COOK COUNTY
GOVERNMENT

Annual Diversity Report
Fiscal Year 2020

TONI PRECKWINKLE, PRESIDENT
COOK COUNTY BOARD OF COMMISSIONERS

NICOLE N. MANDEVILLE, DIRECTOR
OFFICE OF CONTRACT COMPLIANCE

MISSION

The mission of the Office of Contract Compliance (OCC) is to ensure the full and equitable participation of minority, women, and veteran-owned businesses (MBE/WBE/VBE) in the procurement process as both prime and sub-contractors for Cook County Government and Cook County Health and Hospitals Systems (CCH). The OCC seeks greater inclusion of MBE, WBE and VBEs on County and CCH contracts by conducting outreach activities to the business community about the County's Program.

Message from Toni Preckwinkle
Board President of Cook County

To the residents of Cook County:

I am pleased to present our annual Cook County Business Diversity Report. Since taking office, I have been committed to making it easier for minority and women-owned businesses (M/WBEs) to do business in and with Cook County. This report is a testament to that commitment.

Overall, in 2020, Cook County awarded 12% of its contracts to minority and women-owned businesses, while 11% of contract payments were made to minority and women-owned businesses. Also note this year we are reporting on sole source contracts for the first time.

We continue working to improve participation of minority and women-owned businesses on county contracts and are modernizing our approach to capture payment data and allow for a more efficient process to track and monitor actual subcontractor payments.

We will continue our efforts to make the county a more effective, attractive business partner for minority and women-owned businesses. We are dedicated to these efforts and look forward to continuing our work for all residents of Cook County.

Toni Preckwinkle
President, Cook County Board of Commissioners

History of M/WBE Program

First enacted in 1988, the M/WBE Program was designed to remediate past County discrimination against minorities and women on construction contracts.

The Program evolved over time to apply also to goods and services contracts, as well as professional services contracts; ultimately being extended to health and hospital contracts.

In 2000, the construction portion of the Program was ruled unconstitutional, and Cook County was without M/WBE on construction for several years.

Under the leadership of President Preckwinkle, the Program now is on firm constitutional footing supported by Cook County's first ever Disparity Study in 2013.

COMMITMENT TO MINORITY AND WOMEN-OWNED SMALL BUSINESSES

Cook County Board President Toni Preckwinkle is committed to the inclusion and expansion of opportunities for small, local, minority and woman-owned businesses. Cook County is the economic engine of the State of Illinois and the heart of a dynamic metropolitan region, where it includes more than half of its population, jobs, and businesses. President Preckwinkle knows that small businesses are the backbone of the economy whose success depends upon accountable, transparent, and responsive government.

Cook County's Office of Contract Compliance is pleased to present its Annual Business Diversity Report covering the period of Fiscal Year 2020. Historically, minority- and woman-owned businesses have been awarded government contracts disproportionally lower than their availability and capacity to perform. Many local governments, including Cook County, were active and passive participants in discriminatory practices that adversely affected the growth and full participation of minority and woman-owned businesses (M/WBEs) in the government marketplace.

To remedy historic inequity and to facilitate greater inclusion, Cook County established goals for the participation of minority and woman-owned businesses in County contracts as set forth under the ordinances included in the Cook County Procurement Code. Cook County Government, including the Cook County Health and Hospitals System aspires to achieve the following goals:

Contract Type	**Goals**	
	MBE	WBE
Goods and Services	25%	10%
Construction	24%	10%
Professional Services	35% Overall	

About this Report

Transparency is a key mandate of President Preckwinkle and under her leadership the County began publishing annual diversity reports for the first time to make this information available to the public. This report is the County's Seventh annual report to include actual payments to M/WBEs. This report includes both contract dollars awarded and contract payments by Cook County Government as reported by vendors. The second section includes contracts awarded and payments on Cook County Health and Hospitals System (CCH) contracts as reported by vendors. This report continues to serve as a benchmarking tool in assessing M/WBE participation and identifying areas for greater inclusion. The Office of Contract Compliance tracks M/WBE participation in the following three categories (1) Goods and Services, (2) Construction, and (3) Professional Services.

