



Addressing Availability and Utilization of Minorities & Women

Deborah Giles, Director
Equal Opportunity/Equity Assurance Dept.
(919) 560-4180, ext. 17243
Deborah.Giles@DurhamNC.gov

June 4, 2015

Purpose

To seek City Council input on implementing changes to the Equal Business Opportunity Program

Disparity Study Recommendations for Availability and Utilization

- 1) Institute aspirational goals for minority and female subcontractors in the areas of underutilization
- 2) Target outreach to underrepresented groups to encourage participation by Asian American, Hispanic American, and American Indian owned firms

GSPC provided availability data on all procurement categories

Construction Example:

Race/Ethnicity	GSPC #	Durham #
BLACK AMERICAN	134	81
ASIAN AMERICAN	12	4
HISPANIC AMERICAN	39	15
AMERICAN INDIAN	6	5
WHITE FEMALE	127	40
TOTAL MWBE	318	145

Use of Historically Underutilized Business (HUB) Database Increases Availability

Total Database:

NC HUB	Durham
3,363	282

Use of HUB Database Feasible Under State Law

- 2009 law required that only minority/women firms certified through the HUB Office were to be counted by local and state entities for HUB participation and reporting
- Durham received exception due to program size standards and other program differences

HUB Certification Eligibility

- At least 51 percent owned, controlled, and managed by one or more citizens or lawful permanent residents of the United States who are members of one or more of the following groups:
 - 1) Black
 - 2) Hispanic
 - 3) Asian American
 - 4) American Indian
 - 5) Female
 - 6) Disabled
 - 7) Disadvantaged
- Certification is valid for four years provided that the business continues to meet the eligibility requirements

Durham Certification Eligibility

- At least 51 percent owned by one or more socially and economically disadvantaged individuals, or in the case of a publicly owned business, at least 51 percent of all classes of the stock of which is owned by one or more socially and economically disadvantaged individuals
- Must be a citizen (or lawfully admitted permanent resident) of the United States who is either:
 - 1) Black/African-American which includes persons having origins in any of the black racial groups of Africa
 - 2) Female
 - 3) Individual found by the City, on a case-by-case basis, to have been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a member of a group without regard to individual qualities

Durham Certification Eligibility

- Whose management, policies, major decisions, and daily business operations are independently managed and controlled by one or more socially and economically disadvantaged individual
- A small business enterprise
- If any law requires the owners to have a particular license or other credential to operate, own and/or control a certain type of business, then the SED owners must possess the required license or credential
- If the law does not so require, that the owners lack such license or credential is a factor in determining whether the SED owners actually control the firm

Durham Certification Eligibility

- The certification status of all SDBEs shall be reviewed biannually
- A firm that has been denied certification or recertification or been decertified may protest the denial or decertification

Considerations If Change Made

- 1) Broader definition of minority firms
- 2) No business size standards
- 3) No requirement that business owner hold any license that is required to perform service (non-bona fide businesses)
- 4) No process to protest certification/decertification

Discussion Question

- Is there a benefit for greater MWBE availability and utilization of MWBE firms through the use of the HUB certification process and database?