



MWBE

MINORITY AND WOMEN
BUSINESS ENTERPRISE

FY 2014
Annual Report

City of Greenville, NC

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Executive Summary

Expenses for the City of Greenville were roughly \$23M for fiscal year ended 2014, approximately \$2M less than the 2013 fiscal year. This overall decrease is the result of up and down spending in all categories of work (i.e.: construction, services, and supplies and materials). Construction spend is down considerably – a decrease from \$9.3M to approximately \$5M. This almost 50% decrease is likely due to the completion of large scale projects and the transition in focus to more lower cost maintenance and repair work. Services expenses continue to remain relatively flat, oscillating by less than a half-million since fiscal year 2012. While fiscal year 2013 saw a decrease, 2014 saw an increase in spend to approximately \$6.5M. Supplies and materials spend has increased by at least one million each year since fiscal year 2012. Fiscal year 2014 expenses increased by almost \$2M or 18% to \$11.6M. The increase can be largely attributed to purchases of vehicles and equipment via the Vehicle Replacement Fund and is more in line with fiscal year 2010 spend.

The steady decline in construction spend could presumably affect the level of MWBE participation. Nevertheless, MBE participation remains strong at **10.67%**, surpassing the goal of 10%. MBE participation for construction has met or exceeded goal for the past five fiscal years since data has been captured. WBE participation is below goal (6%) with an attainment of **2.09%**. This percentage participation is in line with fiscal year 2010 numbers, also around 2%. Fiscal years 2014 and 2010 are the only fiscal years where goal was not attained and can be directly attributed to the level of subcontracting opportunities available. As mentioned in previous analyses, fewer WBE primes in the Greenville target market make it more difficult to reach goal. WBE firms have traditionally flourished in the subcontracting market where the contracts are of a lower dollar amount. The transition in focus to more maintenance and repair work for 2014 led to fewer subcontracting opportunities (as most primes completed work with their own forces) and, therefore, less WBE participation. MWBE participation in the services category decreased slightly from the previous fiscal year but is still improved over fiscal years 2010, 2011, and 2012 where attainment was 1% or less. MBE participation is currently **2.35%** and WBE participation is **2.02%** whereas the goal for both MBE and WBE is 4%. The goal for MWBE participation for supplies and materials is 2% for both MBE and WBE. MBE participation is up slightly from 2013 at **2.46%**. WBE participation is up tremendously from .78% in 2013 to **6.89%** in 2014. This substantial increase can be directly attributed to the purchase of vehicles and equipment from a WBE firm.

Outreach programs and activities continue to grow and evolve to meet the needs of the MWBE community. New partners have come onboard to increase exposure and more opportunities are available for firms to have direct access to City and GUC buyers and project managers. The MWBE Office's two signature events – MED Week and Mix-n-Meet – are hitting their stride. At these events, City buyers are able to build relationships with firms willing to do business while MWBE firms are educated on how to effectively market themselves to a governmental agency. MWBE has also expanded its efforts to increase the engagement of local firms as per the newly implemented local preference policy. Responsible for the certification of Eligible Local Bidders, the MWBE Office seeks to encourage the participation of these firms as seen by their involvement in the Annual Mix-n-Meet. Resulting herein is the fiscal year **2013-2014 Annual Report**—an overview of the previous years' activities and utilization outcomes for the City of Greenville.

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MWBE Program Overview

Our Policy

The Minority and Women-owned Business Enterprise (MWBE) Program is a joint venture established by the City of Greenville and Greenville Utilities Commission to provide minorities and women equal opportunity for participating in all aspects of the City's and Utilities' contracting and procurement programs, including but not limited to, construction projects, supplies and materials purchases, and professional and personal service contracts. The program is housed in the Purchasing Division of the Department of Financial Services of the City of Greenville.

Goals

The MWBE Program has voluntary goals in each category of work: construction, purchasing, and professional and personal services.

Definition of MWBE (Minority and Women Business Enterprise)

A MWBE is one that is at least fifty-one (51) percent owned and controlled by ethnic minorities, women, disabled, or disadvantaged. An MBE/WBE is bona fide only if the MWBE ownership interests are real and continuing and not created solely to meet the MBE/WBE requirement. In addition, the MBE/WBE must perform satisfactory work or services or provide supplies under the contract and not act as a mere conduit.

