

PROCUREMENT & WAREHOUSING SERVICES DEPARTMENT

Disparity Study Procedure and Policy Update June 28, 2016

Maurice L. Woods, Chief Strategy & Operations Officer

Mary Coker, Director, Procurement & Warehousing Services

Colleen M. Robbs, Coordinator, Supplier Diversity & Outreach Program

Brian Johnson, Chair, Disparity Study Work Group

Franklin M. Lee, Esq., Tydings & Rosenberg, LLP (Consultant)



BROWARD COUNTY PUBLIC SCHOOLS

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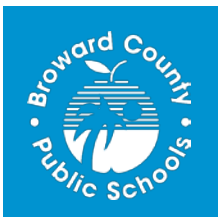
- Policy Option Matrix Handout
- The District's Disparity Study Findings 10/27/15 by Mason Tillman Associates, Ltd.



Disparity Study Implementation Overview

The primary purpose of the Disparity Study Work Group was to review recommendations of the Disparity Study and provide feedback on procedural and policy changes.

- Consultant Franklin M. Lee, Esq., Partner of Tydings & Rosenberg, LLP; led the implementation process
- The Work Group held a total of ten meetings
- The Work Group reviewed, discussed, and ranked race- and gender-neutral administrative recommendations and race- and gender-conscious remedies
- The rankings will be a guide in drafting the revised Minority/Women Business Enterprise (M/WBE) policies



Policy Deliberation Phase

**Prescribes Effective Remedies for
Identified Barriers to
Minority/Women Business Enterprise
Participation**

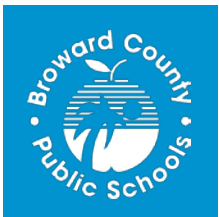


Policy Deliberation Phase

(Continued)

Policy Option Matrix

- Identifies appropriate policy “remedies” for addressing barriers identified in the Disparity Study
 - Race & Gender-neutral remedies
 - Race & Gender-conscious remedies
- Policy options that are legally defensible
- Policy options that are effective/best practices



Policy Deliberation Phase

(Continued)

Policy Option Matrix

- Describes the features of each proposed policy option
- Cites relevant findings and “diagnoses” from the Disparity Study that supports consideration of proposed policy option
- Summarizes key pros and cons for each proposed policy option remedy



Policy Deliberation Phase

(Continued)

Finding the Right Prescription:

- ✓ The District's Medical Kit for Economic Inclusion...



Policy Deliberation Phase (Continued)

Treatment Options for Economic Disparity Race-Neutral versus Race-Conscious Remedies

- Industry-specific
 - Construction
 - Professional Services
 - Other Services
 - Commodities
- Non-industry specific: Bid-debriefings, financing, technical assistance, commercial non-discrimination policy, de-bundling specification review, and centralized bidder registration system



Disparity Study Work Group (Continued)

Highest Ranked Priorities for a New Program

Race-Neutral Policy Options and Administrative Reforms:

- Direct Owner Purchasing Program
- Small Business Prime Contracting Program
- Small Business Enterprise (SBE) Subcontracting Program
- SBE Mentor-Protégé Program
- SBE Vendor Rotation
- Evaluation Preferences for SBE Primes

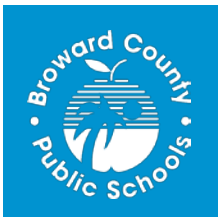


Disparity Study Work Group (Continued)

Highest Ranked Priorities for a New Program

Race-Neutral Policy Options and Administrative Reforms:

- Evaluation Panel Diversity
- SBE Reserve for Contracts Up to \$50,000
- Centralized Bidder Registration System/Data Extraction/Data Management Enhancements
- De-bundling of Contracts
- Supportive Services/Technical Assistance

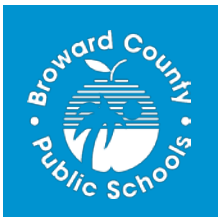


Disparity Study Work Group (Continued)

Highest Ranked Priorities for a New Program

Race-Neutral Policy Options and Administrative Reforms:

- Mobilization/Working Capital Payments
- Contract Compliance Monitoring/Change Orders
- Website Enhancement strategies
- Debriefings for Unsuccessful Bidders
- Expedited Payment Programs
- Disputed Invoice five-day Notice Requirement

