



# Minority, Women and Small Business Enterprise Program Management Oversight Report

Board of Education  
Sept. 22, 2020

# History and Overview

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



## History and Overview

Success is measured using the following program objectives:

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

# Driving Governance

## ▪CMS Policy DJA

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

## ▪General Statutes 143-48

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

## ▪General Statutes 143-48.4

Statewide uniform certification of historically underutilized businesses

## ▪General Statutes 143-128.2

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

## ▪General Statutes 143-128.3

Administration (Public Entity Responsibilities)

## ▪General Statutes 143-128.4

Historically Underutilized Business (2007 Amendment Definition)

## ▪General Statutes 143-131

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

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

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

## ▪NC Administrative Code – 301 Minority Business Participation Goal

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

# Aspirational Goals

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

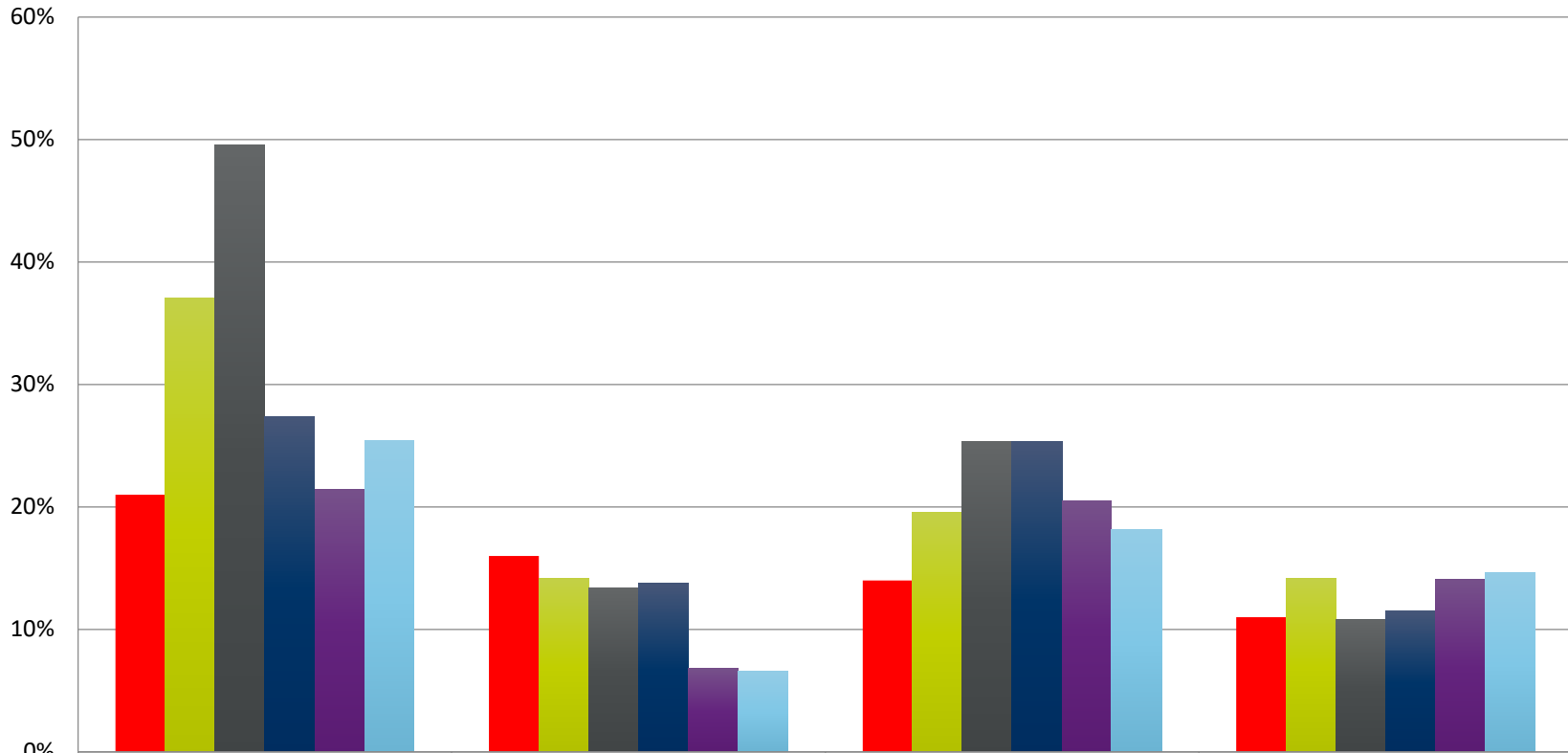
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**How are we  
performing?**

## Results (2019-2020)

Category	Analyzed	MWSBE Firms
Total eligible expenditures	\$354.7 million	\$68.6 million
Construction	\$129.2 million	\$32.9 million
Architecture and Engineering	\$11.8 million	\$779 thousand
Contracted Services	\$103.6 million	\$18.8 million
Goods	\$110.1 million	\$16.1 million

