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## BUDGET AND FISCAL AFFAIRS CITY COUNCIL COMMITTEE MEETING:

# OBO Updates

Presented by

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# Overview



- A commissioned Disparity Study, which covers FY2005-2010, confirmed that the City of Houston has a compelling interest in continuing its MWBE Program to remediate discrimination in awarding construction contracts. *The study is available on our website for review at <http://www.houstontx.gov/obo>*
- The study was presented by City Attorney David Feldman on April 18, 2012 as a part of the Mayor's Report
- OBO hosted meetings to discuss the study and answer questions about findings and recommendations
  - Meeting with Department Directors on April 25, 2012
  - Stakeholders meeting on April 30, 2012; over 80 attendees

# OBO Advisory Board



Mayor Parker created an OBO Advisory Board which will consist of several city department heads, citizen(s) and representatives from the business and contracting community. Each member will serve for a two-year term.

- The Board's responsibilities will include:
  - Enhancing Program visibility
  - Identifying best practices
  - Making policy and procedural recommendations to the OBO Director
  - Assisting with fostering external partnerships
  - Assessing the feasibility of the implementation of recommendations from the disparity study



# City Council Working Group



Mayor Parker has asked Council Member Larry Green to lead a City Council Working Group to review the enabling Ordinance in light of the disparity study findings and recommendations.

➤ The Working Group will:

- Make recommendations to City Council on citywide goals for construction service contracts
- Establish a timeline for implementing Program changes





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# S/MWBE Utilization Report Status Update



# Utilization Report



## Improved reporting to include a breakdown by Department such as:

- Details for each department by ethnicity
- Details for each department by gender
- Certification types for each contract by department
- Reporting by contract type for each department

**Office of Business Opportunity**  
FY2011 Details by Department  
July 1, 2010 – June 30, 2011

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FY2011 Goal Achievement

Contract Type	A		B		C = A+B		D = B/C		E		F = D/E
	Non S/MWBE Amount	S/MWBE Amount	Total Amount Awarded	S/MWBE %	S/MWBE Goal	S/MWBE %	Goal Achieved				
Construction Total	\$0	\$0	\$0	0.0%	\$0	0.0%	0.0%				
Professional Services Total	\$0	\$0	\$0	0.0%	\$0	0.0%	0.0%				
Purchasing Total	\$1,052	\$18,859	\$20,911	90.2%	\$20,911	11.0%	839.9%				
<b>Total</b>	<b>\$2,052</b>	<b>\$18,859</b>	<b>\$20,911</b>	<b>90.2%</b>							
Examined Purch Contracts	\$0	\$0	\$0	0.0%							
Grand Total	\$2,052	\$18,859	\$20,911	90.2%							

• The Office of Business Opportunity (OBO) awarded \$20K to certified and non-certified firms in FY11. A total of \$18K was awarded to certified firms and a total of \$2K to non-certified firms amounting to a 90.2% utilization of city certified firms.

• The purchasing total of \$20K included \$18K purchase orders and \$2K Pcards.

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FY2011 S/MWBE Awards by Gender

Gender	Total Award
Female	\$18,859
<b>Grand Total</b>	<b>\$18,859</b>

Female  
\$18,859  
100%

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FY2011 S/MWBE Awards by Certification Type

Ethnicity	Other	Total Award Count
Caucasian	\$18,859	\$18,859 2
<b>Total Award</b>	<b>\$18,859</b>	<b>\$18,859 2</b>

\*Other category reflects firms that have multiple certification types.

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FY2011 S/MWBE Awards by Ethnicity

Ethnicity	Sum of Amount	Percentage	Count of Amount
Caucasian	\$18,859	100.0%	2

Caucasian  
\$18,859  
100.0%  
2

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# Utilization Report




## Improved reporting to include:

- Citywide summaries
- Citywide reports by ethnicity
- Citywide classification by gender
- Citywide certification types for each contract
- Reporting by contract type
- Prior year participation Citywide
- Summary of utilization by department

### Timeline:

OBO will publish historical reports for fiscal year 2011 and a year-to-date report for 2012 by May 15th. OBO will resume providing Bi-Monthly reports, thereafter.



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**Citywide Summary**  
FY2011 July 1, 2010 – June 30, 2011

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**FY2011 Citywide Goal Achievement**

Contract Type	A		B		C=A+B		D=B/C		E		F=D/E
	Non S/MWBE Amount	S/MWBE Amount	Total Amount	S/MWBE %	Total Amount Awarded	S/MWBE %	S/MWBE Goal	Percent of Goal Achieved			
Construction Total	\$37,970.703	\$96,513,225	\$372,132,927	25.9%	\$372,132,927	25.9%	\$372,132,927	22.0%	118%		
Professional Services Total	\$205,567,771	\$44,692,547	\$211,753,318	21.1%	\$211,753,318	21.1%	\$211,753,318	24.0%	88%		
Purchasing Total	\$205,567,771	\$44,692,547	\$455,272,622	10.9%	\$455,272,622	10.9%	\$455,272,622	11.0%	99%		
<b>Total</b>	<b>\$848,240,974</b>	<b>\$190,918,196</b>	<b>\$1,039,159,170</b>	<b>18.4%</b>	<b>\$1,039,159,170</b>	<b>18.4%</b>	<b>\$1,039,159,170</b>	<b>16.0%</b>			
Exempt Purchasing	\$184,129,325	\$6,059,325	\$190,188,650	3.2%	\$190,188,650	3.2%	\$190,188,650				
<b>Grand Total</b>	<b>\$1,032,370,299</b>	<b>\$196,977,521</b>	<b>\$1,229,347,820</b>	<b>16.0%</b>	<b>\$1,229,347,820</b>	<b>16.0%</b>					

