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DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

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BUILDING 4-A
SACRAMENTO, CA
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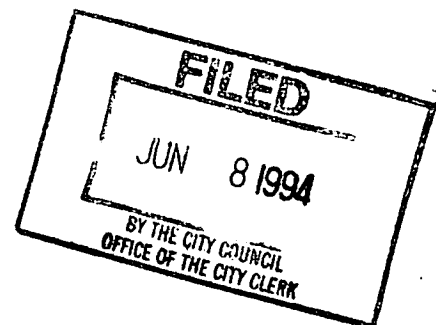
OFFICE OF MINORITY, WOMEN
AND SMALL BUSINESS

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May 31, 1994

City Council
Sacramento, California

HONORABLE MEMBERS IN SESSION



SUBJECT:

Minority/Women Business Enterprise Program -
Third Quarter FY 1993-94 Report -
July 1, 1993 through March 31, 1994
Summary of Quarterly Program Activities
and City M/WBE Utilization Statistics.

LOCATION AND COUNCIL DISTRICT: City - All Districts

STAFF RECOMMENDATION: Receive and accept report.

CONTACT PERSON: Aaron Chong, OMWSB Coordinator
Office of Minority, Women and Small Business
433-6250

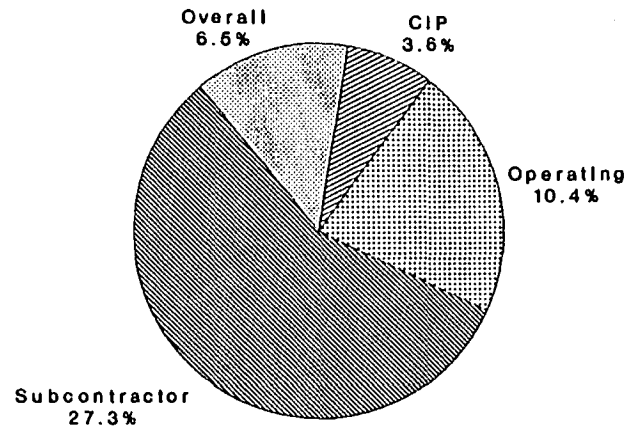
FOR COUNCIL MEETING OF: June 8, 1994

SUMMARY

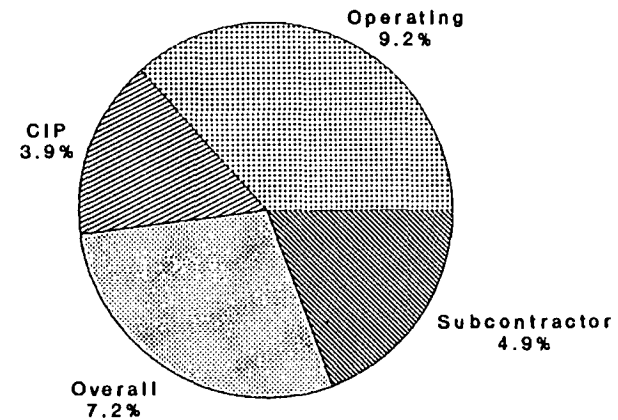
This informational report summarizes the activities of the Minority/Women Business Enterprise (M/WBE) Program through the Third Quarter of Fiscal Year 1993-94 (FY 93-94), and presents **cumulative** statistical information about the City's utilization of minority/women business enterprises from July 1, 1993 through March 31, 1994.

City M/WBE Utilization

3rd Qtr Comparison



FY 93-94



FY 92-93

City of Sacramento

SUMMARY, continued

As of the end of Third Quarter FY 1993-94, the City's M/WBE utilization level was 10.4% of discretionary expenditures made from the Operating Budget, and 3.6% of Capital Improvement Budget. Overall utilization rate for the Third Quarter FY 93-94 was 6.5%. The Subcontractor Utilization (by City prime contractors) on City construction projects was 27.3%.

The following table allows comparisons of Third Quarter FY 93-94 with FY 1992-93 Third Quarter and Year End reported levels. In the baseline operating budget reported expenditures, FY93-94 quarterly statistics resulted in an increased 1.2% third quarter utilization, and a .9% increased utilization from FY92-93 year end results.

**CITY M/WBE UTILIZATION FY93-94 and FY92-93
3rd QUARTER PERCENTAGE COMPARISONS**

	<i>FY 92-93 QTR 3</i>	<i>FY 93-94 QTR 3</i>	<i>YEAR END FY 92-93</i>
OPERATING	9.2%	10.4%	9.5%
CIP	3.9%	3.6%	5.0%
OVERALL (Excluding Subcontractors)	7.2%	6.5%	8.0%
SUBCONTRACTOR (Utilization by Primes)	4.9%	27.3%	9.6%

A review of City Departments' Baseline Operating Budget M/WBE expenditures provides participation percentage comparisons, varying from 0% to 17.1%. Eleven of the seventeen departments realized an increased utilization level from +.1% to +9.0% in comparison of third quarters of FY93-94 and FY92-93. Ten departments realized increased utilization in comparison of the FY93-94 Third Quarter and FY92-93 Year End. (See EXHIBIT A: "Summary of Departmental M/WBE Operating Baseline Expenditures").

Reported CIP statistics resulted in a decrease of 1.4% from year end FY92-93, at the same time a .3% decrease in third quarter comparisons. Total M/WBE CIP dollars increased \$110,567, from \$1,133,699 to \$1,244,266, for third quarter period comparisons. Total CIP dollars for same periods increased \$6,057,007, from \$28,879,800 to \$34,936,807. (Equivalent dollar expenditure levels, for Operating, CIP, Overall, and Subcontracting, are reported in the comparisons tables provided under the "Background" topic.)

SUMMARY, continued

The overall percentage decrease in FY93-94 appears to be impacted by CIP statistics, with an increased budget in FY93-94, without a corresponding increase in absolute dollars spent with M/WBE firms. A comparison of FY93-94 absolute dollars and percentages with FY92-93 demonstrates a shift in CIP vs. Operating budgets and effect of overall M/WBE participation level. An analysis of the comparison tables presented on Page 8 illustrates FY93-94 CIP represented approximately 64% of the Total Budget in absolute dollars, and a 4% increase in budgeted levels in a third quarter comparison. In FY92-93 Third Quarter, CIP budget was 55% of total budget and 56% of FY92-93 Year End dollars. Total absolute dollars spent with M/WBE firms decreased 7% in FY93-94 from Third Quarter FY92-93. A rationale for a lower overall percentage involves increased CIP dollars, representing a higher percentage of the total budget, and decreased M/WBE expenditures. The effect is a downward impact of percentage participation.

It appears our most significant impact in this third quarter of FY93-94 has been in the Subcontracting of CIP projects. The subcontractor percentage represents awarded M/WBE's identified by Prime Contractors, and is reported at 27.3%, \$2,447,771 of \$8,966,283, representing a +22.4% increase from FY92-93 Third Quarter statistic.

This reported increase may be due to current tracking of M/WBE subcontracting utilization on the departmental level, where previously not tracked and/or reported. Example, Utilities Department was previously reported with Public Works Engineering. Not all Utilities Department projects were tracked and reported in Engineering. City Treasurer's Office has begun to track utilization (not reported here) and will be included in future statistics.

The direction at this time is to have other departments begin tracking other situations of utilization, previously gone unreported. That being the case, future reporting may result in significant impact on reporting levels and utilization rates.