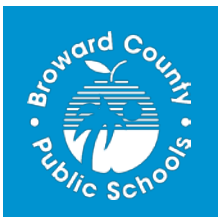


Disparity Study Work Group (Continued)

Highest Ranked Priorities for a New Program

Race-Neutral Policy Options and Administrative Reforms:

- Annual Contracting Trend Forecasting
- Commercial Nondiscrimination Policy
- Establishment of Goal Setting Committees
- Direct Reporting of Supplier Diversity & Outreach Program Office to the Superintendent



Disparity Study Work Group: (Continued)

Highest Ranked Priorities for a New Program

Race-Conscious Policy Options and Administrative Reforms:

- Annual Aspirational Goals
- M/WBE Price Evaluation Preference for Prime Contract Bids
- M/WBE Subcontracting Goals
- M/WBE Segmented Subcontracting Goals
- M/WBE Mentor-Protégé Program

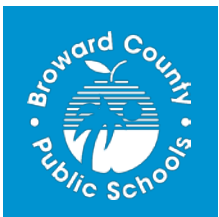


Disparity Study Work Group: (Continued)

Highest Ranked Priorities for a New Program

Race-Conscious Policy Options and Administrative Reforms:

- Minority Inclusion Language in Response for Proposals (RFPs)
- M/WBE Evaluation Preference for “Best Value” RFPs
- Penalties and Sanctions for Non-compliance with M/WBE Requirements
- Penalties and Sanctions for Fraud (Certification and M/WBE Compliance)



Disparity Study Work Group (Continued)

Highest Ranked Priorities for a New Program

Race-Conscious Policy Options and Administrative Reforms:

- M/WBE Vendor Rotation
- Voluntary Minority Distributorship Development Program
- SDOP Prior Approval of M/WBE Subcontractor Substitutions
- Staff Training on Small/Minority/Women Business Enterprise (S/M/WBE) Program Procedures and Responsibilities



Remaining Steps for a New Program

- Presentation of Revised Policy Option Matrix to the Board (June 28, 2016)
- Board Approval of Revised Policy Option Matrix (June 28, 2016)
- Draft Amendments to SDOP and the District's Purchasing and Administrative Procedures Based Upon Program Elements Outlined in the Revised Policy Option Matrix (Franklin Lee, Esq.) (July 15, 2016)



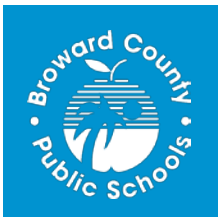
Remaining Steps for a New Program (Continued)

- First School Board Workshop on Proposed Amendments to SDOP S/M/WBE Policy (for discussion) (August 23, 2016)
- Public Rule Development Workshop 2 (September 27, 2016)
- Final Adoption of Amended SDOP S/M/WBE Policy Rules and Procedures at Regular School Board Meeting (October 25, 2016)



Disparity Study Work Group Voting and Non-Voting Members

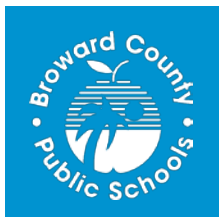
Appendix 1



Disparity Study Work Group

Voting Members

	Last Name	First Name	Title	Organization
1	Boutros	Kareen	Executive Director	Broward Workshop
2	Bowen	Carol	Deputy Chief Lobbyist	Associated Builders and Contractors of Florida
3	Bridgeman	Dexter	CEO and Founder	MIA Media Group, LLC
4	DuBois	Dustin	President	DuBois Construction –Service Disabled Veteran Owned Small Business (SDVOSB)
5	Ellison	Marsha	President	NAACP of Broward County
6	Gordon	Ayisha	President	National Association of Women in Construction
7	Johnson	Brian	President/CEO	Minority Builders Coalition, Inc.
8	Keith-Lazowick	Dodie	Chair	Supplier Diversity & Outreach Program Advisory Committee
9	Louissaint	Beatrice	President	Florida State Minority Supplier Development Council
10	McDonald	Sandy	Director	Broward County Office of Economic and Small Business Development
11	Smith-Baugh	Dr. Germaine	President	Urban League of Broward County
12	Swindell	Bob	President	Greater Fort Lauderdale Alliance
13	Webley	Peter	President	Caribbean Today



