

Cook County Annual Business Diversity Report

FY2019



Toni Preckwinkle, President

Cook County Board of Commissioners

Commissioner Stanley Moore, Chairman

Committee on Contract Compliance

Edward H. Olivieri, Director

Office of Contract Compliance

Agenda

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Introduction

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Data Analysis

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Market Trends

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Action Items

Office of Contract Compliance

Our mission is to ensure the full and equitable participation of minority and women-owned businesses (MBE/WBE) in the procurement process as both prime and sub-contractors for Cook County Government and Cook County Health (CCH).

Certification

Certify Minority-, Women-, Veteran-, Service-Disabled Veteran and Persons with Disability-Owned Business Enterprises

Compliance

Set contract goals
Evaluate waiver requests
Track and monitor contracts for compliance on the committed level of M/WBE participation

Outreach

Inform the business community about the M/WBE program;
Encourage certification; Support County vendors to increase minority and women-owned business inclusion on County contracts

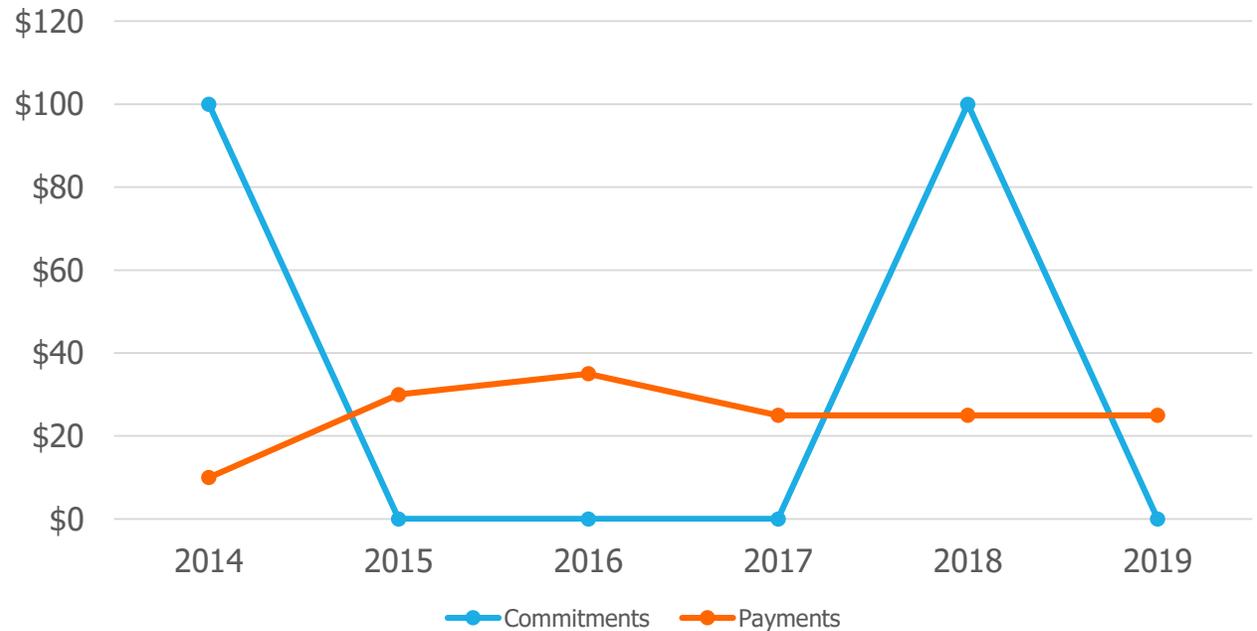
Transparency

Only municipal government that reports all M/WBE payment numbers annually; All Diversity Reports since 2013 are available on OCC website



- Payments and commitments track differently each year
- Payments are hard dollars, so they better reflect the M/WBE vendor experience

Hypothetical Commitments vs Payments



	2014	2015	2016	2017	2018	2019
Commitments	\$100	\$0	\$0	\$0	\$100	\$0
Payments	\$10	\$30	\$35	\$25	\$25	\$25