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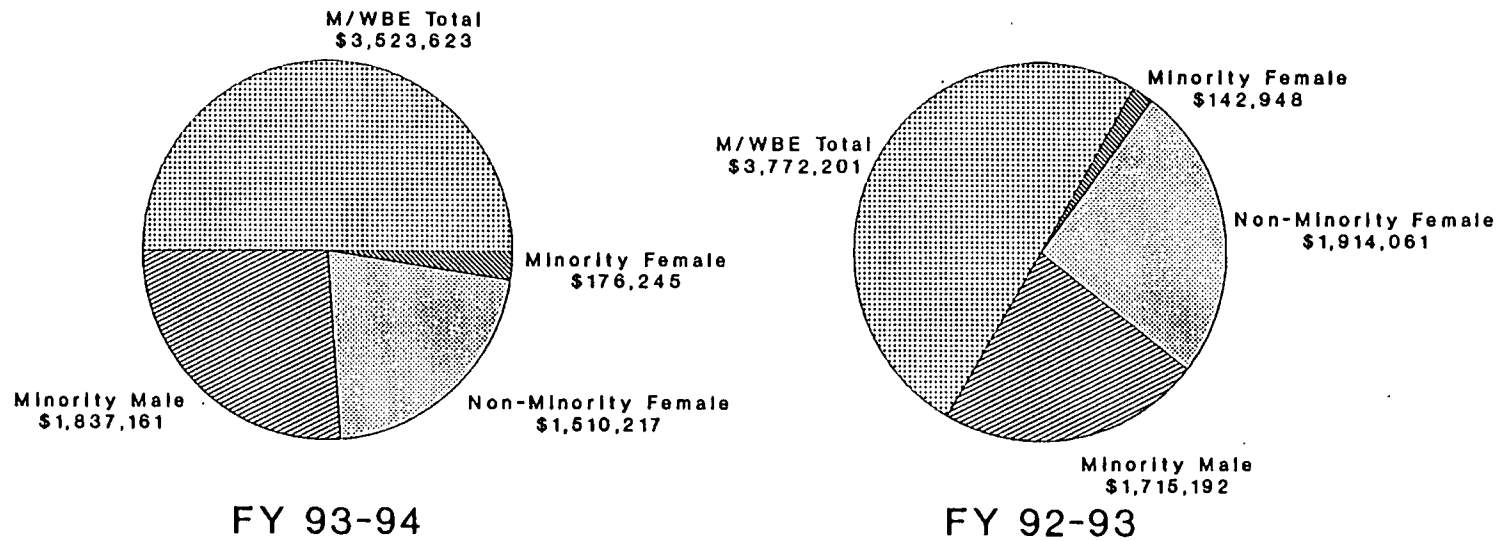
BACKGROUND

The City Council established goals in 1988 to increase the amount of business the City does with minority-owned and women-owned businesses (M/WBEs). On March 30, 1993, City Council accepted M/WBE Utilization Study update, containing interim program goals and adopted interim goals for city contracts (Resolution 93-149). First Quarter FY 93-94 program activities culminated in City Council, on November 2, 1993, taking another step further in providing a narrowly tailored M/WBE program, effective January 1, 1994. This revised program policy adoption provided point/price preference percentages, varying from 2%, 4%, 5%, to 7%. The adoption of this ordinance represented a remedy to the disparity utilization identified in the 1992 M/WBE Utilization Study.

For comparison of 1993-94 and 1992-93 Third Quarters and Year End utilizations and goal achievements, the tables presented on the following page provide dollar expenditures levels and participation percentages. Program goal attainment levels were not achieved in this quarter and decreased participation was experienced in all categories of expenditures, with exception of the minimal increases occurring in the "Minority Male" category for FY93-94 Third Quarter, and "Minority Female" category for FY93-94 Third Quarter and Year End utilizations. Staff is looking into avenues for increased participation, particularly in the lower dollar level expenditures with minority female businesses (refer to section "Operating Budget" of this report for discussion of alternative approaches to increasing the utilization of minority female entrepreneurs).

The Office of Minority, Women and Small Business is responsible for certifying M/WBE businesses and monitoring their utilization by the City. Reports are presented on a quarterly basis to provide the Council with information about program activities and progress towards meeting the established utilization goals.

3rd Qtr Expenditure Comparison City-wide



City of Sacramento

3rd QUARTERS FY93-94 AND FY92-93 EXPENDITURES COMPARISONS

FY93-94: QTR 3 EXPENDITURES	TOTAL \$	M/WBE TOTAL	MINORITY MALE	NON-MINORITY FEMALE	MINORITY FEMALE
OPERATING	19,405,783	2,010,215	902,453	956,350	151,441
CIP	34,936,807	1,244,266	860,490	358,973	24,804
OTHER	—	269,112	74,218	194,894	-0-
TOTAL	\$54,342,590	\$3,523,623	\$1,837,161	\$1,510,217	176,245
%	100.0%	6.5%	3.4%	2.8%	.32%

FY92-93: QTR 3 EXPENDITURES	TOTAL \$	M/WBE TOTAL	MINORITY MALE	NON-MINORITY FEMALE	MINORITY FEMALE
OPERATING	23,267,295	2,130,019	867,520	1,149,893	112,606
CIP	28,879,800	1,133,699	785,359	323,156	25,184
OTHER	—	508,486	62,313	441,012	5,518
TOTAL	\$52,147,095	\$3,772,201	\$1,715,192	\$1,914,061	\$142,948
%	100.0%	7.2%	3.3%	3.7%	.27%

FY92-93: YEAR END EXPENDITURES	TOTAL \$	M/WBE TOTAL	MINORITY MALE	NON-MINORITY FEMALE	MINORITY FEMALE
OPERATING	\$30,085,785	\$2,852,810	\$1,188,393	\$1,491,148	\$173,269
CIP	39,034,884	1,932,266	1,480,572	419,004	32,690
OTHER	—	710,055	80,626	624,271	5,158
TOTAL	\$69,120,668	\$5,495,131	\$2,749,591	\$2,534,423	\$211,117
%	100.0%	8.0%	4.0%	3.7%	.31%

PROGRAM ACTIVITIES SUMMARY

The Office of Minority, Women and Small Business (OMWSB) staff are engaged in efforts to increase City M/WBE utilization on an ongoing basis. In addition to maintaining the vendor certification process and financial monitoring systems, staff is involved in advertising and outreach activities, vendor assistance, and research and analysis related to the M/WBE program. Activities for the Third Quarter of FY 93-94 include:

M/WBE JOINT CERTIFICATION

M/WBE Status Certification is a required component in any viable M/WBE effort to ensure the integrity of the program. Our program requires certification of all M/WBE's participating on City projects.

Through Third Quarter FY93-94, OMWSB directly assisted almost 1400 individuals/companies with information on the City's M/WBE certification application and program. Of these, five hundred sixty-three (563), or approximately 40%, responded with returning a completed M/WBE application--including required documentation. Two hundred eighty-one firms were certified for the first time, and seventy firms were re-certified, eligible as Minority or Women businesses based on US. Code of Federal Regulations guidelines. Twenty firms were denied eligibility during this period. Approximately 150 firms are held in a pending status for review or further detail or additional information on their firms for processing.

ON-GOING DEPARTMENTAL M/WBE ASSISTANCE

OMWSB has met with ICS department staff, testing the on-line computer program, identifying minority and women businesses by commodity and service categories. This program is now available to City Staff. The program allows City staff, with access to Local Government Financial System (LGFS), to access this new program and locate minority/women businesses--given specific parameters--including location, small business status based on Federal guidelines, M/WBE preference eligibility, ethnic and gender status.

Staff has also met with city departmental representatives designated as Departmental M/WBE Compliance Coordinators to develop strategies and programs to increase M/WBE participation in each of the City Departments. Informational training sessions with Department Coordinators address progress status reports on M/WBE utilization and M/WBE staff roles. Sessions covered importance of vendor certification, methods for improving M/WBE utilization in their respective departments, and an update of Council adopted policies and procedures. Staff intends to continue these workshops on a quarterly basis, as well as on an on-request and as-needed bases.

A re-vamping of tracking expenditures in the individual commodities/services categories, in compliance with the M/WBE Program, requires a focus during this transitional reporting period. Another perspective requiring development is tracking of M/WBE expenditures with subcontractors or sub-vendors. M/WBE staff has set the stage with departmental coordinators for addressing these tracking and reporting purposes.

OUTREACH ACTIVITIES

In order to inform Sacramento minority and women vendors about the city's certification program, OMWSB certification request forms are located at various city locations including the Asian, Black, and Hispanic Chambers of Commerce, Women Construction Owners and Entrepreneurs district office, Revenue Division at City Hall, Department of Public Works, Facility Management, Purchasing Division, and OMWBE, all at the Corporation Yard. Staff has been involved with the various Chambers, making request forms more accessible and providing beneficial program information directly to potential MWBE's, thereby encouraging M/WBE vendors to apply for certification with the City.