A. Non S/MWBE Utilization - Dollars awarded to non-certified firms on contract and non-contract projects.  
 B. S/MWBE Amount - Dollars awarded to S/MWBE firms on contract and non-contract projects.  
 C. Total Amount Awarded - Total contract dollars awarded to certified and non-certified firms.  
 D. S/MWBE % - The percentage of dollars awarded to certified S/MWBEs.  
 E. S/MWBE Goal - The Citywide goal based on the contract.  
 F. Percent of Goal Achieved - The overall percentage of achievement. Percentages above 100% indicate an achievement above and beyond the goal.

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**Prior Year Participation Citywide**

Contract Type	Fiscal Year 2011 <sup>(1)</sup>			Fiscal Year 2010 <sup>(1)</sup>			Fiscal Year 2009 <sup>(1)</sup>		
	Total	S/MWBE %	%	Total	S/MWBE %	%	Total	S/MWBE %	%
Construction - MBE	\$21,483,102	14.1%	14.1%	\$21,483,102	14.1%	14.1%	\$21,483,102	14.1%	14.1%
Construction - SBE	\$43,757,925	11.8%	11.8%	\$43,757,925	11.8%	11.8%	\$43,757,925	11.8%	11.8%
Construction - WBE	\$272,798	0.1%	0.1%	\$272,798	0.1%	0.1%	\$272,798	0.1%	0.1%
Construction - DBE	\$0	0.0%	0.0%	\$0	0.0%	0.0%	\$0	0.0%	0.0%
Construction - Total	\$372,132,927	25.9%	25.9%	\$372,132,927	25.9%	25.9%	\$372,132,927	25.9%	25.9%
Professional Services - MBE	\$38,669,907	18.1%	18.1%	\$38,669,907	18.1%	18.1%	\$38,669,907	18.1%	18.1%
Professional Services - SBE	\$44,442,578	21.1%	21.1%	\$44,442,578	21.1%	21.1%	\$44,442,578	21.1%	21.1%
Professional Services - WBE	\$1,883,042	0.9%	0.9%	\$1,883,042	0.9%	0.9%	\$1,883,042	0.9%	0.9%
Professional Services - DBE	\$0	0.0%	0.0%	\$0	0.0%	0.0%	\$0	0.0%	0.0%
Professional Services	\$211,753,318	21.1%	21.1%	\$211,753,318	21.1%	21.1%	\$211,753,318	21.1%	21.1%
Purchasing <sup>(1)</sup>	\$419,844,899	10.9%	10.9%	\$419,844,899	10.9%	10.9%	\$419,844,899	10.9%	10.9%
Purchasing Contracts - MBE	\$262,001,189	6.6%	6.6%	\$262,001,189	6.6%	6.6%	\$262,001,189	6.6%	6.6%
Purchasing Contracts - SBE	\$2,391,255	0.6%	0.6%	\$2,391,255	0.6%	0.6%	\$2,391,255	0.6%	0.6%
Purchasing Contracts - WBE	\$7,565,794	1.8%	1.8%	\$7,565,794	1.8%	1.8%	\$7,565,794	1.8%	1.8%
Total Purchasing Contracts	\$419,844,899	10.9%	10.9%	\$419,844,899	10.9%	10.9%	\$419,844,899	10.9%	10.9%
Purchase Orders	\$26,487,561	12.1%	12.1%	\$26,487,561	12.1%	12.1%	\$26,487,561	12.1%	12.1%
Purchase Orders - MBE	\$1,960,165	5.8%	5.8%	\$1,960,165	5.8%	5.8%	\$1,960,165	5.8%	5.8%
Purchase Orders - SBE	\$453,272,622	10.9%	10.9%	\$453,272,622	10.9%	10.9%	\$453,272,622	10.9%	10.9%
Purchase Orders - Total	\$453,272,622	10.9%	10.9%	\$453,272,622	10.9%	10.9%	\$453,272,622	10.9%	10.9%
Total without Exempt Purchases	\$1,039,159,170	18.4%	18.4%	\$1,039,159,170	18.4%	18.4%	\$1,039,159,170	18.4%	18.4%
Exempt Purchases	\$184,129,325	3.2%	3.2%	\$184,129,325	3.2%	3.2%	\$184,129,325	3.2%	3.2%
Total with Exempt Purchases	\$1,223,288,495	16.0%	16.0%	\$1,223,288,495	16.0%	16.0%	\$1,223,288,495	16.0%	16.0%
Construction - DBE	\$0	0.0%	0.0%	\$0	0.0%	0.0%	\$0	0.0%	0.0%
Professional Services - DBE	\$0	0.0%	0.0%	\$0	0.0%	0.0%	\$0	0.0%	0.0%
<b>Grand Total</b>	<b>\$1,223,288,495</b>	<b>\$223,919,179</b>	<b>18.3%</b>	<b>\$1,223,288,495</b>	<b>18.3%</b>	<b>18.3%</b>	<b>\$1,223,288,495</b>	<b>18.3%</b>	

(1) Excludes DBE contracts. DBE contracts are Federally funded and have separate goals from S/MWBE contracts.



Thank You.

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