Methodology

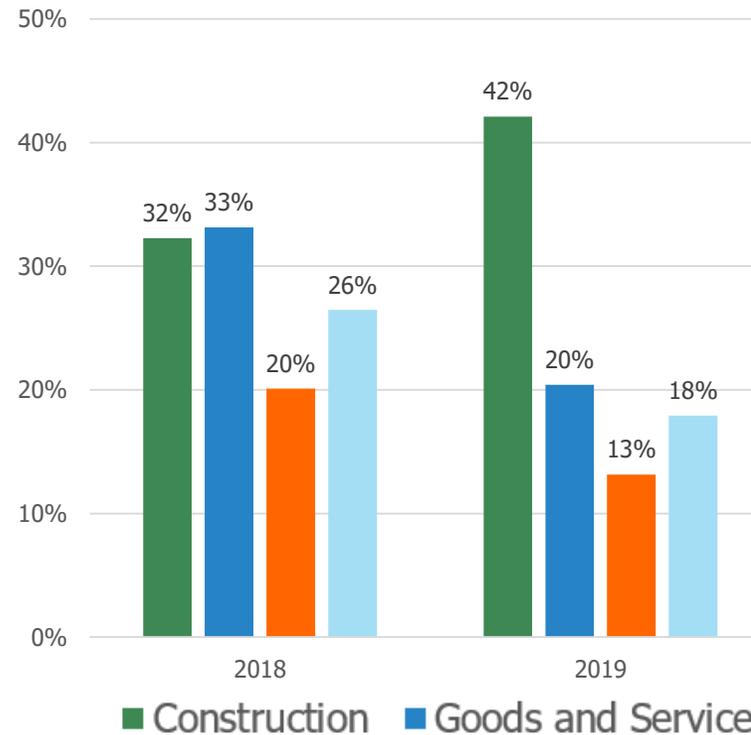
From Commitments to Payments



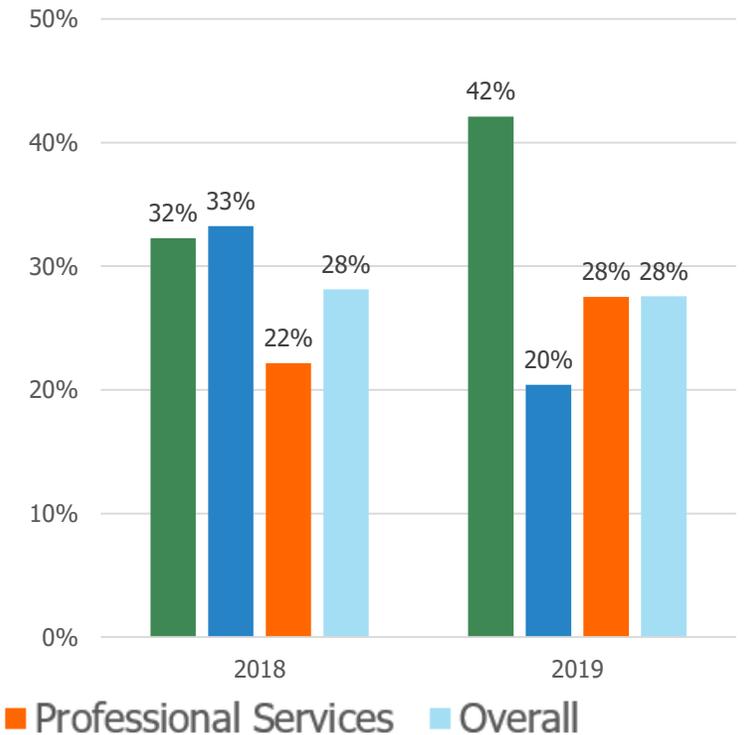
Unusually large contracts require different tactics with regards to M/WBE participation. They have therefore been removed from the analysis. Ex. BCBS contract.

County Government Payments to M/WBEs by Contract Category

Full Dataset



Outliers Removed



Methodology

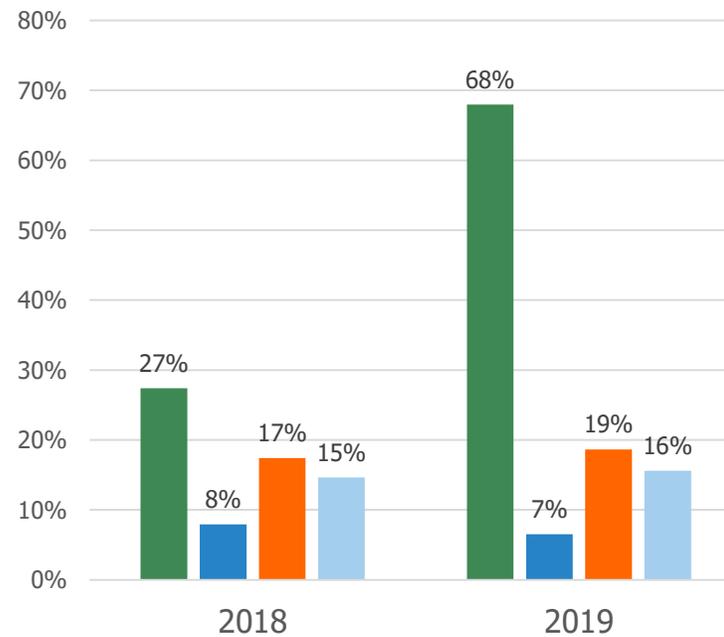
Outliers: Payments > \$10M



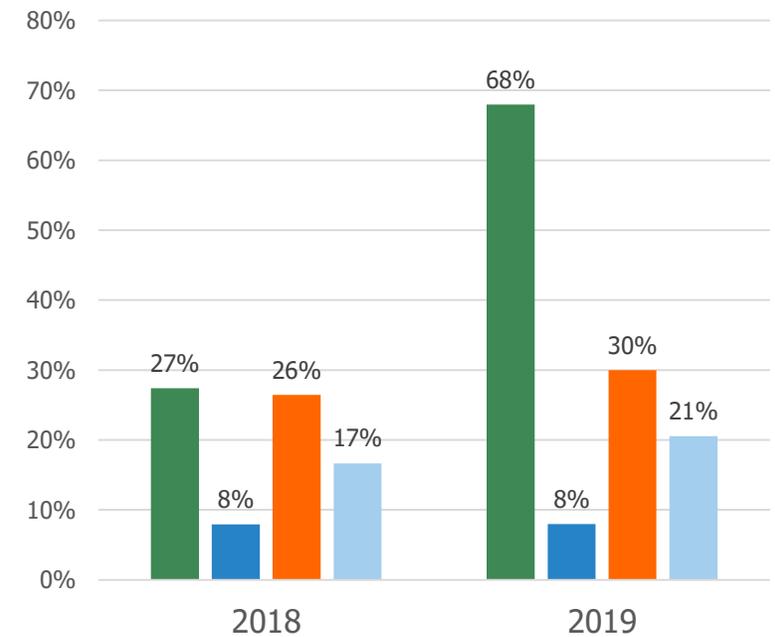
Unusually large contracts require different tactics with regards to M/WBE participation. They have therefore been removed from the analysis. Ex. CountyCare TPA contract.

