



FINANCE

CITY OF DURHAM

Equal Business Opportunity Program Update

January 2024

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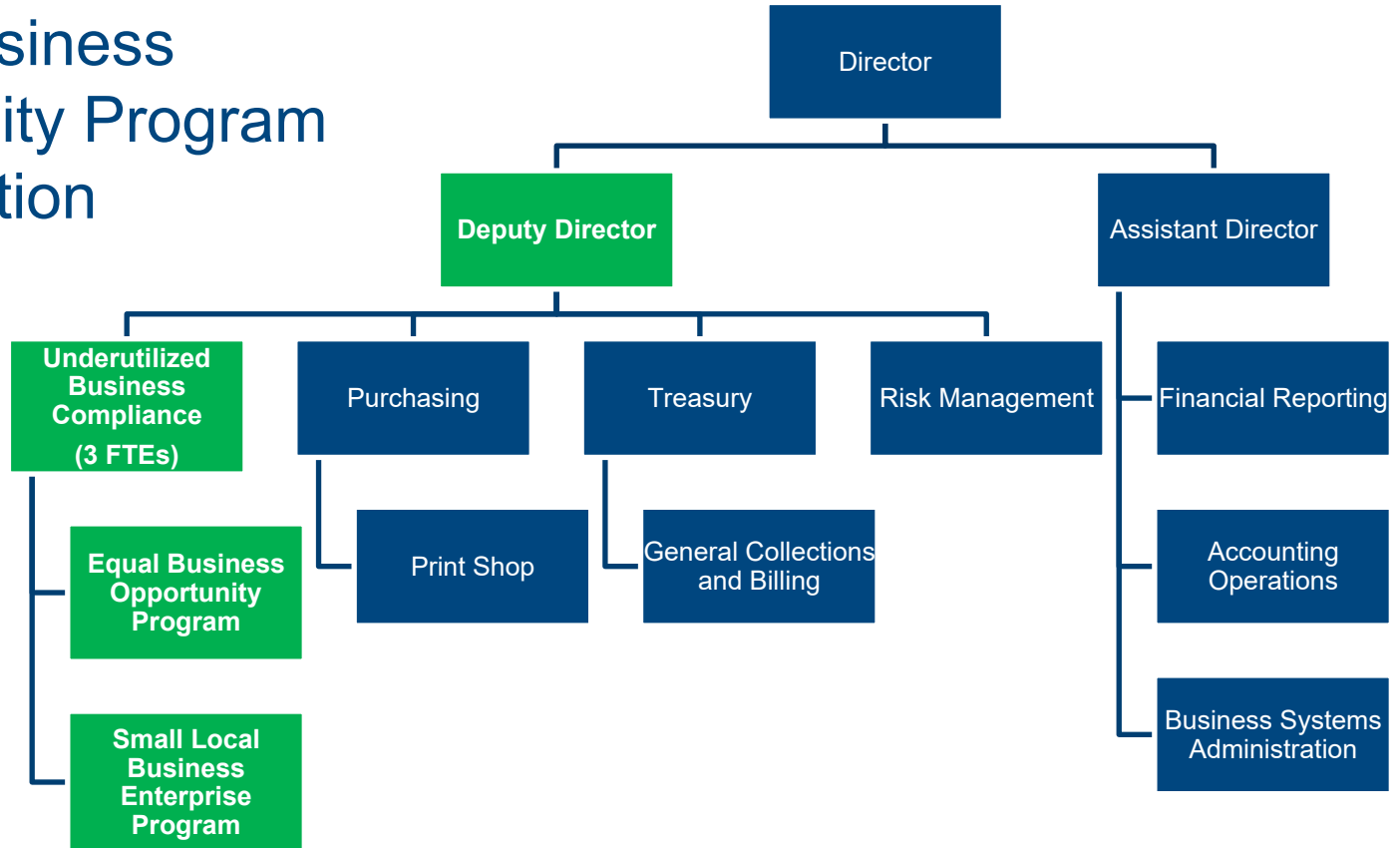
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Abbreviation Guide

- **DBE:** Disadvantaged Business Enterprise; another way to refer to UBEs, MBEs, WBEs, etc. The North Carolina Department of Transportation uses this term for its certification program.
- **EBOP:** Equal Business Opportunity Program, the City's race- and gender-conscious supplier diversity program.
- **HUB:** Historically Underutilized Business, usually refers to North Carolina's certification program or its database of underutilized businesses
- **MBE:** Minority-owned Business Enterprise
- **MWBE:** Minority- and/or Woman-owned Business Enterprise
- **SLBE:** Small Local Business Enterprise, usually refers to the City's SLBE program, a race- and gender-neutral supplier diversity program
- **UBC:** Underutilized Business Compliance Division of the Finance Department, consists of the EBO and SLBE programs
- **UBE:** Underutilized Business Enterprise
- **WBE:** Women-owned Business Enterprise



