	1 12.5 %	1 16.7 %	0 0 %	39 10.3 %
\$250,001 - \$500,000	12 8.5 %	10 10.8 %	11 11.3 %	0 0 %	0 0 %	2 25 %	0 0 %	1 5.6 %	36 9.5 %
\$500,001 - \$750,000	9 6.3 %	4 4.3 %	6 6.2 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 5.6 %	21 5.5 %
\$750,001 - \$1,000,000	6 4.2 %	8 8.6 %	5 5.2 %	1 20 %	0 0 %	0 0 %	1 16.7 %	0 0 %	21 5.5 %
\$1,000,001 - \$1,320,000	6 4.2 %	5 5.4 %	1 1 %	0 0 %	1 10 %	1 12.5 %	1 16.7 %	1 5.6 %	16 4.2 %
\$1,320,001 - \$1,500,000	4 2.8 %	1 1.1 %	1 1 %	0 0 %	1 10 %	0 0 %	0 0 %	0 0 %	7 1.8 %
\$1,500,001 - \$5,000,000	23 16.2 %	22 23.7 %	7 7.2 %	1 20 %	4 40 %	0 0 %	0 0 %	3 16.7 %	60 15.8 %
\$5,000,001 - \$10,000,000	19 13.4 %	8 8.6 %	2 2.1 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5.6 %	30 7.9 %
Over \$10 million	32 22.5 %	3 3.2 %	4 4.1 %	1 20 %	0 0 %	3 37.5 %	0 0 %	8 44.4 %	51 13.5 %
Don't know	16 11.3 %	4 4.3 %	1 1 %	0 0 %	1 10 %	0 0 %	1 16.7 %	3 16.7 %	26 6.9 %
Total	142 100 %	93 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	379 100 %

<i>What is your current single project bonding limit?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
\$100,000 or less	5 3.5 %	5 5.4 %	12 12.4 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	22 5.8 %
\$100,001 - \$250,000	2 1.4 %	3 3.2 %	5 5.2 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	0 0 %	12 3.2 %
\$250,001 - \$500,000	3 2.1 %	2 2.2 %	4 4.1 %	1 20 %	1 10 %	0 0 %	0 0 %	0 0 %	11 2.9 %
\$500,001 - \$750,000	1 0.7 %	0 0 %	3 3.1 %	0 0 %	1 10 %	1 12.5 %	0 0 %	0 0 %	6 1.6 %
\$750,001 - \$1,000,000	7 5 %	6 6.5 %	9 9.3 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	23 6.1 %
\$1,000,001 - \$1,320,000	4 2.8 %	5 5.4 %	4 4.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	13 3.4 %
\$1,320,001 - \$1,500,000	1 0.7 %	2 2.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 0.8 %
\$1,500,001 - \$5,000,000	12 8.5 %	8 8.6 %	5 5.2 %	0 0 %	0 0 %	1 12.5 %	0 0 %	2 11.1 %	28 7.4 %
\$5,000,001 - \$10,000,000	5 3.5 %	1 1.1 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	0 0 %	7 1.9 %
Over \$10 million	16 11.3 %	1 1.1 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	2 11.1 %	20 5.3 %
Don't know	34 24.1 %	10 10.8 %	11 11.3 %	0 0 %	3 30 %	2 25 %	3 50 %	5 27.8 %	68 18 %
Not Applicable	51 36.2 %	50 53.8 %	43 44.3 %	4 80 %	4 40 %	2 25 %	2 33.3 %	9 50 %	165 43.7 %
Total	141 100 %	93 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	378 100 %

<i>Is your company registered to do business with the City of Greensboro?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	122 87.8 %	71 77.2 %	88 90.7 %	1 20 %	8 80 %	6 75 %	5 83.3 %	17 94.4 %	318 84.8 %
No	17 12.2 %	21 22.8 %	9 9.3 %	4 80 %	2 20 %	2 25 %	1 16.7 %	1 5.6 %	57 15.2 %
<i>Total</i>	139 100 %	92 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	375 100 %

<i>Is your company registered to do business with any government entity (City of Greensboro, Guilford County, NCDOT, State of NC, or Other)?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	133 95 %	81 88 %	91 93.8 %	4 80 %	9 90 %	8 100 %	5 83.3 %	17 94.4 %	348 92.6 %
No	7 5 %	11 12 %	6 6.2 %	1 20 %	1 10 %	0 0 %	1 16.7 %	1 5.6 %	28 7.4 %
<i>Total</i>	140 100 %	92 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	376 100 %

<i>[Do not know how to register.] Why is your company not registered to do business with the City of Greensboro? Indicate all the apply.</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	3 20 %	7 35 %	2 22.2 %	0 0 %	1 50 %	0 0 %	1 100 %	0 0 %	14 25.9 %
Not selected	12 80 %	13 65 %	7 77.8 %	4 100 %	1 50 %	2 100 %	0 0 %	1 100 %	40 74.1 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

<i>[Did not know there was a registry.] Why is your company not registered to do business with the City of Greensboro? Indicate all the apply.</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	7 46.7 %	14 70 %	5 55.6 %	2 50 %	0 0 %	2 100 %	1 100 %	0 0 %	31 57.4 %
Not selected	8 53.3 %	6 30 %	4 44.4 %	2 50 %	2 100 %	0 0 %	0 0 %	1 100 %	23 42.6 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

[Do not see any benefit in registering.] Why is your company not registered to do business with the City of Greensboro? Indicate all that apply.	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	1 6.7 %	2 10 %	2 22.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 9.3 %
Not selected	14 93.3 %	18 90 %	7 77.8 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	49 90.7 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

[Do not want to do business with government.] Why is your company not registered to do business with the City of Greensboro? Indicate all that apply.	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	1 6.7 %	2 10 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 7.4 %
Not selected	14 93.3 %	18 90 %	8 88.9 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	50 92.6 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

<i>[Do not want to do business with the City of Greensboro.] Why is your company not registered to do business with the City of Greensboro? Indicate all the apply.</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Yes	2 13.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 3.7 %
Not selected	13 86.7 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	52 96.3 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

<i>[Do not see opportunities in my field of work.] Why is your company not registered to do business with the City of Greensboro? Indicate all the apply.</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Yes	1 6.7 %	3 15 %	1 11.1 %	1 25 %	0 0 %	0 0 %	0 0 %	1 100 %	7 13 %
Not selected	14 93.3 %	17 85 %	8 88.9 %	3 75 %	2 100 %	2 100 %	1 100 %	0 0 %	47 87 %
Total	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

<i>[Do not believe firm would be awarded contract.] Why is your company not registered to do business with the City of Greensboro? Indicate all that apply.</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	2 13.3 %	2 10 %	2 22.2 %	1 25 %	0 0 %	0 0 %	0 0 %	0 0 %	7 13 %
Not selected	13 86.7 %	18 90 %	7 77.8 %	3 75 %	2 100 %	2 100 %	1 100 %	1 100 %	47 87 %
<i>Total</i>	15 100 %	20 100 %	9 100 %	4 100 %	2 100 %	2 100 %	1 100 %	1 100 %	54 100 %

[City of Greensboro Public Projects] From July 1, 2011 through June 30, 2016, how many times has your company submitted bids or proposals for projects as prime contractor on:	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
None	48 35.3 %	42 46.2 %	49 50.5 %	4 80 %	3 30 %	5 62.5 %	1 16.7 %	6 33.3 %	158 42.6 %
1-10	48 35.3 %	25 27.5 %	38 39.2 %	1 20 %	5 50 %	2 25 %	4 66.7 %	5 27.8 %	128 34.5 %
11-25	6 4.4 %	1 1.1 %	5 5.2 %	0 0 %	0 0 %	0 0 %	0 0 %	3 16.7 %	15 4 %
26-50	5 3.7 %	1 1.1 %	3 3.1 %	0 0 %	1 10 %	0 0 %	1 16.7 %	0 0 %	11 3 %
51-100	3 2.2 %	2 2.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 1.3 %
Over 100	2 1.5 %	1 1.1 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 1.1 %
Don't Know/NA	24 17.6 %	19 20.9 %	1 1 %	0 0 %	1 10 %	1 12.5 %	0 0 %	4 22.2 %	50 13.5 %
Total	136 100 %	91 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	371 100 %

[Private Sector Projects] From July 1, 2011 through June 30, 2016, how many times has your company submitted bids or proposals for projects as prime contractor on:	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
None	38 27.9 %	28 30.8 %	43 44.3 %	3 60 %	3 30 %	5 62.5 %	1 16.7 %	5 27.8 %	126 34 %
1-10	16 11.8 %	15 16.5 %	31 32 %	2 40 %	2 20 %	0 0 %	0 0 %	1 5.6 %	67 18.1 %
11-25	8 5.9 %	2 2.2 %	6 6.2 %	0 0 %	0 0 %	1 12.5 %	2 33.3 %	0 0 %	19 5.1 %
26-50	14 10.3 %	5 5.5 %	6 6.2 %	0 0 %	1 10 %	0 0 %	1 16.7 %	0 0 %	27 7.3 %
51-100	5 3.7 %	6 6.6 %	4 4.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	15 4 %
Over 100	24 17.6 %	17 18.7 %	5 5.2 %	0 0 %	2 20 %	1 12.5 %	2 33.3 %	4 22.2 %	55 14.8 %
Don't Know/NA	31 22.8 %	18 19.8 %	2 2.1 %	0 0 %	2 20 %	1 12.5 %	0 0 %	8 44.4 %	62 16.7 %
Total	136 100 %	91 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	371 100 %

[Other Public Sector (non-City of Greensboro projects)] From July 1, 2011 through June 30, 2016, how many times has your company submitted bids or proposals for projects as prime contractor on:	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
None	38 27.9 %	28 30.8 %	48 49.5 %	1 20 %	2 20 %	4 50 %	2 33.3 %	4 22.2 %	127 34.2 %
1-10	29 21.3 %	20 22 %	30 30.9 %	3 60 %	3 30 %	0 0 %	1 16.7 %	1 5.6 %	87 23.5 %
11-25	12 8.8 %	4 4.4 %	3 3.1 %	1 20 %	1 10 %	0 0 %	1 16.7 %	2 11.1 %	24 6.5 %
26-50	7 5.1 %	8 8.8 %	6 6.2 %	0 0 %	1 10 %	1 12.5 %	2 33.3 %	0 0 %	25 6.7 %
51-100	4 2.9 %	5 5.5 %	3 3.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	12 3.2 %
Over 100	16 11.8 %	9 9.9 %	5 5.2 %	0 0 %	1 10 %	2 25 %	0 0 %	5 27.8 %	38 10.2 %
Don't Know/NA	30 22.1 %	17 18.7 %	2 2.1 %	0 0 %	2 20 %	1 12.5 %	0 0 %	6 33.3 %	58 15.6 %
Total	136 100 %	91 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	371 100 %

[City of Greensboro Public Projects] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
None	71 52.2 %	59 64.8 %	74 76.3 %	5 100 %	3 30 %	6 75 %	4 66.7 %	6 33.3 %	228 61.5 %
1-10	33 24.3 %	16 17.6 %	18 18.6 %	0 0 %	5 50 %	1 12.5 %	2 33.3 %	6 33.3 %	81 21.8 %
11-25	3 2.2 %	2 2.2 %	1 1 %	0 0 %	1 10 %	0 0 %	0 0 %	1 5.6 %	8 2.2 %
26-50	4 2.9 %	1 1.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 1.3 %
51-100	0 0 %	1 1.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.3 %
Over 100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	25 18.4 %	12 13.2 %	4 4.1 %	0 0 %	1 10 %	1 12.5 %	0 0 %	5 27.8 %	48 12.9 %
Total	136 100 %	91 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	371 100 %

<i>[Private Sector Projects] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
None	48 35.3 %	34 37.8 %	57 58.8 %	4 80 %	3 30 %	6 75 %	1 16.7 %	4 22.2 %	157 42.4 %
1-10	16 11.8 %	16 17.8 %	21 21.6 %	1 20 %	2 20 %	0 0 %	2 33.3 %	1 5.6 %	59 15.9 %
11-25	10 7.4 %	4 4.4 %	7 7.2 %	0 0 %	1 10 %	0 0 %	1 16.7 %	0 0 %	23 6.2 %
26-50	12 8.8 %	8 8.9 %	2 2.1 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	23 6.2 %
51-100	5 3.7 %	5 5.6 %	2 2.1 %	0 0 %	1 10 %	0 0 %	0 0 %	1 5.6 %	14 3.8 %
Over 100	13 9.6 %	9 10 %	2 2.1 %	0 0 %	1 10 %	1 12.5 %	1 16.7 %	3 16.7 %	30 8.1 %
Don't Know/NA	32 23.5 %	14 15.6 %	6 6.2 %	0 0 %	2 20 %	1 12.5 %	0 0 %	9 50 %	64 17.3 %
Total	136 100 %	90 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	370 100 %

[Other Public Sector (non-City of Greensboro projects)] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
None	54 39.7 %	39 43.3 %	59 60.8 %	4 80 %	1 10 %	6 75 %	4 66.7 %	4 22.2 %	171 46.2 %
1-10	20 14.7 %	15 16.7 %	19 19.6 %	1 20 %	4 40 %	0 0 %	0 0 %	1 5.6 %	60 16.2 %
11-25	11 8.1 %	11 12.2 %	5 5.2 %	0 0 %	2 20 %	0 0 %	2 33.3 %	1 5.6 %	32 8.6 %
26-50	6 4.4 %	3 3.3 %	5 5.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	14 3.8 %
51-100	5 3.7 %	3 3.3 %	1 1 %	0 0 %	0 0 %	1 12.5 %	0 0 %	2 11.1 %	12 3.2 %
Over 100	7 5.1 %	6 6.7 %	2 2.1 %	0 0 %	1 10 %	1 12.5 %	0 0 %	2 11.1 %	19 5.1 %
Don't Know/NA	33 24.3 %	13 14.4 %	6 6.2 %	0 0 %	2 20 %	0 0 %	0 0 %	8 44.4 %	62 16.8 %
Total	136 100 %	90 100 %	97 100 %	5 100 %	10 100 %	8 100 %	6 100 %	18 100 %	370 100 %

<i>Approximately how many times did you serve as a subcontractor on a City of Greensboro project from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
None	85 63 %	59 65.6 %	75 77.3 %	4 100 %	4 40 %	6 75 %	5 83.3 %	12 66.7 %	250 67.9 %
1-10	18 13.3 %	19 21.1 %	18 18.6 %	0 0 %	2 20 %	1 12.5 %	1 16.7 %	2 11.1 %	61 16.6 %
11-25	5 3.7 %	3 3.3 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	9 2.4 %
26-50	0 0 %	1 1.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.3 %
51-100	1 0.7 %	1 1.1 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	0 0 %	3 0.8 %
Over 100	0 0 %	0 0 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.3 %
Don't Know/NA	26 19.3 %	7 7.8 %	2 2.1 %	0 0 %	3 30 %	1 12.5 %	0 0 %	4 22.2 %	43 11.7 %
Total	135 100 %	90 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	18 100 %	368 100 %

<i>Have you been invited to participate in bids for public contracts with prime contractors that you may have worked with in the private sector?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Yes	44 32.6 %	37 41.1 %	33 34 %	1 25 %	4 40 %	2 25 %	0 0 %	4 22.2 %	125 34 %
No	62 45.9 %	42 46.7 %	57 58.8 %	2 50 %	6 60 %	5 62.5 %	5 83.3 %	8 44.4 %	187 50.8 %
Don't Know	29 21.5 %	11 12.2 %	7 7.2 %	1 25 %	0 0 %	1 12.5 %	1 16.7 %	6 33.3 %	56 15.2 %
Total	135 100 %	90 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	18 100 %	368 100 %

[Pre-qualification requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	13 9.8 %	11 12.6 %	28 28.9 %	2 50 %	2 20 %	2 25 %	2 33.3 %	0 0 %	60 16.6 %
Not selected	120 90.2 %	76 87.4 %	69 71.1 %	2 50 %	8 80 %	6 75 %	4 66.7 %	17 100 %	302 83.4 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Performance bond requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	5 3.8 %	12 13.8 %	23 23.7 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	0 0 %	42 11.6 %
Not selected	128 96.2 %	75 86.2 %	74 76.3 %	4 100 %	10 100 %	7 87.5 %	5 83.3 %	17 100 %	320 88.4 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Excessive paperwork] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	22 16.5 %	16 18.4 %	22 22.7 %	0 0 %	1 10 %	0 0 %	2 33.3 %	2 11.8 %	65 18 %
Not selected	111 83.5 %	71 81.6 %	75 77.3 %	4 100 %	9 90 %	8 100 %	4 66.7 %	15 88.2 %	297 82 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Bid bond requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	7 5.3 %	8 9.2 %	22 22.7 %	1 25 %	1 10 %	1 12.5 %	2 33.3 %	1 5.9 %	43 11.9 %
Not selected	126 94.7 %	79 90.8 %	75 77.3 %	3 75 %	9 90 %	7 87.5 %	4 66.7 %	16 94.1 %	319 88.1 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<i>[Financing] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
<i>Yes</i>	2 1.5 %	5 5.7 %	27 27.8 %	0 0 %	1 10 %	0 0 %	3 50 %	0 0 %	38 10.5 %
<i>Not selected</i>	131 98.5 %	82 94.3 %	70 72.2 %	4 100 %	9 90 %	8 100 %	3 50 %	17 100 %	324 89.5 %
<i>Total</i>	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Insurance requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	3 2.3 %	4 4.6 %	18 18.6 %	0 0 %	0 0 %	2 25 %	1 16.7 %	0 0 %	28 7.7 %
Not selected	130 97.7 %	83 95.4 %	79 81.4 %	4 100 %	10 100 %	6 75 %	5 83.3 %	17 100 %	334 92.3 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Bid specifications] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	24 18 %	19 21.8 %	21 21.6 %	2 50 %	2 20 %	2 25 %	3 50 %	5 29.4 %	78 21.5 %
Not selected	109 82 %	68 78.2 %	76 78.4 %	2 50 %	8 80 %	6 75 %	3 50 %	12 70.6 %	284 78.5 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<p><i>[Lack of access to competitive supplier pricing] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Yes</p>	<p>4 3 %</p>	<p>6 6.9 %</p>	<p>21 21.6 %</p>	<p>1 25 %</p>	<p>1 10 %</p>	<p>0 0 %</p>	<p>3 50 %</p>	<p>1 5.9 %</p>	<p>37 10.2 %</p>
<p>Not selected</p>	<p>129 97 %</p>	<p>81 93.1 %</p>	<p>76 78.4 %</p>	<p>3 75 %</p>	<p>9 90 %</p>	<p>8 100 %</p>	<p>3 50 %</p>	<p>16 94.1 %</p>	<p>325 89.8 %</p>
<p><i>Total</i></p>	<p>133 100 %</p>	<p>87 100 %</p>	<p>97 100 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>362 100 %</p>