Cook County Health Payments to M/WBEs by Contract Category

Full Dataset



Outliers Removed



■ Construction ■ Goods and Services ■ Professional Services ■ Overall

Methodology

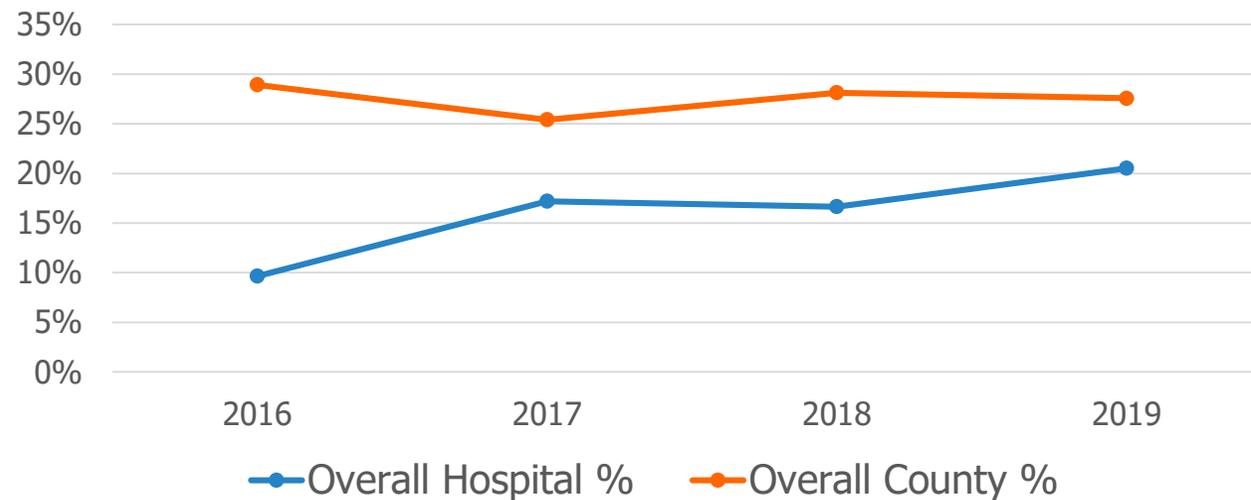
Outliers: Payments > \$12M



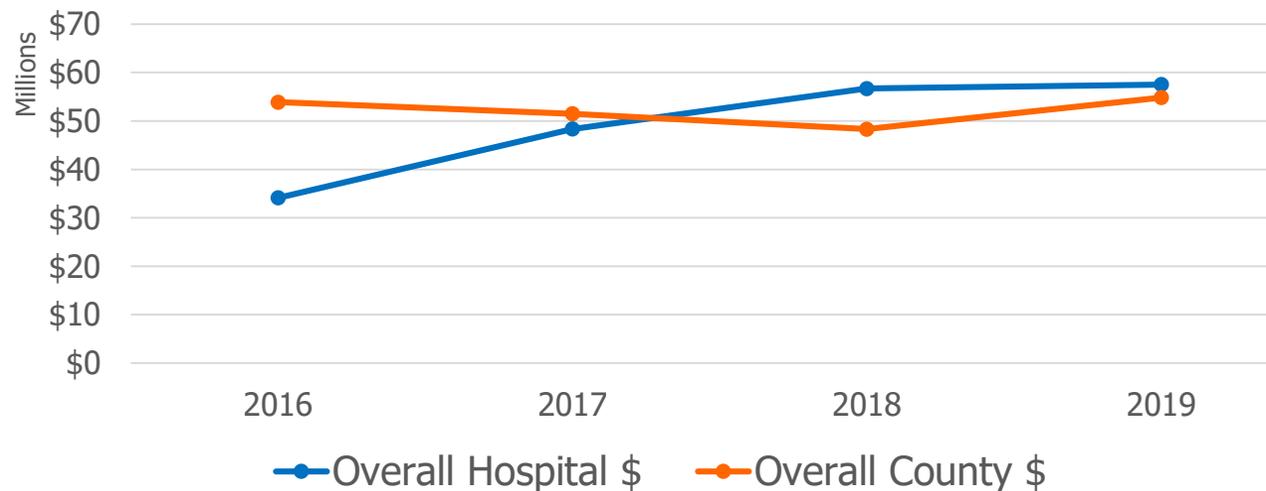
M/WBE Summary

Overall Payments by
Percentage and Dollar value
to M/WBEs

M/WBE Payment Percentage



M/WBE Payment Dollars

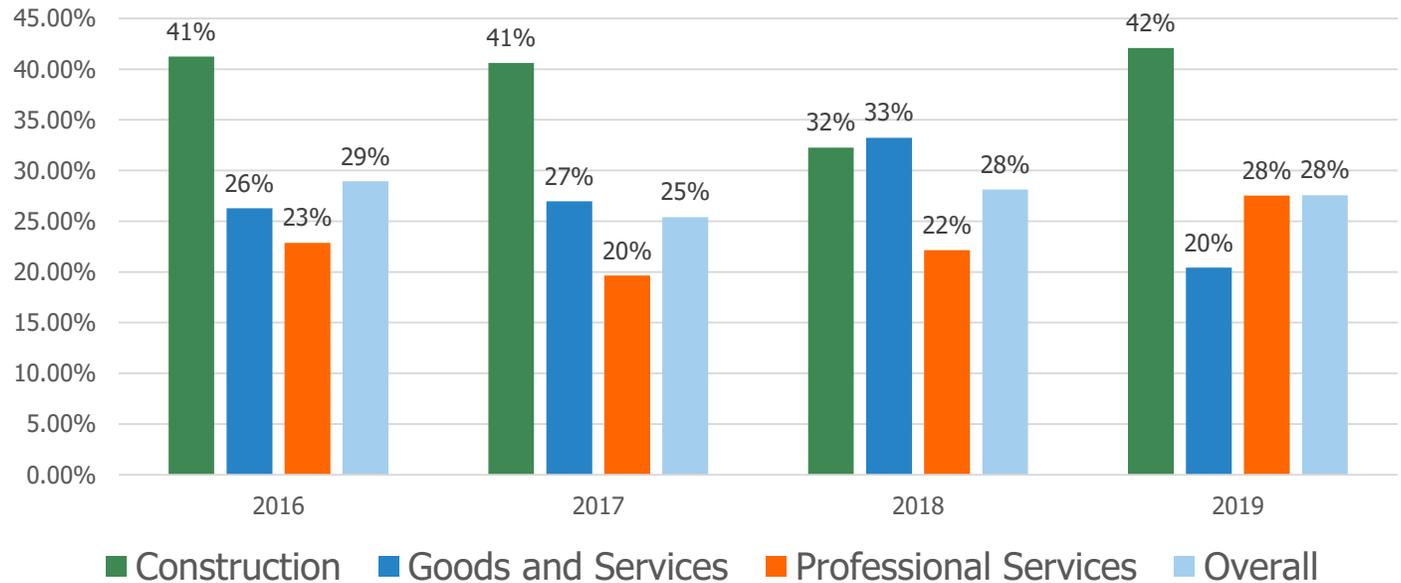




Cook County Government

Contract Categories

Cook County Government Payments to M/WBEs by Contract Category



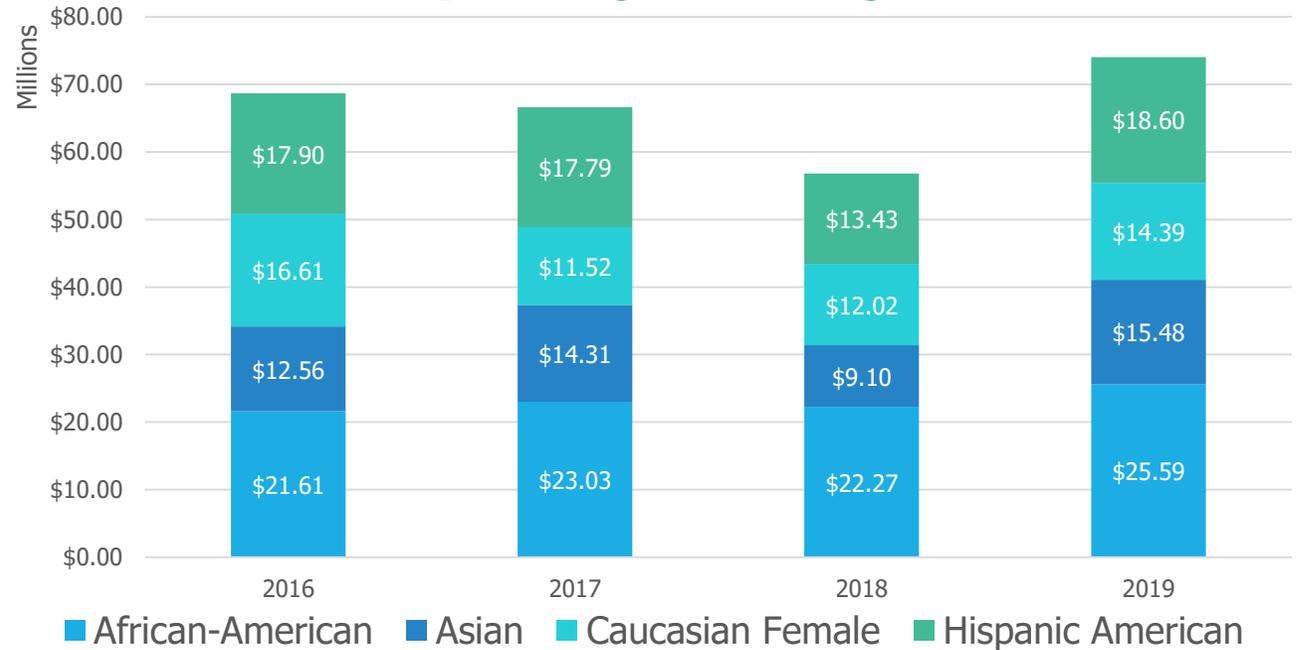
	2016	2017	2018	2019
Construction	41.24%	40.61%	32.26%	42.10%
Goods and Services	26.28%	26.96%	33.24%	20.42%
Professional Services	22.88%	19.63%	22.16%	27.53%
Overall	28.93%	25.41%	28.13%	27.57%