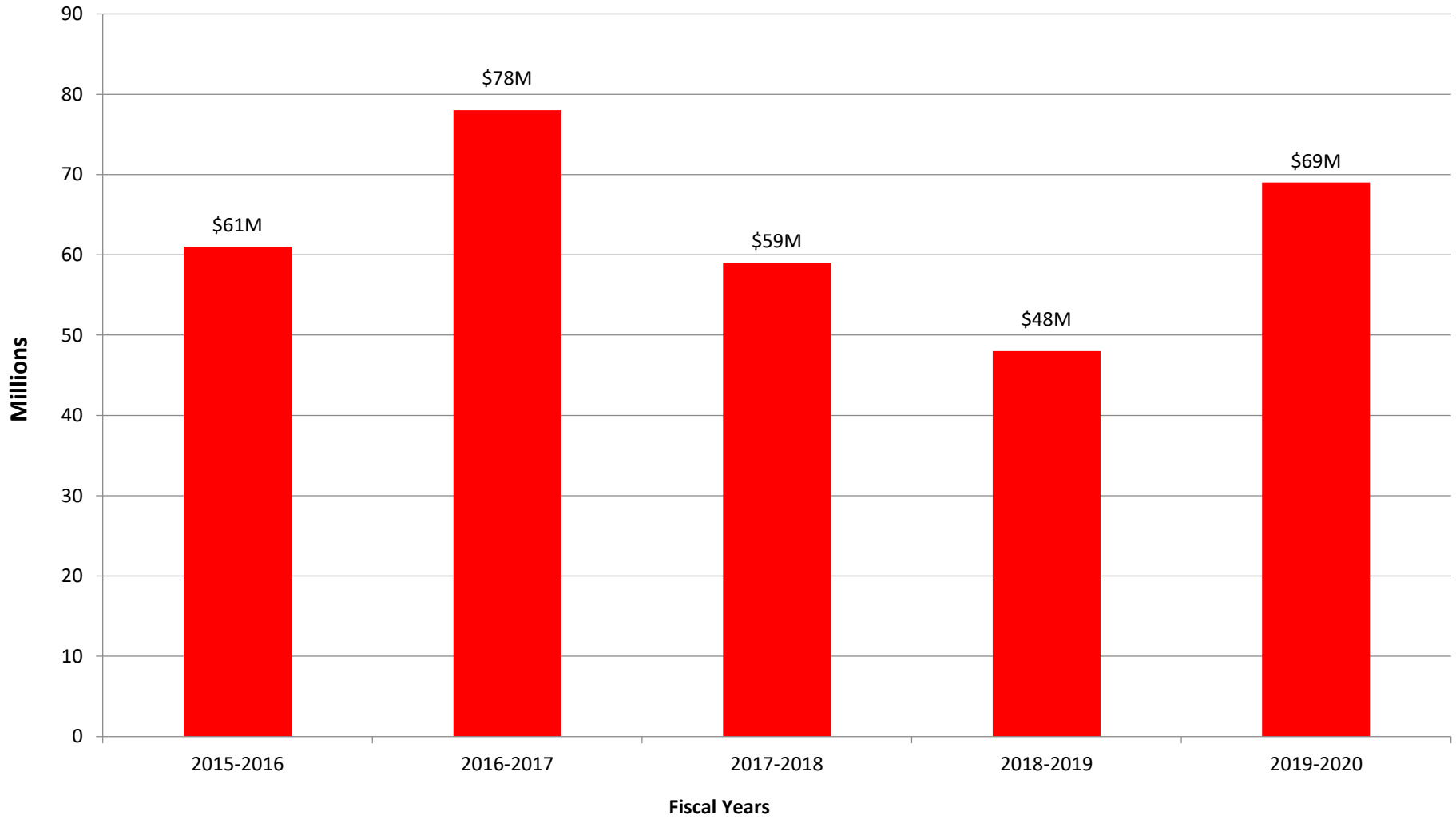
# Overall MWSBE Utilization



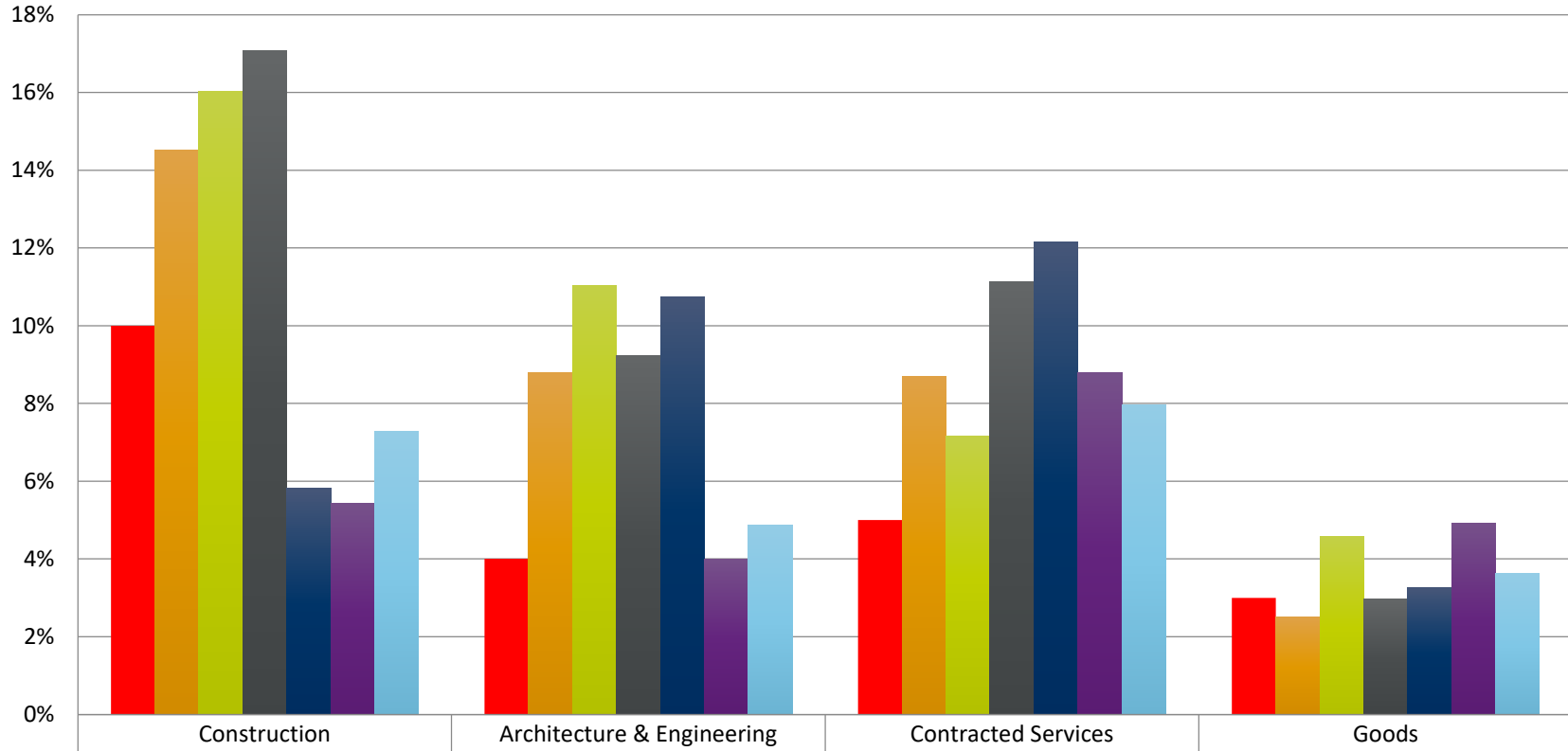
	Construction	Architecture & Engineering	Contracted Services	Goods
Overall M/W/SBE Goal	21%	16%	14%	11%
Annual % Total 15-16	37.04%	14.13%	19.53%	14.18%
Annual % Total 16-17	49.57%	13.39%	25.31%	10.79%
Annual % Total 17-18	27.40%	13.73%	25.31%	11.54%
Annual % Total 18-19	21.41%	6.83%	20.51%	14.06%
Annual % Total 19-20	25.45%	6.60%	18.17%	14.61%