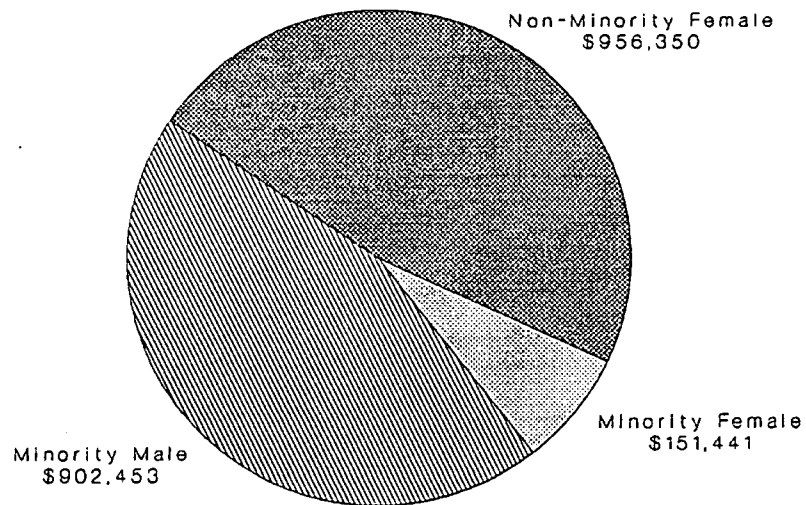
Informative public forums were conducted with all JCP Agencies participating. Forums were structured to target the commodity and services business clientele, ie construction, materials and supplies, professional and non-professional services.

The M/WBE Directory was reprinted in early March available in April 1994. Through the JCP all participating agencies collaborated on the printing and reproduction, bringing the cost per directory at a significantly reduced price. Copies are available in all City Libraries Reference Sections. The business community has requested a separate listing of construction, architectural, and engineering services, for which staff has received significantly high request for M/WBE's in these categories. Plans are to issue next scheduled printing, under separate covers.

MAYOR'S TASK FORCE

Current membership roster of the Mayor's Special M/WBE Task Force is attached as "Exhibit B." The Mayor's Task Force conducts its monthly meetings on the third Mondays of each month. Location and time have varied but notification and information may be obtained from City OMWSB staff. The first quarter of this fiscal year resulted in the Task Force developing proposed changes to the Task Force, establishing goals and objectives, defining powers and duties, and establishing coordination with other M/WBE entities. (The developed "Concept Overview" was approved by the Task Force on February 15, 1994. See Attachment "C".) Recommendations for re-constituting the Task Force as an Advisory Commission, with a defined mission and authority has been worked on for Council presentation and approval.

Operating Budget Expenditures (M/WBE)



Total: \$2,010,245
3rd Qtr FY 93-94

City of Sacramento

FINANCIAL INFORMATION

THIRD QUARTER M/WBE UTILIZATION STATISTICS FOR FY 1993-94

OPERATING BUDGET

Through the Third quarter of Fiscal Year 1993-94, the City has spent a total of \$19,405,783 from the Operating Budget in "Baseline" (discretionary) purchases for goods and services (See Table 1 and Table 1A). Of this total, the amount spent with M/WBE firms totaled \$2,010,245. This represents 10.4% of the total Baseline City purchases from the Operating Budget for the start of this fiscal year. In comparison to FY92-93 Third Quarter, this also represents an increase of 1.2% (FY92-93 Third Quarter participation was 9.2%). Of the total operating budget, Non-Minority Female firms edged out Minority Male firms in highest utilization of all M/WBE categories. Non-Minority Female firms utilized represented 4.9%, or \$956,350, of total expenditures, and 47.6% of total M/WBE expenditures. Minority Male firms captured 4.7%, or \$902,453, of total expenditures and 44.9% of M/WBE total.

The lowest utilization M/WBE classification was Minority Female firms at .8% (\$151,441) of total baseline expenditures, and 7.5% of total M/WBE expenditures. Staff has determined avenues for researching how to increase participation of minority female firms to include the following strategies:

- (1) Assessment of largest and most significant demands and purchases in commodities and services.
- (2) Researching availability of minority female firms in the system offering the significant commodities and services.
- (3) Network with ethnic Chamber of Commerce organizations to identify capture minority female firms in the certification process.
- (4) Work with Departmental M/WBE Compliance Coordinators to identify and prioritize their needs and demands, matching available minority female firms as options for increasing utilization.

All four of these items will either be completed by the end of FY93-94 Fourth Quarter, or addressed to set the stage for the incoming fiscal year.

Overall, total minority-owned businesses and female-owned businesses captured 5.4% and 5.7%, respectively, of the City's Operating Budget. Departmental utilization is attached as **Exhibit "A"**, further identifying sources within the Operating Budget contributing to progressive rise in the City overall M/WBE utilization.

TABLE 1
FY 1993-94: 3rd QUARTER
OPERATING EXPENDITURES TOTAL

CLASSIFICATION	AMOUNT	%
Total Baseline Expenditures	\$19,405,783	100.00%
Total M/WBE Utilization	\$ 2,010,245	10.4%
Total Non-Minority Female	\$ 956,350	4.9%
Total Minority Male	\$ 902,453	4.7%
Total Minority Female	\$ 151,441	.8%
Male & Female Minority Owned Businesses	\$1,153,895	5.4%
Minority & Non-Minority Female Owned Businesses	\$1,107,791	5.7%

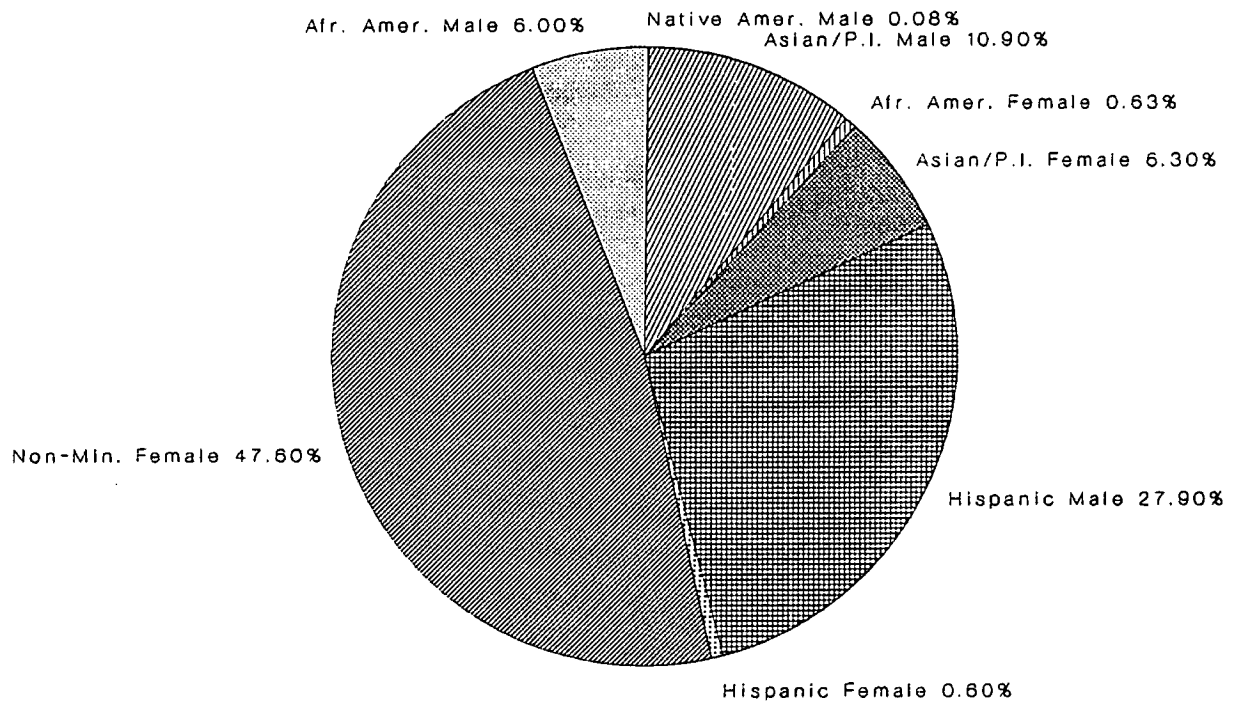
TABLE 1A
FY 1993-94: 3rd QUARTER
OPERATING EXPENDITURES