Cook County Government

Certified Spend by Ethnicity

Certified Cook County Government Spend by Ethnicity



	2016	2017	2018	2019
African-American	\$21,605,913	\$23,031,688	\$22,265,041	\$25,588,973
Asian	\$12,557,763	\$14,305,247	\$9,102,278	\$15,475,739
Caucasian Female	\$16,611,092	\$11,517,519	\$12,021,917	\$14,385,043
Hispanic American	\$17,899,381	\$17,786,047	\$13,425,928	\$18,596,328
Overall	\$68,674,148	\$66,640,502	\$56,815,164	\$74,046,083



Since 2016...



Payments to firms owned by African-American Women



Payments to firms owned by Asian Women



Payments to Hispanic-owned firms in Professional Services

Cook County Government

Highlights





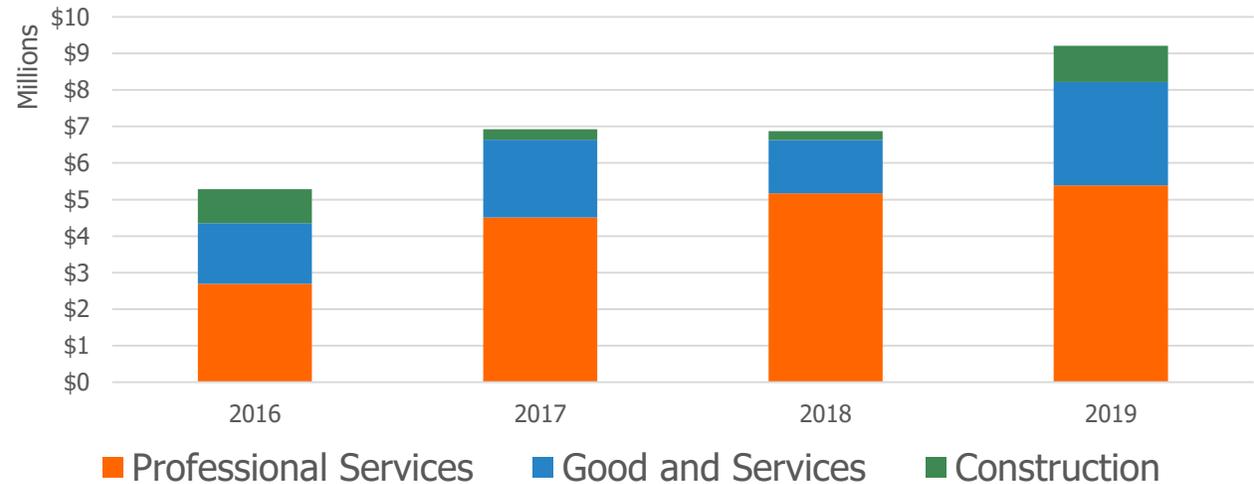
Cook County Government

Highlights

75% 

Payment to firms owned by African-American Women (since 2016)