# Overall MWSBE Spend

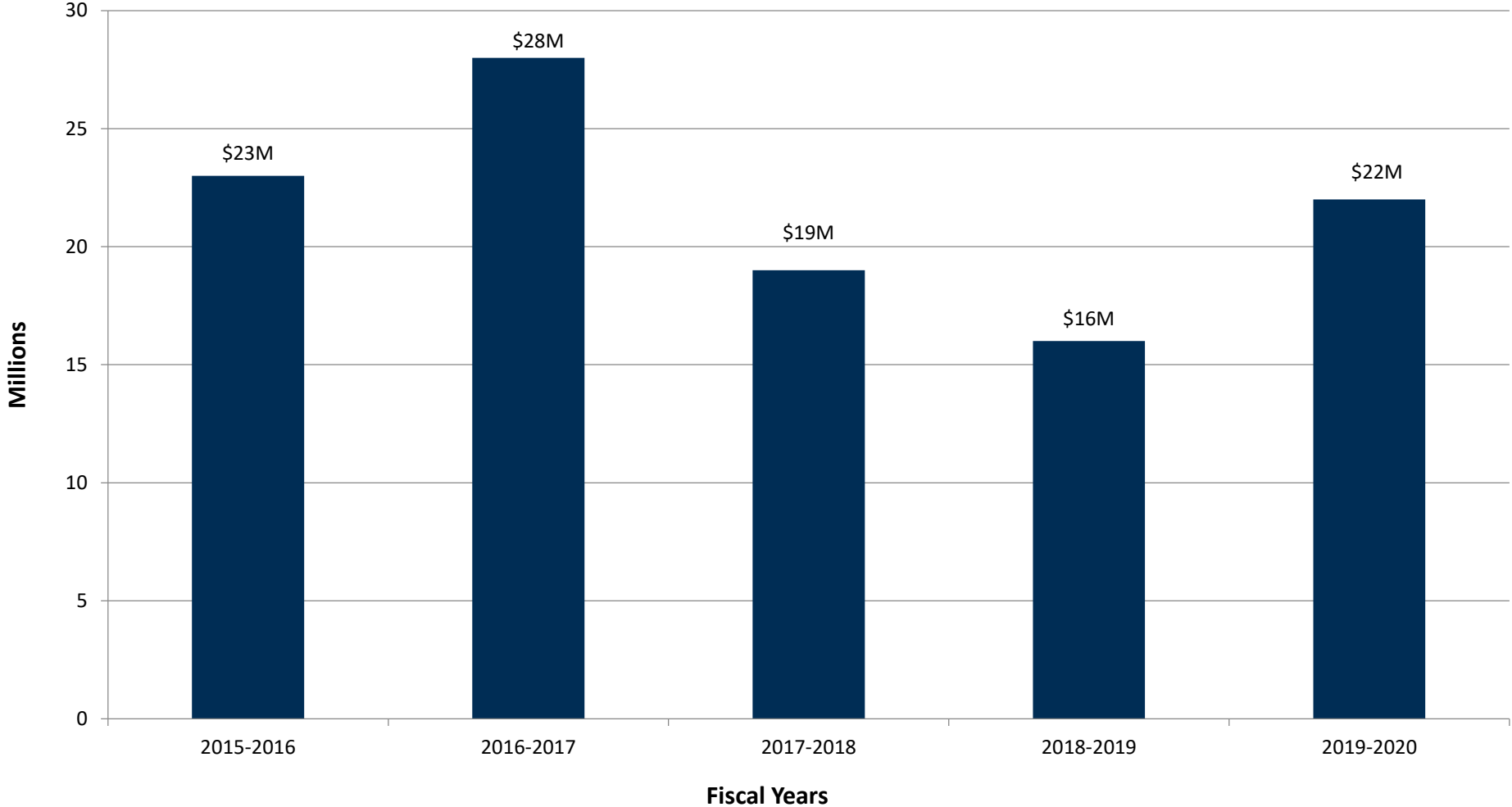


# Overall Minority Business Enterprise Utilization

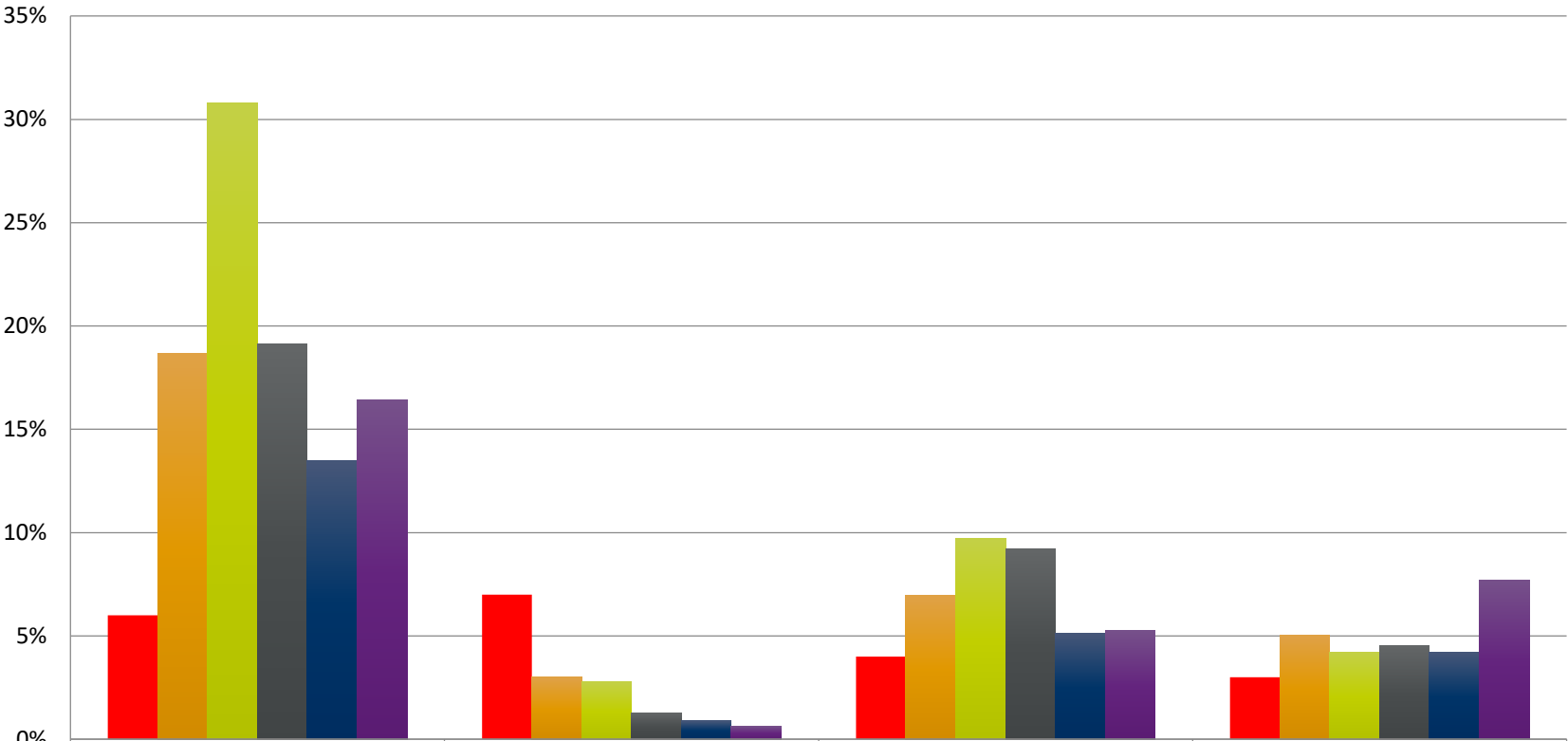


	Construction	Architecture & Engineering	Contracted Services	Goods
■ Overall MBE Goal	10%	4%	5%	3%
■ Annual % Total 14-15	14.52%	8.78%	8.70%	2.51%
■ Annual % Total 15-16	16.04%	11.04%	7.15%	4.57%
■ Annual % Total 16-17	17.08%	9.24%	11.12%	2.96%
■ Annual % Total 17-18	5.81%	10.75%	12.15%	3.26%
■ Annual % Total 18-19	5.42%	4.00%	8.79%	4.93%
■ Annual % Total 19-20	7.28%	4.86%	7.97%	3.63%