<p><i>[Limited time given to prepare bid package or quote] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i></p>	<p>Owners' Minority Status</p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Yes</p>	<p>10 7.5 %</p>	<p>10 11.5 %</p>	<p>25 25.8 %</p>	<p>0 0 %</p>	<p>2 20 %</p>	<p>2 25 %</p>	<p>1 16.7 %</p>	<p>4 23.5 %</p>	<p>54 14.9 %</p>
<p>Not selected</p>	<p>123 92.5 %</p>	<p>77 88.5 %</p>	<p>72 74.2 %</p>	<p>4 100 %</p>	<p>8 80 %</p>	<p>6 75 %</p>	<p>5 83.3 %</p>	<p>13 76.5 %</p>	<p>308 85.1 %</p>
<p><i>Total</i></p>	<p>133 100 %</p>	<p>87 100 %</p>	<p>97 100 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>362 100 %</p>

<p><i>[Limited knowledge of purchasing /contracting policies and procedures] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Yes</p>	<p>9 6.8 %</p>	<p>12 13.8 %</p>	<p>13 13.4 %</p>	<p>3 7.5 %</p>	<p>2 20 %</p>	<p>1 12.5 %</p>	<p>1 16.7 %</p>	<p>0 0 %</p>	<p>41 11.3 %</p>
<p>Not selected</p>	<p>124 93.2 %</p>	<p>75 86.2 %</p>	<p>84 86.6 %</p>	<p>1 2.5 %</p>	<p>8 80 %</p>	<p>7 87.5 %</p>	<p>5 83.3 %</p>	<p>17 100 %</p>	<p>321 88.7 %</p>
<p>Total</p>	<p>133 100 %</p>	<p>87 100 %</p>	<p>97 100 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>362 100 %</p>

[Lack of experience] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	4 3 %	3 3.4 %	13 13.4 %	1 25 %	0 0 %	1 12.5 %	0 0 %	0 0 %	22 6.1 %
Not selected	129 97 %	84 96.6 %	84 86.6 %	3 75 %	10 100 %	7 87.5 %	6 100 %	17 100 %	340 93.9 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<p><i>[Lack of personnel]</i> <i>The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Other</p>	
<p>Yes</p>	<p>5 3.8 %</p>	<p>5 5.7 %</p>	<p>14 14.4 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>24 6.6 %</p>
<p>Not selected</p>	<p>128 96.2 %</p>	<p>82 94.3 %</p>	<p>83 85.6 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>338 93.4 %</p>
<p>Total</p>	<p>133 100 %</p>	<p>87 100 %</p>	<p>97 100 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>362 100 %</p>

[Contract too large] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	5 3.8 %	12 13.8 %	18 18.6 %	1 25 %	1 10 %	1 12.5 %	1 16.7 %	0 0 %	39 10.8 %
Not selected	128 96.2 %	75 86.2 %	79 81.4 %	3 75 %	9 90 %	7 87.5 %	5 83.3 %	17 100 %	323 89.2 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Contract too expensive to bid] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	4 3 %	7 8 %	14 14.4 %	1 25 %	1 10 %	1 12.5 %	1 16.7 %	1 5.9 %	30 8.3 %
Not selected	129 97 %	80 92 %	83 85.6 %	3 75 %	9 90 %	7 87.5 %	5 83.3 %	16 94.1 %	332 91.7 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Informal networks] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	8 6 %	7 8 %	12 12.4 %	0 0 %	0 0 %	0 0 %	1 16.7 %	1 5.9 %	29 8 %
Not selected	125 94 %	80 92 %	85 87.6 %	4 100 %	10 100 %	8 100 %	5 83.3 %	16 94.1 %	333 92 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

[Selection process] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)	Owners' Minority Status								Total
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	14 10.5 %	9 10.3 %	19 19.6 %	0 0 %	3 30 %	1 12.5 %	2 33.3 %	2 11.8 %	50 13.8 %
Not selected	119 89.5 %	78 89.7 %	78 80.4 %	4 100 %	7 70 %	7 87.5 %	4 66.7 %	15 88.2 %	312 86.2 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<i>[Not certified] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
Yes	6 4.5 %	1 1.1 %	5 5.2 %	1 25 %	3 30 %	1 12.5 %	0 0 %	0 0 %	17 4.7 %
Not selected	127 95.5 %	86 98.9 %	92 94.8 %	3 75 %	7 70 %	7 87.5 %	6 100 %	17 100 %	345 95.3 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<p><i>[Feels smaller firms unfairly compete with large firms for bid] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Greensboro? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Yes</p>	<p>14 10.5 %</p>	<p>20 23 %</p>	<p>43 44.3 %</p>	<p>3 75 %</p>	<p>2 20 %</p>	<p>1 12.5 %</p>	<p>3 50 %</p>	<p>1 5.9 %</p>	<p>87 24 %</p>
<p>Not selected</p>	<p>119 89.5 %</p>	<p>67 77 %</p>	<p>54 55.7 %</p>	<p>1 25 %</p>	<p>8 80 %</p>	<p>7 87.5 %</p>	<p>3 50 %</p>	<p>16 94.1 %</p>	<p>275 76 %</p>
<p>Total</p>	<p>133 100 %</p>	<p>87 100 %</p>	<p>97 100 %</p>	<p>4 100 %</p>	<p>10 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>17 100 %</p>	<p>362 100 %</p>

<i>What is the amount of time that it typically takes to receive payment from the City of Greensboro for your services on City of Greensboro projects?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Less than 30 days	10 25 %	7 36.8 %	9 47.4 %	0 0 %	4 66.7 %	0 0 %	0 0 %	2 28.6 %	32 34 %
30-60 days	17 42.5 %	10 52.6 %	7 36.8 %	0 0 %	1 16.7 %	1 100 %	2 100 %	4 57.1 %	42 44.7 %
60-90 days	5 12.5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 5.3 %
90-120 days	0 0 %	0 0 %	1 5.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 1.1 %
Over 120 days	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	8 20 %	2 10.5 %	2 10.5 %	0 0 %	1 16.7 %	0 0 %	0 0 %	1 14.3 %	14 14.9 %
Total	40 100 %	19 100 %	19 100 %	0 100 %	6 100 %	1 100 %	2 100 %	7 100 %	94 100 %

<i>Is your company a certified Minority, Woman or Disadvantaged Business Enterprise?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	2 1.5 %	68 78.2 %	84 86.6 %	4 100 %	7 70 %	6 75 %	4 66.7 %	1 5.9 %	176 48.6 %
No	131 98.5 %	19 21.8 %	13 13.4 %	0 0 %	3 30 %	2 25 %	2 33.3 %	16 94.1 %	186 51.4 %
Total	133 100 %	87 100 %	97 100 %	4 100 %	10 100 %	8 100 %	6 100 %	17 100 %	362 100 %

<i>[MBE (Minority Business Enterprise)] What is your certification? (Check all that apply)</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	1 50 %	4 5.9 %	77 91.7 %	4 100 %	6 85.7 %	5 83.3 %	2 50 %	0 0 %	99 56.2 %
Not selected	1 50 %	64 94.1 %	7 8.3 %	0 0 %	1 14.3 %	1 16.7 %	2 50 %	1 100 %	77 43.8 %
Total	2 100 %	68 100 %	84 100 %	4 100 %	7 100 %	6 100 %	4 100 %	1 100 %	176 100 %

<i>[WBE (Women Business Enterprise)] What is your certification? (Check all that apply)</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	0 0 %	64 94.1 %	23 27.4 %	0 0 %	2 28.6 %	2 33.3 %	2 50 %	0 0 %	93 52.8 %
Not selected	2 100 %	4 5.9 %	61 72.6 %	4 100 %	5 71.4 %	4 66.7 %	2 50 %	1 100 %	83 47.2 %
Total	2 100 %	68 100 %	84 100 %	4 100 %	7 100 %	6 100 %	4 100 %	1 100 %	176 100 %

<i>[DBE (Disadvantaged Business Enterprise)] What is your certification? (Check all that apply)</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	1 50 %	17 25 %	40 47.6 %	2 50 %	1 14.3 %	1 16.7 %	2 50 %	1 100 %	65 36.9 %
Not selected	1 50 %	51 75 %	44 52.4 %	2 50 %	6 85.7 %	5 83.3 %	2 50 %	0 0 %	111 63.1 %
Total	2 100 %	68 100 %	84 100 %	4 100 %	7 100 %	6 100 %	4 100 %	1 100 %	176 100 %

<i>[I do not understand the certification process] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	32 24.6 %	3 15.8 %	7 53.8 %	0 0 %	1 33.3 %	1 50 %	0 0 %	1 6.7 %	45 24.5 %
Not selected	98 75.4 %	16 84.2 %	6 46.2 %	0 0 %	2 66.7 %	1 50 %	2 100 %	14 93.3 %	139 75.5 %
Total	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[We do not meet one or more of the requirements for certification] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	50 38.5 %	3 15.8 %	1 7.7 %	0 0 %	0 0 %	0 0 %	0 0 %	7 46.7 %	61 33.2 %
Not selected	80 61.5 %	16 84.2 %	12 92.3 %	0 0 %	3 100 %	2 100 %	2 100 %	8 53.3 %	123 66.8 %
Total	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[Certification is too expensive] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	5 3.8 %	2 10.5 %	2 15.4 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	9 4.9 %
Not selected	125 96.2 %	17 89.5 %	11 84.6 %	0 0 %	3 100 %	2 100 %	2 100 %	15 100 %	175 95.1 %
Total	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[I do not want the City of Greensboro to have information about my company] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	3 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 1.6 %
Not selected	127 97.7 %	19 100 %	13 100 %	0 0 %	3 100 %	2 100 %	2 100 %	15 100 %	181 98.4 %
Total	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[I have not had time to get certified/the process is too time-consuming] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	8 6.2 %	5 26.3 %	5 38.5 %	0 0 %	1 33.3 %	1 50 %	1 50 %	0 0 %	21 11.4 %
Not selected	122 93.8 %	14 73.7 %	8 61.5 %	0 0 %	2 66.7 %	1 50 %	1 50 %	15 100 %	163 88.6 %
<i>Total</i>	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[Certification does not benefit and/or will negatively impact my company] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	14 10.8 %	2 10.5 %	2 15.4 %	0 0 %	1 33.3 %	0 0 %	1 50 %	2 13.3 %	22 12 %
Not selected	116 89.2 %	17 89.5 %	11 84.6 %	0 0 %	2 66.7 %	2 100 %	1 50 %	13 86.7 %	162 88 %
<i>Total</i>	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>[Do not understand how certification can benefit my firm] Why is your company not certified?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	34 26.2 %	9 47.4 %	1 7.7 %	0 0 %	1 33.3 %	1 50 %	0 0 %	4 26.7 %	50 27.2 %
Not selected	96 73.8 %	10 52.6 %	12 92.3 %	0 0 %	2 66.7 %	1 50 %	2 100 %	11 73.3 %	134 72.8 %
<i>Total</i>	130 100 %	19 100 %	13 100 %	0 100 %	3 100 %	2 100 %	2 100 %	15 100 %	184 100 %

<i>Do you believe that there is favoritism or disparate treatment in the certification process?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	16 12.2 %	10 11.5 %	34 35.4 %	1 25 %	1 10 %	0 0 %	3 50 %	0 0 %	65 18.2 %
No	27 20.6 %	32 36.8 %	33 34.4 %	1 25 %	1 10 %	5 62.5 %	1 16.7 %	5 31.2 %	105 29.3 %
Don't Know	88 67.2 %	45 51.7 %	29 30.2 %	2 50 %	8 80 %	3 37.5 %	2 33.3 %	11 68.8 %	188 52.5 %
<i>Total</i>	131 100 %	87 100 %	96 100 %	4 100 %	10 100 %	8 100 %	6 100 %	16 100 %	358 100 %

<i>[Business start-up loan?] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
Never Applied	124 96.1 %	83 95.4 %	83 86.5 %	4 100 %	10 100 %	8 100 %	5 83.3 %	14 100 %	331 93.5 %
Applied, Never Approved	1 0.8 %	2 2.3 %	12 12.5 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	16 4.5 %
Applied, Some Approved	0 0 %	1 1.1 %	1 1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.6 %
Applied, All Approved	4 3.1 %	1 1.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 1.4 %
Total	129 100 %	87 100 %	96 100 %	4 100 %	10 100 %	8 100 %	6 100 %	14 100 %	354 100 %

<i>[Operating capital loan?] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
Never Applied	108 83.7 %	65 74.7 %	67 69.8 %	2 50 %	10 100 %	6 75 %	4 66.7 %	12 85.7 %	274 77.4 %
Applied, Never Approved	0 0 %	4 4.6 %	14 14.6 %	0 0 %	0 0 %	0 0 %	2 33.3 %	0 0 %	20 5.6 %
Applied, Some Approved	3 2.3 %	6 6.9 %	10 10.4 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	20 5.6 %
Applied, All Approved	18 14 %	12 13.8 %	5 5.2 %	2 50 %	0 0 %	1 12.5 %	0 0 %	2 14.3 %	40 11.3 %
Total	129 100 %	87 100 %	96 100 %	4 100 %	10 100 %	8 100 %	6 100 %	14 100 %	354 100 %

<i>[Equipment loan?] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following? Never Applied</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
Never Applied	98 76 %	62 71.3 %	80 83.3 %	3 75 %	8 80 %	4 50 %	4 66.7 %	13 92.9 %	272 76.8 %
Applied, Never Approved	0 0 %	0 0 %	10 10.4 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	11 3.1 %
Applied, Some Approved	2 1.6 %	7 8 %	2 2.1 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	0 0 %	13 3.7 %
Applied, All Approved	29 22.5 %	18 20.7 %	4 4.2 %	1 25 %	2 20 %	3 37.5 %	0 0 %	1 7.1 %	58 16.4 %
Total	129 100 %	87 100 %	96 100 %	4 100 %	10 100 %	8 100 %	6 100 %	14 100 %	354 100 %

<i>[Commercial/Professional liability insurance?] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
Never Applied	45 34.6 %	35 40.2 %	47 49 %	1 25 %	2 20 %	2 25 %	3 50 %	3 21.4 %	138 38.9 %
Applied, Never Approved	0 0 %	0 0 %	3 3.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 0.8 %
Applied, Some Approved	1 0.8 %	0 0 %	5 5.2 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	7 2 %
Applied, All Approved	84 64.6 %	52 59.8 %	41 42.7 %	3 75 %	8 80 %	5 62.5 %	3 50 %	11 78.6 %	207 58.3 %
Total	130 100 %	87 100 %	96 100 %	4 100 %	10 100 %	8 100 %	6 100 %	14 100 %	355 100 %

<i>What was the largest commercial loan you received from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Other</i>	
\$50,000 or less	8 21.6 %	8 25.8 %	10 55.6 %	2 66.7 %	1 50 %	1 25 %	0 0 %	0 0 %	30 30.6 %
\$50,001 - \$100,000	7 18.9 %	2 6.5 %	3 16.7 %	1 33.3 %	0 0 %	0 0 %	0 0 %	0 0 %	13 13.3 %
\$100,001 - \$300,000	7 18.9 %	7 22.6 %	1 5.6 %	0 0 %	1 50 %	1 25 %	0 0 %	1 50 %	18 18.4 %
\$300,001 - \$500,000	1 2.7 %	4 12.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 5.1 %
\$500,001 - \$1,000,000	2 5.4 %	5 16.1 %	1 5.6 %	0 0 %	0 0 %	1 25 %	0 0 %	1 50 %	10 10.2 %
\$1,000,001 - \$3,000,000	0 0 %	3 9.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 3.1 %
\$3,000,001 - \$5,000,000	1 2.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 1 %
\$5,000,001 to \$10,000,000	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Over \$10,000,000	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	11 29.7 %	2 6.5 %	3 16.7 %	0 0 %	0 0 %	1 25 %	1 100 %	0 0 %	18 18.4 %
Total	37 100 %	31 100 %	18 100 %	3 100 %	2 100 %	4 100 %	1 100 %	2 100 %	98 100 %