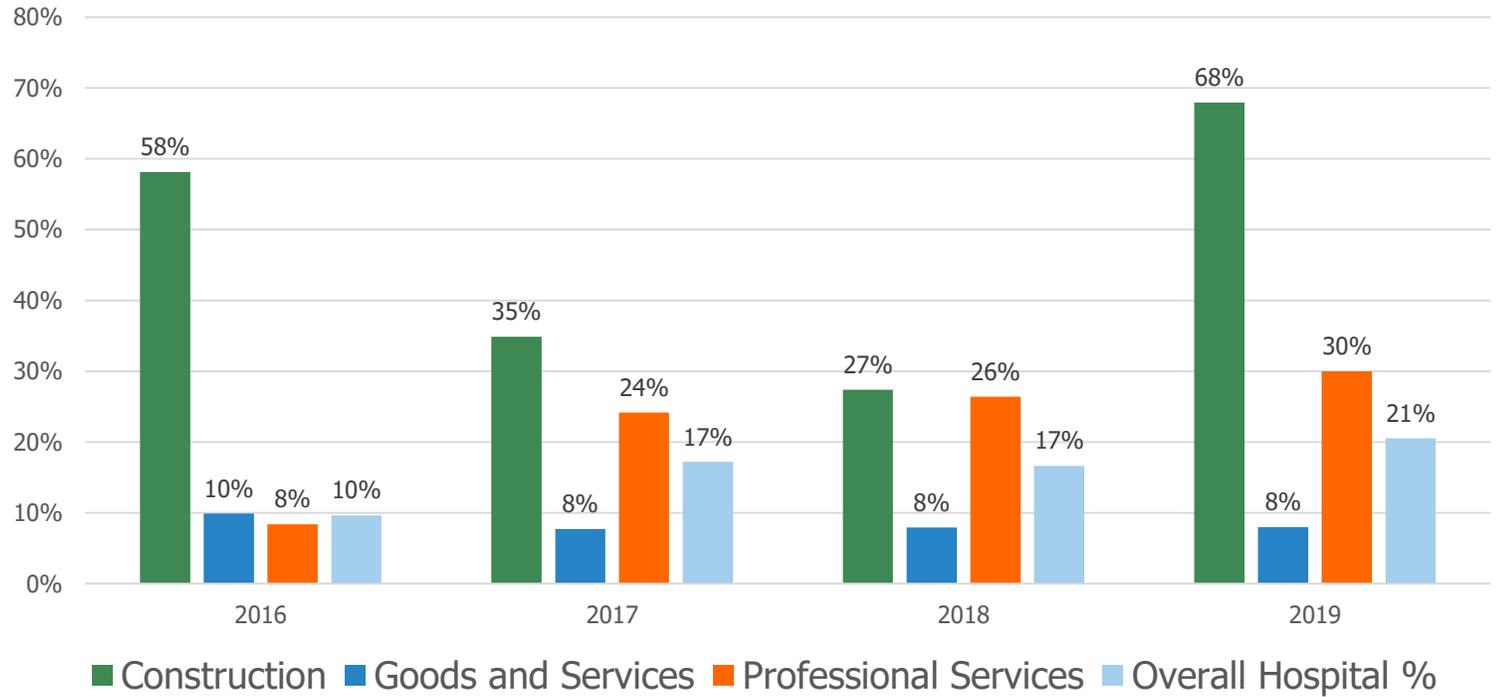
Cook County Government Payments to African-American Woman-Owned Firms



African American Women Payments	2016	2017	2018	2019
Construction	\$927,245	\$292,698	\$240,638	\$990,657
Good and Services	\$1,660,454	\$2,126,612	\$1,462,037	\$2,830,399
Professional Services	\$2,690,992	\$4,506,224	\$5,169,437	\$5,384,510
Total	\$5,278,691	\$6,925,534	\$6,872,112	\$9,205,566