Disparity Study Work Group

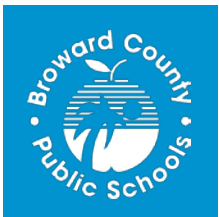
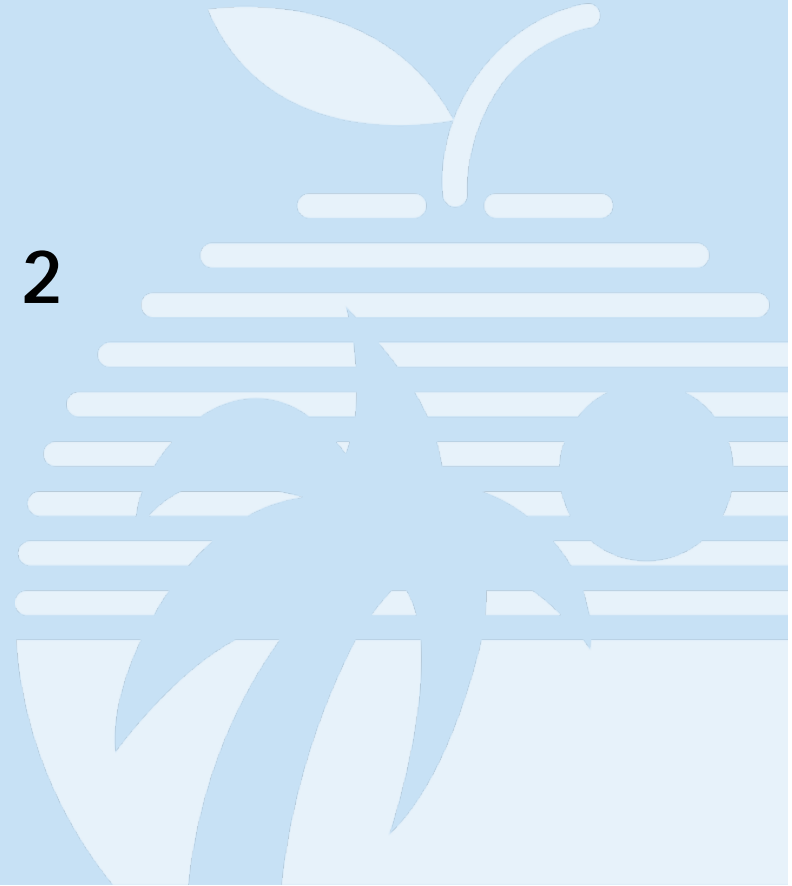
Non-Voting Members / District Staff

	Last Name	First Name	Title	Department
1	Bays	Sam	Director	Physical Plant Operator
2	Bobadilla	Leo	Chief	Facilities & Construction
3	Coker	Mary	Director	Procurement & Warehousing Services
4	Freeman	Lavinia	M/WBE Specialist	Procurement & Warehousing Services
5	Henry	Aston	Director	Risk Management
6	Hunter	Tony	Chief Information Officer	Information & Technology
7	Johnson	Nell	Director	Business Support Center
8	Lauchaire	Vanessa	Manager, Strategic Sourcing	Procurement & Warehousing Services
9	Meloni	Shelley	Director	Facilities and Construction Management
10	Modas	Mark	Accountant V	Accounting and Financial Reporting
11	Reilly	Patrick	Chief Auditor	Office of the Chief Auditor
12	Robbs	Colleen	Coordinator, SDOP	Procurement & Warehousing Services
13	Schmidt	Dale	Director	Performance Management
14	Shim	Omar	Director	Capital Budget
15	Stewart	Dr. Carolyn	Coordinator	Community Relations
16	Vignola	Robert	Deputy General Counsel	Office of the General Counsel



Disparity Study Work Group Policy Option Rankings

Appendix 2



Disparity Study Work Group Policy Option Rankings (continued)