City of Greenville/GUC Goals

	CITY		GUC	
	MBE	WBE	MBE	WBE
Construction	10%	6%	7%	4%
Professional & Personal Services	4%	4%	2%	2%
Supplies & Materials	2%	2%	1.5%	1.5%

Participation Results FY 2014

As of June 30, 2014, the City of Greenville expensed a total of **\$23M** in procurement and contracting. This number includes all eligible dollars (transactions such as salary and travel were excluded). This number is down **8.42%** or **\$2.1M** from the 2013 fiscal year due, primarily, to the decrease in construction dollars spent. Services spend remained relatively flat while supplies and materials spend increased by approximately \$2M over last year. Participation for MBE and WBE's combined totaled **8.68%** or **\$1,997,414.60** of total eligible dollars. This percentage hits the midpoint for MWBE participation over the past five years and is the norm for the total dollars expensed. Below, find an explanation of goals attainment by category of work.

Construction

Goals for participation are based upon three categories of work: Construction, Professional and Personal Services, and Supplies and Materials. **The goals for construction are 10% Minority and 6% women-owned.** Total dollars spent for construction (including subcontracted dollars) equaled \$4,961,992.80 with \$529,427.07 spent with minority firms and \$103,785.57 spent with women-owned firms in 2014. The City of Greenville surpassed its goal for MBE participation in construction with a goal attainment of **10.67%**. The City's WBE participation was unable to reach goal, achieving **2.09%**. The total number of dollars spent on construction decreased by approximately 47% or \$4M from 2013. Construction costs have decreased by approximately \$4M for each of the last two fiscal years. This decrease in spend is likely due to a transition in focus to maintenance and repair over major construction projects. As a result of the downward trend in dollars spent, both MBE and WBE participation have decreased with MBE participation still able to exceed goal and WBE participation below goal for the first time since fiscal year 2010. A reduction in WBE spend is most frequently attributed to fewer subcontracting opportunities as WBE firms in the Greenville market are historically subcontractors. With lower dollar maintenance and repair contracts, most primes self-perform and have no need for subcontractors.

Professional and Personal Services

The goals for Professional and Personal Services include those contracts pertaining to architectural and engineering services as well as janitorial and lawn maintenance amongst a host of other service contracts. **The goals for services equal 4% minority and 4% women-owned.** In fiscal year 2014, the total dollars spent on services equaled \$6,488,452.69. This number is less than a .5 million difference from what was spent in fiscal year 2013. Dollars spent with MBE firms equaled \$152,706.16 whereas WBE spend equaled \$131,049.79. Both MBE and WBE participation are down slightly (less than one percent) at **2.35%** and **2.02%**, respectively. There continues to be strong MBE participation in the general services category, including janitorial and lawn maintenance services. However, new spend is generating in the contracted services line items with the usage of entertainment and production companies. WBE participation remains relatively flat in spend though new firms are being introduced. One newly certified landscape firm received over 1/3 of the WBE spend in this category.

Supplies and Materials

The goals for Supplies and Materials include the purchase of apparatus, supplies, materials, and equipment (ASME). **The goals for Supplies and Materials equal 2% minority and 2% women-owned.** The total dollars spent equaled \$11,556,042.15 with \$284,508.27 spent with minority firms and \$795,937.74 spent with women-owned firms. Total ASME spend increased approximately \$1.8M or 18.45% from 2013. At \$11.6M, total spend

for 2014 is the highest in the five years of reporting. Several factors likely contributed to this increase in total dollars spent; however, there was a notable increase in dollars spent via the Vehicle Replacement Fund from 2013 to 2014 (approximately \$1M).

The City exceeded both its MBE and WBE goals for ASME. MBE participation reached **2.46%**, slightly above the 2.25% participation reached in 2013. Continued utilization of minority vehicle and equipment maintenance and repair vendors, a minority asphalt supplier, and technology dealer has sustained participation. WBE participation reached an astounding **6.89%** - meeting and surpassing goal for the first time since records have been kept. The purchase of a Fire/Rescue ambulance at over \$.5M contributed greatly to the WBE spend. All gains in this category of work are noteworthy as ASME has historically been the toughest category of work to achieve goal.