# Overall Minority Business Enterprise Spend

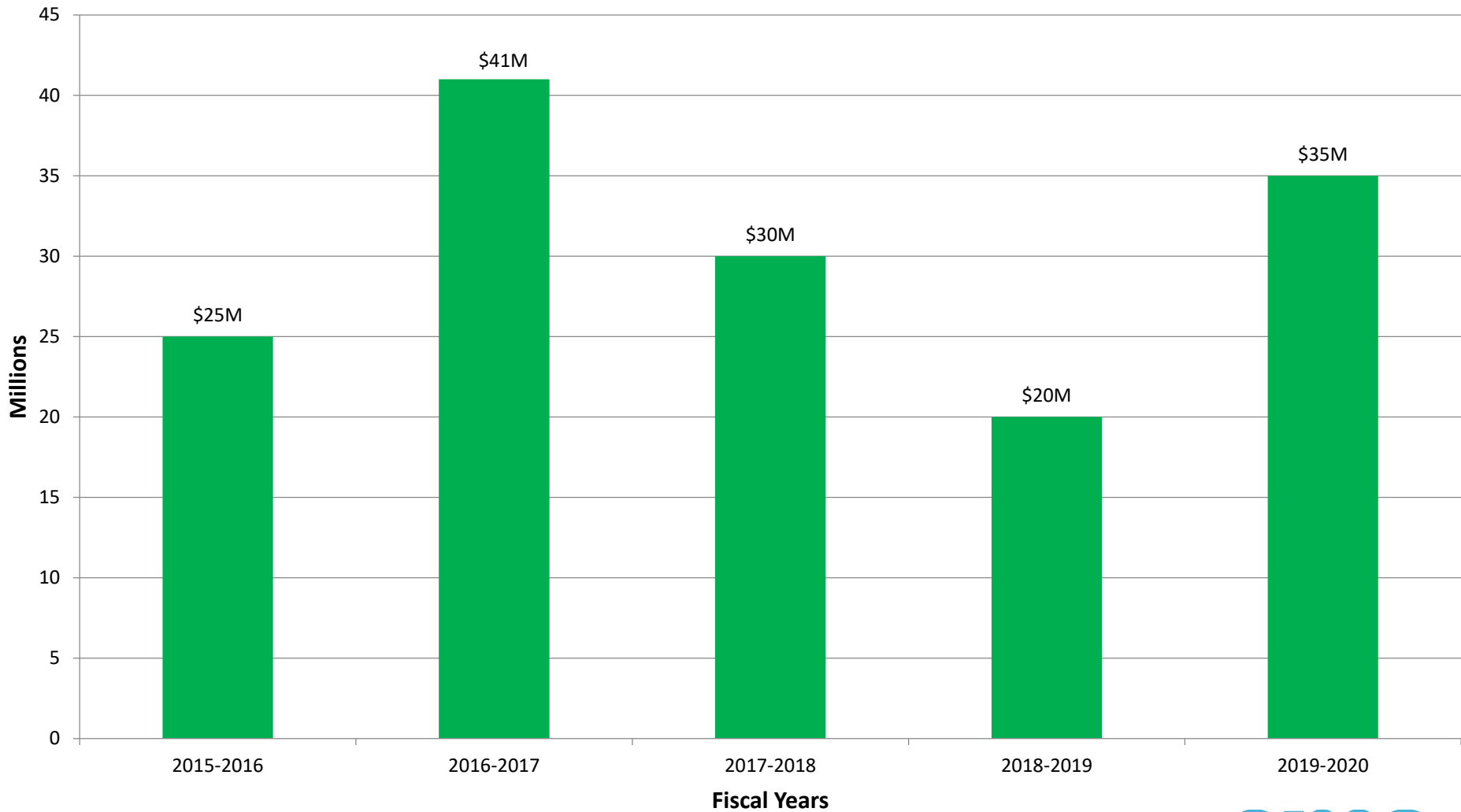


# Overall Women Business Enterprise Utilization

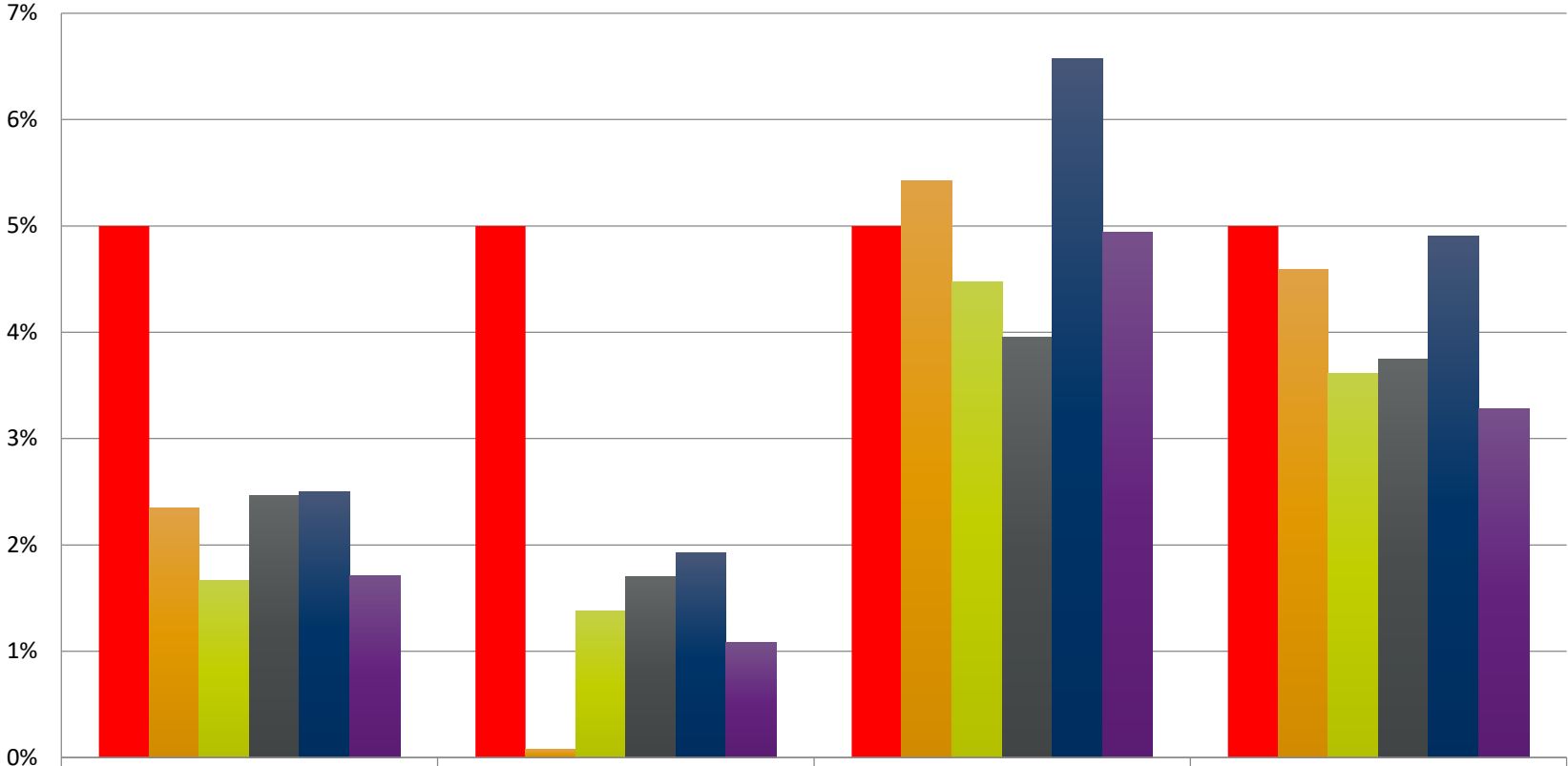


	Construction	Architecture & Engineering	Contracted Services	Goods
Overall WBE Goal	6%	7%	4%	3%
Annual % Total 15-16	18.66%	3.01%	6.96%	5.02%
Annual % Total 16-17	30.82%	2.77%	9.72%	4.22%
Annual % Total 17-18	19.13%	1.28%	9.20%	4.53%
Annual % Total 18-19	13.50%	0.90%	5.14%	4.23%
Annual % Total 19-20	16.45%	0.65%	5.26%	7.70%