Equal Business Opportunity Program Organization



Underutilized Business Compliance Staff



Sheilah Faucette
Deputy CFO/*



Sidney Anderson
Business Services
Administrator



Nathan Rivers
Business Services Analyst

*The UBC manager position, which is responsible for administration of the EBOP and SLBE programs and reports to the deputy finance director, is currently vacant.

Equal Business Opportunity Program Purpose

EBOP works to prevent discrimination and maintain equal opportunities for historically underutilized businesses by:

- Informing underutilized businesses of City contracting opportunities
- Providing information and assistance to underutilized businesses related to City procurement practices, procedures and bid specifications
- Setting Minority/Women-owned Business Enterprises (MWBE) participation goals for eligible contracts valued at \$30,000 or greater
- Evaluating bidders' and contractors' achievement of the contract-specific goals or good-faith efforts to meet these goals
- Working with all City departments to facilitate prompt payments to underutilized businesses and assess compliance with contract-specific commitments
- Reviewing and addressing complaints and suggestions concerning the program
- Collecting data to evaluate the program and other City contracting initiatives

Equal Business Opportunity Program Timeline

2014: City of Durham conducts Disparity Study with Durham County

2019: Equal Opportunity and Equity Assurance Department becomes Equity & Inclusion, Contracts & Compliance Division Established

April 2022: Convening of Interdepartmental Equitable Contracting Workgroup to improve EBOP

2016: City of Durham updates Equal Business Opportunity Program Ordinance

2022: Contracts & Compliance becomes Underutilized Business Compliance (UBC) and moves from Equity & Inclusion to Finance



Equal Business Opportunity Program Improvement Timeline



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Disparity Studies

- What is a Disparity study?
 - Determines if inequities exist in public procurement and contracting that adversely affect Disadvantaged Businesses/minorities and/or women.
 - Helps to ensure any race or gender base programs withstand scrutiny in a court of law.
 - No court mandated expectation of time between studies.
 - Standard is every 5 to 7 years.
 - Length of the study is determined by the scope of the research, condition and availability of data, scope of services and number of entities involved.
 - Normally lasts about 12 months.
- Study requirements are based on a 1989 U.S. Supreme Court decision (City of Richmond v. J.A. Croson Co.)
 - Court imposed legal requirements to establish a “compelling interest” to support the establishment of minority and women business programs.
 - Study results determine if a compelling interest exist to have a supplier diversity Program.

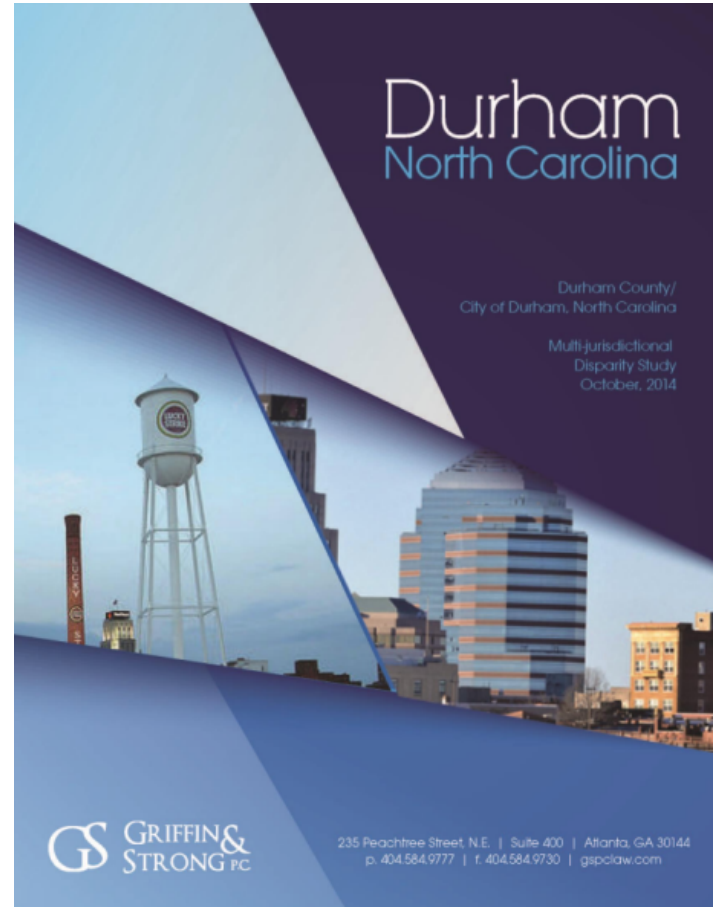


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The City of Durham's Disparity Study