<i>How many times have you been denied a commercial (business) bank loan from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
None	2 50 %	1 8.3 %	2 8.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 11.6 %
1-10	1 25 %	11 91.7 %	20 83.3 %	0 0 %	0 0 %	0 0 %	2 100 %	0 0 %	34 79.1 %
11-25	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
26-50	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
51-100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Over 100	0 0 %	0 0 %	1 4.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 2.3 %
Don't Know/NA	1 25 %	0 0 %	1 4.2 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	3 7 %
Total	4 100 %	12 100 %	24 100 %	0 100 %	0 100 %	1 100 %	2 100 %	0 100 %	43 100 %

<i>[Business start-up loan?] Of the items your company was denied, what was the denial reason?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Insufficient Documentation	0	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Insufficient Business History	0	2	7	0	0	0	1	0	10
	0 %	66.7 %	58.3 %	0 %	0 %	0 %	100 %	0 %	62.5 %
Confusion about Process	0	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Credit History	0	0	3	0	0	0	0	0	3
	0 %	0 %	25 %	0 %	0 %	0 %	0 %	0 %	18.8 %
Don't Know/NA	0	1	2	0	0	0	0	0	3
	0 %	33.3 %	16.7 %	0 %	0 %	0 %	0 %	0 %	18.8 %
<i>Total</i>	0	3	12	0	0	0	1	0	16
	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %

<i>[Operating capital loan?] Of the items your company was denied, what was the denial reason?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Insufficient Documentation	1 33.3 %	0 0 %	1 4.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 5.1 %
Insufficient Business History	0 0 %	1 10 %	6 26.1 %	0 0 %	0 0 %	0 0 %	1 50 %	0 0 %	8 20.5 %
Confusion about Process	0 0 %	0 0 %	1 4.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 2.6 %
Credit History	0 0 %	5 50 %	6 26.1 %	0 0 %	0 0 %	0 0 %	1 50 %	0 0 %	12 30.8 %
Don't Know/NA	2 66.7 %	4 40 %	9 39.1 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	16 41 %
Total	3 100 %	10 100 %	23 100 %	0 100 %	0 100 %	1 100 %	2 100 %	0 100 %	39 100 %

<i>[Equipment loan?] Of the items your company was denied, what was the denial reason?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Insufficient Documentation	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 4.3 %
Insufficient Business History	0 0 %	1 14.3 %	2 18.2 %	0 0 %	0 0 %	0 0 %	1 50 %	0 0 %	4 17.4 %
Confusion about Process	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Credit History	0 0 %	2 28.6 %	5 45.5 %	0 0 %	0 0 %	0 0 %	1 50 %	0 0 %	8 34.8 %
Don't Know/NA	2 100 %	4 57.1 %	3 27.3 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	10 43.5 %
Total	2 100 %	7 100 %	11 100 %	0 100 %	0 100 %	1 100 %	2 100 %	0 100 %	23 100 %

<i>[Commercial/Professional liability insurance?] Of the items your company was denied, what was the denial reason?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Insufficient Documentation	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 10 %
Insufficient Business History	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Confusion about Process	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Credit History	0 0 %	0 0 %	2 25 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 20 %
Don't Know/NA	1 100 %	0 0 %	5 62.5 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	7 70 %
Total	1 100 %	0 100 %	8 100 %	0 100 %	0 100 %	1 100 %	0 100 %	0 100 %	10 100 %

<i>Do you believe that your race, gender, or ethnicity was a factor in any of those denials?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Yes	0 0 %	0 0 %	13 52 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	14 31.8 %
No	4 100 %	12 100 %	12 48 %	0 0 %	0 0 %	0 0 %	2 100 %	0 0 %	30 68.2 %
<i>Total</i>	4 100 %	12 100 %	25 100 %	0 100 %	0 100 %	1 100 %	2 100 %	0 100 %	44 100 %

<i>How would you rate the quality of interaction with the City of Greensboro on contract opportunities?</i>	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Extremely Satisfied	13 10.4 %	1 1.2 %	5 5.6 %	0 0 %	1 11.1 %	0 0 %	0 0 %	3 23.1 %	23 6.8 %
Satisfied	28 22.4 %	15 17.6 %	12 13.5 %	0 0 %	2 22.2 %	2 25 %	1 16.7 %	3 23.1 %	63 18.6 %
Somewhat Satisfied	6 4.8 %	6 7.1 %	13 14.6 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	1 7.7 %	28 8.3 %
Neutral	25 20 %	17 20 %	20 22.5 %	1 25 %	2 22.2 %	1 12.5 %	1 16.7 %	2 15.4 %	69 20.4 %
Somewhat Dissatisfied	4 3.2 %	5 5.9 %	9 10.1 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 7.7 %	20 5.9 %
Dissatisfied	6 4.8 %	4 4.7 %	4 4.5 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	15 4.4 %
Extremely Dissatisfied	10 8 %	8 9.4 %	7 7.9 %	0 0 %	0 0 %	1 12.5 %	2 33.3 %	0 0 %	28 8.3 %
Don't Know/NA	33 26.4 %	29 34.1 %	19 21.3 %	3 75 %	4 44.4 %	2 25 %	0 0 %	3 23.1 %	93 27.4 %
<i>Total</i>	125 100 %	85 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	339 100 %

<i>Do you feel as though you experienced discriminatory behavior from the private sector (i.e., non-governmental entities) from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Yes	4 3.2 %	10 11.8 %	31 34.8 %	1 25 %	0 0 %	1 12.5 %	2 33.3 %	0 0 %	49 14.5 %
No	94 75.2 %	52 61.2 %	31 34.8 %	3 75 %	6 66.7 %	7 87.5 %	3 50 %	11 84.6 %	207 61.1 %
Don't Know	27 21.6 %	23 27.1 %	27 30.3 %	0 0 %	3 33.3 %	0 0 %	1 16.7 %	2 15.4 %	83 24.5 %
Total	125 100 %	85 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	339 100 %

<i>From July 1, 2011 through June 30, 2016, how often has your company experienced any racial, gender, or ethnicity discriminatory behavior from the City of Greensboro?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Never	97 77.6 %	59 69.4 %	40 44.9 %	2 50 %	6 66.7 %	6 75 %	1 16.7 %	11 84.6 %	222 65.5 %
Seldom	2 1.6 %	4 4.7 %	4 4.5 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	11 3.2 %
Often	0 0 %	2 2.4 %	9 10.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	11 3.2 %
Very Often	1 0.8 %	2 2.4 %	3 3.4 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	7 2.1 %
Don't Know	25 20 %	18 21.2 %	33 37.1 %	2 50 %	3 33.3 %	1 12.5 %	4 66.7 %	2 15.4 %	88 26 %
Total	125 100 %	85 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	339 100 %

<i>Do you believe there is an informal network of prime and subcontractors doing business with the City of Greensboro that monopolize the public contracting process?</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Yes	35 28 %	28 32.9 %	65 73 %	0 0 %	3 33.3 %	2 25 %	4 66.7 %	1 7.7 %	138 40.7 %
No	90 72 %	57 67.1 %	24 27 %	4 100 %	6 66.7 %	6 75 %	2 33.3 %	12 92.3 %	201 59.3 %
<i>Total</i>	125 100 %	85 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	339 100 %

[My company's exclusion from this network has prevented us from bidding on contracts with the City of Greensboro.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial		Other
Strongly Disagree	1 2.9 %	0 0 %	9 14.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	10 7.5 %
Disagree	4 11.8 %	4 14.8 %	6 9.4 %	0 0 %	1 33.3 %	0 0 %	0 0 %	0 0 %	15 11.2 %
Neither Agree nor Disagree	16 47.1 %	14 51.9 %	26 40.6 %	0 0 %	2 66.7 %	1 100 %	1 25 %	1 100 %	61 45.5 %
Agree	8 23.5 %	5 18.5 %	17 26.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	30 22.4 %
Strongly Agree	5 14.7 %	4 14.8 %	6 9.4 %	0 0 %	0 0 %	0 0 %	3 75 %	0 0 %	18 13.4 %
Total	34 100 %	27 100 %	64 100 %	0 100 %	3 100 %	1 100 %	4 100 %	1 100 %	134 100 %

<i>[My company's exclusion from this network has prevented us from winning contracts with the City of Greensboro.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Strongly Disagree	1 2.9 %	0 0 %	9 14.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	10 7.4 %
Disagree	3 8.8 %	2 7.1 %	4 6.2 %	0 0 %	1 33.3 %	0 0 %	0 0 %	0 0 %	10 7.4 %
Neither Agree nor Disagree	14 41.2 %	15 53.6 %	27 42.2 %	0 0 %	2 66.7 %	0 0 %	0 0 %	0 0 %	58 43 %
Agree	8 23.5 %	8 28.6 %	14 21.9 %	0 0 %	0 0 %	1 100 %	1 25 %	1 100 %	33 24.4 %
Strongly Agree	8 23.5 %	3 10.7 %	10 15.6 %	0 0 %	0 0 %	0 0 %	3 75 %	0 0 %	24 17.8 %
Total	34 100 %	28 100 %	64 100 %	0 100 %	3 100 %	1 100 %	4 100 %	1 100 %	135 100 %

<i>[Exclusion from this informal network has a disproportionate impact on women and minority-owned businesses.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	<i>Non-Minority</i>	<i>Woman</i>	<i>African American</i>	<i>Asian American</i>	<i>Hispanic American</i>	<i>Native American</i>	<i>Bi-Racial or Multi-Racial</i>		<i>Other</i>
Strongly Disagree	4 11.8 %	1 3.7 %	7 10.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	12 9 %
Disagree	2 5.9 %	1 3.7 %	1 1.6 %	0 0 %	1 33.3 %	0 0 %	0 0 %	0 0 %	5 3.7 %
Neither Agree nor Disagree	22 64.7 %	13 48.1 %	17 26.6 %	0 0 %	2 66.7 %	0 0 %	0 0 %	1 100 %	55 41 %
Agree	3 8.8 %	5 18.5 %	13 20.3 %	0 0 %	0 0 %	0 0 %	1 25 %	0 0 %	22 16.4 %
Strongly Agree	3 8.8 %	7 25.9 %	26 40.6 %	0 0 %	0 0 %	1 100 %	3 75 %	0 0 %	40 29.9 %
Total	34 100 %	27 100 %	64 100 %	0 100 %	3 100 %	1 100 %	4 100 %	1 100 %	134 100 %

<i>[Double standards in qualification and performance make it more difficult for minority and women-owned businesses to win bids or contracts.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i>	<i>Owners' Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Strongly Disagree	27 22.3 %	8 9.9 %	10 11.2 %	1 25 %	0 0 %	2 25 %	2 33.3 %	3 23.1 %	53 16 %
Disagree	16 13.2 %	17 21 %	1 1.1 %	1 25 %	0 0 %	1 12.5 %	0 0 %	2 15.4 %	38 11.5 %
Neither Agree nor Disagree	66 54.5 %	38 46.9 %	28 31.5 %	2 50 %	8 88.9 %	3 37.5 %	0 0 %	8 61.5 %	153 46.2 %
Agree	8 6.6 %	14 17.3 %	26 29.2 %	0 0 %	0 0 %	1 12.5 %	2 33.3 %	0 0 %	51 15.4 %
Strongly Agree	4 3.3 %	4 4.9 %	24 27 %	0 0 %	1 11.1 %	1 12.5 %	2 33.3 %	0 0 %	36 10.9 %
<i>Total</i>	121 100 %	81 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	331 100 %

<p><i>[The amount of experience required by a firm to bid or win contracts with the City of Greensboro is unnecessary and makes it more difficult for minority and women-owned businesses to win bids or contracts.]</i> Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</p>	Owners' Minority Status							Total	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Strongly Disagree	25 20.7 %	7 8.6 %	8 9 %	0 0 %	1 11.1 %	2 25 %	1 16.7 %	3 23.1 %	47 14.2 %
Disagree	16 13.2 %	16 19.8 %	11 12.4 %	1 25 %	2 22.2 %	1 12.5 %	1 16.7 %	3 23.1 %	51 15.4 %
Neither Agree nor Disagree	71 58.7 %	43 53.1 %	30 33.7 %	1 25 %	4 44.4 %	4 50 %	0 0 %	7 53.8 %	160 48.3 %
Agree	8 6.6 %	13 16 %	20 22.5 %	2 50 %	2 22.2 %	1 12.5 %	3 50 %	0 0 %	49 14.8 %
Strongly Agree	1 0.8 %	2 2.5 %	20 22.5 %	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	24 7.3 %
Total	121 100 %	81 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	331 100 %

[Sometimes, a prime contractor will contact a minority, woman or disadvantaged business and ask for a quote just to meet the “good faith effort” requirement, but never give their proposal consideration.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	<i>Owners’ Minority Status</i>							<i>Total</i>	
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Strongly Disagree	15 12.4 %	4 5 %	5 5.6 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	3 23.1 %	29 8.8 %
Disagree	10 8.3 %	7 8.8 %	2 2.2 %	0 0 %	2 22.2 %	0 0 %	0 0 %	3 23.1 %	24 7.3 %
Neither Agree nor Disagree	76 62.8 %	36 45 %	29 32.6 %	2 50 %	5 55.6 %	2 25 %	2 33.3 %	6 46.2 %	158 47.9 %
Agree	13 10.7 %	19 23.8 %	20 22.5 %	2 50 %	2 22.2 %	4 50 %	0 0 %	1 7.7 %	61 18.5 %
Strongly Agree	7 5.8 %	14 17.5 %	33 37.1 %	0 0 %	0 0 %	1 12.5 %	3 50 %	0 0 %	58 17.6 %
Total	121 100 %	80 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	330 100 %

<p><i>[Sometimes, a prime contractor will include a minority, woman, or disadvantaged subcontractor on a bid to meet the “good faith effort” requirement, then drop the company as a subcontractor after winning the award.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p>Owners' Minority Status</p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Strongly Disagree</p>	<p>13 10.8 %</p>	<p>3 3.8 %</p>	<p>5 5.6 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 12.5 %</p>	<p>1 16.7 %</p>	<p>3 23.1 %</p>	<p>26 7.9 %</p>
<p>Disagree</p>	<p>10 8.3 %</p>	<p>8 10 %</p>	<p>4 4.5 %</p>	<p>1 25 %</p>	<p>1 11.1 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>4 30.8 %</p>	<p>28 8.5 %</p>
<p>Neither Agree nor Disagree</p>	<p>79 65.8 %</p>	<p>49 61.3 %</p>	<p>41 46.1 %</p>	<p>2 50 %</p>	<p>8 88.9 %</p>	<p>5 62.5 %</p>	<p>2 33.3 %</p>	<p>6 46.2 %</p>	<p>192 58.4 %</p>
<p>Agree</p>	<p>13 10.8 %</p>	<p>13 16.2 %</p>	<p>15 16.9 %</p>	<p>1 25 %</p>	<p>0 0 %</p>	<p>2 25 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>44 13.4 %</p>
<p>Strongly Agree</p>	<p>5 4.2 %</p>	<p>7 8.8 %</p>	<p>24 27 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>3 50 %</p>	<p>0 0 %</p>	<p>39 11.9 %</p>
<p><i>Total</i></p>	<p>120 100 %</p>	<p>80 100 %</p>	<p>89 100 %</p>	<p>4 100 %</p>	<p>9 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>13 100 %</p>	<p>329 100 %</p>

<p><i>[In general, M/W/DBE's tend to be viewed by Non-minority businesses as less competent than non-minority male-owned businesses.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p><i>Owners' Minority Status</i></p>							<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>African American</p>	<p>Asian American</p>	<p>Hispanic American</p>	<p>Native American</p>	<p>Bi-Racial or Multi-Racial</p>		<p>Other</p>
<p>Strongly Disagree</p>	<p>18 15 %</p>	<p>2 2.5 %</p>	<p>5 5.6 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 12.5 %</p>	<p>1 16.7 %</p>	<p>3 23.1 %</p>	<p>30 9.1 %</p>
<p>Disagree</p>	<p>16 13.3 %</p>	<p>12 15 %</p>	<p>2 2.2 %</p>	<p>1 25 %</p>	<p>2 22.2 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>4 30.8 %</p>	<p>37 11.2 %</p>
<p>Neither Agree nor Disagree</p>	<p>69 57.5 %</p>	<p>40 50 %</p>	<p>31 34.8 %</p>	<p>1 25 %</p>	<p>5 55.6 %</p>	<p>2 25 %</p>	<p>1 16.7 %</p>	<p>5 38.5 %</p>	<p>154 46.8 %</p>
<p>Agree</p>	<p>14 11.7 %</p>	<p>20 25 %</p>	<p>20 22.5 %</p>	<p>2 50 %</p>	<p>1 11.1 %</p>	<p>5 62.5 %</p>	<p>2 33.3 %</p>	<p>0 0 %</p>	<p>64 19.5 %</p>
<p>Strongly Agree</p>	<p>3 2.5 %</p>	<p>6 7.5 %</p>	<p>31 34.8 %</p>	<p>0 0 %</p>	<p>1 11.1 %</p>	<p>0 0 %</p>	<p>2 33.3 %</p>	<p>1 7.7 %</p>	<p>44 13.4 %</p>
<p>Total</p>	<p>120 100 %</p>	<p>80 100 %</p>	<p>89 100 %</p>	<p>4 100 %</p>	<p>9 100 %</p>	<p>8 100 %</p>	<p>6 100 %</p>	<p>13 100 %</p>	<p>329 100 %</p>