# Overall Women Business Enterprise Spend

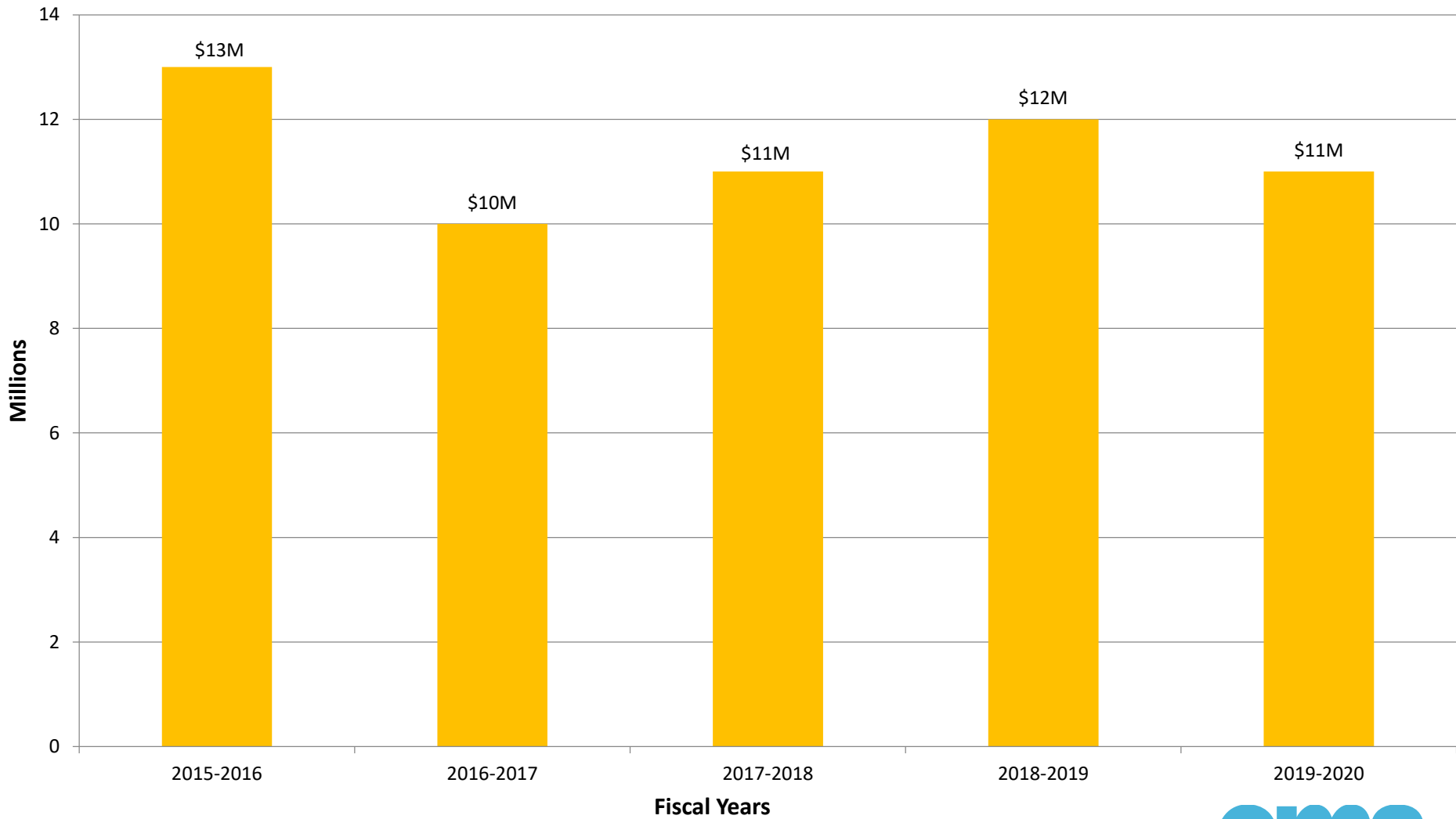


# Overall Small Business Enterprise Utilization



	Construction	Architecture & Engineering	Contracted Services	Goods
Overall SBE Goal	5%	5%	5%	5%
Annual % Total 15-16	2.35%	0.08%	5.42%	4.59%
Annual % Total 16-17	1.67%	1.38%	4.47%	3.61%
Annual % Total 17-18	2.46%	1.70%	3.95%	3.75%
Annual % Total 18-19	2.50%	1.93%	6.57%	4.90%
Annual % Total 19-20	1.71%	1.08%	4.94%	3.28%

# Overall Small Business Enterprise Spend



# Community Impact



# Accomplishments

- At 19.33% of eligible spend, CMS achieved \$68.6 million in total MWSBE spending
- Exceeded aspirational goals in three of the four categories (construction, contracted services and goods)
- Achieved/Exceeded MBE aspirational goals in three of the four categories (architecture/engineering, contracted services and goods)
- Exceeded WBE aspirational goals in three of the four categories (construction, contracted services and goods)



# Outreach

Hosted/participated in 37 vendor fairs/conferences to promote CMS opportunities at:

- Metrolina Minority Contractors Association quarterly meetings
- United Minority Contractors of North Carolina Quarterly Meetings & Industry Day
- Hispanic Contractors of North Carolina Meet & Greets
- Carolinas-Virginia Minority Supplier Development Council MBE Summit, Business Opportunity Conference and quarterly Metrolina Quarterly Meetings
- ASPIRE Community Capital Meet & Greet
- CMS Community Engagement Meetings
- Southern Transportation Civil Rights Executive Council Symposium
- Small Business Symposium
- Raleigh Small Business Expo
- MED Week (Durham, Charlotte, Greenville, and Raleigh)



# Technical Assistance

Hosted/participated in 15 workshops in order to promote:

- How to do business with Charlotte-Mecklenburg Schools and Other Government Entities
- Networking Essentials
- Tariffs and Trade Restrictions
- Growing Your Business Through Technology
- Bonding
- MWSBE Compliance Documentation
- Shared Best Practices with City of Charlotte, City of High Point and Wake Tech Community College



# Charlotte Minority Enterprise Development Week Honorees

## Recognition



**NJR Construction** - Outstanding Achievement in Construction

**All Points Waste Services, Inc.** – Outstanding Achievement in General Services

**L & L Metals, Inc.** – Outstanding Achievement Supply/Manufacturing

**Harrisburg Security, Inc.** – Outstanding Achievement in Professional Services

**Lil Associates II, Inc.** - Diversity Agency of the Year

**Calvin Stevens of Bernard Irby, Inc.** for Diversity Advocate of the Year

**Ron Leeper** - Lifetime Achievement Award

\*Partnership with City, County, State, Federal and Resource Providers

# Recognition

## North Carolina MWBE Coordinators' Network

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**Jason Deans**  
Distinguished  
Coordinator for  
Compliance



# Economic Impact

# \$1 BILLION 2017 BOND PROGRAM

**\$505.1  
MILLION**

Committed Project  
Spend

**\$216.9  
MILLION**

Spend with Diverse  
Suppliers

**47.58%**

MWSBE  
Participation



Charlotte-Mecklenburg Schools has contributed to the development and growth of the diverse communities through our commitment to utilizing minority, women and small businesses.

Since passage of the 2017 bond, CMS has committed over \$216.9M or 47.58% out of \$505.1 million with diverse businesses. This spend provides new opportunities for diverse businesses across the county and supports economic development and growth of a diverse workforce.

# Measuring Economic Impact



## Jobs

CMS purchases support jobs at suppliers.



## Incomes

Incomes through these jobs foster economic advancement.



## Spend

Employee spend leads to development in their communities.

CMS spend with diverse suppliers creates impact through multiple channels. It supports jobs and earnings at the suppliers. These suppliers purchase additional goods from other businesses, supporting additional jobs. Employees at these companies in the supply chain then support additional jobs in the community through their everyday purchases.

# Economic Impact Channels



## DIRECT

Diverse Suppliers

Jobs and revenue impact at CMS' suppliers.