MWBE Hall of Fame

Certified Minority and Women-Owned Firms
Doing Business with the City of Greenville

Air Mania

Burney & Burney Construction

Butler Power & Lighting

Capital Air Filters

Carolina Earth Movers

CL Waters

Copymatic/United Cerebral Palsy

Custom Overhead Doors

DBS Construction

John Davenport Engineering

Forms and Supply

Garris Grading & Paving

Greater Diversity News

KV Contractors

L.R. Griffin & Associates

Mayer Electric

Modular Solutions

Mulkey Engineers

NWN Corporation

Progressive Business Solutions

SDF Professional Computers

Unshakable Builders

Watson Electrical Construction Co.

Waybaytay Holdings

WB Denton

Wetherill Engineering

Williams Fire Sprinkler Co.

Engagement Activities 2013-2014

The MWBE Office performs a variety of functions to fulfill its mission of providing equal opportunity. One of its primary functions is to prepare a steady pipeline of MWBE firms who are ready and willing to do business with the City while maintaining positive relationships with firms currently involved in public contracting. These engagement activities introduce government contracting as a viable business option and provide pathways to contracting opportunities.

During the year, the MWBE Coordinator reaches out to diverse networks via outreach events, conferences, and workshops throughout the state. The Program also hosts two signature events each year as a welcome mat to engage with our local market. As awareness of diversity and its significant economic value has increased, the MWBE Coordinator has also stepped into the role of diversity advisor, sitting on various boards and committees to provide the diverse business perspective. In conjunction with this role, the Coordinator has served as presenter and instructor, teaching on MWBE principles and best practices.

Following is a synopsis of the services delivered as a part of MWBE Engagement.

Greenville MED Week 2013: September 16-20

2013 marked the fourth year of celebration for the city's Annual Minority Enterprise Development (MED) Week. A time to recognize the significant contributions of our minority and woman-owned business community, MED week serves as a much deserved appreciation from the City to the growing MWBE business community within our municipality and beyond. The national celebration adopted by locales across the country is an event that combines information and resources with promotion and exposure for MWBE's.