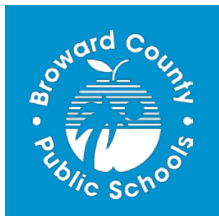
Disparity Study Work Group Ranking of Policy Recommendations								
#	Industry Specific Program	High	Moderate	Low	Tie	Total Votes	Un- animous	*Number of Voters
		Tier 1	Tier 2	Tier 3				
Results from April 22, 2016								
Race/Gender-Neutral Construction Industry								
R/N-1	Bond Waivers and Assistance Programs	0	7	1		8		8
R/N-2	Direct Owner Purchasing Program	9	0	0		9	x	9
R/N-3	Small Business Enterprise Prime Contract Program	9	0	0		9	x	
R/N-4	SBE SubContracting Program / Goals	9	1	0		10		10
R/N-5	HUBZone Program	0	8	2		10		
R/N-6	SBE Mentor/Protégé Program	8	2	0		10		
R/N-7	SBE Low Cost Wrap-up Insurance (OCIP)	0	0	10		10	x	
Race/Gender-Conscious Construction Industry								
R/C-1	Annual Aspirational Goals	8	2	0		10		
R/C-2	Price Evaluation Preference for Prime Contracts Bids	10	0	0		10	x	
R/C-3	M/WBE Subcontracting Goals	9	1	0		10		
R/C-3A	M/WBE Segmented Subcontracting Goals	9	1	0		10		
R/C-4	M/WBE Joint Venture Incentives	1	7	2		10		
R/C-5	M/WBE Mentor/Protégé Program	9	0	0		9	x	9
R/C-6	Minority Inclusion Language in RFPs	8	1	0		9		
R/C-7	M/WBE Evaluation Preference for "Best Value" RFPs	5	4	0		9		

* Indicates where the number of voters changed during meeting. Quorum was maintained throughout meeting.

Disparity Study Work Group Policy Option Rankings (continued)

Disparity Study Work Group Ranking of Policy Recommendations								
#	Industry Specific Program	High	Moderate	Low	Tie	Total Votes	Un- animous	*Number of Voters
		Tier 1	Tier 2	Tier 3				
Results from April 22, 2016								
Non-Industry-Specific Race-Neutral								
R/N-8	Centralized Bidder Registration System/Data Extraction/and Data Management Enhancements	9	0	0		9	x	
R/N-9	Administrative Strategies / De-bundling	9	0	0		9	x	
R/N-10	Supportive Services (Technical Assistance)	9	0	0		9	x	
R/N-11	Subcontract Remedies (Mobilization and Working Capital Payments)	8	1	0		9		
R/N-12	Contract Monitoring & Reporting (Multi-year Contracts and Change Orders)	9	0	0		9	x	
R/N-13	Website Enhancement Strategies	5	2	1		8		8
R/N-14	Enhance Lead Times for Bid Submittals	4	4	0		8		
R/N-15	Debriefings for Unsuccessful Bidders	5	3	0		8		
R/N-16	Establish Office of Contractor Dispute Resolution (Mediation / Arbitration)	2	4	1		7		7
R/N-17	Expedited Payment Program	6	1	0		7		
R/N-18	Disputed Invoice Five Day Notice Requirement	7	0	0		7	x	
R/N-19	Annual Contracting Trend Forecast	4	3	0		7		
R/N-20	Commercial Non-Discrimination Policy	6	1	0		7		
R/N-21	Goal Setting Committees	7	0	0		7	x	
R/N-22	Direct Reporting of SDOP Office to Board-Superintendent	7	0	0		7	x	
Non-Industry-Specific Race-Conscious								
R/C-8	Penalties and Sanctions for Non-compliance with M/WBE Requirements	7	0	0		7	x	
R/C-9	Penalties and Sanctions for Fraud (Certification and M/WBE Compliance)	7	0	0		7	x	
R/C-10	SDOP Prior Approval of M/WBE Subcontractor Substitutions	7	0	0		7	x	
R/C-11	Establish M/WBE Ombudsman Position	3	4	0		7		
R/C-12	SBBC Staff Training (S/M/WBE Program Procedures and Responsibilities)	4	3	0		7		

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Disparity Study Work Group Policy Option Rankings (continued)