BUSINESS UTILIZATION BY ETHNICITY & GENDER

ETHNICITY/GENDER	NO. OF FIRMS	EXPENDITURES	%
Asian/Pacific Island Male	19	\$ 219,454	10.9%
Asian/Pacific Island Female	13	\$ 126,823	6.3%
African American Male	13	\$ 120,586	6.0%
African American Female	3	\$ 12,644	.63%
Hispanic Male	20	\$ 560,851	27.9%
Hispanic Female	1	\$ 11,974	.60%
Native/American Aleut/Alaskan Male	2	\$ 1,562	.08%
Native/American Aleut/Alaskan Female	-0-	-0-	-0-%
Non-Minority Female	85	\$ 956,350	47.6%
TOTAL M/WBE	156	\$2,010,246	100.0%
Male & Female Minority Owned Businesses	71	\$1,053,894	52.4%
Minority & Non-Minority Female-Owned Business	102	\$1,107,791	55.1%

M/WBE UTILIZATION

Operating Budget By Ethnicity/Gender



Total: \$2,010,246
3rd Qtr FY 93-94

City of Sacramento

THIRD QUARTER M/WBE UTILIZATION STATISTICS FOR FY 1993-94

CAPITAL IMPROVEMENT PROJECTS (CIP) EXPENDITURES

The CIP Budget expenditures are tracked using the same "baseline" object codes utilized in monitoring the Operating Budget. Total "baseline" CIP expenditures for the Third Quarter FY 1993-94 totaled \$34,936,807. Of that amount, \$1,244,266, or 3.6% was spent with City certified M/WBE firms.

These statistics reflect payments to Prime Contractors. (M/WBE Subcontractors are found in Tables 5 and 5A.) Comparison of Third Quarters of past and current fiscal years in CIP expenditures provide an insignificant decrease of .3%.

Total dollar CIP expenditures increased by 21% from FY92-93 at \$28,879,800 to \$34,936,807 in FY93-94. Total M/WBE expenditures correspondingly increased in dollar levels from FY92-93 \$1,133,699 to \$1,244,266 in FY93-94, representing a 9.7% increase in expenditure level. The higher the dollar level yielded a slightly lower Total M/WBE percentage from 3.9% in FY92-93 to 3.6% in FY93-94, comparison Third Quarters.

Tables 2 and 2A provide cumulative expenditure totals and percentages for FY93-94 and comparison statistics for FY92-93 Third Quarter:

**TABLE 2
FY 1993-94: 3rd QUARTER
CIP EXPENDITURE TOTALS**

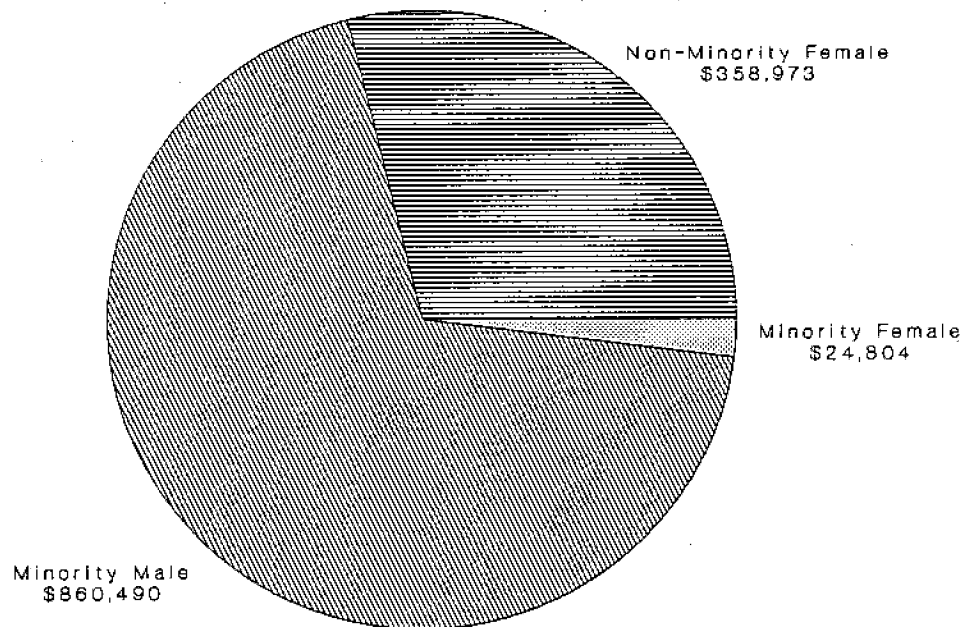
CLASSIFICATION	FY 93-94 \$	FY 93-94 %
Total Baseline Expenditure	\$34,936,807	100.00%
TOTAL M/WBE	\$ 1,244,266	3.6%
Total Minority Male	\$ 860,490	2.5%
Total Minority Female	\$ 24,804	.1%
Total Non-Minority Female	\$ 358,973	1.0%
Total Minority-Owned *	\$ 885,294	2.53%
Total Female-Owned **	\$ 383,777	1.10%

* Includes Minority Male and Minority Female

** Includes Minority Female and Non-Minority Female

M/WBE UTILIZATION

Total CIP Expenditures



Total: \$1,244,266
3rd Qtr FY 93-94

City of Sacramento

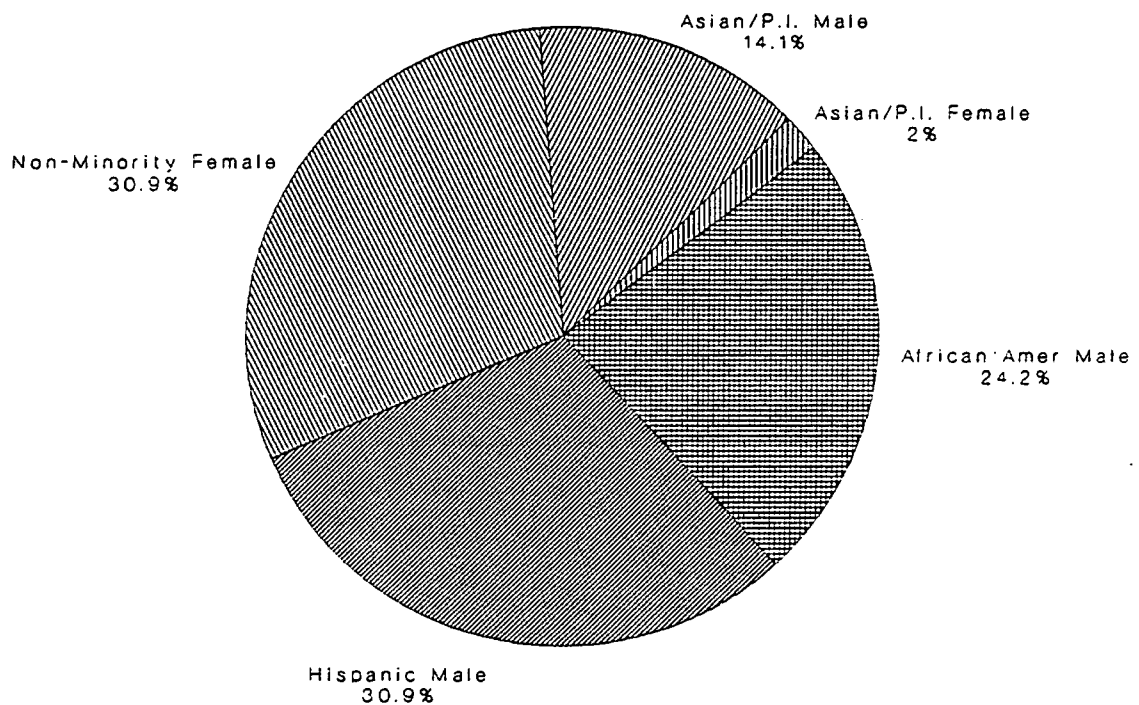
TABLE 2A
CIP EXPENDITURES
FY 1993-94: 3rd QUARTER
BUSINESS UTILIZATION BY ETHNICITY & GENDER