Sept 19 – Awards Luncheon held at Cornerstone Family Life Center

MED Week 2013

Schedule of Events

Sept 16 – Proclamation Released

Sept 17 – “Follow Me” Tuesday

Sept 18 – How to Do Business with Government Workshop

Sept 19 – Awards Luncheon

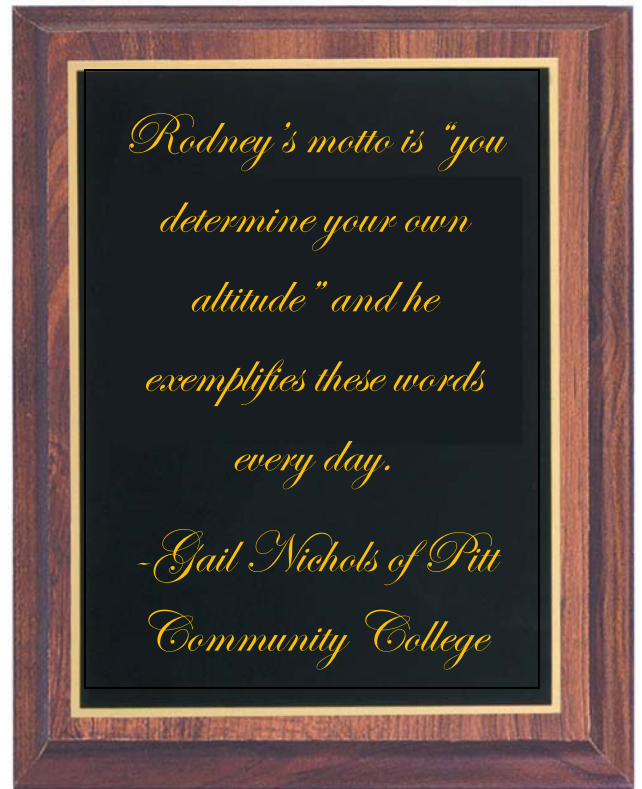
Sept 20 – City Crawl

The celebration began with a **Proclamation** released by the Mayor on Monday followed by a **“Follow Me”** social media campaign on Tuesday. All day, tweets and posts about the economic contributions of minority and women owned firms were liked and shared to heighten awareness and generate conversation. The City provided its **How to do Business with Government** workshop on Wednesday to inform business owners on how to enter the government market. The week was capped off by an **Awards Luncheon** at the Cornerstone Family Life Center where keynote speaker, Joshua Burney of Joshua’s Wholesale, shared his inspiring story of young entrepreneurship.



Keynote Speaker Joshua Burney of Joshua's Wholesale

The City was pleased to recognize **Rodney Bullock of Altitude Academy of Barbering** as the **"Standing on the Shoulders of Giants" Award** winner for his trailblazing work in advancing entrepreneurship and community development. Dennis English, Director of the NC Office for Historically Underutilized Businesses, presented the award on behalf of the City.



From left to right – Dennis English, Rodney Bullock, Mayor Allen Thomas, Denisha Harris

The Standing on the Shoulders of Giants Award is bestowed upon the individual, organization, or group that has blazed the trail for minority and women entrepreneurship in Greenville, NC. The recipient for this award has provided leadership and demonstrable commitment to the advancement and growth of minority and women entrepreneurship by advocacy and/or example.

Part two of the celebration continued on Friday with the **City Crawl**. A MWBE treasure hunt for locally owned diverse businesses, the City Crawl is an opportunity for city goers to patronize minority and women owned firms providing deals and discounts in celebration of MED Week. Typical establishments to participate are brick and mortar spas, boutiques, beauty bars, retail shops and restaurants. Whether using a suggested itinerary or following your heart's desire, the City Crawl is a fun-filled treasure hunt of the best of what Greenville has to offer.



The night was capped off by a networking social sponsored by **Substantial Magazine and NC Civil**. The Professional Meet Up was a relaxing opportunity for minority professionals to engage and network.

Participating Firms



2013 Sponsors



Mix-n-Meet
 April 16, 2014

One of the number one challenges for MWBE firms who seek to do business with government is access to government buyers and purchasers. Without knowledge of the right individuals to talk to or the appropriate understanding of public contracting, doing business in the public sphere can be intimidating at best. **The annual Mix-n-Meet Business Opportunity Fair and Matchmaking solves this difficulty by providing a one-stop opportunity to market products and services directly to buyers and to project managers.**

The Mix-n-Meet was held on Wednesday, April 16th from 9:00pm-12:00pm in the East Wing of City Hall. Businesses registered for the Vendor Fair to market to all employees or more specialized vendors registered for the Matchmaking Session to talk one-on-one with appropriate buyers. Employees in attendance included Department/Division Heads, Project Managers, and Administrators.