[I believe that some non-minority prime contractors only utilize M/W/DBE companies when required to do so by the City of Greensboro.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	<i>Owners' Minority Status</i>								<i>Total</i>
	Non-Minority	Woman	African American	Asian American	Hispanic American	Native American	Bi-Racial or Multi-Racial	Other	
Strongly Disagree	13 10.8 %	1 1.3 %	6 6.7 %	0 0 %	0 0 %	1 12.5 %	1 16.7 %	3 23.1 %	25 7.6 %
Disagree	10 8.3 %	6 7.6 %	1 1.1 %	1 25 %	1 11.1 %	0 0 %	0 0 %	2 15.4 %	21 6.4 %
Neither Agree nor Disagree	69 57.5 %	40 50.6 %	18 20.2 %	1 25 %	4 44.4 %	3 37.5 %	1 16.7 %	6 46.2 %	142 43.3 %
Agree	22 18.3 %	22 27.8 %	24 27 %	1 25 %	3 33.3 %	4 50 %	1 16.7 %	1 7.7 %	78 23.8 %
Strongly Agree	6 5 %	10 12.7 %	40 44.9 %	1 25 %	1 11.1 %	0 0 %	3 50 %	1 7.7 %	62 18.9 %
<i>Total</i>	120 100 %	79 100 %	89 100 %	4 100 %	9 100 %	8 100 %	6 100 %	13 100 %	328 100 %

APPENDIX J

Utilization for
All Spending

APPENDIX J – UTILIZATION (COMBINED WORK CATEGORIES)

Table --J-1

**Greensboro Disparity Study
Disparity Results
Business Ownership Classification by Procurement Type, Prime
(Using Award Dollars, FY 2012-2016)**

Business Ownership	Construction	Professional Services	Other Services	Goods	Totals
African American	\$ 3,185,339	\$ 2,543,027	\$ 7,042,206	\$ 561,510	\$ 13,332,081
Asian American	\$ -	\$ 593,475	\$ -	\$ 191,704	\$ 785,179
Hispanic American	\$ 30,000	\$ 310,196	\$ 549,483	\$ -	\$ 889,679
Native American	\$ 227,414	\$ -	\$ 9,145	\$ -	\$ 236,559
Total MBE	\$ 3,442,753	\$ 3,446,698	\$ 7,600,833	\$ 753,214	\$ 15,243,497
Nonminority Female	\$ 17,127,438	\$ 3,569,737	\$ 1,740,660	\$ 3,317,243	\$ 25,755,078
Total M/WBE	\$ 20,570,191	\$ 7,016,435	\$ 9,341,493	\$ 4,070,457	\$ 40,998,575
Non-M/WBE	\$ 357,846,906	\$ 139,573,615	\$ 143,474,365	\$ 255,606,306	\$ 896,501,192
Total	\$ 378,417,097	\$ 146,590,050	\$ 152,815,858	\$ 259,676,763	\$ 937,499,767

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Note: This analysis is of all utilization, not just in the Relevant Market, which is used for all other utilization analysis.

APPENDIX K

Greensboro Prime Vendor Questionnaire
and Prime Vendor Questionnaire Results

Prime Vendor Questionnaire City of Greensboro Disparity Study

Prime Vendor Name _____ Greensboro Vendor ID# (if known) _____

Prime Vendor Address _____ City _____ ST _____ Zip _____

Prime Vendor Phone _____ Prime Vendor Email _____

Prime Vendor 51% or More Ownership: Caucasian Man Caucasian Woman African American Asian American Hispanic American Native American
Publicly Traded Not-for-Profit Governmental Entity If certified, list certification and one Certifying Agency _____

Project/Contract Number _____ Project/Contract Description _____ Project/Contract Date _____

Prime Vendor NIGP Code _____ Work Category: Construction Professional Services Goods & Other Services

Did you utilize any subcontractors under this contract? YES NO If you utilized any subcontractors, please list ALL subcontractors below.

Subcontractor/ Subconsultant Greensboro Vendor ID No.	Subcontractor/ Subconsultant Name	Subcontractor City, State, Zip	M/W/DBE Status of Subcontractor (see list above)	Scope of Work Performed (Description)	Subcontractor NIGP Code or Work Category (Construction, Professional Services, Goods & Other Services)	Actual Subcontractor Award \$, including change orders	Actual Prime Contract Award \$, including change orders

Please return questionnaire by July 21, 2017 to: Greensboro Disparity Study, c/o Griffin & Strong, P.C., Box 368, Kennesaw, GA 30144 or email to GreensboroStudy@gspclaw.com, or fax to 404-584-9730.

Question #1: How many years has your firm been in operation? _____

Question #2: How many employees do you have on staff? _____

Question #3: How many full-time employees do you have? _____

Question #4: How many of your full-time employees are African American _____ Asian American _____ Hispanic American _____
Native American _____ Caucasian Women _____ Caucasian Men _____

Question #5: How many part-time employees do you have? _____

Question #6: How many of your part-time employees are African American _____ Asian American _____ Hispanic American _____
Native American _____ Caucasian Women _____ Caucasian Men _____

Question #7: Is your firm a signatory to any trade union? Yes or No

For the following financial questions, please circle the appropriate response.

Question #8: What was the gross revenue of your company for 2016? Circle the correct range.

Under \$100,000	\$100,000- \$249,000	\$250,000- \$499,000	\$500,000- \$749,000	\$750,000- \$999,999	\$1,000,000- \$4,999,999	\$5,000,000- \$9,999,999	\$10,000,000 \$25,000,000	\$25,000,000 and above
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Question #9: What was the highest individual public or private contract/award received by your firm since 2011?

Under \$100,000	\$100,000- \$249,000	\$250,000- \$499,000	\$500,000- \$749,000	\$750,000- \$999,999	\$1,000,000- \$4,999,999	\$5,000,000- \$9,999,999	\$10,000,000 \$25,000,000	\$25,000,000 and above
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Question #10: Was the award referenced in Question #9 a prime contract or a subcontract? Prime Sub

NOTE: Your responses to this questionnaire will be calculated numerically with the responses of other firms. Neither your name nor the name of your firm will be mentioned in the Disparity Study Report.

APPENDIX K-1 – PRIME VENDOR QUESTIONNAIRE RESULTS

The Prime Vendor Questionnaire referenced above was conducted through a mail questionnaire prepared by GSPC and sent to all awardees for all contract awards during the Study Period. A copy of the questionnaire is attached as Appendix K-2. There were 1745 questionnaires sent that were not returned or identified as outside the period, a not-for-profit, governmental agency, or that otherwise should have been excluded as a non-competitive contract (e.g. leases).¹ GSPC received responses from 234 firms which is a 13.41% response rate. Of those firms that responded 28 had subcontractors which indicates that only 11.97% of responding prime contractors utilized subcontractors. These 28 prime contractors awarded 232 subcontracts in total. Responding firms were asked to list the names of subcontractors, the type of work, and the dollar amount of subcontracts awarded. The analysis of responses to the survey is then used to draw inferences regarding minority and woman owned business participation in subcontracting by prime contractors.

Table K-1 shows that out of a total of 184 unique prime respondents 27 had subcontractors across all work categories. Construction, with 29 total unique respondents, and Professional Services, with 40 total unique respondents, both had 11 prime respondents with Subcontractors. 37.93% of the construction Prime Respondents had subcontractors.

Table K-1
Greensboro Disparity Study
Number Prime Respondents and their Subcontractors, All Categories
(Using Prime Vendor Questionnaire)

Work Category	Number of Prime Respondents	Number of Prime Respondents with Subcontractors	Percent of Prime Respondents reporting subcontractors
Construction	29	11	37.93%
Professional Services	40	11	27.50%
Other Services	115	5	4.35%
Total	184	27	14.67%

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Tables K-2 & 3 shows 81 Non-MWBE subcontractors received \$7,279,951 or 64.93% of the total subcontracting dollars accounted for by the prime respondents, MWBE's received 35.07% of the subcontracting dollars with Nonminority Females receiving 26.89 of that.

¹ GSPC did not send surveys to primes who provided goods since goods do not typically have subcontractors. GSPC will only report on subcontractors for Construction and Professional Services since the number of subcontractors in Other Services was small.

**Tables K-2 & 3
Greensboro Disparity Study
Construction
(Using Prime Vendor Questionnaire)**

Subcontractor Utilization by Award Dollars

Ethnicity	Dollar	Percent
African American	\$634,420	5.66%
Asian American	\$0	0.00%
Hispanic American	\$282,814	2.52%
Native American	\$0	0.00%
Unidentified MBE	\$0	0.00%
Total MBE	\$917,234	8.18%
Nonminority Female	\$3,014,964	26.89%
Total M/WBE	\$3,932,198	35.07%
Non-M/WBE	\$7,279,951	64.93%
Total Firms	\$11,212,149	100.00%

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Subcontractor Utilization by Number of Unique Firms

Ethnicity	Number	Percent
African American	8	7.48%
Asian American	0	0.00%
Hispanic American	5	4.67%
Native American	0	0.00%
Unidentified MBE	0	0.00%
Total MBE	13	12.15%
Nonminority Female	13	12.15%
Total MWBE	26	24.30%
Non-MWBE	81	75.70%
Total	107	100.00%

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Tables K-4 & 5 show Non-MWBE and Nonminority Females were the only professional service groups prime respondents listed to have received dollars. One Nonminority Female received 8.91% of the professional services dollars. The 48 Non-MWBE subcontractors accounted for 97.96 of the total professional services subcontractors.

**Tables K-4 & 5
Greensboro Disparity Study
Professional Services
(Using Prime Vendor Questionnaire)**

Subcontractor Utilization by Award Dollar

Ethnicity	Dollar	Percent
African American	\$0	0.00%
Asian American	\$0	0.00%
Hispanic American	\$0	0.00%
Native American	\$0	0.00%
Unidentified MBE	\$0	0.00%
Total MBE	\$0	0.00%
Nonminority Female	\$196,047	8.91%
Total MWBE	\$196,047	8.91%
Non-MWBE	\$2,004,450	91.09%
Total	\$2,200,497	100.00%

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Subcontractor Utilization by Number of Unique Firms

Ethnicity	Number	Percent
African American	0	0.00%
Asian American	0	0.00%
Hispanic American	0	0.00%
Native American	0	0.00%
Unidentified MBE	0	0.00%
Total MBE	0	0.00%
Nonminority Female	1	2.04%
Total MWBE	1	2.04%
Non-MWBE	48	97.96%
Total	49	100.00%

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Tables K-6 & 7 shows that there was a total of 162 subcontractors and they received \$13,476,373. 17.28% or 28 MWBE's shared a total of 4,128,245 or 30.63% of the subcontractor's dollars the prime respondents listed. 13 MBE's shared 6.81% or \$ 917,234 of the total subcontracting dollars.

**Tables K-6 & 7
Greensboro Disparity Study
All Categories
(Using Prime Vendor Questionnaire)**

Subcontractor Utilization by Award Dollar

Ethnicity	Dollar	Percent
African American	\$634,420	4.71%
Asian American	\$0	0.00%
Hispanic American	\$282,814	2.10%
Native American	\$0	0.00%
Unidentified MBE	\$0	0.00%
Total MBE	\$917,234	6.81%
Nonminority Female	\$3,211,011	23.83%
Total MWBE	\$4,128,245	30.63%
Non-MWBE	\$9,348,128	69.37%
Total	\$13,476,373	100.00%

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Subcontractor Utilization by Number of Unique Firms

Ethnicity	Number	Percent
African American	8	4.94%
Asian American	0	0.00%
Hispanic American	5	3.09%
Native American	0	0.00%
Unidentified MBE	0	0.00%
Total MBE	13	8.02%
Nonminority Female	15	9.26%
Total MWBE	28	17.28%
Non-MWBE	134	82.72%
Total	162	100.00%

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APPENDIX L

Best Practices Report

Griffin & Strong, PC
2018 Contract Compliance Program Review
and Best Practices Report

A. Introduction

This report is an analysis of the unique features and “best practices” of various Minority/Women/Small/Disadvantaged Business Enterprise (M/W/S/DBE) programs across the United States. For the purposes of this report, over one hundred local, state, and federal jurisdictions were examined for the presence, if any, of such a program.ⁱ Those jurisdictions in which a program was discovered underwent an analysis of their online presence and resources, any operating procedures and practices made available through the internet, and relevant ordinances and statutes. This report is laid out by area of focus, broken into the five pillars of program success: certification, monitoring and oversight, outreach, goal-setting, and supportive services. The purpose of this document is to provide our clients with a coherent reporting of the most relevant, innovative, and unique configurations of M/W/S/DBE programs and provide ideas and inspiration for contract compliance professionals seeking to strengthen their own programs

The programs mentioned in this report are by no means an exhaustive list of effective or exemplary programs, and many of the program features and practices mentioned are performed by more jurisdictions than those mentioned. However, it is our hope that this report can provide a useful overview of current contract compliance procedures and lend insight into the various configurations of programs around the United States. The programs addressed in the report are:

- Austin, TX
- Baltimore County, MD
- Bridgeport, CT
- Cincinnati, OH
- Denver, CO
- Durham, NC
- Fort Worth, TX
- Kansas City, MO
- Los Angeles, CA
- Nashville, TN
- Orlando, FL
- Phoenix, AZ
- Port Authority of NY and NJ
- Memphis, TN
- State of Indiana
- State of Oregon

B. Certification

Proper certification procedures are crucial to the success of any MWBE set-aside program, and require significant documentary evidence and robust verification processes to ensure that the program is reaching its targeted beneficiaries. However, classifications as “minority” “women-owned” and “disadvantaged” differ by jurisdiction and according to the specific needs of each community as determined by disparity analysis and factual predicate research. Various forms of

verification may be a part of the certification process, such as requiring proof of ownership and trade certifications to establish that the owner is also the chief operator, and the use of birth certificates and naturalization documents to establish ethnicity and gender.

The guidelines of the United States Department of Transportation's Disadvantaged Business Enterprise Program, in which state and local transportation authorities are required to participate, provide a useful baseline understanding of the responsibilities of certifying agencies and program administrators in ensuring compliance with the certification process. The USDOT's program has, since 1983, required 10% of its allocated transportation funds to be awarded to DBE firms, and the verification process surrounding the determination of DBE status is therefore crucial to the program's success. The USDOT states that certifiers must "make the determinations" of socially or economically disadvantaged status "based upon on-site visits, personal interviews, reviews of licenses, stock ownership, equipment, bonding capacity, work completed, resume of principal owners and financial capacity."

Several jurisdictions participate in Uniform Certification Programsⁱⁱ (UCP) which, according to the United States Department of Transportation (USDOT) website, enables applicants for their Disadvantaged Business Enterprise (DBE) program to apply once for certification that will be "honored by all recipients in the state." The benefits of the UCP are clear in that it allows DBE firms to limit the time and expense of individual applications for specific localities, and allows the governments involved to streamline the certification process through reciprocal memberships. Of course, the responsibility falls to the certifying agency to ensure that the verifications processes are carried through in a thorough manner. The UCP application can be found on the USDOT website. The cities of Cincinnati, OH, Memphis, TN, and the Bronx, New York all provide and accept certification through UCP. Once certified as a DBE, firms must provide a sworn affidavit every year following certification stating that "there have been no changes in the firm's circumstances affecting its ability to meet size, disadvantaged status, ownership or control requirements of the part or any material changes in the information provided in its application form." The Uniform Certification Application has been recently revised following the issuing of a "final rule" which amended the DBE program and allowed for "summary suspensions" as well as modifying provisions for good faith efforts and counting for trucking, which has been an area of overconcentration in several jurisdictions.

The City of Bridgeport, Connecticutⁱⁱⁱ includes African-Americans, Hispanic Americans, MBEs, minority females, and Caucasian females in their program. A woman-owned business enterprise is defined as a "women-owned business...who is not a member of a racial minority group." Though Bridgeport distinguishes between minority females and other MBE/WBE groups, they are not classified as a "target group" for any specific goal allocation. Cincinnati, OH factors for minority female-owned business by stating that "a business that is certified both as an MBE and

as a WBE ("M/WBE") may be counted either toward the MBE contract participation goal or toward the WBE contract participation goal, but not toward both. The participation of an M/WBE also may not be allocated partially to the MBE contract participation goal and partially to the WBE contract participation goal."

Bridgeport defines a "DBE" as "an individual having a physical impairment that substantially limits one or more of the major life activities of the individual or who has a record of such an impairment that is Certified. DBE is therefore not the federal definition of "disadvantaged business enterprise" but is a classification for disabled-owned businesses. Chicago, Illinois makes provisions for MBE's, WBE's (firms at least 51% owned and operated by a minority or woman, respectively) and also for "BEPD's" or "business enterprise owned or operated by people with disabilities."

Bridgeport, CT requires non-minority WBEs to establish that they have legally existed for at least one year prior to the time of bid. Los Angeles, CA^v requires that minority or women owners have "managerial and technical competence and experience directly related to the type of business in which the firm is engaged" and further notes that "expertise limited to office management, administration, or bookkeeping functions is insufficient to demonstrate control in a company that performs a specialized or technical service." If a license or credential is required to perform the firms "core business activity," that certification must be held by the minority or woman owner. The city also requires identification of specific subcontractors at the time of bid and prohibited substitutions "without good cause," the determination of which is at the discretion of the program administrator.

Another best practice in certification is requiring a "net worth" cap on participation and offering options for firms to "graduate" from the program. The criterion to determine a graduated firm, one that has achieved a certain level of contracting success and has become economically viable in the marketplace, vary from jurisdiction to jurisdiction, but the practice itself ensures that MWBE goals are not being fulfilled only by firms that are already competitive and established.