- Conducted in 2014 by Griffin & Strong (Atlanta, GA)
- City and County, separate statistical analyses and recommendations
- Consists of legal analysis, statistical analysis, data, and recommendations
- Objectives:
 - Determine whether the City or County has engaged or engages in discriminatory practices in the solicitation and award of contracts (construction, engineering, services, and goods)
 - Determine if a legally justified need continues to exist for any or all of Durham City and County's supplier diversity (MWUBE) efforts in accordance with the guidelines set forth by the Supreme Court



Goal Setting

- The City of Durham has aspiration annual goals for the EBOP program.
- Aspirational goals are not quotas or set-asides.
- The City sets project-specific goals for eligible projects with a value of \$30,000 or more based on the availability of certified minority and women contractors to perform work in the project's scope

Project Category	Minority Goal	Woman Goal
Construction	11%	7%
Professional Services	8%	6%
Services	7%	5%
Goods	2%	4%



Project-specific Goal Setting

UBC team receives scope of work for eligible project from user department project manager

UBC team uses the NC HUB database to search active, certified UBEs within a 22-county radius that can perform work in the scope

UBC team validates list to ensure accuracy

UBC teams sets goal based on the number of opportunities within the scope and the contractors available to do the work in each category (minority and women)

UBC team presents goals to the user department project manager. Goals may be adjusted based on feedback from project managers.



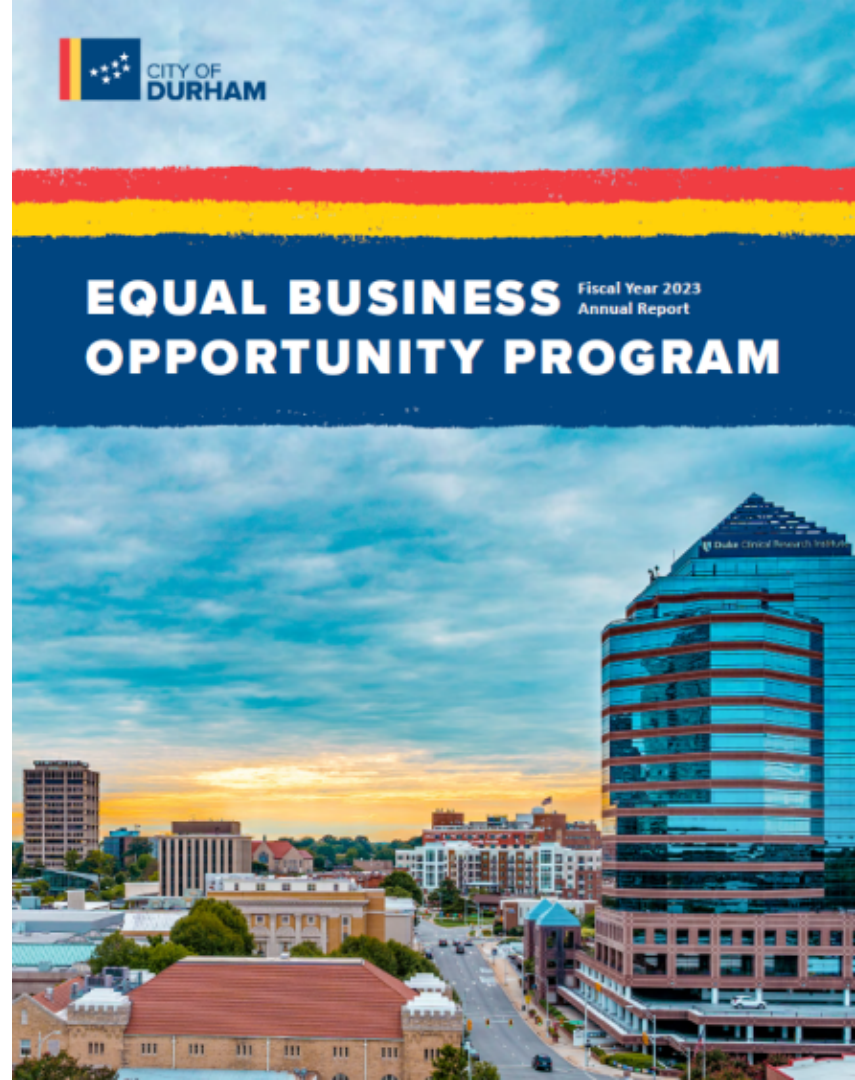
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Fiscal Year 2023 EBOP Annual Report Goals

