

# MECKLENBURG COUNTY, NORTH CAROLINA

Minority, Women, and Small Business Enterprise Disparity Study



235 Peachtree Street, NE Suite 400  
Atlanta, GA 30303  
Phone: (404) 584-9777

# OUR PROCESS



# RELEVANT GEOGRAPHIC MARKETS

## Summary of Relevant Geographic Market (using Payments)

Construction  
Charlotte MSA

A&E  
Charlotte MSA

Professional  
Services  
State of NC

Other Services  
State of NC

Goods  
States of NC, SC and  
GA

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# UTILIZATION: FY2016-2019

## PRIME+SUBCONTRACTOR

Race/Ethnicity	Construction		Architecture & Engineering		Professional Services		Other Services	
	\$	%	\$	%	\$	%	\$	%
Black	\$2,581,117	0.43%	\$3,706,676	10.27%	\$691,087	0.57%	\$3,864,780	1.91%
Asian American	\$944,517	0.16%	\$93,000	0.26%	\$34,275	0.03%	\$734,965	0.36%
Hispanic American	\$1,888,101	0.32%	\$938,299	2.60%	\$33,306	0.03%	\$172,700	0.09%
American Indian	\$1,632,170	0.27%	\$78,070	0.22%	\$108,963	0.09%	\$1,782,241	0.88%
Total MBE	\$7,045,906	1.18%	\$4,816,045	13.35%	\$867,631	0.71%	\$6,554,686	3.25%
Female	\$99,227,097	16.65%	\$317,825	0.88%	\$241,672	0.20%	\$3,593,693	1.78%
Total MWBE	\$106,273,003	17.83%	\$5,133,870	14.23%	\$1,109,303	0.91%	\$10,148,379	5.03%
Non-Minority	\$489,767,208	82.17%	\$30,946,853	85.77%	\$120,369,660	99.09%	\$191,794,669	94.97%
Total	\$596,040,210	100.00%	\$36,080,723	100.00%	\$121,478,963	100.00%	\$201,943,048	100.00%

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# SUMMARY OF AVAILABILITY

## Summary of Availability Estimates by Work Category

Race/Ethnicity	Construction	Architecture & Engineering	Professional Services	Other Services	Goods & Supplies
American Indian	0.75%	0.54%	0.59%	0.65%	0.29%
Asian American	0.95%	2.18%	1.66%	1.30%	1.05%
Black	9.64%	9.58%	14.82%	13.85%	6.41%
Hispanic American	3.56%	2.61%	1.24%	1.92%	1.08%
Total MBE	14.91%	14.91%	18.30%	17.72%	8.83%
Female	7.43%	6.86%	7.16%	6.69%	6.15%
Unidentified MWBE	0.00%	0.00%	0.06%	0.17%	0.02%
Total MWBE	22.34%	21.76%	25.52%	24.58%	15.00%
Non-Minority	77.66%	78.24%	74.48%	75.42%	85.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

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# SUMMARY OF DISPARITY

## Prime + Subcontractor

	Construction	A&E	Professional Services	Other Services	Goods
American Indian	✓	✓	✓		✓
Asian American	✓	✓	✓	✓	✓
Black American	✓		✓	✓	✓
Hispanic American	✓	parity	✓	✓	✓
Female		✓	✓	✓	✓

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# RECOMMENDATIONS

Recommendation 1: Allocation of Resources, Including Staffing  
Larger staff of at least 2-3 additional Contract Compliance Officers

Recommendation 2: MWBE Subcontracting Goals  
Set contract-by-contract goals in Construction the 1<sup>st</sup> year  
Phase in additional categories as resources increase  
Set separate MBE and WBE goals  
Apply Contract Compliance

Recommendation 3: Robust Good Faith Efforts  
Firms must meet goals or demonstration Good Faith Efforts  
Good Faith Efforts = Meeting 50 points set by State law  
If do not meet goal or satisfy Good Faith Efforts, the bid is rejected as not responsive or responsible

# RECOMMENDATIONS

## Recommendation 4: Small Business Reserve Program

Set aside certain level of contracts exclusively for small businesses

## Recommendation 5: Vendor Rotation

The County already allows for vendor rotation but it can be better used to assure MWBE utilization on routine and regular purchases.

## Recommendation 6: Mandatory Subcontracting

Contracts over certain thresholds must subcontract

Provides more opportunities for SMWBEs

## Recommendations 7: Strengthen Project Forecasting

Allows for better planning

Allows for Targeted Outreach

Encourages Teaming



# RECOMMENDATIONS

## Recommendation 8: Supportive Services

Helps firms to grow capacity and be better prepared to respond to bids  
e.g. Technical Assistance, Business incubators, Financial Assistance, Loan Programs

## Recommendation 9: Prompt Pay Ordinance

Assists small businesses to meet financial obligations  
Penalties placed on prime contractors who delay payment  
Contract compliance software can track subcontractor payments

## Recommendation 10: Encourage Joint Ventures

Very large contracts  
Helps build capacity

## Recommendation 11: Data Maintenance Reform

Revised Commodity Code Practices  
Track award data  
Implement subcontractor data system

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ATTORNEYS AND PUBLIC POLICY CONSULTANTS

# Next Steps and Requested Board Action

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- **Board Action**
  - Adoption of a resolution supporting recommendations provided by Griffin & Strong, P.C. as part of the Mecklenburg County Disparity Study
- **Action Planning (Oct 2020 – Jan 2021)**
  - Implementation Phasing
  - Budget Planning and Requests