ETHNICITY/GENDER	NO. OF FIRMS	EXPENDITURES	%
Asian/Pacific Island - Male	10	\$ 174,849	14.1%
Asian/Pacific Island - Female	3	\$ 24,804	2.0%
African American - Male	3	\$ 301,665	24.2%
African American - Female	-0-	\$ -0-	-0-
Hispanic - Male	10	\$ 383,976	30.9%
Hispanic - Female	-0-	\$ -0-	-0-
Native Amer./Aleut/Alaskan - Male	-0-	\$ -0-	-0-
Native Amer./Aleut/Alaskan - Female	-0-	\$ -0-	-0-
Non-Minority - Female	28	\$ 358,973	30.9%
TOTAL M/WBE	54	\$1,244,266	100.0%
Total Minority-Owned *	26	\$ 885,294	71.2%
Total Female-Owned **	31	\$ 383,777	30.8%

* Includes Minority Male and Minority Female

** Includes Minority Female and Non-Minority Female

CIP EXPENDITURES (M/WBE) By Ethnicity/Gender



Total: \$1,244,266
3rd Qtr FY 93-94

City of Sacramento

OTHER EXPENDITURE INFORMATION

Some expenditures with M/WBE firms are also tracked through an exception report of M/WBE firms utilized, but not reported for departments. An additional \$269,112 in expenditures were tracked in the vendor codes not identified as M/WBE, but were in fact certified M/WBE firms.

FY92-93 Third Quarter expenditures was reported at \$508,486, as "Other Expenditures." The reported FY93-94 Third Quarter level represents a significantly reduced level, indicating a higher level of appropriate reporting expenditures on the part of the Departmental staff. In other words, the Departments efforts are providing an audit trail of exact expenditures for reporting purposes.

Table 3 provides information tracked in this "Other Expenditure" process:

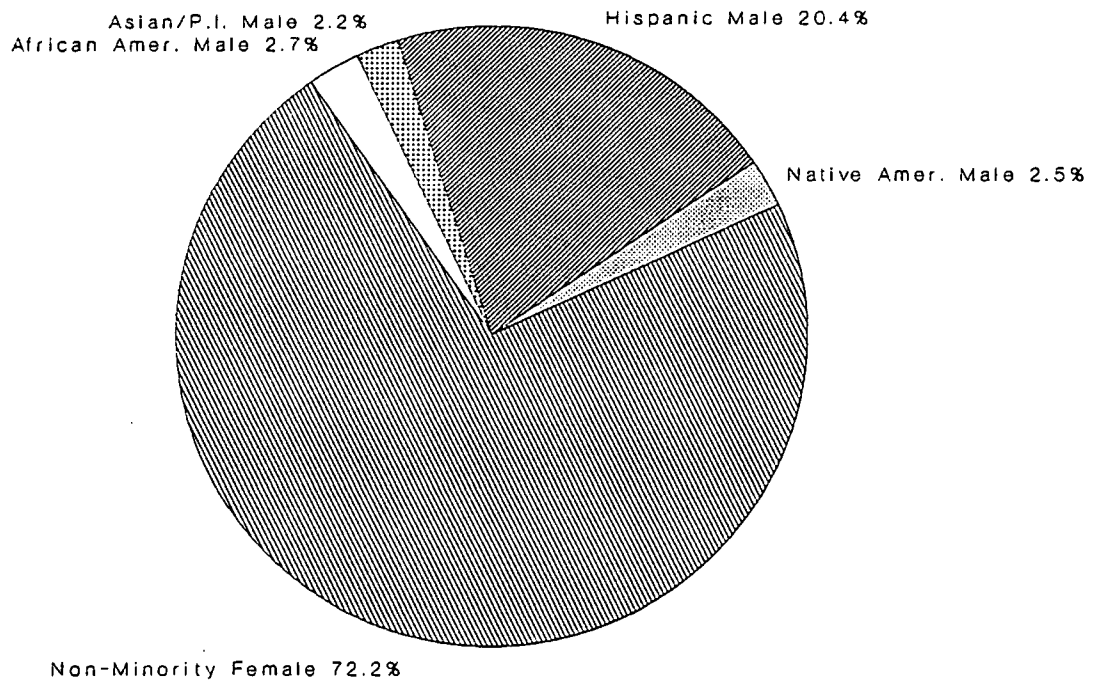
TABLE 3
OTHER EXPENDITURES
FY 1993-94: 3rd QUARTER
BUSINESS UTILIZATION BY ETHNICITY & GENDER

ETHNICITY/GENDER	NO. OF FIRMS	EXPENDITURES	%
Asian/Pacific Island - Male	2	\$ 5,978	2.2%
Asian/Pacific Island - Female	-0-	\$ -0-	-0-%
African American - Male	1	\$ 6,532	2.7%
African American - Female	-0-	\$ -0-	-0-%
Hispanic - Male	5	\$ 55,054	20.4%
Hispanic - Female	-0-	\$ -0-	-0-%
Native American/Aleut Alaskan Native - Male	1	\$ 6,654	2.5%
Native American/Aleut Alaskan Native - Female	-0-	\$ -0-	-0-%
Non-Minority - Female	16	\$194,894	72.2%
TOTAL OTHER M/WBE	25	\$269,112	100.0%

The Utilities Department also provided M/WBE expenditures tracked at the divisional level. These reported statistics cannot be linked to the reporting formats of this report but is provided as additional information.

M/WBE UTILIZATION

Operating Budget - Other Expenditures By Ethnicity/Gender



Total: \$269,112
3rd Qtr FY 93-94

City of Sacramento

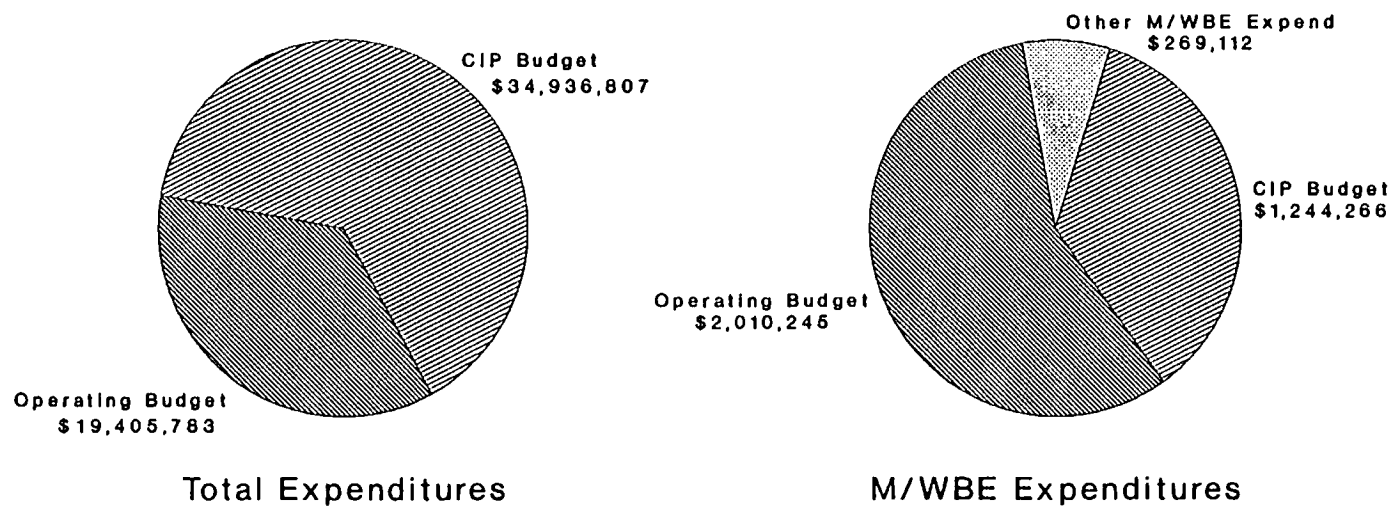
AGGREGATE CITY M/WBE EXPENDITURES

The Operating Expenditures and CIP Expenditures are combined here with the "Other Expenditures" for the Third Quarter FY 1993-94, as provided in Table 4 below. The aggregate expenditures total for the quarter is \$54,342,590. Participation by M/WBE firms reached \$3,523,623, which represents approximately 6.5% of the total aggregate expenditures. Although this is somewhat less the year end FY92-93 (at 8.0%), it does represent a only a slight decrease from 7.2% in the Third Quarter of FY92-93, in fiscal quarter comparisons.

