



BEXAR COUNTY 2021 DISPARITY & AVAILABILITY STUDY SUMMARY REPORT

What is the purpose of the Disparity and Availability Study?

The purpose of this Study is to evaluate the County's current programs to promote equal opportunity in the County's procurement program to aid in diversification of the County's vendor database, and assure equitable distribution of the County's purchases in a manner that accurately reflects the diversity in the available vendor pool. The Disparity and Availability Study was conducted by Griffin & Strong, P.C. and guided by current case law.

Why did the County decide to conduct a Disparity and Availability Study?

The two main reasons the County decided to conduct a Disparity Study were to accomplish the following:

1. Assure equitable participation of local, minority and women owned businesses in the County's contracts and purchase orders.
2. Identify the best practices that will help the County build a business program to stimulate local business economic growth and development.

What is the principal finding and recommendation resulting from the Disparity Study?

The courts have indicated that for race-based or gender-based preference programs to be maintained there must be a strong basis in the evidence for the establishment of such programs or the continuation of existing programs. GSPC found statistically significant underutilization of MWBEs in each of the four work categories that GSPC analyzed over the FY 2015-FY 2019 Study Period. This evidence was supported by anecdotal evidence and evidence in the private sector. The evidence overall supports a factual predicate for an MWBE program.

What was Bexar County Relevant Geographic Market?

The Study compares the availability and utilization of firms in a common area, called the Relevant Geographic Market, where at least 75% of county spending with vendors takes place. Bexar County spent 81.2% of its prime dollars during the Study period with firms located in Bexar County.

What was MWBE Availability?

The firms used to calculate Availability came from the Custom Census and Master Vendor File (for Goods)¹ in the Bexar County Relevant Market. GSPC found that firms were available to provide goods and services to Bexar County as reflected in the following percentages by each race, ethnicity, and gender group. Availability analyses based on Master Vendor File is also contained in the report.

¹ GSPC used the Master Vendor list for Goods because it was difficult to ascertain whether all of the various products represented in the Hoover data (custom census data source) were reasonably purchased by the County. Typically the focus of custom census availability analysis nationally has been on construction and services..

Table 1: MWBE Availability

Business Ownership Classification	Construction	Professional Services	Other Services	Goods
African American	2.10%	1.15%	5.13%	6.37%
Asian American	0.30%	4.60%	4.27%	2.40%
Hispanic American	29.04%	29.89%	15.38%	27.40%
Native American	1.20%	1.15%	0.00%	0.33%
TOTAL MBE	32.63%	36.78%	24.79%	36.51%
Nonminority Female	3.89%	16.09%	20.51%	13.16%
TOTAL MWBE	36.53%	52.87%	45.30%	49.67%
NON-MWBE	63.47%	47.13%	54.70%	50.33%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%

Griffin & Strong, P.C. 2021

What was MWBE Prime Utilization?

Bexar County paid a total of \$466.7 million in prime construction spending in the Relevant Market during the Study Period and \$74.3 million of this amount, or 15.91% was paid with MWBE firms as prime contractors. MWBEs were paid 35.24% of Professional Services, 11.73% of Other Services, and 26.98% of Goods. MWBEs won 17.75% of prime payments across all purchasing categories.

Table 2: MWBE Prime Utilization

Firm Ownership	Construction		Professional Services		Other Services		Goods		Total	
African American	\$ 1,536,375	0.33%	\$ 154,102	0.19%	\$ 1,591,145	0.63%	\$ 9,531,173	9.09%	\$ 12,812,795	1.42%
Asian American	\$ -	0.00%	\$ 4,886,143	6.11%	\$ 9,376,621	3.73%	\$ 2,363,868	2.25%	\$ 16,626,632	1.84%
Hispanic American	\$ 53,469,618	11.45%	\$ 16,571,759	20.72%	\$ 12,445,467	4.95%	\$ 2,193,900	2.09%	\$ 84,680,744	9.38%
Native American	\$ -	0.00%	\$ 155,824	0.19%	\$ 1,831,107	0.73%	\$ -	0.00%	\$ 1,986,931	0.00%
TOTAL MINORITY	\$ 55,005,993	11.78%	\$ 21,767,828	27.22%	\$ 25,244,340	10.04%	\$ 14,088,941	13.44%	\$ 116,107,102	12.86%
Nonminority Female	\$ 19,266,094	4.13%	\$ 6,411,388	8.02%	\$ 4,248,771	1.69%	\$ 14,191,605	13.54%	\$ 44,117,858	4.89%
TOTAL MWBE	\$ 74,272,088	15.91%	\$ 28,179,216	35.24%	\$ 29,493,111	11.73%	\$ 28,280,545	26.98%	\$ 160,224,960	17.75%
NON-MWBE	\$ 392,515,095	84.09%	\$ 51,788,321	64.76%	\$ 221,842,687	88.27%	\$ 76,548,225	73.02%	\$ 742,694,328	82.25%
TOTAL FIRMS	\$ 466,787,183	100.00%	\$ 79,967,537	100.00%	\$ 251,335,798	100.00%	\$ 104,828,771	100.00%	\$ 902,919,289	100.00%

Griffin & Strong, P.C. 2021

What was Prime Utilization for Small, Disabled, Veteran and LBGTQ Business Enterprises?

The largest dollar amount was SBEs in Construction Services, \$113.73 million. The largest percent and number of firms was the 62 SBEs receiving 32.94% of Professional Services dollars. Between the DIBE, VBE and LBGTQ firms the largest amount in dollar and percentage and number of firms was VBEs in Construction Services - 19 VBEs being paid \$20.36 million, 4.36% of Construction Services prime dollars.

