

**TO: Members, Board of Education**

**FROM: Terry B. Grier**

**DATE: September 21, 2006**

**RE: MWBE Strategic Plan**

A MWBE (Minority and Women-Owned Business Enterprise) strategic plan for the district is attached. The plan includes a blend of components from the district's existing MWBE strategies/initiatives and the Minority/Women/Historically Underutilized Business Program Recommendations prepared by consultant Kenneth Johnson of K. Johnson Consulting Services, Inc. (copy also attached). The strategic plan and accompanying documents have been reviewed by Board Attorney Jill Wilson and have been revised as needed to incorporate her input/legal expertise.

Highlights of the recommended changes/additions include but are not limited to:

- ***a revised Good Faith Effort Goals and Requirements Board policy*** – The revised policy increases the current goal for MWBE participation in construction projects in excess of \$300,000 from 10% to 12.46%. The recommended increase is based on the North Carolina Department of Administration's Disparity Study conducted by MGT of America, Inc, Tallahassee, Florida, on December 30, 2003. We have provided Board members with a copy of this disparity study in the past. Additional copies are available if needed. The previous goal was based on the 10% goal cited in NCGS 143-128.2.
- ***revised Good Faith Effort Bid forms*** – Heretofore, contractors were allowed the statutory timeframe of 72 hours of having been identified as the apparent low bidder on a project to submit certain affidavits indicating the specific good faith efforts performed by the contractor; the contractor's intent to self perform any work elements of the project, the portion of the work to be performed by MWBEs if participation was equal to or greater than the district's goal and portion of the work to be performed by MWBEs if participation was less than the district's goal. The revised strategic plan specifies that such documents must be attached to the bid documents when the bids are initially submitted for consideration.
- ***revised certification requirements*** - All vendors registering with GCS as a MWBE vendor will be required to provide certification. While GCS does not certify MWBE vendors; it does recognize existing M/WBE certification programs established by other governmental/municipal/public entities. The State of North Carolina, local governmental entities, Triad Minority Supplier Development Council and Carolina Supplier Development Council MWBE certifications will be the only certifications recognized by GCS.
- ***enhanced outreach and technical support initiatives*** – see page 2 of the attached strategic plan for specifics
- ***pre and post bid document review*** - Bid documents will be reviewed prior to advertisement of bids to ensure project breakdown opportunities allowing small businesses to bid directly to the GCS (i.e., unbundling of items such as technology cabling, landscaping, asphalt paving). All bid documents will be reviewed and analyzed to ensure that Good Faith Effort rules and measures have been met. All MWBE Good Faith Effort Affidavits must be attached to bids when the bids are initially submitted for consideration.
- ***utilization of supplier price parity agreements*** - see ATTACHMENT B of the strategic plan – this agreement will assist MWBE contractors/subcontractors in securing competitive pricing for materials and supplies
- ***utilization of quick pay agreements*** - see ATTACHMENT C of the strategic plan – this agreement will assist MWBE contractors/subcontractors with meeting cash flow demands/requirements
- ***MWBE staffing*** – The strategic plan includes a recommendation that the MWBE Coordinator report directly to the Chief Financial Officer versus the Purchasing Officer. The plan also includes a recommendation to add an office support position to assist the MWBE Coordinator with reporting requirements, managing the vendor data base and pre- and post-bid award monitoring/compliance. The office support position is a new position and will, therefore, have a budgetary impact.

- **updated vendor data base** – The GCS vendor data base is being expanded to include MWBE designation, commodity/trade descriptor, and bonding capacity. We have updated the data base to reflect the MWBE designation and commodity/trade descriptor and are in the process of securing and adding the bonding capacity information. We will be able to query the data base to provide contractors with vendor listings sorted by MWBE designation and/or commodity/trade description and/or bonding capacity. For example, if a contractor seeking to identify potential subcontractors wanted to see a subset of our vendor file listing all African American M/WSEDDBE vendors that are plumbers and that have at least \$100,000 bonding capacity, we could generate such a listing by filtering the data base.

We submit the attached MWBE strategic plan for your review and approval consideration. Upon receiving approval, we will expedite implementation.

Attachments