M/WBE Spend by Contract Category



Cook County Health

Contract Categories

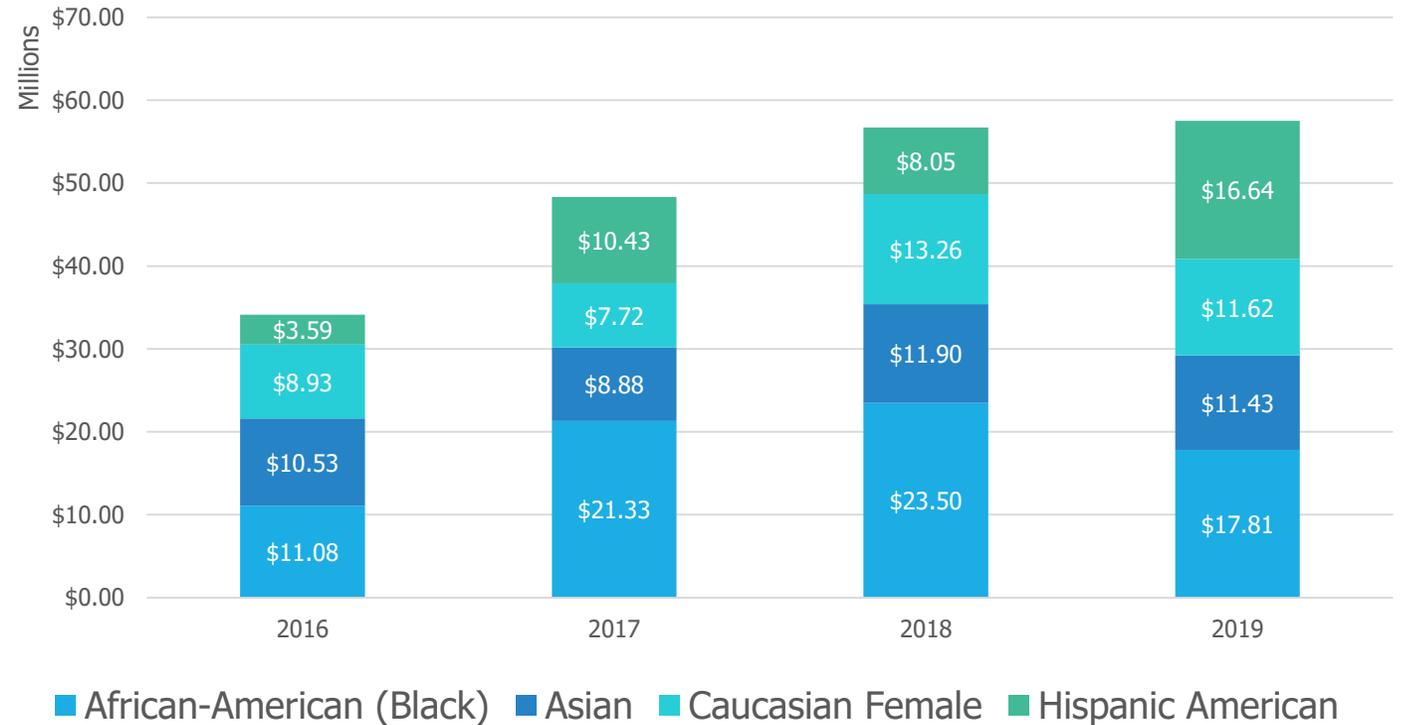
	2016	2017	2018	2019
Construction	58.13%	34.89%	27.39%	67.96%
Goods and Services	9.91%	7.70%	7.94%	7.98%
Professional Services	8.39%	24.18%	26.42%	29.97%
Overall %	9.65%	17.20%	16.66%	20.53%



Cook County Health

Certified Payments by Ethnicity

Certified CCH Payments by Ethnicity



	2016	2017	2018	2019
African-American	\$11,081,210	\$21,328,209	\$23,503,111	\$17,813,654
Asian	\$10,534,742	\$8,875,886	\$11,900,143	\$11,428,204
Caucasian Female	\$8,926,536	\$7,719,855	\$13,256,710	\$11,624,231
Hispanic American	\$3,593,122	\$10,426,765	\$8,050,981	\$16,643,608
Total	\$34,135,610	\$48,350,715	\$56,710,945	\$57,509,697



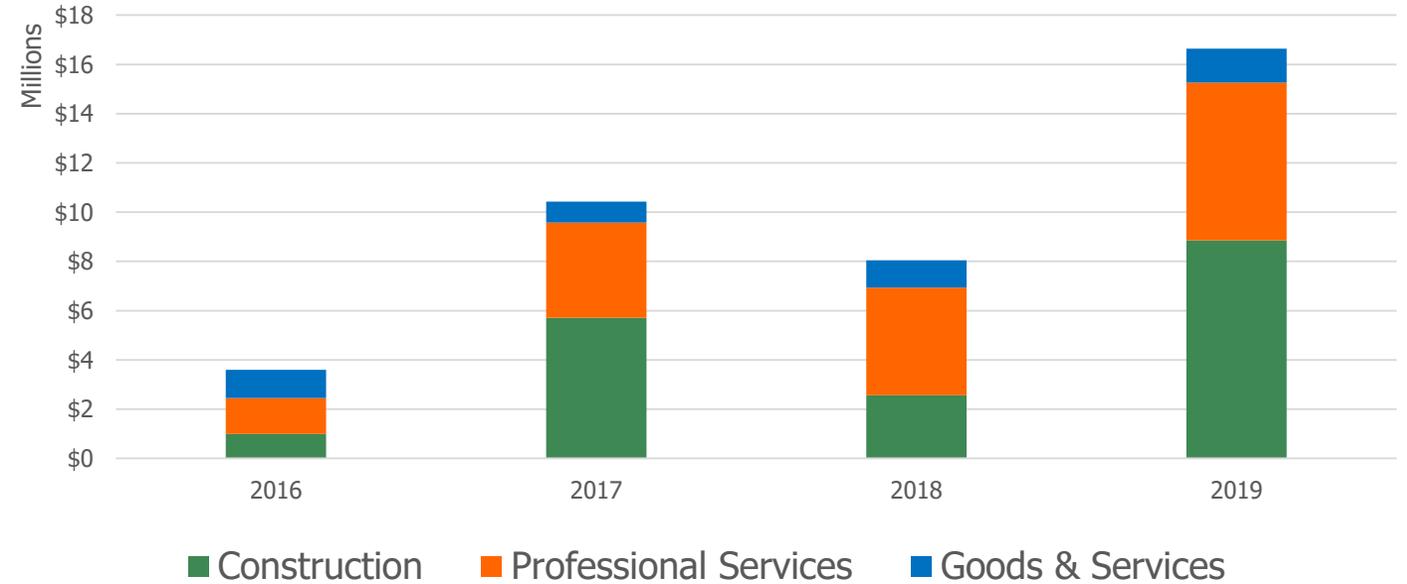
Cook County Health

Highlights

350% 

Payments to Hispanic owned firms at the hospital since 2016

Hispanic M/WBE Payments at CCH



Hispanic Hospital Payments by Contract Category	2016	2017	2018	2019
Construction	\$1,001,151	\$5,715,886	\$2,571,256	\$8,852,352
Goods & Services	\$1,141,459	\$848,872	\$1,110,041	\$1,376,027
Professional Services	\$1,450,513	\$3,862,008	\$4,369,684	\$6,415,229
Total	\$3,593,122	\$10,426,765	\$8,050,981	\$16,643,608