C. Monitoring and Oversight

With awareness of the fact that there can occasionally be program misuse, it is important to couple certification documentation and verification processes with periodic monitoring efforts to ensure that participants have not misrepresented their identities, roles within the firm, or the portion of work that they are conducting pursuant to the program guidelines. Many jurisdictions grant wide-reaching powers of suspension and penalization to their program directors, often overseen by external committees and boards or the City or County councils. The multi-tiered oversight is

designed to ensure that program decision-makers do not have unilateral authority that may be abused, but that they are empowered enough to usefully monitor and administer the program in the event of wrongdoing.

1. Monitoring

Orlando, Florida's^v program specifies that Compliance Officers have the authority to determine non-compliance or failure to show good faith efforts. This decision must be reported to the Director of Purchasing and the contractor, and upon continued failure to come into compliance after a thirty-day grace period, will result in penalties that may include a year-long debarment from submitting bids or forfeiture of the retainage of the contract. All such penalties are subject to review by the City Council. Similarly, Cincinnati, OH^{vi} has established that a contractor that "fails to comply" with the MWBE program regulations is subject to "any or all" of these administrative penalties: a) suspension of contract until noncompliance is resolved, b) withholding of funds, c) rescission of contract based on material breach, d) refusal to accept a bid or response to an RFP or RFQ, e) debarment from providing goods or services to the city for a period not to exceed two years, or f) payment of liquidated damages.

More severely, Houston, Texas^{vii} makes provisions in its Code of Ordinances for the Director to suspend contractors who fail to make "Good Faith Efforts" for up to five years. The severity of sanctions is dependent on whether there have been previous incidences of failure to comply, intentionality, previous suspensions, or a misrepresentation of facts. Houston also allows its Director to establish arbitration procedures to resolve disputes between majority contractors and MWBE participants.

Like many other municipalities, the Metropolitan Government of Nashville and Davidson County^{viii} in Tennessee employs several mechanisms for obtaining and recording documentary evidence of compliance. Bids submitted on projects that fall under the scope of the government's MWBE program are only considered responsive if they include the following documentation:

- A "Covenant of Non-Discrimination" agreeing to attempt to solicit MWBE participation on projects and to not engage in discriminatory conduct toward firms or employees, in which failure to do so constitutes a breach of contract
- A "Statement of Written Notification to MWBEs" requiring each bidder to confirm that they have delivered written notice to three certified MWBEs in the relevant work category including "sufficient information about the plans, specifications, and relevant terms and conditions of the solicitation," as well as bonding requirements, deadlines, and a point of contact to reach the prime firm for more information
- A "Statement of Successful Subcontractors" in which each bidder is required to list all successful subcontractors' "names, UNSPC codes, race, gender, national origin, business

location, work to be performed, dollar value of the project, and percentage attributable to each subcontractor.” This shall be accompanied by copies of their price quotes.

The purpose of such documentary evidence of “good faith efforts” to notify, inform, and assist MWBE’s in submitting bids and quotes as subcontractors is to ensure that the government has an appropriate and binding means of enforcing their good faith requirements. Though it is a common complaint among MWBE firms nationwide that they receive phone calls to solicit their information solely for the purpose of submitting the “good faith efforts” documentation, Nashville’s extensive documentation requirements, coupled with robust administrative follow-through and verification make such workarounds quite difficult and encourage legitimate participation. One example of stellar monitoring is a process in place at the City of Durham^{ix} in North Carolina that requires the City Manager’s approval before a prime contractor may replace a subcontractor the contract award. Such measures prevent firms from utilizing MWBEs to obtain work and then transferring the work to non-MWBE firms if there is no reasonable cause such as a true failure of performance or failure to meet the financial or bonding requirements.

Of course, it is also best practice to have mechanisms in place by which a project’s participation is monitored over the life of a contract for actual performance of work by the MWBE, fair treatment, and prompt payment. It can be crippling for small and disadvantaged businesses to go several cycles before their payment from a prime contractor, and repeated instances of such delays can lead to a business folding altogether. Fortunately, there are many effective mechanisms by which program officers can prevent such an occurrence. Several programs, such as the Port Authority of New York and New Jersey and the City of Durham, have implemented “prompt payment” rules, which require prime contractors to compensate their subcontractors no later than ten days from their receipt of payment by the government entity. Delays must be approved by the program director, and subcontractors may issue a dispute with that officer if their payment has not come through in that timeframe.

2. Oversight

With regards to the use of external boards and committees, Cincinnati, OH has established an Economic Inclusion Advocacy and Accountability Board whose responsibilities are to recommend policies and strategies for the economic inclusion program, measure the community impact of the program, and distribute to the community an annual report on the City’s inclusion efforts. Similarly, Baltimore County, MD^x has established a Procurement Review Group with one representative each from the Office of Budget and Finance, the Department of Public Works and the Office of Fair Practices. This group reviews bid solicitations involving “discretionary dollars” to determine whether there are opportunities for MWBE participation. They also make recommendations for dividing solicitations into smaller contracts or shorter terms and have a

measure of discretion in recommending goals lower or higher than the standard 15%.

In Baltimore, this group also develops rules for evaluating waiver requests and that may refine the definition of “discretionary dollars” or those contracts that are in their purview. The responsibilities of contract compliance are split between the three departments, with the Office of Fair Practices and the Office of Budget and Finance assisting county offices in identifying certified firms, reviewing MWBE participation plans submitted by general contractors, and providing outreach services to MWBEs while the Department of Public works manages the lists of pre-qualified consultants and contractors. Baltimore County relies on the City’s certification, but the Office of Budget and Finance has the discretion to use non- certified MWBEs who declare their status under oath.

The State of Indiana^{xi} has established a “Governor’s Commission on Minority and Women Business Enterprises,” which includes a chairperson appointed by the governor, the commissioner of the Indiana DOT, nine individuals with “demonstrated capabilities” in business and industry (preference for MWBE firms) from the three districts of Indiana, and four members of the house of representatives and senate from two different parties. The term of service is 4 years, and no more than 6 of the 10 members may be of the same political party. The role of the commission is to identify MWBE firms, assess their needs, and “initiate aggressive programs” to assist MWBEs in winning state contracts. Their role is also to establish annual MWBE goals and to publicize procurement procedures. The commission’s meeting minutes are made available online. They provide a certification clinic and webinar each month, and certification with the state is valid for three years.

D. Goal-Setting

Goal-setting and procurement procedures are arguably the most instrumental component of MWBE program implementation, as race/gender specific, fact-based goals are needed to meet the “narrow-tailoring” requirements laid out by the Supreme Court in City of Richmond v. JA Croson Company (1989). Ideally, goals should be set after a disparity review specific to the jurisdiction in which they are to be implemented, and the data disaggregated by race, gender, and work category. Some programs determine that blanket goals covering all the entities contracts (or total spend) are appropriate to their situation, whereas others have individual goals for each major procurement group. Notably, many programs separate minority and women-owned business goals, a measure designed to both address findings wherein women- and minority-owned firms face different challenges and to reduce the occurrence of WBE “fronts” and streamline monitoring.

Bridgeport’s goals for informal (under \$25,000) and formal contracts are 30% of the aggregate dollar value, 15% to MBEs (which includes minority females) and 15% to non-minority WBEs. For

construction subcontracting, specifically 6% of the aggregate dollar value of formal and informal contracts must go to African American businesses because they are classified as the “target group.” In Bridgeport, CT, the city has determined to award to a minority contract if their bid is no greater than 10% above the low bid of \$100,000 or less, 7% above a low bid of \$500,000 or less and 5% above a low bid of \$1,000,000 or less. They have also employed the use of a uniform 100-point scoring system

Fort Worth, TX^{xii} has identified goals on all projects over \$50,000 where there are two or more certified firms available. Their goals are 25% MBE for construction services, 15% available to African-Americans only in professional services, 15% SBE goal for architecture and engineering, and a 25% M/WBE goal for goods and non-professional services. Fort Worth also employs an “MWBE Prime Program” which identifies prime goals for construction contracts up to \$100,000 and professional services up to \$150,000. MWBE primes cannot subcontract more than 49% of the work to non-MWBE firms and receive up to 20% of the weighted selection criteria for MWBEs on bids. In our review, we have found few such instances of publicized efforts to assist MWBEs in obtaining contracts and primes, through the effectiveness of Fort Worth’s program has not been examined for the purposes of this report.

The City of Orlando, FL specifies an 18% goal of the annual monetary value of all of the City’s contracts and subcontracts for supplies, services, and construction to be awarded to minority-owned businesses and a further 6% of the annual monetary value of the same to be awarded to women-owned businesses. The goals may be reduced where there are no qualified MWBE firms to fulfill them, but minority goals and women-owned goals are always considered separately. In addition, all contractors “submitting bids to provide construction services to the City” are required to comply with “women-owned group employment levels” which require a minimum of 6% of their workforce to be female.

E. Outreach

Many jurisdictions focus their energy not just on providing services, but on outreach to the community to make business owners aware of the resources that are available through government programs. Areas of outreach tend to include bidding and procurement awareness, program participation and certification, and financial or supportive services available through public resources or private partnerships. Online resources are an essential component of effective outreach, and several programs have established highly functional websites with innovative designs to help contractors stay abreast of the opportunities available to them.

The City of Baltimore, MD’s^{xiii} MWBE program website has several colorful icons linking to the City’s MWBE directory and a Small Business Resources page with information on financial planning, starting a business, and networking events. Another icon leads to the City’s interactive

“EconView” page: a mapping tool that displays public construction and real estate projects throughout the City, showing statistics such as cost and square footage of each project. The filter feature allows users to select between projects that are in the planning or construction stages, or those that have been recently completed. An effective website should contain at least the essential information new-to-market or small startup firms may need in order to do business with a particular entity. This may include certification information, a program description with information on goals, times and dates for courses and events, a listing of current bid opportunities, a vendor database for certified firms, contact information for relevant government staff, and information on the financial assistance available. The State of Oregon^{xiv} has an attractive website that is easy to navigate and provides the majority of the information that young, small, and disadvantaged businesses might need to get started. Many entities have moved to digital processing for bid tabulations, and provide their bid documents and specifications online to registered vendors, which is a step in the direction of more accessible bidding.

Bridgeport, CT’s ordinance has required the creation of a uniform system for posting procurement notices, which is left to the Administrator of the program to accomplish. In Houston, Good Faith Efforts require that contractors give written notice to all local certified MWBEs, minority and women-focused associations, and news media focused toward minorities and women in the City’s directory, as well as any MWBE’s who requested information. The written notices must contain information about the plans and specifications of the contract, as well as the type of work to be subcontracted, a contact person at the contractor’s office to answer questions, and information on bonding requirements. Contractors are required to attend special pre-bid meetings to inform MWBEs of subcontracting opportunities. Any MWBE whose bid is rejected must be provided with an explanation and the prime contractor must also provide an explanation to the Contract Compliance Division at the City.

F. Supportive Services

Bridgeport, CT has taken several steps in their ordinance to ameliorate the financial burden on small and MWBE firms. First among them is a prompt payment requirement, which goes a step further to prohibit “pay when paid” clauses in subcontracts. They have also suggested a “periodic releases of performance bonds,” in the case of subcontractor bonds and a release of retainage “upon satisfactory completion of portions of the subcontractor’s work.” They have prohibited prime contractors from creating a retainage greater than 5% of the value of an MWBE’s portion of the work. The Bridgeport ordinance also requires the Administrator and City Attorney to develop a policy to reduce or eliminate “to the extent practical and feasible” the bonding requirements” for MBEs, WBEs, and DBEs (such as a contingency in the budget to cover the costs and consequences for a firm’s failure to complete).

Kansas City, Missouri^{xv}, the Port Authority of New York and New Jersey^{xvi}, and the City of Denver, Colorado^{xvii} all employ mentor-protégé programs designed to assist disadvantaged businesses in networking, building relationships, and learning from larger and more established firms. Kansas City's program goals are described as fostering "mutually beneficial business relationship...[to] heighten the capacity and availability of the protégé" and improve their ability to successfully compete for contracts." Protégés are limited to two agreements, and mentors to no more than three. Mentors and proteges are instructed to review the protégé's needs, be they technical or financial assistance, help with contracting requirements, or business development. The flexibility of the program extends to mentors agreeing to special payment terms based on the needs and responsibilities of the protégés or provided discounted materials, and regular meetings with the smaller firm a minimum of 20 hours a week. The program is monitored through quarterly reports and assessed based on the quality and nature of the assistance provided over the three-year period of the agreement. Though the smaller firms are not allowed to be the exclusive providers to their mentors, which is ensured through the inclusion of a non-exclusivity clause. Termination of the agreement or dropping out of the program by either party may occur with 30 days' notice or immediately if it is found by the program director that there has been an "abuse" of the program or a failure to keep up with the reporting procedures.

The Port Authority of NY and NJ have a differently constituted program which takes place in a formal classroom setting and is then reinforced by mentors in one-on-one meetings. The course options include contract law, estimating, financial management, project management, safety, scheduling, and professional development. The mentors are expected to provide "on-call" availability of at least one representative from their firm to provide advice to protégés as needed. The Port Authority's program is similar to Kansas City's in that it lasts three years, but differs in that mentors are encouraged to attend networking events to form partnerships with several protégé firms at once, and are not required to provide quarterly documentation or enter into a contractual agreement.

Denver's mentor-protégé program is designed specifically to create opportunities for minority and female subcontractors in construction to evolve into capable prime contractors. The program matches prime contractors with small MWBE firms to provide coaching on constructing bids and business management. The program was "beta-tested" for a year prior to implementation with a group of twelve MWBE's and thirteen prime contractors. Houston, TX encourages Joint Ventures between MWBE firms and majority contractors or subcontractors by allowing such an arrangement to satisfy the MWBE goal, subject to the MWBE program director's review of the contract. Fort Worth, TX also encourages joint ventures with MWBEs for fulfillment of the applicable goal, subject to review by the City.

Joint venturing, as supported by the state, county or municipality in which MWBE's seek to do business, can be a way to effectively move from subcontracting to prime contracts. In a successful joint venture, firms are able to rely on one another to manage the work schedule and financial burden of a project while splitting the profits and bolstering their respective resumes. The City of Fort Worth, TX's joint venture program encourages firms of any size to pair with an MWBE firm in an equal partnership, sharing "initial investment, risks and profits." The MWBE firm's portion of the work must be "clearly defined" at the outset of the project, and equal to their share in the partnership. Joint ventures accepted by Fort Worth are, however, legal partnerships that require forming a new corporation for the purposes of the specific project, and can be counted toward the overall MWBE subcontracting goal. Other programs emphasize joint venturing as an option for small and MWBE firms, but do not require the formation of an entirely new corporation. An example of one such program can be found in Austin, Texas^{xviii} where a joint venture is defined as "an association of two or more persons, or any combination of types of Business Enterprises and persons numbering two or more, proposing to perform a single Contract."

As in Fort Worth, there is a requirement that the share of both capital and risk are commensurate with each party's respective ownership interest, but there is no indication that a joint venture team is required to form an entirely new corporation, only that they are to provide, in writing, the "terms and conditions" of the relationship and the anticipated share of risk and responsibilities pursuant to the contract with the City. Austin does provide in its guidelines that only the percentage of the total dollar amount of the contract that is performed by MWBE partners will count toward the MWBE goal. This means that for a joint venture of two or more MWBE's, the entire contract will be counted toward the City's MWBE spend, but where and MWBE has partnered with a non-MWBE firm, only the portion on which they perform will be counted toward the goal.

Financial and bonding assistance programs often require that cities, counties and states establish relationships with private financial institutions, dedicate resources to educating the public about the federal resources available to small and minority owned businesses, and sometimes incurring some (managed) financial risk themselves to assist in financing projects with small and diverse firms. For instance, the City of Phoenix, Arizona^{xix} has established a financial assistance program called "EXPAND" that is intended to assist small businesses in obtaining commercial loans or loans through the Small Business Administration. By offering collateral up to 25% of the loan amount, up to \$150,000, the City assists firms in navigating the sometimes prohibitive terrain of project financing. In addition, they have established an authority to provide bond financing for economic development projects, aimed at increasing job opportunities and providing adequate and affordable housing in underserved areas. Further to these efforts, a jurisdiction may make available resources to assist firms in obtaining Small Business Association (SBA) financing^{xx} or accessing state-wide resources, such as New York's Minority and Women-Owned Business Development and Lending Program^{xxi}

G. Program Outsourcing

Various aspects of program management are sometimes outsourced to private firms or business organizations, whose capacity for outreach might exceed those of a local jurisdiction with limited resources. In addition, many of the financial supportive services mentioned above require government partnership with private financial and lending institutions, which have their own procedures for vetting applicants that must be merged with the eligibility requirements of the jurisdiction. Some local, non-federally funded jurisdictions, such as the City of Memphis^{xxiii} utilize private and community organizations for certain components of program management, such as certifications. Memphis accepts certifications from the Mid-South Minority Business Council, the TriState Minority Supplier Development Council, and the Women’s Business Enterprise National Council. It is useful for jurisdictions to vet the certification and verification processes in use by external agencies to determine if they are stringent or thorough enough to meet the jurisdiction’s needs. Alternatively, organizations and private firms may be used to provide educational courses for small and disadvantaged businesses on bidding, financial management, and business development.