Table 3: Small, Veteran, Disabled, LBGTQ Business Enterprise Prime Utilization

Firm Ownership	Construction			Professional Services			Other Services			Goods			Total		
	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms
DIBE	\$ 19,109,775	4.09%	7	\$ 19,360	0.02%	1	\$ 824,981	0.33%	5	\$ 77,055	0.07%	3	\$ 20,031,171	2.22%	16
LBGTQ	\$ -	0.00%	0	\$ -	0.00%	0	\$ 126,149	0.05%	4	\$ 2,709	0.00%	1	\$ 128,857	0.01%	5
SBE	\$ 113,731,919	24.36%	104	\$ 26,343,792	32.94%	62	\$ 38,374,262	15.27%	142	\$ 34,305,815	32.73%	128	\$ 212,755,788	23.56%	436
VETERANS	\$ 20,359,829	4.36%	19	\$ 175,184	0.22%	2	\$ 1,298,125	0.52%	11	\$ 81,608	0.08%	5	\$ 21,914,746	2.43%	37

Griffin & Strong, P.C. 2021

What was Prime Utilization for Disadvantaged Business Enterprises?

DBEs can fall within any race/ethnic/gender category, although DBEs are much more likely to be MWBEs. The strongest percentage DBE utilization was in Professional Services.

Table 4: Disadvantaged Business Enterprise Prime Utilization

Firm Ownership	Construction			Professional Services			Other Services			Goods			Total		
	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms	\$	%	No of Firms
DBE	\$ 43,139,452	9.24%	37	\$ 13,979,187	17.48%	27	\$ 15,611,302	6.21%	32	\$ 3,607,731	3.44%	16	\$ 76,337,671	8.45%	112

Griffin & Strong, P.C. 2021

Where was there Disparity for MWBE Primes Contractors?

Table 5: MWBE Prime Disparity

	Construction	Professional Services	Other Services	Goods
African American	X	X	X	
Asian American	X			
Hispanic American	X	X	X	X
Native American	X	X	X	X
Nonminority Female		X	X	

Griffin & Strong, P.C. 2021

What was MWBE Subcontractor Utilization?

MBEs received \$24,533,019 in Construction subcontractor payments during the Study Period, accounting for 20.54% of the total Construction subcontractor paid dollars. Nonminority Female-owned firms were paid a total of \$7,100,381, 5.95% of the total Construction subcontractor dollars. MWBEs received 26.49% of the total Construction subcontract dollars.²

² It should be noted that MWBE subcontractor data was collected by special project and was therefore limited in collection and reporting. For example, although typically there is little subcontracting in Other Services and Goods, subcontractors in those groups were not provided to GSPC. The only subcontractor dollars utilized in this analysis were actual dollars paid on invoices and not awarded or promised amounts.

MBEs received \$978,587 in Professional Services payments during the Study Period, 35.48% of the total Professional Services subcontractor dollars, while Nonminority Female-owned firms were paid \$584,521, 21.19% of the total Non-Professional Services dollars. MWBEs received 56.67% of the Professional Services subcontract dollars.

Table 6: MWBE Subcontractor Utilization³

Business Ownership Classification	Construction	Professional Services
	(\$)	(\$)
African American	\$ 530,428	\$ -
Asian American	\$ 156,783	\$ 271,254
Hispanic American	\$ 23,845,808	\$ 707,333
Native American	\$ -	\$ -
TOTAL MINORITY	\$ 24,533,019	\$ 978,587
Nonminority Female	\$ 7,100,381	\$ 584,521
TOTAL MWBE	\$ 31,633,399	\$ 1,563,108
NON-MWBE	\$ 87,783,854	\$ 1,195,024
TOTAL FIRMS	\$119,417,253	\$ 2,758,132
Business Ownership Classification	TOTAL	TOTAL
	(%)	(%)
African American	0.44%	0.00%
Asian American	0.13%	9.83%
Hispanic American	19.97%	25.65%
Native American	0.00%	0.00%
TOTAL MINORITY	20.54%	35.48%
Nonminority Female	5.95%	21.19%
TOTAL MWBE	26.49%	56.67%
NON-MWBE	73.51%	43.33%
TOTAL FIRMS	100.00%	100.00%

Griffin & Strong, P.C. 2021

Where was there Disparity for MWBE Subcontractors?

Table 7: MWBE Subcontractor Disparity

	Construction	Professional Services
African American	X	X
Asian American	X	
Hispanic American	X	
Native American	X	X
Nonminority Female		

Griffin & Strong, P.C. 2021

³ There were no prime contractors in Other Services and Goods to tie any subcontractors to.

What are the Major Commendations and Recommendations?

Commendations
Commendation 1: Small Business Outreach
Commendation 2: Race Neutral Efforts
Commendation 3: Certification and Registration
Commendation 4: LGBTBE Certification
Commendation 5: Data Maintenance
Recommendations
Recommendation 1: Allocating Resources and Staffing
Recommendation 2: Set Annual Aspirational Goals based upon Availability
Recommendation 3: Set MWBE Contract-by-Contract Subcontracting Goals
Recommendation 4: Robust Good Faith Efforts
Recommendation 5: Small Business Reserve Program
Recommendation 6: Supportive Services and Strengthen Forecasting
Recommendation 7: LGBTBE Certification
Recommendation 8: Data Maintenance Reform
Recommendation 9: Decoupling Large Contracts
Recommendation 10: Prompt Payment
Recommendation 11: SMWBES and Interlocal/Cooperative Procurement

Griffin & Strong, P.C. 2021