## INDIRECT

Supply Chain

Purchases by CMS' suppliers lead to downstream activity and jobs



## INDUCED

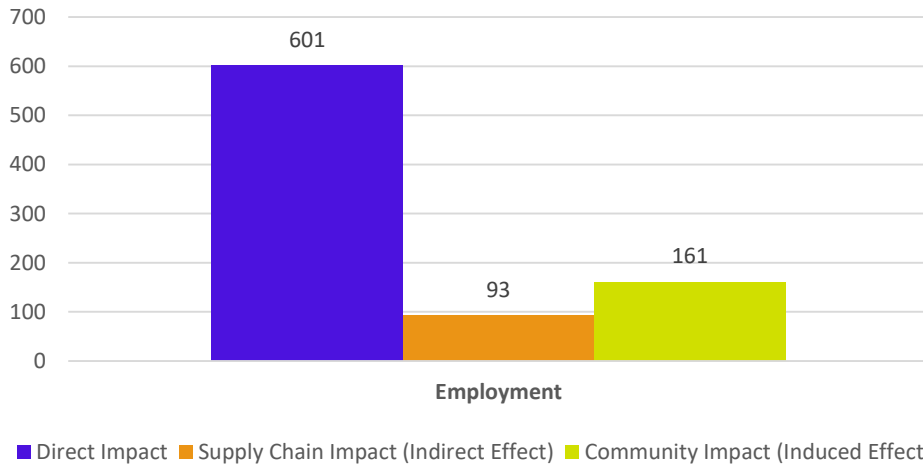
Community

Employees support jobs in their local economy

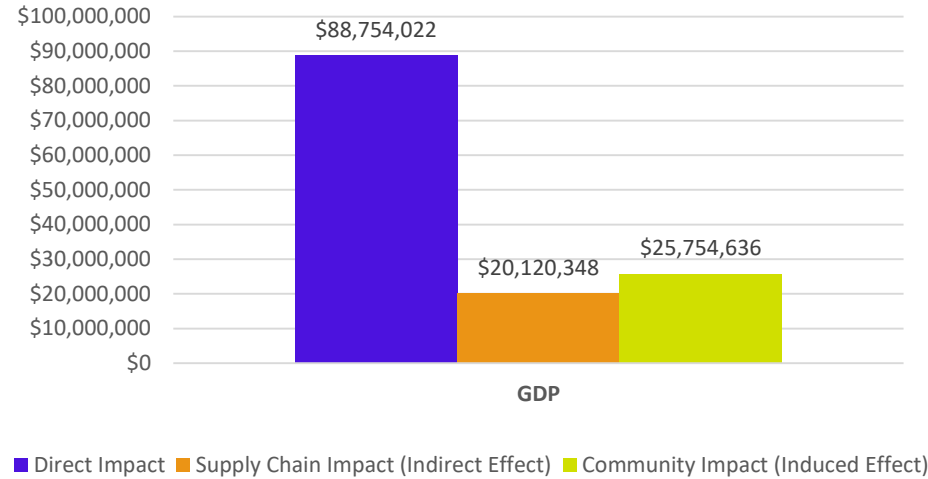


# Detailed Impact Channels

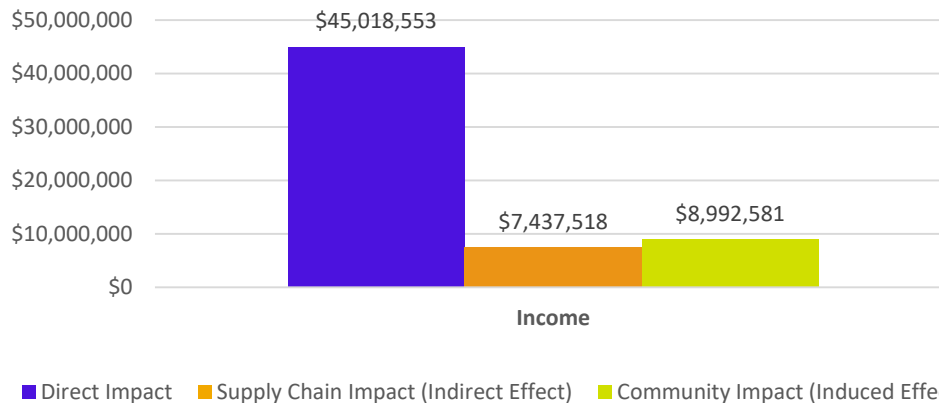
## Annual Employment Impacts of CMS Supplier Diversity Program



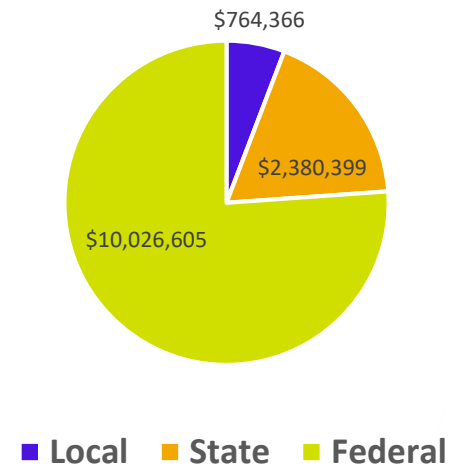
## Annual GDP Contributions of CMS Supplier Diversity Program



## Annual Income Impacts of CMS Supplier Diversity Program



## Estimated Tax Impacts of CMS Supplier Diversity Program



\*Economic impact analysis provided by Charlotte Regional Business Alliance

# Detailed Impact Channels



Sharon Elementary School Addition

**355 Jobs**  
**\$25M Income**  
**\$56.3M Gross Domestic Product**  
**Minority-Owned Businesses**

**478 Jobs**  
**\$34.3M Income**  
**\$74.9M Gross Domestic Product**  
**Women-Owned Businesses**

**21 Jobs**  
**\$1.6M Income**  
**\$3.4M Gross Domestic Product**  
**Small Business Enterprise**

# Impact of Diverse Suppliers

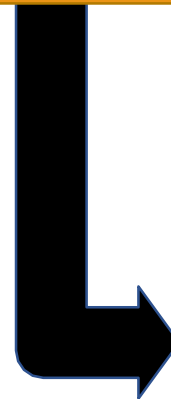
**\$134.6  
Million**

Contribution to the  
Mecklenburg County  
Economy



**855**

Jobs supported by Diverse  
Suppliers



**\$61.4  
MILLION**

Income earned by  
employees



# What's next?



# Workforce Development Plan

## Two-pronged approach:

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

## Strategic Goals:

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

## Program Objectives:

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

# Summary of Workforce Development Related Activities

New Hires	<ul style="list-style-type: none"><li>2</li></ul>