The United States Department of Transportation’s^{xxiii} Disadvantaged Business Enterprise (DBE) program is a locally managed federal program required of Departments of Transportation in receipt of federal funding throughout the United States and governed by the Federal Highway Administration, the Federal Aviation Administration, and the Federal Transit Administration. These state and local DOT’s are required to create both annual DBE goals and contract-specific DBE subcontracting goals. Historically socially and economically disadvantaged groups (including women and most minorities) are eligible for participation, granted that they also meet the “small” business requirements with caps on personal net worth. GSPC has found only one instance of a privately operated DBE program, which is of interest to jurisdictions considering outsourcing some of their program responsibilities, such as procurement or monitoring.

Keolis Commuter Services^{xxiv}, a subsidiary of Keolis North America, operates and maintains the Massachusetts Bay Transportation Authority’s commuter rail system through Greater Boston. This is the only instance our firm has found wherein a private company manages a DBE program in accordance with USDOT’s regulations. Their “Joint Business Guide” explains their eight-year contract with MBTA, beginning in 2014, their firm history and philosophy. Their DBE program FAQ explains what a DBE is, what certification means, how it is different from M/WBE certification, and an explanation of the term “tier-two supplier.” Keolis explains the types of contracting work available to DBE firms and implores such firms to visit their web page for notices of contracting opportunities. Firms may register with KCS via their web portal and are required to adhere to FRA regulations and participate in safety training, as well as sign a non-discrimination or Equal Employment Opportunity policy document. Keolis also has a prompt

payment policy in which it agrees to pay its subcontractors within ten calendar days of the receipt of invoices, except in cases of a dispute. Potential DBE's, though required to be registered separately with Keolis, must be redirected to the State of MA Supplier Diversity Office (SDO) for DBE certification through the Uniform Certification Program.

H. Conclusion

It has been established that the best, most effective programs adhere to stringent certification processes, requiring documentary verification and vetting for fraudulent applications. As with goals, programs should certification should be “narrowly-tailored” and include those groups that have been identified either through disparity research or state guidelines as existing in the jurisdiction and having suffered marginalization or discrimination, either economic or social. Certification can be a lengthy and time-consuming process for program administrators, and therefore many local jurisdictions accept reciprocal certification from other jurisdictions, state certifications, and the UCP. Programs should be consistently monitored through a combination of site-visits, contractor agreements to fair practices, and programmatic authority to penalize non-compliant firms. It is also very effective for programs to be overseen by committees or citizen stakeholders, whose authority may serve as a check against unilateral decision-making. This may also include designing an appeals process for firms denied certification, contracts, or fair participation in the program. In addition, establishing a chain of documentary evidence with prime contractors regarding non-discrimination, firm utilization, good faith efforts, and prompt payment enables program administrators to apply the appropriate penalties for non-compliance.

Accurate goal-setting is crucial to the success of any program and should be done in consultation with the relevant researchers (either private firms or designated research teams within the entity) to ensure that the goals are narrowly tailored by ethnicity and work-category. Goals that are set too low will not allow the jurisdiction to achieve its aims of economic development and fair contracting, whereas goals that are set too high and ignore the existence of available (“ready, willing and able”) disadvantaged/MWBE firms in each work category risk alienating prime contractors with unachievable bidding requirements. One way to combat the lack of registered and certified firms is to engage in consistent and targeted outreach, utilizing web presence as a method by which the program’s requirements and resources can be accessed. In addition to providing certification and bid information, jurisdictions have multiple options for encouraging economic engagement among small and disadvantaged businesses by providing supportive services to educate firms on bidding and running a successful business, assist with financial burdens such as bonding, encourage partnering, and facilitate networking and the formation of mentoring relationships. These practices in contract compliance should be seen as components of a whole in which it is possible to design many configurations that work best for the aims, issues, and resources of each jurisdiction.

ⁱ A full list of links to MWBE and DBE programs will be provided under separate cover to the M/WBE Program.

ⁱⁱ United States Department of Transportation. Uniform Certification Program.
<https://www.transportation.gov/osdbu/disadvantaged-business-enterprise/dbe-uniform-certification-application>

ⁱⁱⁱ City of Bridgeport, CT. Minority Business Enterprise Ordinance
<http://www.bridgeportct.gov/filestorage/89019/97168/Minority-Business-Enterprise-Ordinance-Bridgeport-Ct.pdf>

^{iv} City of Los Angeles, California. Minority and Women Business Enterprise Certification.
http://bca.lacity.org/site/pdf/cca/MBE_WBE_RulesandRegs_Final.pdf

^{vv} City of Orlando, Florida. Minority and Women Business Enterprise Program.
<http://www.cityoforlando.net/mwbe/>

^{vi} City of Cincinnati, Ohio. Minority and Women Business Enterprise Program Regulations.
<https://cincinnati-oh.gov/inclusion/assets/File/MBE%20WBE%20Regulations.pdf>

^{vii} City of Houston, Texas. Office of Business Opportunity. <https://houston.mwdbe.com/>

^{viii} Metropolitan Government of Nashville and Davidson County. Office of Minority and Women Business Assistance.
https://library.municode.com/TN/metro_government_of_nashville_and_davidson_county/codes/code_of_ordinances?nodeId=CD_TIT4PRCO_CH4.46PRNOPR_4.46.110GO

^{ix} City of Durham, North Carolina. Equal Business Opportunity Ordinance. Code 1982, § 26-10; Ord. No. 12793, § 1, 5-8-2003; Ord. No. 14418, § 1, 4-1- 2013

^x Baltimore County, Maryland. Minority Business Commission.
<http://www.baltimorecountymd.gov/Agencies/budfin/purchasing/minoritybusiness/commission.html>

^{xi} State of Indiana. MWBE Commission. <http://www.in.gov/idoa/mwbe/2501.htm>

^{xii} City of Fort Worth, Texas. Office of Business Diversity.
<http://fortworthtexas.gov/businessdiversity/>

^{xiii} Baltimore City, Maryland. Office of Minority and Women-Owned Business Development.
<http://mwbd.baltimorecity.gov/>

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- ^{xiv} State of Oregon. Minority and Women Business Enterprise Program.
<http://www.oregon4biz.com/How-We-Can-Help/COBID/MWBE/>
- ^{xv} Kansas City, Missouri. Minority, Women, and Disadvantaged Enterprise Program.
<http://kcmo.gov/humanrelations/certification-compliance/mwdbe-slbe-affirmative-action/>
- ^{xvi} Port Authority of New York and New Jersey. Mentor Protégé Program.
<https://www.panynj.gov/business-opportunities/sd-mentor-protege-program.html>
- ^{xvii} City of Denver, Colorado. Office of Economic Development.
https://www.denvergov.org/content/dam/denvergov/Portals/690/DSBO/Mentor_Protege_Overview_030316.pdf
- ^{xviii} City of Austin, Texas. MWBE Ordinance. Ord. 20081211-060.
- ^{xix} City of Phoenix, Arizona. Office of Economic Development.
<https://www.phoenix.gov/econdev/Small-Business>
- ^{xx} United States Small Business Association. SBA Loans Program.
<https://www.sba.gov/loans-grants/see-what-sba-offers/sba-loan-programs>
- ^{xxi} New York Minority and Women Owned Business Development Lending. Urban Development Corporation Act 174/68.
<https://www.nysenate.gov/legislation/laws/UDA/16-C>
- ^{xxii} City of Memphis. Business Diversity and Compliance Certification.
<http://www.memphistn.gov/Business.aspx/Certification.aspx>
- ^{xxiii} United States Department of Transportation. Disadvantaged Business Enterprise Program.
<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/dbe-program-overview>
- ^{xxiv} Keolis Commuter Services. Disadvantaged Business Enterprise Program.
<http://www.keoliscs.com/about-us/disadvantaged-business-enterprise/?filter=about-us>

APPENDIX M

Prime Awards Less Than \$300,000 and
Comparison of Construction Subcontractor
Utilization on Awards under & over
\$300,000

APPENDIX M – PRIME AWARDS LESS THAN \$300,000 AND COMPARISON OF CONSTRUCTION SUBCONTRACTOR UTILIZATION ON CONTRACTS UNDER & OVER \$300,000

This appendix provides data (Table M-1 through M-8) on M/WBE prime utilization and disparity on contracts under \$300,000 by procurement type. There was under-utilization for all M/WBE groups across all procurement types except African Americans in Other Services.

Table M-9 shows that M/WBE subcontractors were awarded 5.59 percent of dollars on construction contracts over \$300,000 (which generally require M/WBE goals) and 3.77 percent of dollars on construction contracts under \$300,000 (which generally do not require M/WBE goals).

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 188,806	\$ 925,289	\$ 746,228	\$ 736,858	\$ 270,152	\$ 2,867,334
Asian American						\$ -
Hispanic American				\$ 30,000		\$ 30,000
Native American						\$ -
TOTAL MINORITY	\$ 188,806	\$ 925,289	\$ 746,228	\$ 766,858	\$ 270,152	\$ 2,897,334
Nonminority Female	\$ 975,236	\$ 1,624,787	\$ 2,437,586	\$ 539,086	\$ 804,346	\$ 6,381,042
TOTAL M/WBE	\$ 1,164,043	\$ 2,550,076	\$ 3,183,814	\$ 1,305,944	\$ 1,074,498	\$ 9,278,375
NON-M/WBE	\$ 5,311,064	\$ 5,863,811	\$ 4,999,526	\$ 4,772,264	\$ 7,379,464	\$ 28,326,130
TOTAL FIRMS	\$ 6,475,107	\$ 8,413,887	\$ 8,183,340	\$ 6,078,209	\$ 8,453,962	\$ 37,604,505
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.92%	11.00%	9.12%	12.12%	3.20%	7.62%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.49%	0.00%	0.08%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	2.92%	11.00%	9.12%	12.62%	3.20%	7.70%
Nonminority Female	15.06%	19.31%	29.79%	8.87%	9.51%	16.97%
TOTAL M/WBE	17.98%	30.31%	38.91%	21.49%	12.71%	24.67%
NON-M/WBE	82.02%	69.69%	61.09%	78.51%	87.29%	75.33%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Griffin & Strong, P.C. 2018

Table - M-2

Greensboro Disparity Study
Utilization of Prime Analysis in Relevant Market Area , Awards less than \$300,000
Distribution of Dollars by Business Ownership and Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 234,886	\$ 224,956	\$ 184,535	\$ 720,295	\$ 374,355	\$ 1,739,027
Asian American	\$ 49,700	\$ 213,810	\$ 92,000	\$ 198,840	\$ 39,125	\$ 593,475
Hispanic American						\$ -
Native American						\$ -
TOTAL MINORITY	\$ 284,586	\$ 438,766	\$ 276,535	\$ 919,135	\$ 413,480	\$ 2,332,502
Nonminority Female	\$ 419,663	\$ 112,094	\$ 301,171	\$ 1,233,274	\$ 397,964	\$ 2,464,165
TOTAL M/WBE	\$ 704,250	\$ 550,860	\$ 577,705	\$ 2,152,409	\$ 811,444	\$ 4,796,667
NON-M/WBE	\$ 11,231,219	\$ 10,696,469	\$ 10,218,359	\$ 13,811,222	\$ 11,715,432	\$ 57,672,702
TOTAL FIRMS	\$ 11,935,469	\$ 11,247,329	\$ 10,796,064	\$ 15,963,631	\$ 12,526,876	\$ 62,469,369
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.97%	2.00%	1.71%	4.51%	2.99%	2.78%
Asian American	0.42%	1.90%	0.85%	1.25%	0.31%	0.95%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	2.38%	3.90%	2.56%	5.76%	3.30%	3.73%
Nonminority Female	3.52%	1.00%	2.79%	7.73%	3.18%	3.94%
TOTAL M/WBE	5.90%	4.90%	5.35%	13.48%	6.48%	7.68%
NON-M/WBE	94.10%	95.10%	94.65%	86.52%	93.52%	92.32%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Table - M-3

Greensboro Disparity Study
Utilization of Prime Analysis in Relevant Market Area , Awards less than \$300,000
Distribution of Dollars by Business Ownership and Fiscal Year, Other Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 205,413	\$ 207,056	\$ 1,437,604	\$ 1,353,321	\$ 2,142,910	\$ 5,346,304
Asian American						\$ -
Hispanic American	\$ 50,481	\$ 145,502	\$ 50,000	\$ 145,500	\$ 158,000	\$ 549,483
Native American					\$ 5,692	\$ 5,692
TOTAL MINORITY	\$ 255,893	\$ 352,558	\$ 1,487,604	\$ 1,498,821	\$ 2,306,602	\$ 5,901,479
Nonminority Female	\$ 326,718	\$ 240,306	\$ 127,608	\$ 145,728	\$ 456,724	\$ 1,297,085
TOTAL M/WBE	\$ 582,611	\$ 592,865	\$ 1,615,212	\$ 1,644,549	\$ 2,763,326	\$ 7,198,563
NON-M/WBE	\$ 6,992,452	\$ 7,139,272	\$ 5,140,251	\$ 6,162,074	\$ 5,275,752	\$ 30,709,801
TOTAL FIRMS	\$ 7,575,064	\$ 7,732,137	\$ 6,755,462	\$ 7,806,624	\$ 8,039,078	\$ 37,908,365
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.71%	2.68%	21.28%	17.34%	26.66%	14.10%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.67%	1.88%	0.74%	1.86%	1.97%	1.45%
Native American	0.00%	0.00%	0.00%	0.00%	0.07%	0.02%
TOTAL MINORITY	3.38%	4.56%	22.02%	19.20%	28.69%	15.57%
Nonminority Female	4.31%	3.11%	1.89%	1.87%	5.68%	3.42%
TOTAL M/WBE	7.69%	7.67%	23.91%	21.07%	34.37%	18.99%
NON-M/WBE	92.31%	92.33%	76.09%	78.93%	65.63%	81.01%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Table - M-4

Greensboro Disparity Study

Utilization of Prime Analysis in Relevant Market Area , Awards less than \$300,000
 Distribution of Dollars by Business Ownership and Fiscal Year, Goods and Supplies
 (Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 41,859	\$ 19,021	\$ 369,574	\$ 107,648	\$ 23,407	\$ 561,510
Asian American					\$ 2,799	\$ 2,799
Hispanic American						\$ -
Native American						\$ -
TOTAL MINORITY	\$ 41,859	\$ 19,021	\$ 369,574	\$ 107,648	\$ 26,206	\$ 564,309
Nonminority Female	\$ 150,725	\$ 216,206	\$ 473,384	\$ 563,841	\$ 346,286	\$ 1,750,443
TOTAL M/WBE	\$ 192,584	\$ 235,227	\$ 842,959	\$ 671,489	\$ 372,493	\$ 2,314,752
NON-M/WBE	\$ 22,266,103	\$ 20,891,539	\$ 24,212,094	\$ 23,938,828	\$ 22,963,535	\$ 114,272,099
TOTAL FIRMS	\$ 22,458,688	\$ 21,126,765	\$ 25,055,053	\$ 24,610,317	\$ 23,336,027	\$ 116,586,850
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.19%	0.09%	1.48%	0.44%	0.10%	0.48%
Asian American	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.19%	0.09%	1.48%	0.44%	0.11%	0.48%
Nonminority Female	0.67%	1.02%	1.89%	2.29%	1.48%	1.50%
TOTAL M/WBE	0.86%	1.11%	3.36%	2.73%	1.60%	1.99%
NON-M/WBE	99.14%	98.89%	96.64%	97.27%	98.40%	98.01%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Table M-5
Greensboro Disparity Study
Disparity Results, Awards Less than \$300,000
Business Ownership Classification by Fiscal Year, Prime Construction
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.92%	11.48%	25.41	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	2.92%	17.83%	16.36	Underutilization	*	
	Nonminority Female	15.06%	19.88%	75.77	Underutilization	*	
	TOTAL M/WBE	17.98%	37.70%	47.68	Underutilization	*	
Non-M/WBE	82.02%	62.30%	131.67	Overutilization			
2013	African American	11.00%	11.48%	95.83	Underutilization		
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	11.00%	17.83%	61.69	Underutilization	*	
	Nonminority Female	19.31%	19.88%	97.15	Underutilization		
	TOTAL M/WBE	30.31%	37.70%	80.38	Underutilization		
Non-M/WBE	69.69%	62.30%	111.87	Overutilization			
2014	African American	9.12%	11.48%	79.46	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	9.12%	17.83%	51.15	Underutilization	*	
	Nonminority Female	29.79%	19.88%	149.86	Overutilization		
	TOTAL M/WBE	38.91%	37.70%	103.19	Overutilization		
Non-M/WBE	61.09%	62.30%	98.07	Underutilization			
2015	African American	12.12%	11.48%	105.64	Overutilization		
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.49%	4.51%	10.95	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	12.62%	17.83%	70.77	Underutilization	*	
	Nonminority Female	8.87%	19.88%	44.62	Underutilization	*	
	TOTAL M/WBE	21.49%	37.70%	56.98	Underutilization	*	
Non-M/WBE	78.51%	62.30%	126.04	Overutilization			
2016	African American	3.20%	11.48%	27.85	Underutilization	*	
	Asian American	0.00%	1.02%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.51%	0.00	Underutilization	*	
	Native American	0.00%	0.82%	0.00	Underutilization	*	
	TOTAL MBE	3.20%	17.83%	17.92	Underutilization	*	
	Nonminority Female	9.51%	19.88%	47.87	Underutilization	*	
	TOTAL M/WBE	12.71%	37.70%	33.71	Underutilization	*	
Non-M/WBE	87.29%	62.30%	140.12	Overutilization			
Total	African American	7.62%	11.48%	66.45	Underutilization	*	p <.05
	Asian American	0.00%	1.02%	0.00	Underutilization	*	p <.05
	Hispanic American	0.08%	4.51%	1.77	Underutilization	*	p <.05
	Native American	0.00%	0.82%	0.00	Underutilization	*	p <.05
	TOTAL MBE	7.70%	17.83%	43.22	Underutilization	*	p <.05
	Nonminority Female	16.97%	19.88%	85.37	Underutilization		p <.05
	TOTAL M/WBE	24.67%	37.70%	65.44	Underutilization	*	p <.05
Non-M/WBE	75.33%	62.30%	120.92	Overutilization			