TABLE 4
FY 1993-94: 3rd QUARTER
AGGREGATE CITY M/WBE EXPENDITURES

	TOTAL EXPENDITURES	M/WBE EXPENDITURES	%
OPERATING BUDGET	\$19,405,783	\$2,010,245	10.4%
CIP BUDGET	\$34,936,807	\$1,244,266	3.6%
OTHER M/WBE EXPENDITURES	---	\$ 269,112	---
OVERALL TOTALS	\$54,342,590	\$3,523,623	6.5%

Aggregate City M/WBE Expenditures 3rd Qtr FY 93-94



City of Sacramento

SUBCONTRACTOR UTILIZATION

Subcontractor Utilization On Construction Contracts

Statistical records on M/WBE subcontractor utilization are collected by Public Works Facility Management Division, Public Works Engineering Division and Utilities Department. Information was compiled from project files of formal bid contracts with a value of \$25,000 or more. The value of construction contracts during FY 93-94 Third Quarter totals **\$8,966,283**. M/WBE Subcontracts participation amounted to **\$2,447,771**, representing a utilization rate of **27.3%** by Prime Contractors.

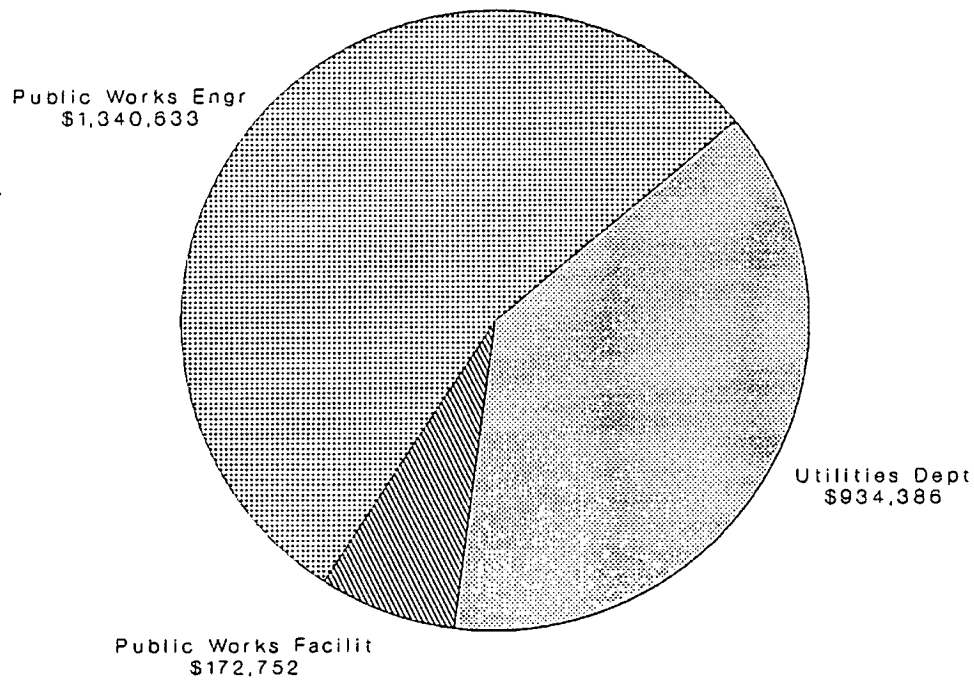
Prime Contractor expenditures, reported in "Table 2: CIP Expenditure Totals," represent actual payments within the fiscal reporting period. The reported subcontractor amounts are total subcontract awards on bid selected projects.

Tables 5 and 5A provide M/WBE Subcontractors utilization awards, reported by Public Works Engineering, Public Works Facilities Management, and Utilities Department. In comparison of third quarters, the reported total M/WBE Subcontractor utilization rate of 27.3% represents a 22.4% increase from Third Quarter FY 92-93 at 4.9%, and is almost three times over the 9.6% level reported FY 92-93 End of Year. The obvious increase is attributed to various factors of tracking, policy direction, program development, departmental staff focus and commitment.

TABLE 5
FY 1993-94: 3rd QUARTER
M/WBE SUBCONTRACTOR UTILIZATION ON CONSTRUCTION CONTRACTS

DEPARTMENT	TOTAL CIP EXPENDITURES	M/WBE SUBCONTRACTOR AWARDS	M/WBE %
Public Works Engineering	\$5,015,425	\$1,340,633	26.73%
Public Works Facilities	\$ 820,777	\$ 172,752	21.05%
Utilities Department	\$3,130,081	\$ 934,386	29.85%
SUBCONTRACTOR TOTALS	\$8,966,283	\$2,447,771	27.30%

M/WBE Utilization Subcontractors - Construction Projects



Total: \$2,447,771
3rd Qtr FY 93-94

City of Sacramento

M/WBE Subcontract Utilization By Ethnicity and Gender

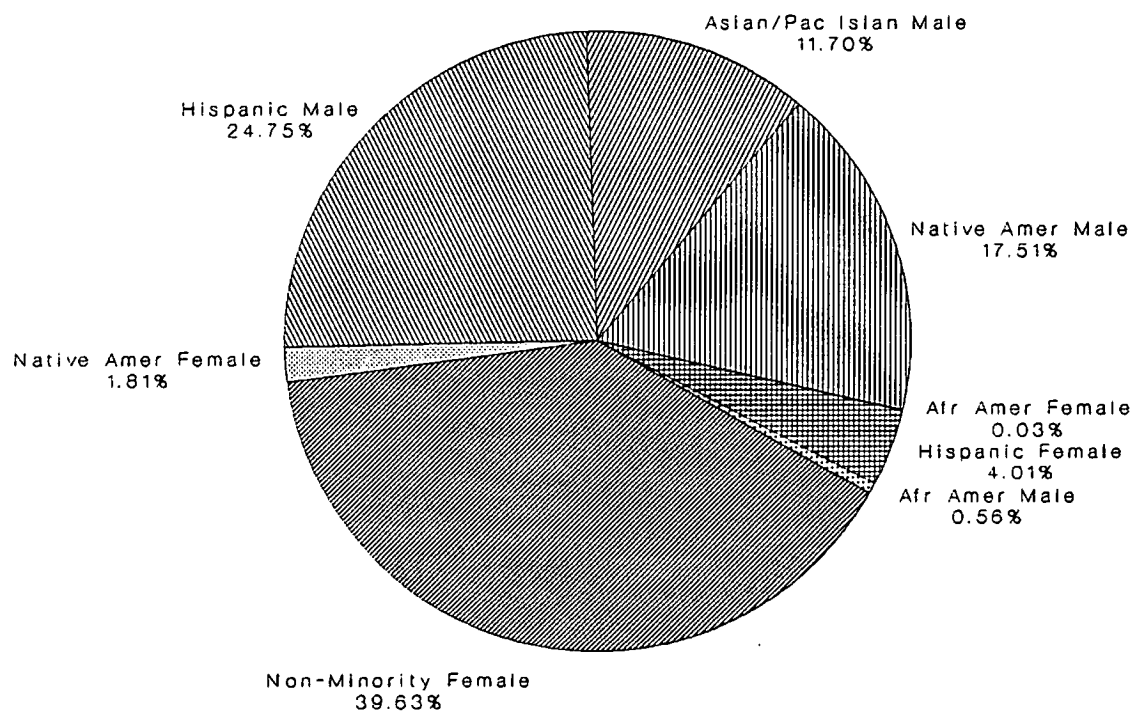
Subcontractor utilization by ethnicity and gender is provided in the following table for the total funds of \$2,447,771 awarded to M/WBE subcontractors. Reported statistics resulted in thirty-five Non-minority Female-owned firms being awarded \$970,073, representing 39.6% of all subcontractor grants. The second highest amount reported was awarded to twenty-two Hispanic male-owned firms at a subcontractor participation rate of 24.8%, for a total of \$605,922 of all subcontractor grants. Next highest utilization is reported for Native American/Aleut Alaskan Native male at 17.5% for spending level of \$428,700 for three firms. Twelve Asian/Pacific Islander male-owned firms, receiving \$286,368, represented a utilization rate of 11.7%. One Hispanic female-owned firm received \$98,044 for a 4% participation level. Participation level of 1.8% by three Native American female firms received \$44,209. One African American female-owned firm received \$768 for a rate of .03% of total M/WBE subcontracting funds. Of the nine ethnic/gender categories tracked, seventy-eight firms were reported in eight ethnic/gender categories. No utilization was reported for Asian/Pacific Island female-owned firms.