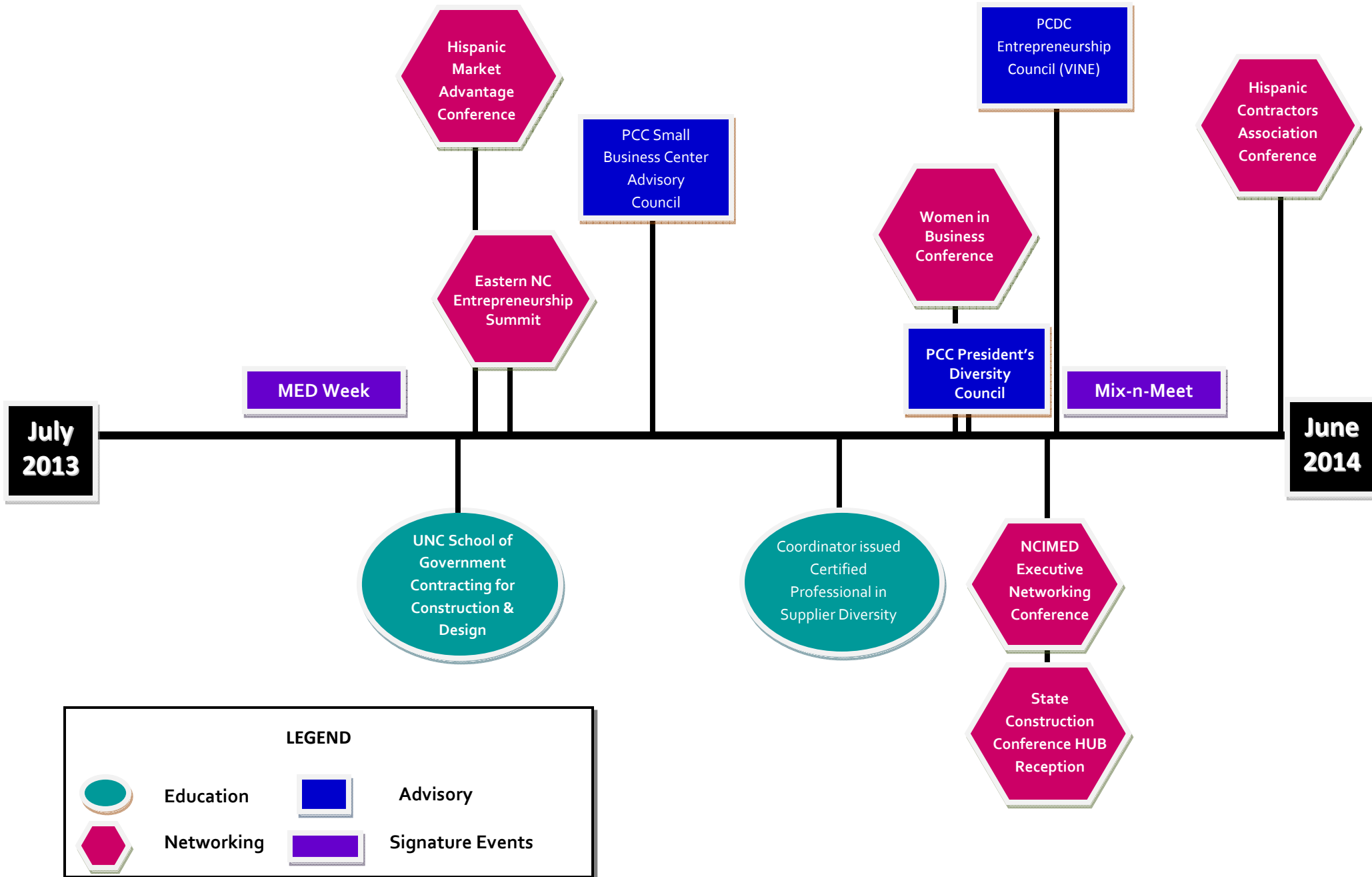
MIX-N-MEET STATS

- ▲ 50 VENDORS REGISTERED FOR THE MIX-N-MEET
- ▲ 18 VENDORS REGISTERED FOR THE BUSINESS OPPORTUNITY FAIR – 63% INCREASE OVER 2013
- ▲ 36 VENDORS REGISTERED FOR THE MATCHMAKING SESSION – AN ALMOST 300% INCREASE OVER 2013
- ▲ OVER 50 GUESTS FROM THE CITY OF GREENVILLE AND GUC ATTENDED THE MIX-N-MEET.

