

Cook County Government Disparity Study

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Disparity Study Objectives

- Provide a legal defense if the M/WBE program is challenged
- Develop recommendations for program improvements & enhancements
- Educate policy makers & stakeholders about the legal & economic issues to build consensus

Disparity Study Findings

- County' s & CCHS' Industry Markets
 - 53 NAICS codes make up the industry market
- County' s & CCHS' Geographic Market
 - 92.3% of the dollars were spent in Illinois
 - 99.8% of Illinois dollars were spent in Cook, Lake, DuPage, Kane, Grundy, Will & McHenry counties

Disparity Study Findings, cont.

- M/WBE Aggregated **Weighted Expected Availability**

- Total M/WBEs: 25.21%
- 7.55% Blacks
- 4.02% Hispanics
- 2.27% Asians
- 0.26% Native Americans
- 11.65% White females

Disparity Study Findings, cont.

- Economy-Wide Disparity Evidence
 - Survey of Business Owners
 - Large disparities between M/WBES & other firms in Illinois
 - American Community Survey
 - Minorities & White women earned lower wages, earned less from their businesses & formed fewer businesses than similar White males in market area
 - Credit discrimination barriers remain high
 - Human capital constraints continue to impede success

Disparity Study Findings, cont.

- Qualitative Evidence of Disparities in the Agencies' Economy
 - Discriminatory attitudes & negative perceptions of competency
 - Exclusion from industry, agency & information networks
 - Barriers to obtaining work on an equal basis
 - No goals leads to no work
 - Prime contracts are difficult to obtain
 - Most M/WBES do little private sector or “no goals” work

Disparity Study Findings, cont.

- Experiences with the Agencies' M/WBE Program
 - M/WBEs have benefited from the program
 - Slow payment is a problem for all firms
 - Insurance requirements can be onerous
 - Most primes were able to meet goals
 - Monitoring of contract performance should be more robust
 - Mentor-protege relationships should be encouraged through a formal program

Disparity Study Recommendations

- Augment Race- & Gender-Neutral Initiatives
- Enhance the existing electronic data collection & monitoring system
- Focus on reducing barriers to prime contract awards
- Increase training opportunities for prime contractors
- Conduct outreach events for larger projects
- Pay promptly
- Release retainage on a rolling basis
- Increase compliance through discrimination & fraud reporting tools

Disparity Study Recommendations, cont.

- Continue to implement Narrowly Tailored Race- & Gender-Conscious Measures
 - Use current data to set contract goals
 - Develop “unremediated markets” evidence
 - Encourage the use of “new” M/WBEs by prime vendors
 - Provide program training
 - Harmonize the construction & non-construction portions of the Ordinance
 - Review program forms & processes
- Develop performance measures
- Conduct regular program reviews

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