- Transparency & Accountability
- Highlight improved data collection
- Share process improvement story
- Highlight important contributions of MWBE vendors

[EBOP Fiscal Year 2023 Annual Report](#)

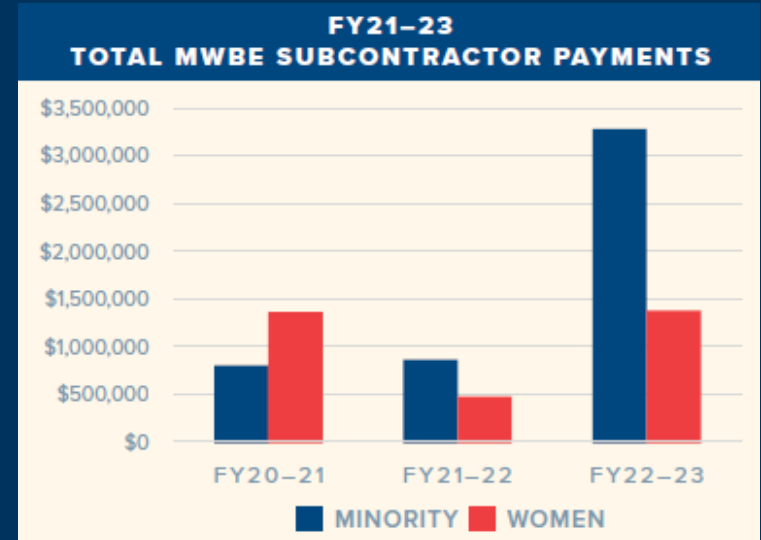
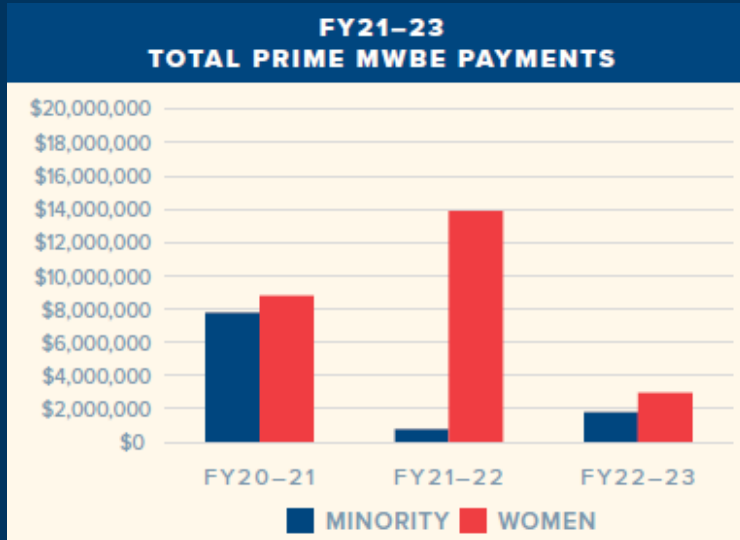


Vendor Spotlight



“Three Oaks Engineering is grateful to the City of Durham for providing us with opportunities as a woman-owned HUB and DBE vendor. By establishing goals for HUB and DBE participation in contracts and maintaining a list of certified firms for use in requests for proposals, we have been approached by prime firms who may not have known of our business otherwise.”

FY 21-23 Prime and Subcontractor MWBE Payments



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Improving the Equal Business Opportunity Program: The Equitable Contracting Workgroup



Improved Website



Streamlined Reporting



EBOP Steering
Committee



I-Teams Forms
Update



FY24-26 Priorities



Improve data collection and reporting



Collect vendor feedback through vendor survey



Ordinance Review and Rewrite



Enhance outreach and business development



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Minority Enterprise Development (MED) Week 2023

- MED Week is a celebration of achievements and contributions of minority business enterprises.
- Takes place each October.
- The County, City, and its partners hosted a celebration on October 5-6
- The celebration included a keynote speaker, panels, networking, a luncheon, and a business expo.





City of Durham staff at the 2023 MED Week Celebration.
L-R: Nathan Rivers, Tim Flora, Sheilah Faucette, Bertha Winbush, and Sidney Anderson.

Thank you. Questions?

Sheilah N. Faucette
Deputy CFO

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