*A FIRM MAY REGISTER FOR MORE THAN ONE EVENT



2014 Engagement Activities: Year in Review

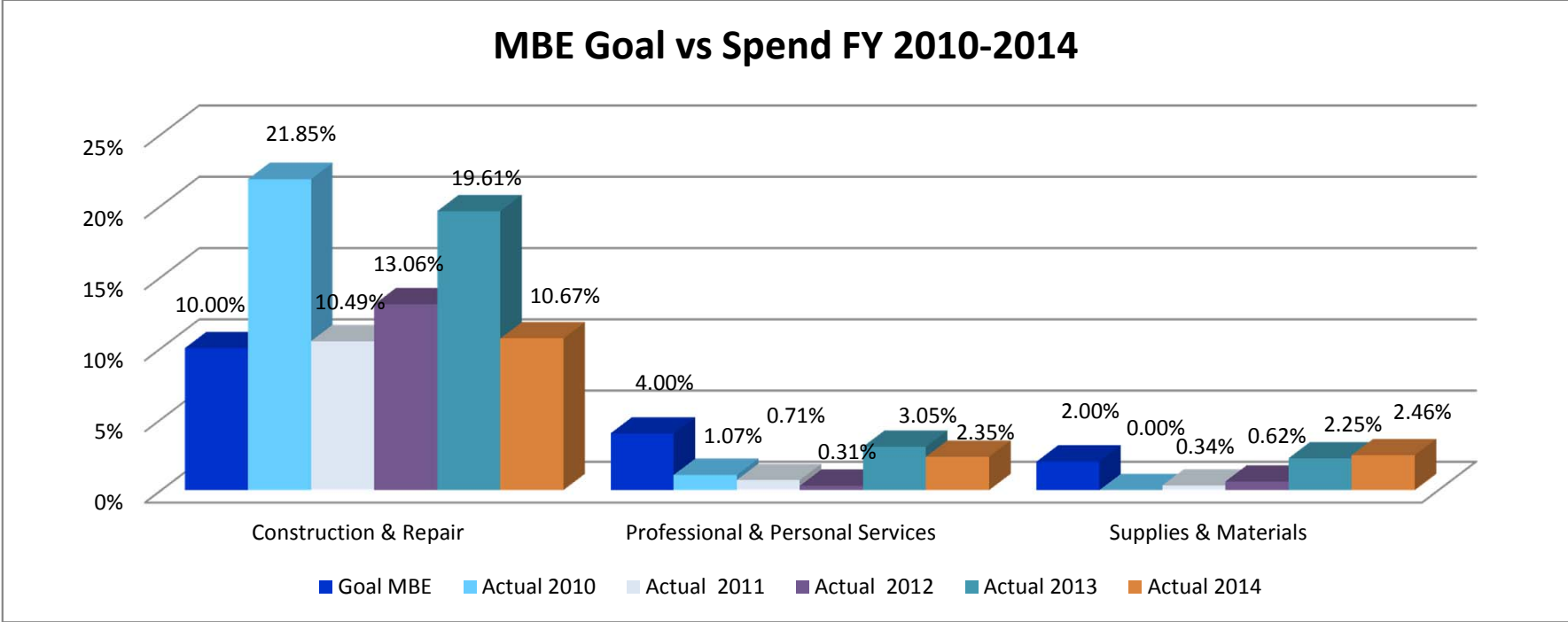


Appendices

MWBE Participation 2014

SUMMARY

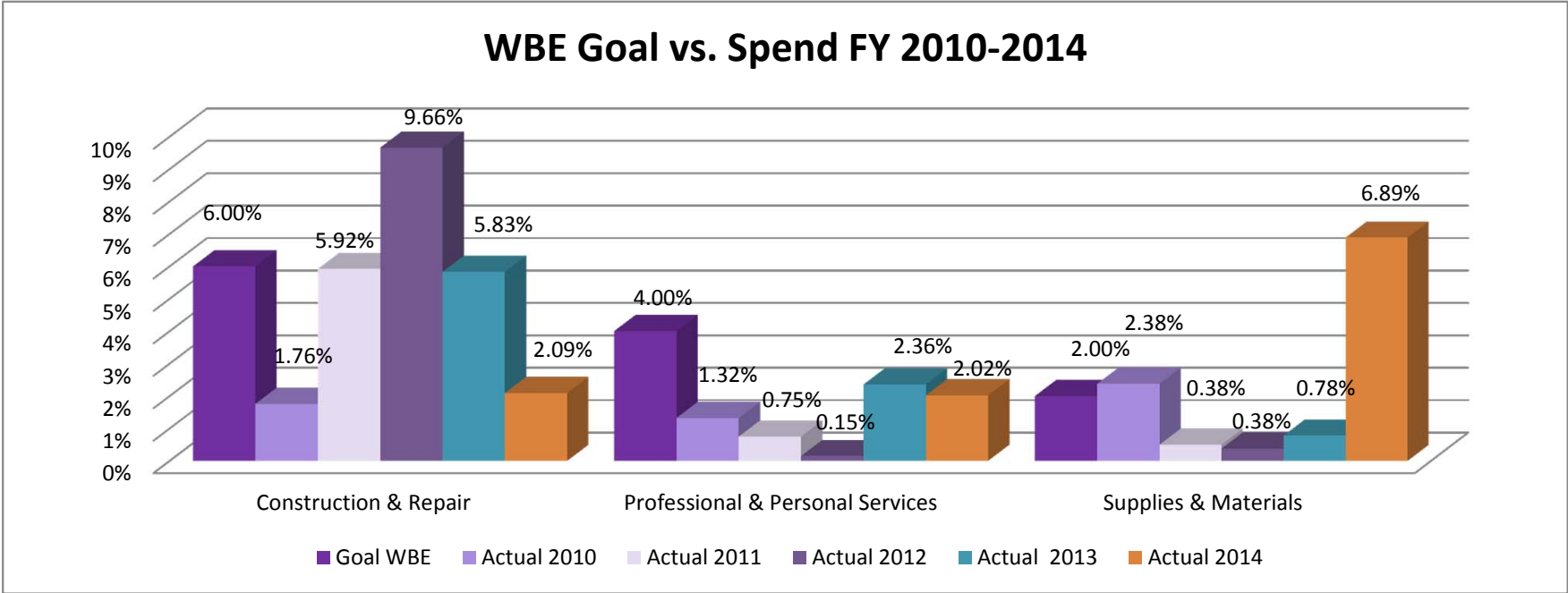
	Goal MBE	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Actual 2014
Construction & Repair	10%	21.85%	10.49%	13.06%	19.61%	10.67%
Professional & Personal Services	4%	1.07%	0.71%	0.31%	3.05%	2.35%
Supplies & Materials	2%	.01%	0.34%	0.62%	2.25%	2.46%



MWBE Participation 2014

SUMMARY

	Goal WBE	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Actual 2014
Construction & Repair	6%	1.76%	5.92%	9.66%	5.83%	2.09%
Professional & Personal Services	4%	1.32%	0.75%	0.15%	2.36%	2.02%
Supplies & Materials	2%	2.38%	0.50%	0.38%	0.78%	6.89%



MWBE Participation 2014

Participation as a Percentage of Eligible Dollars

	Eligible Dollars	Minority	%	Women	%
Construction & Repair	\$4,961,992.80	\$529,427.07	10.67%	\$103,785.57	2.09%