Table 5A provides a visual comparison of reported utilization of M/WBE subcontracts by ethnicity and gender for FY 1993-94 Third Quarter:

TABLE 5A
FY 1993-94: 3RD QUARTER
M/WBE SUBCONTRACT UTILIZATION BY ETHNICITY & GENDER

ETHNICITY/GENDER	NO. OF FIRMS	PROJECT FUNDS AWARDED	%
Asian/Pacific Island Male	12	\$ 286,368	11.70%
Asian/Pacific Island Female	-0-	-0-	-0-%
African American Male	1	\$ 13,687	.56%
African American Female	1	\$ 768	.03%
Hispanic Male	22	\$ 605,922	24.75%
Hispanic Female	1	\$ 98,044	4.01%
Native American/Aleut Alaskan Native Male	3	\$ 428,700	17.51%
Native American/Aleut Alaskan Native Female	3	\$ 44,209	1.81%
Non-Minority Female	35	\$ 970,073	39.63%
TOTAL M/WBE FY 1992-93	78	\$2,447,771	100.00%

M/WBE Utilization Sub-Contractors By Ethnicity/Gender



Total: \$2,447,771
3rd Qtr FY 93-94

City of Sacramento

Non-utilization or low subcontracting participation, categories, in comparison fiscal periods (FY 92-93 Third Quarter, FY 92-93 End of Year, FY93-94 Third Quarter) remained a somewhat consistent in the low utilization for African American Female-owned businesses and non-utilization of Asian/Pacific Islander Female businesses. **Non-participation, or low level utilization, may be cause to spend focused efforts in identifying resource availability, determining outreach capability, and developing structured tracking and reporting formats.**

POLICY CONSIDERATIONS

This report is presented to keep the Council apprised of progress toward meeting the established goals of minority and woman business enterprise participation in discretionary City business transactions. No policy or new policies are recommended at this time.

MBE/WBE

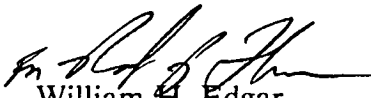
This informational report provides minority/women business enterprise tracking utilization in overall M/WBE program activities.

Respectfully submitted,



Aaron B. Chong
OMWSB Coordinator

RECOMMENDATION APPROVED:



William H. Edgar
City Manager

CITY OF SACRAMENTO
SUMMARY OF DEPARTMENTAL M/WBE OPERATING BASELINE EXPENDITURES*
FY 1993-94: Q3

EXHIBIT A

DEPT CODE	DEPARTMENT	FY93-94 MBE PURCHASES	MBE MALE %	FY93-94 N/M WBE PURCHASES	WBE %	FY93-94 MIN. WBE PURCHASES	MBE FEMALE %	FY93-94 TOTAL PURCHASES	FY93-94 Q3 M/WBE %	FY92-93 Q3 M/WBE %	FY92-93 Q4 M/WBE %
010	MAYOR/COUNCIL	\$ -0-	-0-%	\$ 3,319	12.1%	\$ -0-	-0-%	\$ 27,385	12.1%	9.0%	18.5%
030	CITY MANAGER	\$ 4,072	4.1%	\$ 2,360	2.4%	\$ 514	.5%	\$ 98,421	7.1%	5.7%	4.5%
050	CITY ATTORNEY	\$ -0-	-0-%	\$ 3,779	3.8%	\$ -0-	-0-%	\$ 98,817	3.8%	3.7%	4.3%
070	CITY CLERK	\$ -0-	-0-%	\$ 5,418	11.0%	\$ -0-	-0-%	\$ 49,246	11.0%	2.0%	6.5%
090	CITY TREASURER	\$ 7,170	6.3%	\$ 7,055	6.2%	\$ 2,701	2.4%	\$ 114,063	14.8%	12.4%	10.0%
110	FINANCE	\$ 46,684	7.0%	\$ 16,790	2.5%	\$ 3,629	.5%	\$ 667,178	10.1%	5.3%	4.7%
130	INFO./COMM SERVICES	\$ 5,183	.5%	\$ 2,011	.2%	\$ 13,217	1.4%	\$ 972,201	2.1%	1.5%	2.7%
150	HUMAN RESOURCES	\$ -0-	-0-%	\$ 33,605	6.8%	\$ 135	.03%	\$ 492,852	6.8%	8.0%	8.0%
170	EMPLOYEE RELATIONS	\$ -0-	-0-%	\$ -0-	-0-%	\$ -0-	-0-%	\$ 7,103	-0-%	9.4%	8.6%
190	GENERAL SERVICES	-N/A-	-N/A-	-N/A-	-N/A-	-N/A-	-N/A-	-N/A-	-N/A-	7.6%	8.5%
210	POLICE	\$ 25,533	2.2%	\$ 93,749	8.0%	\$ 69,127	5.9%	\$ 1,170,338	16.1%	10.1%	10.0%
250	FIRE	\$ 2,292	.5%	\$ 37,050	8.3%	\$ 9,198	2.1%	\$ 446,737	10.9%	15.5%	14.5%
310	PUBLIC WORKS	\$ 539,213	5.9%	\$ 354,254	3.9%	\$ 22,720	.25%	\$ 9,145,698	10.0%	10.9%	9.9%
330	UTILITY SERVICES	\$ 94,230	4.8%	\$ 138,602	7.1%	\$ 3,236	.2%	\$ 1,962,256	12.0%	14.6%	11.2%
350	PLANNING & DEVELOPMENT	\$ 21,258	7.2%	\$ 13,475	4.6%	\$ 250.04	.1%	\$ 293,460	11.9%	5.5%	4.7%
410	LIBRARY	\$ 1,838	.4%	\$ 51,486	11.5%	\$ 50.00	.01%	\$ 446,082	12.0%	9.1%	7.6%
430	COMMUNITY & VISITOR SERVICES	\$ 11,397	.8%	\$ 34,423	2.3%	\$ 3,297	.2%	\$ 1,510,113	3.3%	5.5%	6.7%
450	NEIGHBORHOOD SERVICES	\$ 143,585	7.5%	\$ 158,974	8.4%	\$ 23,367	1%	\$ 1,903,831	17.1%	13.4%	13.8%
CITY TOTALS: Q3		\$ 902,453	4.7%	\$ 956,350	4.9%	\$ 151,441	.8%	\$ 19,405,783	10.4%	9.2%	9.5%

* THIS REPORT EXCLUDES CIP AND SUBCONTRACTING DOLLARS

**CITY OF SACRAMENTO
MAYOR'S MINORITY AND WOMEN BUSINESS ENTERPRISES SPECIAL TASK FORCE**

EXHIBIT B

CITY APPOINTMENTS	APPOINTMENT CATEGORY	DISTRICT	TENURE	APPOINTMENT DATE	APPOINTMENT EXPIRATION
JIM BLOCK	B1	4	Full Term	02-23-03	10-11-93
HEDDY CHIANG	B3	7	Full Term	02-23-93	10-11-93
AL COLON	E		Full Term	04-27-93	10-11-93
VACANT	G				
RALPH GAEDEKE	J		Full Term	03-16-93	10-11-94
MARCUS GOMEZ	B2	5	Full Term	11-10-92	10-11-94
BRIAN T. KERFOOT	K	3	Full Term	11-12-91	10-11-93
SHEILA MARTIN	D	1	Full Term	09-12-89	10-11-94
DENISE MAZZUCCA	A	Co	Full Term	11-12-91	10-11-93
LOIS MCDANIEL	H	Co	Full Term	11-12-91	10-11-93
GLORIA ROBERTSON	C	Co	Full Term	11-12-91	10-11-93
VACANT	I				
SHARON RUSCONI	F	Co	Full Term	11-12-92	10-11-94