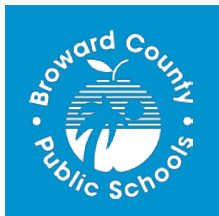
Disparity Study Work Group Ranking of Policy Recommendations								
#	Program Name	High	Moderate	Low	Tie	Total Votes	Un- animous	*Number of Voters
		Tier 1	Tier 2	Tier 3				
Results from June 9, 2016								
Race/Gender-Neutral Professional Services Industry								
R/N-23	SBE Vendor Rotation	8	0	0		8	x	8
R/N-24	Evaluation Preferences for <u>New</u> SBE Prime Bidders	7	2	0		9		9
R/N-25	Evaluation Panel Diversity	9	0	0		9	x	9
R/N-26	SBE Reserve for Contracts Up to \$25,000 \$50,000	6	3	0		9		9
R/N-27	Evaluation Preference for SBE Prime Bidders (*Note: Combined with R/N -24)							
R/N-28	SBE Subcontracting Goals for Professional Services	9	0	0		9	x	9
Race/Gender-Conscious Professional Services Industry								
R/C-13	Annual Aspirational M/WBE Goals	7	2	0		9		9
R/C-14	M/WBE Evaluation Preferences for Professional Services	8	1	0		9		9
R/C-15	M/WBE Subcontracting Goals for Professional Services	8	1	0		9		9
R/C-16	M/WBE Vendor Rotation	7	2	0		9		9

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Disparity Study Work Group Policy Option Rankings (continued)

Disparity Study Work Group Ranking of Policy Recommendations								
#	Program Name	High	Moderate	Low	Tie	Total Votes	Un- animous	*Number of Voters
		Tier 1	Tier 2	Tier 3				
Results from June 9, 2016								
Race/Gender-Neutral Commodities Industry								
R/N-29	SBE Price Preferences for Commodities Contracts	7	1	0		8		8
R/N-30	SBE Vendor Rotation	6	2	0		8		8
R/N-31	SBE Reserve for Contracts Up to \$50,000	5	2	1		8		8
Race/Gender-Conscious Commodities Industry								
R/C-17	Annual Aspirational M/WBE Goals	6	2	0		8		8
R/C-18	M/WBE Price Preferences for Commodities Contracts	7	1	0		8		8
R/C-19	M/WBE Vendor Rotation	4	4	0		8		8
R/C-20	Voluntary M/WBE Distributorship Development Program	5	3	0		8		8
R/C-21	Mandatory M/WBE Distributorship Development Program	4	4	0		8		8

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Disparity Study Work Group Policy Option Rankings (continued)

Disparity Study Work Group Ranking of Policy Recommendations								
#	Program Name	High	Moderate	Low	Tie	Total Votes	Un- animous	*Number of Voters
		Tier 1	Tier 2	Tier 3				
Results from June 9, 2016								
Race/Gender-Neutral Other Contractual Services Industry								
R/N-32	Direct Contracting for Other Contractual Services	4	2	2		8		8
R/N-33	SBE Vendor Rotation	4	4	0		8		8
R/N-34	SBE Evaluation Preference for Prime Bidders	5	3	0		8		8
Race/Gender-Conscious Other Contractual Services Industry								
R/C-22	Annual Aspirational M/WBE Goals	6	2	0		8		8
R/C-23	M/WBE Vendor Rotation	4	4	0		8		8
R/C-24	M/WBE Evaluation Preference for Prime Bidders	5	3	0		8		8

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Recap: Steps for a New Program

Appendix 3



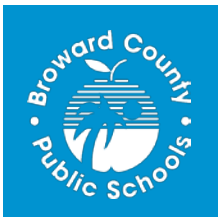
Recap: Steps for a New Program

- Disparity Study Work Group meetings
(January 2016 to June 2016)
- Drafting of Policy Option Matrix by Legal Consultant (Franklin Lee, Esq.)
(April 29, 2016)



Recap: Steps for a New Program (continued)

- Feedback from District staff, Disparity Study Work Group, and other Stakeholders on Draft Policy Option Matrices for Construction, Professional Services, Commodities, and Other Services Industries **(Completed April 1 – June 9, 2016)**
- Revision of Policy Option Matrix Based Upon Stakeholder Feedback **(Completed June 10, 2016)**



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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