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Table M-6
Greensboro Disparity Study
Disparity Results, Awards Less than \$300,000
Business Ownership Classification by Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.97%	17.38%	11.32	Underutilization	*	
	Asian American	0.42%	3.48%	11.98	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	2.38%	24.33%	9.80	Underutilization	*	
	Nonminority Female	3.52%	21.93%	16.04	Underutilization	*	
	TOTAL M/WBE	5.90%	46.26%	12.76	Underutilization	*	
Non-M/WBE	94.10%	53.74%	175.09	Overutilization			
2013	African American	2.00%	17.38%	11.51	Underutilization	*	
	Asian American	1.90%	3.48%	54.69	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	3.90%	24.33%	16.03	Underutilization	*	
	Nonminority Female	1.00%	21.93%	4.55	Underutilization	*	
	TOTAL M/WBE	4.90%	46.26%	10.59	Underutilization	*	
Non-M/WBE	95.10%	53.74%	176.96	Overutilization			
2014	African American	1.71%	17.38%	9.83	Underutilization	*	
	Asian American	0.85%	3.48%	24.52	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	2.56%	24.33%	10.53	Underutilization	*	
	Nonminority Female	2.79%	21.93%	12.72	Underutilization	*	
	TOTAL M/WBE	5.35%	46.26%	11.57	Underutilization	*	
Non-M/WBE	94.65%	53.74%	176.11	Overutilization			
2015	African American	4.51%	17.38%	25.96	Underutilization	*	
	Asian American	1.25%	3.48%	35.83	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	5.76%	24.33%	23.66	Underutilization	*	
	Nonminority Female	7.73%	21.93%	35.24	Underutilization	*	
	TOTAL M/WBE	13.48%	46.26%	29.15	Underutilization	*	
Non-M/WBE	86.52%	53.74%	160.98	Overutilization			
2016	African American	2.99%	17.38%	17.19	Underutilization	*	
	Asian American	0.31%	3.48%	8.99	Underutilization	*	
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	
	Native American	0.00%	0.53%	0.00	Underutilization	*	
	TOTAL MBE	3.30%	24.33%	13.57	Underutilization	*	
	Nonminority Female	3.18%	21.93%	14.49	Underutilization	*	
	TOTAL M/WBE	6.48%	46.26%	14.00	Underutilization	*	
Non-M/WBE	93.52%	53.74%	174.02	Overutilization			
Total	African American	2.78%	17.38%	16.02	Underutilization	*	p < .05
	Asian American	0.95%	3.48%	27.33	Underutilization	*	p < .05
	Hispanic American	0.00%	2.94%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.53%	0.00	Underutilization	*	p < .05
	TOTAL MBE	3.73%	24.33%	15.35	Underutilization	*	p < .05
	Nonminority Female	3.94%	21.93%	17.99	Underutilization	*	p < .05
	TOTAL M/WBE	7.68%	46.26%	16.60	Underutilization	*	p < .05
Non-M/WBE	92.32%	53.74%	171.78	Overutilization			

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Table M-7
Greensboro Disparity Study
Disparity Results, Awards Less than \$300,000
Business Ownership Classification by Fiscal Year, Other Services
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.71%	13.89%	19.53	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.67%	2.17%	30.73	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	3.38%	17.60%	19.19	Underutilization	*	
	Nonminority Female	4.31%	11.36%	37.97	Underutilization	*	
	TOTAL M/WBE	7.69%	28.96%	26.56	Underutilization	*	
	Non-M/WBE	92.31%	71.04%	129.94	Overutilization		
2013	African American	2.68%	13.89%	19.28	Underutilization	*	
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	1.88%	2.17%	86.79	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	4.56%	17.60%	25.90	Underutilization	*	
	Nonminority Female	3.11%	11.36%	27.36	Underutilization	*	
	TOTAL M/WBE	7.67%	28.96%	26.47	Underutilization	*	
	Non-M/WBE	92.33%	71.04%	129.98	Overutilization		
2014	African American	21.28%	13.89%	153.24	Overutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	0.74%	2.17%	34.13	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	22.02%	17.60%	125.09	Overutilization		
	Nonminority Female	1.89%	11.36%	16.63	Underutilization	*	
	TOTAL M/WBE	23.91%	28.96%	82.55	Underutilization		
	Non-M/WBE	76.09%	71.04%	107.11	Overutilization		
2015	African American	17.34%	13.89%	124.83	Overutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	1.86%	2.17%	85.96	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MBE	19.20%	17.60%	109.06	Overutilization		
	Nonminority Female	1.87%	11.36%	16.44	Underutilization	*	
	TOTAL M/WBE	21.07%	28.96%	72.74	Underutilization	*	
	Non-M/WBE	78.93%	71.04%	111.12	Overutilization		
2016	African American	26.66%	13.89%	191.94	Overutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	
	Hispanic American	1.97%	2.17%	90.64	Underutilization	*	
	Native American	0.07%	0.52%	13.71	Underutilization	*	
	TOTAL MBE	28.69%	17.60%	162.98	Overutilization		
	Nonminority Female	5.68%	11.36%	50.02	Underutilization	*	
	TOTAL M/WBE	34.37%	28.96%	118.68	Overutilization		
	Non-M/WBE	65.63%	71.04%	92.38	Underutilization		
Total	African American	14.10%	13.89%	101.55	Overutilization		
	Asian American	0.00%	1.03%	0.00	Underutilization	*	p < .05
	Hispanic American	1.45%	2.17%	66.85	Underutilization	*	
	Native American	0.02%	0.52%	2.91	Underutilization	*	p < .05
	TOTAL MBE	15.57%	17.60%	88.43	Underutilization		p < .05
	Nonminority Female	3.42%	11.36%	30.13	Underutilization	*	p < .05
	TOTAL M/WBE	18.99%	28.96%	65.57	Underutilization	*	p < .05
	Non-M/WBE	81.01%	71.04%	114.04	Overutilization		

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Table M-8
Greensboro Disparity Study
Disparity Results, Awards Less than \$300,000
Business Ownership Classification by Fiscal Year, Goods and Supplies
(Using Award Dollars, FY 2012-2016)

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.19%	13.87%	1.34	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.19%	21.21%	0.88	Underutilization	*	
	Nonminority Female	0.67%	27.44%	2.45	Underutilization	*	
	TOTAL M/WBE	0.86%	48.64%	1.76	Underutilization	*	
	Non-M/WBE	99.14%	51.36%	193.05	Overutilization		
2013	African American	0.09%	13.87%	0.65	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.09%	21.21%	0.42	Underutilization	*	
	Nonminority Female	1.02%	27.44%	3.73	Underutilization	*	
	TOTAL M/WBE	1.11%	48.64%	2.29	Underutilization	*	
	Non-M/WBE	98.89%	51.36%	192.55	Overutilization		
2014	African American	1.48%	13.87%	10.63	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	1.48%	21.21%	6.96	Underutilization	*	
	Nonminority Female	1.89%	27.44%	6.89	Underutilization	*	
	TOTAL M/WBE	3.36%	48.64%	6.92	Underutilization	*	
	Non-M/WBE	96.64%	51.36%	188.17	Overutilization		
2015	African American	0.44%	13.87%	3.15	Underutilization	*	
	Asian American	0.00%	3.36%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.44%	21.21%	2.06	Underutilization	*	
	Nonminority Female	2.29%	27.44%	8.35	Underutilization	*	
	TOTAL M/WBE	2.73%	48.64%	5.61	Underutilization	*	
	Non-M/WBE	97.27%	51.36%	189.40	Overutilization		
2016	African American	0.10%	13.87%	0.72	Underutilization	*	
	Asian American	0.01%	3.36%	0.36	Underutilization	*	
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	
	Native American	0.00%	1.22%	0.00	Underutilization	*	
	TOTAL MBE	0.11%	21.21%	0.53	Underutilization	*	
	Nonminority Female	1.48%	27.44%	5.41	Underutilization	*	
	TOTAL M/WBE	1.60%	48.64%	3.28	Underutilization	*	
	Non-M/WBE	98.40%	51.36%	191.61	Overutilization		
Total	African American	0.48%	13.87%	3.47	Underutilization	*	p < .05
	Asian American	0.00%	3.36%	0.07	Underutilization	*	p < .05
	Hispanic American	0.00%	2.75%	0.00	Underutilization	*	p < .05
	Native American	0.00%	1.22%	0.00	Underutilization	*	small number
	TOTAL MBE	0.48%	21.21%	2.28	Underutilization	*	p < .05
	Nonminority Female	1.50%	27.44%	5.47	Underutilization	*	p < .05
	TOTAL M/WBE	1.99%	48.64%	4.08	Underutilization	*	p < .05
	Non-M/WBE	98.01%	51.36%	190.85	Overutilization		

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Table --M-9
Greensboro Disparity Study (2012-2016)
Comparison of Subcontract Awards, Construction
Distribution of Dollars by Business Ownership and Fiscal Year in Old Relevant Market Area

Business Ownership Classification	Contracts and Purchases Over \$300,000		Contracts and Purchases Under \$300,000	
	Subcontract	Percent of Prime	Subcontract	Percent of Prime
African American	\$ 5,155,603	1.74%	\$ 564,396	1.50%
Asian American	\$ -	0.00%	\$ -	0.00%
Hispanic American	\$ 1,725,120	0.58%	\$ -	0.00%
Native American	\$ 143,195	0.05%	\$ 2,949	0.01%
TOTAL MBE	\$ 7,023,918	2.37%	\$ 567,345	1.51%
Nonminority Female	\$ 9,518,959	3.22%	\$ 849,645	2.26%
TOTAL M/WBE	\$ 16,542,877	5.59%	\$ 1,416,990	3.77%
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Total Prime Over \$300K= \$295,806,223				
Total Prime Under \$300K= \$37,604,505				

APPENDIX N

DBE Analysis

GREENSBORO DISPARITY STUDY
DBE ANALYSIS
APPENDIX N

The tables in Appendix N (Tables N-1 and N-6) contain tables on the utilization of firms identified as Disadvantaged Business Enterprises (“DBEs”) in the City of Greensboro data. The percentages are of total dollars spent with DBEs, not total dollars. GSPC did not have complete data on all the contracts with federal DBE requirements. Appendix N covers construction and professional services, the two primary procurement areas for the DBE program.

Table N-1
Greensboro Disparity Study
Prime DBE
Business Ownership Classification by Procurement Type
(Using Award Dollars, FY 2012-2016)

Business Ownership	Construction	Professional Services	Totals
African American	\$ 917,270	\$ 810,629	\$ 1,727,899
Asian American			\$ -
Hispanic American			\$ -
Native American	\$ 227,414		\$ 227,414
TOTAL MINORITY	\$ 1,144,684	\$ 810,629	\$ 1,955,313
Nonminority Female	\$ 15,274,618	\$ 2,426,359	\$ 17,700,977
Total M/WBE	\$ 16,419,302	\$ 3,236,988	\$ 19,656,290
Non-M/WBE	\$ 905,475	\$ 862,331	\$ 1,767,806
Total	\$ 17,324,777	\$ 4,099,319	\$ 21,424,096

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GREENSBORO DISPARITY STUDY DBE ANALYSIS APPENDIX N

**Table N-2
Greensboro Disparity Study
Prime DBE
Distribution of Dollars by Business Ownership and Fiscal Year, Construction
(Using Award Dollars, FY 2012-2016)**

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 91,124	\$ 422,429	\$ 45,397	\$ 263,804	\$ 94,515	\$ 917,270
Asian American						\$ -
Hispanic American						\$ -
Native American				\$ 227,414		\$ 227,414
TOTAL MINORITY	\$ 91,124	\$ 422,429	\$ 45,397	\$ 491,218	\$ 94,515	\$ 1,144,684
Nonminority Female	\$ 6,509,419	\$ 1,844,296	\$ 4,064,897	\$ 2,233,263	\$ 622,743	\$ 15,274,618
TOTAL M/WBE	\$ 6,600,543	\$ 2,266,726	\$ 4,110,294	\$ 2,724,481	\$ 717,258	\$ 16,419,302
NON-M/WBE	\$ 189,233	\$ 39,431	\$ 45,437	\$ 524,364	\$ 107,010	\$ 905,475
TOTAL FIRMS	\$ 6,789,776	\$ 2,306,157	\$ 4,155,731	\$ 3,248,845	\$ 824,268	\$ 17,324,777
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.34%	18.32%	1.09%	8.12%	11.47%	5.29%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	7.00%	0.00%	1.31%
TOTAL MINORITY	1.34%	18.32%	1.09%	15.12%	11.47%	6.61%
Nonminority Female	95.87%	79.97%	97.81%	68.74%	75.55%	88.17%
TOTAL M/WBE	97.21%	98.29%	98.91%	83.86%	87.02%	94.77%
NON-M/WBE	2.79%	1.71%	1.09%	16.14%	12.98%	5.23%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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GREENSBORO DISPARITY STUDY
DBE ANALYSIS
APPENDIX N

Table N-3
Greensboro Disparity Study
Prime DBE
Distribution of Dollars by Business Ownership and Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 225,606		\$ 42,823	\$ 529,745	\$ 12,455	\$ 810,629
Asian American						\$ -
Hispanic American						\$ -
Native American						\$ -
TOTAL MINORITY	\$ 225,606	\$ -	\$ 42,823	\$ 529,745	\$ 12,455	\$ 810,629
Nonminority Female	\$ 352,613	\$ 33,459	\$ 144,913	\$ 551,561	\$ 1,343,813	\$ 2,426,359
TOTAL M/WBE	\$ 578,219	\$ 33,459	\$ 187,736	\$ 1,081,306	\$ 1,356,268	\$ 3,236,988
NON-M/WBE	\$ 593,082	\$ 84,704	\$ 32,629	\$ 44,532	\$ 107,384	\$ 862,331
TOTAL FIRMS	\$ 1,171,301	\$ 118,163	\$ 220,365	\$ 1,125,838	\$ 1,463,652	\$ 4,099,319
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	19.26%	0.00%	19.43%	47.05%	0.85%	19.77%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	19.26%	0.00%	19.43%	47.05%	0.85%	19.77%
Nonminority Female	30.10%	28.32%	65.76%	48.99%	91.81%	59.19%
TOTAL M/WBE	49.37%	28.32%	85.19%	96.04%	92.66%	78.96%
NON-M/WBE	50.63%	71.68%	14.81%	3.96%	7.34%	21.04%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Table N-4
Greensboro Disparity Study
Suncontract DBE
Business Ownership Classification by Procurement Type
(Using Award Dollars, FY 2012-2016)

	Construction	Professional Services	Totals
Business Ownership			
African American	\$ 3,667,425	\$ 2,670,867	\$ 6,338,292
Asian American			\$ -
Hispanic American	\$ 207,420		\$ 207,420
Native American	\$ 138,873	\$ 134,000	\$ 272,873
TOTAL MINORITY	\$ 4,013,718	\$ 2,804,867	\$ 6,818,585
Nonminority Female	\$ 3,389,202	\$ 771,309	\$ 4,160,510
Total M/WBE	\$ 7,402,919	\$ 3,576,176	\$ 10,979,095
Non-M/WBE	\$ 1,552,631		\$ 1,552,631
Total	\$ 8,955,551	\$ 3,576,176	\$ 12,531,727

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GREENSBORO DISPARITY STUDY
DBE ANALYSIS
APPENDIX N

Table N-5
Greensboro Disparity Study
Subcontract DBE
Distribution of Dollars by Business Ownership and Fiscal Year, Construction
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 354,050	\$ 354,461	\$ 760,765	\$ 676,857	\$ 1,521,292	\$3,667,425
Asian American						\$ -
Hispanic American			\$ 207,420			\$ 207,420
Native American		\$ 7,220	\$ 111,615	\$ 18,538	\$ 1,500	\$ 138,873
TOTAL MINORITY	\$ 354,050	\$ 361,681	\$ 1,079,800	\$ 695,395	\$ 1,522,792	\$4,013,718
Nonminority Female	\$ 701,238	\$ 469,901	\$ 973,909	\$ 300,440	\$ 943,714	\$3,389,202
TOTAL M/WBE	\$ 1,055,288	\$ 831,582	\$ 2,053,709	\$ 995,835	\$ 2,466,506	\$7,402,919
NON-M/WBE	\$ 458,766	\$ 35,800		\$ 155,648	\$ 902,417	\$1,552,631
TOTAL FIRMS	\$ 1,514,054	\$ 867,382	\$ 2,053,709	\$ 1,151,483	\$ 3,368,923	\$8,955,551
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	23.38%	40.87%	37.04%	58.78%	45.16%	40.95%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	10.10%	0.00%	0.00%	2.32%
Native American	0.00%	0.83%	5.43%	1.61%	0.04%	1.55%
TOTAL MINORITY	23.38%	41.70%	52.58%	60.39%	45.20%	44.82%
Nonminority Female	46.32%	54.17%	47.42%	26.09%	28.01%	37.84%
TOTAL M/WBE	69.70%	95.87%	100.00%	86.48%	73.21%	82.66%
NON-M/WBE	30.30%	4.13%	0.00%	13.52%	26.79%	17.34%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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GREENSBORO DISPARITY STUDY DBE ANALYSIS APPENDIX N

Table N-6
Greensboro Disparity Study
Subcontract DBE
Distribution of Dollars by Business Ownership and Fiscal Year, Professional Services
(Using Award Dollars, FY 2012-2016)

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 75,000		\$ 571,800	\$ 822,223	\$ 1,201,844	\$ 2,670,867
Asian American						\$ -
Hispanic American						\$ -
Native American				\$ 134,000		\$ 134,000
TOTAL MINORITY	\$ 75,000	\$ -	\$ 571,800	\$ 956,223	\$ 1,201,844	\$ 2,804,867
Nonminority Female			\$ 8,050	\$ 462,816	\$ 300,443	\$ 771,309
TOTAL M/WBE	\$ 75,000	\$ -	\$ 579,850	\$ 1,419,039	\$ 1,502,287	\$ 3,576,176
NON-M/WBE						\$ -
TOTAL FIRMS	\$ 75,000	\$ -	\$ 579,850	\$ 1,419,039	\$ 1,502,287	\$ 3,576,176
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	100.00%	0.00%	98.61%	57.94%	80.00%	74.69%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	9.44%	0.00%	3.75%
TOTAL MINORITY	100.00%	0.00%	98.61%	67.39%	80.00%	78.43%
Nonminority Female	0.00%	0.00%	1.39%	32.61%	20.00%	21.57%
TOTAL M/WBE	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%
NON-M/WBE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL FIRMS	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%

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APPENDIX O

M/WBE Utilization Comparison Between
Current Disparity Study Period (FY2012-
FY2016) and the Previous MGT of America
Study (FY2006-FY2010)

APPENDIX O - M/WBE UTILIZATION IN CONSTRUCTION COMPARISON BETWEEN CURRENT DISPARITY STUDY PERIOD (FY2012-FY2016) AND THE PREVIOUS MGT OF AMERICA STUDY (FY2006-FY2010)

Tables O-1 and O-2 shows a comparison in M/WBE utilization between the last City disparity study and the current study, for prime contractors and subcontractors, respectively. For prime contracting, M/WBE utilization increased for all groups in absolute dollar terms and in percentages. For subcontracting, M/WBE utilization increased for all groups in absolute dollar terms (except Hispanics who were not covered by goals during the study period), but decreased in percentage terms for all groups.