APPOINTMENT CATEGORIES

- A** Metropolitan Chamber of Commerce
- B** One representative each from Small/Minority Business Enterprises,
and at least two representatives must be women
 - B1** Black Chamber of Commerce
 - B2** Hispanic Chamber of Commerce
 - B3** Asian or Filipino Chamber of Commerce
- C** Sacramento Women's Business Network
- D** Sacramento Housing and Redevelopment Agency
- E** CalTrans
- F** Sacramento major bonding and/or insurance underwriting firm
- G** Sacramento major commercial bank, making small business loans
- H** A private corporation (Resolution 88-840)
- I** A large construction firm or major development company



1.24

EXHIBIT "C-1"

DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24TH STREET
BUILDING 4-A
SACRAMENTO, CA
95822-3699

OFFICE OF MINORITY, WOMEN
AND SMALL BUSINESS

May 17, 1994

916-433-6250
FAX 916-399-0263

City Council
Sacramento, California

HONORABLE MEMBERS IN SESSION

SUBJECT:

Formation of the Mayor's M/WBE Advisory Committee - replacement of the Mayor's M/WBE Special Task Force.

LOCATION AND COUNCIL DISTRICT:

City - all Districts.

STAFF RECOMMENDATION:

Approve formation of Mayor's M/WBE Advisory Committee.

CONTACT PERSON:

Aaron Chong, OMWSB Coordinator
Office of Minority, Women & Small Business
433-6250

FOR COUNCIL MEETING OF:

May 17, 1994

SUMMARY

This report recommends Council adopt staff's proposal to form a permanent M/WBE Advisory Committee to the Mayor/Council, whose goal is to provide to the

City Council
Formation of M/WBE Advisory Committee
May 17, 1994

Mayor/Council an on-going resource of local business and community leaders who are well versed in the M/WBE field. This Committee will replace the existing Mayor's Special M/WBE Task Force.

BACKGROUND INFORMATION

In August of 1988 City Council Resolution 88-743 established the formation of the Mayor's Special M/WBE Task Force. This temporary body, consisting of 13 representatives from a cross section of people and interests within the City of Sacramento, met with the City Manager or his designee on a quarterly basis to provide input on the City's M/WBE Program. The Task Force was designed as an ad-hoc group that would ultimately be disbanded.

Over the past five years the Task Force has attempted to provide timely and useful advice to the Mayor through the auspices of the Office of Minority, Women & Small Business (OMWSB). The Task Force has continued to evolve. Recently the Task Force modified its organization by electing officers and operating independently of OMWSB.

As M/WBE issues came more to the forefront of the Mayor/Council and the community, the Mayor desired to have the Task Force meet more often to confront the issues at hand, and in March 1993 the City Council approved the request to have the Task Force meet every month. This change, coupled with the expiration of terms of several Task Force members and the requirement to meet on a monthly basis made it more difficult to reach a consensus regarding the issues at hand.

DISCUSSION

Staff feels that the proposed re-formation (see Attachment I) will be beneficial to all parties. For the Mayor/Council, the M/WBE Advisory Committee (hereafter Advisory Committee) will provide a greater level of expertise and knowledge in the area of M/WBE issues and thereby enhance the quality of information and recommendations currently provided to the Mayor/Council.

The proposed Advisory Committee will add several members from local Chambers and other groups currently not represented by the Task Force. The community will be better served in that Advisory Committee members will better reflect the current diversity of Sacramento. As a permanent body, it will provide on-going assistance to the Council and community.

As the important and timely issues and concerns of the M/WBE community become more visible and the desire for further empowerment increases, it is critical that an effective

and action oriented body be present to promote these City objectives. The proposed M/WBE Advisory Committee will be able to go beyond the scope of the Task Force. It will meet the objectives cited and be a more effective asset to the Mayor/Council and to the community.

FINANCIAL CONSIDERATIONS

Implementation of the M/WBE Advisory Committee will entail a nominal financial impact. Committee members receive no compensation. They meet in City facilities. Incidental mailing costs are covered by OMWSB, which also pays for staff assistance provided by that Office (attendance at monthly Committee meetings).

POLICY CONSIDERATIONS

The proposed re-formation of the Task Force into the Advisory Committee will further enhance the Council's stated position of increased participation of the M/WBE community within the City of Sacramento.

M/WBE


As stated earlier, staff believes the M/WBE Advisory Committee will have a most positive impact by 1) providing the Mayor/Council with permanent expert and current advice on local M/WBE issues and concerns and 2) acting as a conduit for communication between the Mayor/Council and concerned community groups, businesses and individuals.

Respectfully submitted,



Aaron B. Chong
OMWSB Coordinator

Recommendation Approved:



For William H. Edgar
City Manager

MAYOR/COUNCIL M/WBE ADVISORY COMMITTEE

MISSION STATEMENT

The Mayor/Council M/WBE Advisory Committee is hereby created. This Committee is an on-going advisory group to the City Council.

The Mayor/Council M/WBE Advisory Committee is to be an interactive committee whose fundamental purpose is to increase the City's minority and woman business enterprise participation in City purchasing and contracting opportunities.

OBJECTIVES

The Mayor/Council M/WBE Advisory Committee is hereby charged to:

1. Provide recommendations and strategies to stimulate and facilitate M/WBE participation in City purchasing and contracting opportunities.
2. Review and comment on the City's Quarterly M/WBE Statistical Report to Council. Comments shall be presented directly to the Council.
3. Monitor the City's success in meeting M/WBE purchasing goals.
4. Increase M/WBE awareness about City purchasing and contracting opportunities.
5. Act as a conduit for interaction between the City Council and local business owners.

VOTING (APPOINTED) MEMBERS

A Representative from each of the following:

1. Black Chamber of Commerce
2. Hispanic Chamber of Commerce
3. Asian Chamber of Commerce
4. Filipino Chamber of Commerce
5. Metro Chamber of Commerce
6. Sacramento women's business group or organization
7. M/WBE construction company
8. M/WBE commodity or supply business
9. M/WBE service company
10. Construction/building industry group or organization
11. Professional service organization
12. Large local corporate firm (large as defined by U.S. SBA)
13. Major bonding/insurance underwriting company or firm
14. Sacramento labor union or organization

EX OFFICIO MEMBERS

A Representative from each of the following agencies:

City of Sacramento
County of Sacramento
Sacramento Housing and Redevelopment Agency (SHRA)
Regional Transit (RT)
Sacramento Municipal Utility District (SMUD)
State of California, Office of Small and Minority Business
State of California, Dept. of Transportation (CALTRANS)
Legislative Representatives
Small Business Administration (SBA)
California Capitol
A commercial bank
Local non-profit organization whose mission is to assist M/WBE firms
University Representative

The Mayor/Council M/WBE Advisory Committee shall be organized as follows:

- A. Terms: Members should be appointed for a two year period, on a staggered term basis.
- B. Compensation/Conflict of Interest Statement: None.
- C. Powers and Duties: The Committee members will perform all activities consistent to the objectives of the Committee and to the fullest extent of the law.
- D. Letter of Authority: Each member of the Committee shall, at the time of appointment, present a letter of authorization from the organization being represented.

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____
RESOLUTION ACCEPTING THE FORMATION OF THE
MAYOR/COUNCIL M/WBE ADVISORY COMMITTEE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. The Mayor's Special M/WBE Task Force is hereby dissolved and City Resolution 88-743 is revoked.
2. The Mayor/Council M/WBE Advisory Committee is hereby formed, as outlined in Attachment I of the attached Report to Council.
3. The guidelines for the Advisory Committee as stated in Attachment I of the Report are hereby adopted.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____