Internships (Mayor's Youth Employment Program, CPCC Construction program and CMS college graduates)	<ul style="list-style-type: none"><li>9</li></ul>
Apprenticeships	<ul style="list-style-type: none"><li>2 (electrical and ceramic tile)</li></ul>
Activities/Scholarships	<ul style="list-style-type: none"><li>Site tours for Goodwill students</li><li>Awarded \$3k scholarships to 7 CMS students based on merit and exemplary participation in ACE Program</li><li>Sponsored two CMS students to attend UNC Charlotte Summer Design Academy</li></ul>



Collinswood Language Academy

# Best Practice Industry Partners

**PERKINS —  
EASTMAN**

**Messer**  
WeAreBuilding.

**RJL**  
**R.J. LEEPER**  
Construction, LLC

 **NewAtlantic**  
CONTRACTING, INC.

**RODGERS**  
Our Passion is Building®

**adw**architects  
environmentsforlife

  
**LeCHASE**  
CONSTRUCTION

**LS3P**

**Turner**



**HOLT**  
BROTHERS

**La** LIL ASSOCIATES II INC

  
**EDIFICE**  
GENERAL CONTRACTORS  
The Art and Science of Construction

**BROWNSTONE**

**BRANCH**®  
CONSTRUCTION MANAGEMENT ■ DESIGN-BUILD ■ GENERAL CONTRACTING

**LITTLE**  
DIVERSIFIED ARCHITECTURAL CONSULTING

**JACOBS**®

neighboring  
concepts

**metcon**  
BUILDINGS ■ INFRASTRUCTURE

**FWA**  
Group

**cms**  
Charlotte-Mecklenburg Schools

# Community Resource Partners



CHARLOTTE  
WORKS

UNITED MINORITY CONTRACTORS  
**UMCNC**  
OF NORTH CAROLINA

State Chapter of the National  
Association of Minority Contractors



**CENTRAL PIEDMONT**  
COMMUNITY COLLEGE



**INLIVIAN**  
HOUSING REDEFINED





# Next Steps

- Community Outreach
- Pre-qualification of bidders
- Charlotte MED Week
- Career Fairs
- Finance Café
- Business Connections Expo
- Summer Internships
- Host quarterly Workforce Advisory Group Meetings



# Questions

**Minority, Women and Small Business Enterprise Program**