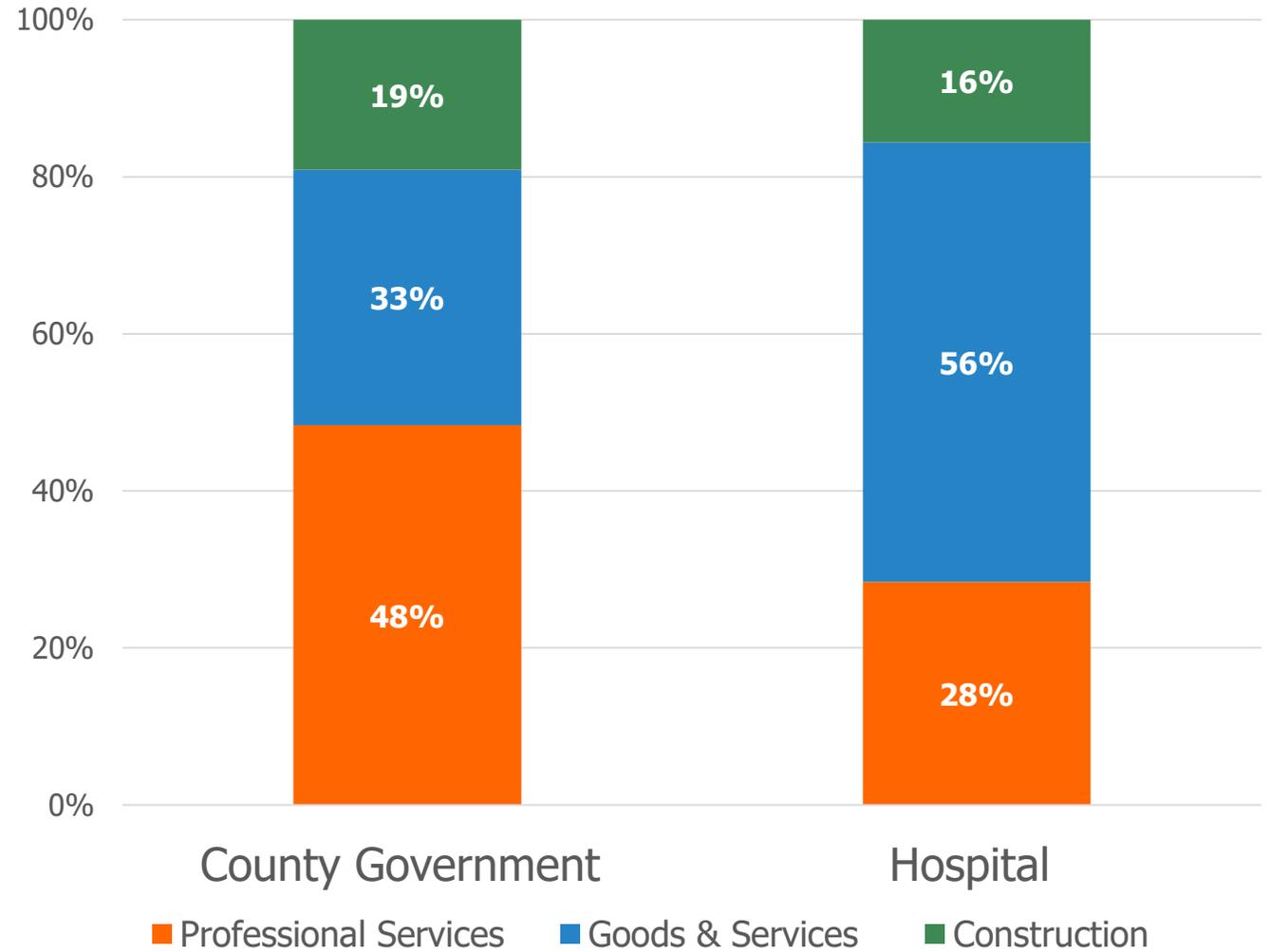




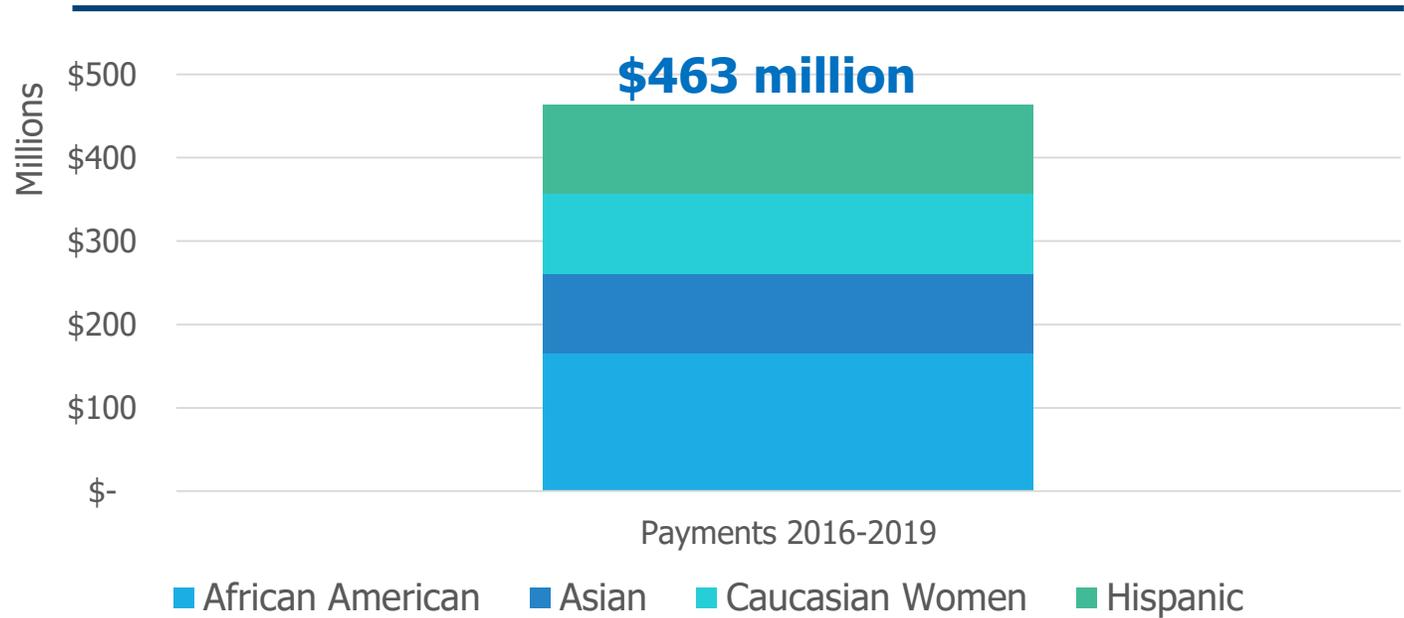
Market Trends

Growing Opportunities in Professional Services

Percent Spend by Contract Category (3 year average)



Total Spend with M/WBE firms since 2016



M/WBE Firm Ethnicity	Payments 2016-2019
African American	\$166,217,799
Asian	\$94,180,002
Caucasian Women	\$96,062,903
Hispanic	\$106,422,160
Total	\$462,882,864

Market Trends

Cook County continues to invest in M/WBE Businesses



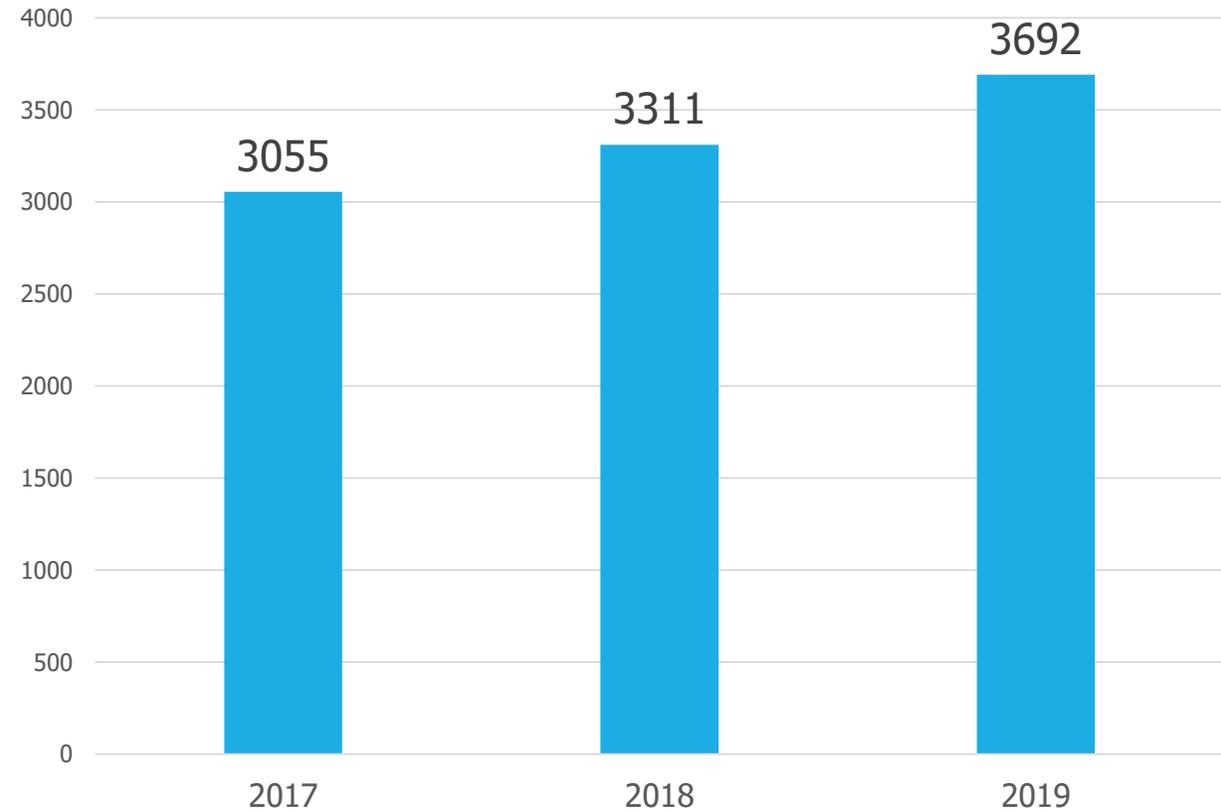


Market Trends

Availability

M/WBE Availability

Total Cook County and City of Chicago Certified M/WBEs by Fiscal Year





Availability

72.7%

Percent of zero goals due to a lack of M/WBE Availability
(9 month average from FY2019)

Goods & Services

500+ firms

Facilities
Maintenance

82 firms

Plumbing
Supplies

12 firms

Metcalf
products

0 firms

Market Trends

Availability of firms selling Metcalf plumbing products



Action Items

Moving Forward

Office of Contract Compliance

- Virtual Technical Assistance
- Develop a Target Market Strategy
- Host an annual Matchmaking Conference
- Conduct internal departmental contract review meetings



Action Items

Moving Forward

Board of Commissioners

- Refer Minority and Women-Owned businesses for certification, particularly in professional services
- Boost signal on M/WBE program through social media and community engagement
- Connect OCC with business organizations and chambers of commerce in your district