Table O-1
Comparison of Prime Contractor Awards
Current Study (FY2012-FY-2016) compared to MGT Study (FY2006-FY2010)
(in the 10-County Current M/WBE Program Area)
In Construction

Business Ownership Classification	Current M/WBE Program Area - 10 Counties				
	Prime (2006-2010 Disparity Study)		Prime (2012-2016 Disparity Study)		Difference (+/-)
	\$	%	\$	%	
African American	\$ 198,310	0.21%	\$ 3,185,339	1.30%	1.08%
Asian American	\$ -	0.00%	\$ -	0.00%	0.00%
Hispanic American	\$ -	0.00%	\$ 30,000	0.01%	0.01%
Native American	\$ -	0.00%	\$ -	0.00%	0.00%
TOTAL MINORITY	\$ 198,310	0.21%	\$ 3,215,339	1.31%	1.09%
Nonminority Female	\$ 2,637,505	2.85%	\$ 15,015,933	6.11%	3.26%
TOTAL M/WBE	\$ 2,835,815	3.07%	\$ 18,231,271	7.42%	4.35%
NON-M/WBE	\$ 89,566,997	96.93%	\$ 227,522,262	92.58%	-4.35%
TOTAL PRIME AWARDS	\$ 92,402,811	100.00%	\$ 245,753,533	100.00%	

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Table O-1
 Comparison of Subcontractor Awards
 Current Study (FY2012-FY-2016) compared to MGT Study (FY2006-FY2010)
 (in the 10-County Current M/WBE Program Area)
 In Construction

Business Ownership Classification	Current M/WBE Program Area--10 counties				
	Subcontractors (2006-2010 Disparity Study)		Subcontractors (2012-2016 Disparity Study)		Difference (+/-)
	\$	% Relative to Total Prime \$	\$	% Relative to Total Prime \$	
African American	\$ 2,853,070	3.09%	\$ 5,155,603	2.10%	-0.99%
Asian American	-	0.00%	\$ -	0.00%	0.00%
Hispanic American	\$ 3,540,468	3.83%	\$ 1,725,120	0.70%	-3.13%
Native American	\$ 3,500	0.00%	\$ 143,195	0.06%	0.05%
TOTAL MINORITY	\$ 6,397,038	6.92%	\$ 7,023,918	2.86%	-4.06%
Nonminority Female	\$ 5,918,819	6.41%	\$ 9,518,959	3.87%	-2.53%
TOTAL M/WBE	\$ 12,315,857	13.33%	\$ 16,542,877	6.73%	-6.60%
TOTAL PRIME AWARDS	\$ 92,402,811		\$ 245,753,533		

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APPENDIX P

COMMUNITY ORGANIZATIONS CONTACTED BY GSPC

APPENDIX P – COMMUNITY ORGANIZATIONS CONTACTED BY GSPC

City of Greensboro Chamber of Commerce
NC Regional Black Chamber of Commerce (Greensboro)
Winston Salem Black Chamber of Commerce
Winston Salem Chamber of Commerce
Charlotte Mecklenburg Black Chamber of Commerce
Raleigh NC Chamber of Commerce
North Carolina Hispanic Chamber (Raleigh)
Greensboro NC NAACP
State of North Carolina NAACP
Charlotte-Mecklenburg NAACP
Durham County NAACP
John Leary Association of Black Attorneys (Charlotte)
Durham Bar Association
Capital City Lawyers Association (Raleigh)
Guilford County Association of Black Lawyers
Greensboro Bar Association
Carolina's Asian American Chamber of Commerce (Charlotte)
High Point Chamber of Commerce
North Carolina Chinese Business Association
American Indian Chamber of Commerce of NC (AICCNC)
Carolina's AGC (CAGC)
National Society of Black Engineers
Urban League of the Central Carolinas
Winston Salem Urban League
Community Foundation
Joseph M. Bryan Foundation
Downtown Greensboro Inc (DGI)
Guilford Merchants Assoc. (GMA)
Piedmont Triad International Airport Board
Piedmont Triad Partnership
City of Greensboro Economic Development
Guilford County Economic Development
University of North Carolina-Greensboro
North Carolina Agricultural & Technical State University
Guilford Technical Community College
Carolina-Virginia Minority Supplier Development Council
Asian American Contractors Association
Council of American Minority Professionals (Asian Am.)
Hispanic Contractors Association of the Carolinas
Native American Society
Greensboro Neighborhood Congress
Mt. Zion Baptist Church of Greensboro
Greensboro Community Development Fund
Greater Durham Black Chamber of Commerce
East Greensboro Now

APPENDIX Q

DISPARITY STUDY DEFINITIONS

APPENDIX Q – STUDY DEFINITIONS

Anecdotal – A reported personal experience or encounter, retold through interview, testimony, email, or survey. Not necessarily verified or based on research.

Availability – A calculated percentage computed by dividing the number of businesses in each study group by the total number of businesses in the pool of bidders for that work category. Businesses analyzed within the relevant market to determine if they are, “Ready, willing, and able” per Croson.

Awards – For Prime Contractors, the Awards were measured through contracts and purchase orders in the Pro-Track and CARS systems. For Subcontractors, the awards were measured through the subcontractor databased provided by the City.

Bifurcated Bid – A two-part bid process employed by the City of Greensboro in its procurement process where Good Faith Efforts are evaluated separately from the technical bid or proposal.

City of Richmond v. J.A. Croson Company 488 U.S. 469 (1989) (“Croson”) – Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the 14 Amendment of the U.S. Constitution even if those laws are meant to remedy discrimination. Such laws, including those that create race conscious programs, must withstand judicial “strict scrutiny” or they will be dismantled. In its Croson decision, the Supreme Court ruled that the City of Richmond’s Minority Business Enterprise (hereinafter “MBE”) program failed to satisfy the requirements of “strict scrutiny” review under the 14th Amendment “Strict scrutiny” review involves two co-equal considerations to determine whether a race conscious program can withstand the Strict Scrutiny: First, the need to demonstrate a compelling governmental interest (which may be established through periodic disparity studies); Second, implementation of a program or method narrowly-tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was “necessary” to remedy the effects of discrimination in the marketplace.

Combined Statistical Area (“CSA”) – A geographic region identified by the United States Office of Management and Budget (“OMB”), and utilized by the U.S. Census Bureau which consist of two or more adjacent metropolitan and micropolitan statistical areas that have substantial employment interchange. The Greensboro-Winston Salem-High Point, NC CSA (also known as the Triad) consists of the following twelve (12) county region.

- Alamance
- Caswell
- Davidson
- Davie
- Forsyth
- Montgomery
- Randolph
- Rockingham
- Stokes
- Surry
- Yadkin
- Guilford

Construction – One of the four (4) Work Categories identified in this study for quantitative data analysis. Contains the following trades:

- Building construction
- Road construction
- Excavation and demolition
- Concrete work

- Pavement
- Pipeline building
- Water-work construction
- Renovation
- Electrical Services
- Wood (84 Lumber Co.)

Disadvantaged Business Enterprise (“DBE”) – DBEs are for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.

To participate in the DBE program, a small business owned and controlled by socially and economically disadvantaged individuals must receive DBE certification from the relevant state. To be regarded as economically disadvantaged, an individual must have a personal net worth that does not exceed \$1.32 million. To be seen as a small business, a firm must meet SBA size criteria AND have average annual gross receipts not to exceed \$23.98 million. Size limits for the airport concessions DBE program are higher. In the City of Greensboro, this designation is reserved for participation on contracts awarded or funded either in part or in whole by the United States Federal government.

Disparity Index – A statistical measure demonstrated by the failure to meet parity between availability and Utilization. Disparity is calculated by comparing the utilization percentage to the availability percentage of each race/gender/ethnic group. Will result in either overutilization, underutilization or parity.

Disparity Study (“Study”) – A tool, identified by the Supreme Court as necessary for satisfying the strict scrutiny threshold for race conscious programs and demonstrating the compelling governmental interest by “factual predicate” that identifies discrimination and a narrowly tailored remedy to redress any finding of discrimination. Must adhere to the legal requirements of U.S Supreme Court decisions like City of Richmond v. J.A. Croson Company, and its progeny. Not designed to be an analysis of any current remedial programs but an analysis of race, ethnicity, and gender status and how it affects participation in the City’s procurement process and in the marketplace.

Fiscal Year (“FY”) – The business year for the City for purchasing and accounting purposes. Measured by the City of Greensboro from July 1 – June 30th.

Good Faith Efforts (“GFE”) – The documentation and verification process to ensure that prime contractors are soliciting and negotiating with M/WBEs in “good faith” for potential subcontracting opportunities. Demonstrated by the attainment of at least fifty (50) points as required and outlined by the City of Greensboro M/WBE Program Plan.

Goods - One of the four (4) Work Categories identified in this study for quantitative data analysis. Contains the following trades:

- Fuel
- Supplies (including construction, electrical, and landscaping)
- Furniture
- Auto and auto parts
- Pre-fabricated items
- Road and traffic signs
- Cleaning supplies
- Anything which can be sold in a store including office machines and computers

Historically Underutilized Business (“HUB”) – Certification outlined and recognized in the state of North Carolina N.C. General Statute 143-128.4. A business owned and controlled by an individual or group of individuals who have at least 51% stake in ownership who identify as one or more of the following:

- Black
- Hispanic
- Asian American
- American Indian
- Female
- Disabled
- Disadvantaged

Metropolitan Statistical Area (“MSA”) – A geographic region identified by the United States Office of Management and Budget (OMB), and utilized by the U.S. Census Bureau, that has a high population density at its core and close economic ties throughout the area. Defined by the U.S. Census. The Greensboro-High Point MSA includes the following three (3) counties:

- Guilford
- Randolph
- Rockingham

Minority Business Enterprise (“MBE”) – any for-profit business owned and controlled by an individual or group of individuals who have at least 51% stake in ownership and identify with one of the following ethnic minority groups:

- African American
- Asian American
- Hispanic American
- Native American

M/WBE – For profit businesses owned and controlled by a person or group of individuals who have at least 51% stake in ownership and identify as an MBE or Nonminority Woman.

M/WBE Program – Program adopted by Ordinance No. 13-132, §1, on Oct. 15, 2013 based on the 2012 Disparity Study. Responsible for oversight, support, and implementation of the M/WBE Program Plan and facilitation of business development training to help M/WBEs compete for City contracts.

Non-M/WBE – Any for profit business owned and controlled by a person or group of individuals who have at least 51% stake in ownership and identify as either Caucasian Males or is Publicly Traded with no majority owner of which to attribute an ethnicity. Not-for-profit and governmental entities are not included as Non-M/WBEs.

Nonminority Women – Any for profit business owned and controlled by an individual or group of individuals who have at least 51% stake in ownership and identify as Non-Hispanic Caucasian women.

North Carolina DOT Central Region – The next geographically established region beyond the Greensboro-Winston Salem- High Point, NC CSA used to avoid arbitrary selection of counties to satisfy the 75% threshold for relevant market. The 24 County area includes the following:

- Alamance
- Caswell
- Chatham
- Davie
- Davidson
- Durham
- Forsyth

- Franklin
- Granville
- Hoke
- Lee
- Montgomery
- Moore
- Orange
- Person
- Randolph
- Richmond
- Rockingham
- Rowan
- Scotland
- Stokes
- Vance
- Wake
- Warren

Other Services - One of the four (4) Work Categories identified in this study for quantitative data analysis. Contains the following trades:

- Trucking Services
- Repairs
- Landscaping
- Janitorial and cleaning services
- IT and data management
- Building services
- Building maintenance
- Plumbing
- Hauling Services
- Packaging
- Personnel and staffing services
- Tree care and services
- Handyman services

Overutilization – The measure by which the utilization percentage is higher than the availability percentage and the Disparity Index is above 100. In order to be statistically significantly overutilized, the Disparity Index must be 110 or more.

Parity – The absence of disparity, demonstrated by the utilization percentage being equal to availability percentage and the Disparity Index equaling 100.

Program Area – The Ten (10) County boundary outlined and currently utilized by the Greensboro M/WBE Program. Under the current plan, only M/WBE businesses located and utilized within the Program Area may satisfy M/WBE participation goals. This measure is separate from the Relevant Market, which is a legal requirement determined by statistical analysis of where at least 75% of award dollars are spent.

- Alamance
- Davidson
- Davie
- Forsyth
- Randolph
- Rockingham
- Stokes
- Surry

- Yadkin
- Guilford

Professional Services - One of the four (4) Work Categories identified in this study for quantitative data analysis. Contains the following trades:

- Consulting services
- Accounting
- Legal
- Architecture & Engineering (“A&E”)
- Laboratory analysis/work
- Forensic work
- Analytical work
- Translation
- Research and analysis
- Computer programing
- Environmental services

Prime Contractor – A business who has entered into direct contractual relationship with the City, or other public or private entity to provide a good, service, or perform a scope of services.

Qualitative Analysis – Also known as anecdotal analysis. Referring to a measurement of quality (ex. how good over how much). Typified through collection and analysis of constituents’ anecdotal impressions, such as interviews, public hearings, focus groups, and other forms of commentary.

Quantitative Analysis – Commonly referred to as statistical analysis. Referring to a measurement of quantity over quality (ex. how much over how good). Typified by analysis of mathematical or statistical modeling.

Regression Analysis – Statistical measure used to determine whether the race, ethnicity or gender status of a business owner are an impediment in contracting in the Greensboro marketplace and whether but for these, they would have the capacity to provide services on a higher level than is currently utilized.

Relevant Market – A statistical measure, determined by where the city has spent at least 75% of its prime awards dollars. All aspects of the availability, utilization, and disparity analysis will encompass only firms located within the relevant market, by work category, to ensure that any resulting program is “narrowly tailored” per Croson standards.

Strict Scrutiny – The highest level of judicial scrutiny used in determining the constitutionality of laws.

Study Period – The period between which all City contract awards are subject to study analysis. For this study it has been defined as July 1, 2011 – June 30, 2016 (FY12-FY16)

Subcontractor – A business who has entered into a direct contractual relationship with a Prime Contractor to either provide a good or service or perform a full scope, or portion of a scope of services.

Threshold Analysis – A measure of all awards (contracts and purchase orders) made by the City during in the study period, disaggregated by contract size to determine the level of contracting done by the City. Used to determine if a separate availability measure is necessary for Prime and Subcontractors.

Utilization – A review of the City’s Awards to determine where and with whom Prime Contractor and Subcontractor were made. The analysis is conducted both with regard to the number of firms and the dollars in each race, ethnicity, gender group during each year of the Study.

Work Categories – The work categories for services which are purchased by the City and are utilized by the City (for primes) and the City primes (for subcontractors). For the purpose of this study, contract data was collected and analyzed in the following business sectors (see Appendix D)

- Construction
- Professional Services
- Other Services
- Goods

Underutilization – The measure by which the utilization percentage is less than the availability percentage and the Disparity Index is below 100. In order to be statistically significantly underutilized, the Disparity Index must be 80 or less.