Professional & Personal Services	\$6,488,452.69	\$152,706.16	2.35%	\$131,049.79	2.02%
Supplies & Materials	\$11,556,042.15	\$284,508.27	2.46%	\$795,937.74	6.89%
Total	\$23,006,487.64	\$966,641.50	4.20%	\$1,030,773.10	4.48%
		M/WBE Total	8.68%	\$1,997,414.60	

Trend Analysis 2013 vs 2014

ASME

Total Spend 2013	% Change	Total Spend 2014	Minority 2013	% Change	Minority 2014	Female 2013	% Change	Female 2014
\$9,755,936.40	18.45%	11,556,042.15	\$219,294.02	29.74%	284,508.27	\$76,223.06	944.22%	\$795,937.74

SERVICE

Total Spend 2013	% Change	Total Spend 2014	Minority 2013	% Change	Minority 2014	Female 2013	% Change	Female 2014
\$6,047,846.58	7.29%	\$6,488,452.69	\$184,502.07	-17.23%	\$152,706.16	\$142,432.53	-7.99%	\$131,049.79

CONSTRUCTION

Total Spend 2013	% Change	Total Spend 2014	Minority 2013	% Change	Minority 2014	Female 2013	% Change	Female 2014
\$9,318,775.76	-46.75%	\$4,961,992.80	\$1,826,973.64	-71.02%	\$529,427.07	\$543,284.25	-80.90%	\$103,785.57