Legally Defensible Program. President Preckwinkle has made it a top priority of her administration to foster greater participation and meet M/WBE goals to the greatest extent possible. This mandate requires a robust, narrowly tailored program built upon solid constitutional footing. Since taking office, President Preckwinkle has required that all contracts valued at $25,000+ are to be reviewed by the Office of Contract Compliance for goal inclusion, where goals are set on a contract-by-contract basis. The Program is subject

to Strict Scrutiny, the most exacting form of judicial review, which requires that Cook County establish 1) that the County participated in discrimination against minorities and women; and 2) that its program to remedy those past wrongs is narrowly tailored to accomplish its remedial purpose. The Program follows the format of the federal DBE program which includes caps on personal net worth and adherence to the SBA size standards. The Program is supported by a Disparity Study and includes a sunset date to ensure continuous econometric analysis to justify the Program's maintenance

Diversity Management System. President Preckwinkle has made achieving full M/WBE participation in County procurement a key goal of her administration. The Office of Contract Compliance continues to utilize the web-based Diversity Management System, which was fully implemented in FY2013. As part of its mission and mandate, the Diversity Management System continues to capture, monitor, and report contract performance based on actual spends. The key benefits of the Diversity Management System include:

- Transparency and accountability measures for all stakeholders
- Service improvement to local small businesses
- Streamlined process – Certification applications including supporting documentation will be submitted electronically
- Promotes the County/City Collaborative reciprocal certification process
- Sharing of information with the City of Chicago and the State of Illinois' Central Management Services

Reciprocal Certification. Cook County and the City of Chicago continue their reciprocal Minority and Women Business Enterprise initiative. This initiative allows M/WBEs to be certified by either the County or City, and have that certification apply to goals set by both governmental bodies. This combined effort by the County and City reduces the time commitment and financial burden to M/WBEs and streamlines the certification process by providing a "one-stop shop" for M/WBEs interested in participating in County and City procurement opportunities.

Phased Graduation. In FY 2017, we amended the County Code to allow for firms exceeding the Small Business Administration Size Standard criteria to be able to participate in the M/WBE Program through phased graduation at a lesser level of credit towards to M/WBE goal over the course of three years. This allows a firm to gradually transition from the M/WBE Program and ensure a smoother entry into the general marketplace.

Increasing M/WBE Participation. We continue to seek opportunities to increase participation of Cook County's minority and women-owned businesses on County procurements. In FY 2020, these efforts included extensive outreach; developing and offering solicitations that limited the competitive pool to only minority and women-owned businesses; and collaboration with Vizient, Inc. the Cook County Health and Hospital System's (CCH) Group Purchasing Organization (GPO) to increase opportunities for M/WBEs

within the GPO. Those efforts have borne fruit as M/WBEs continue to participate in all contract categories as well as on sole-source contracts and as prime vendors.

Narrowly Tailored Program. We amended the County Code in FY2016 to further strengthen and enhance our M/WBE Program, to require the use of current data to set contract-specific goals. This measure will ensure we continue to implement a narrowly tailored M/WBE Program, that requires:

- Goals are set on a contract-by-contract basis, no blanket goals, or quotas
- Size of the contract, term of the contract, amount of subcontracting opportunity, availability of M/WBEs to provide a commercially useful function on the contract
- Waiver Review Process when Good Faith Efforts to achieve the goals are demonstrated
- Race and Gender-Neutral Measures to remedy past discrimination
- Prompt Payment Provision in Cook County Ordinance
- Outreach Program (OCC, OCPO and User Departments partnering with Commissioners, Assist Agencies, and other units of government)
- Anti-Discrimination Enforcement (Cook County Commission on Human Rights, OIIG, OCC)
- Unbundling large contracts (OCC, OCPO and User Departments)
- Holding pre-bid conferences (OCPO)
- Providing timely information on contracting opportunities and establishing schedules for submitting bids with adequate time (OCC and OCPO)

The Office of Contract Compliance: What we do:

- **Certification:** Certify Minority, Women, Veteran and Service-Disabled Veteran and Person with Disability-Owned Business Enterprise

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

- **Outreach:** Conduct vendor outreach activities

Program Administration. The Office of Contract Compliance administers Cook County's M/WBE Program as set forth in the County Ordinance under Division 8 of Article IV of the Procurement Code. The Ordinance can be found online at www.cookcountyil.gov/agency/contract-compliance. The responsibilities of the Office of Contract Compliance include:

(1) Formulating, proposing, and implementing rules and regulations for the development, implementation and monitoring of the Program, certification process, recertification process, and

no-change affidavits, including time limitations for the submission of documents and information regarding certification applications and contract participation. The Contract Compliance Director ("CCD") is authorized to collect certification and recertification processing fees in the amount of $250.00 per Application; the collection of said processing fees shall be transacted by the CCD through the Department of Revenue.

(2) Providing information and assistance to businesses relating to the Program and serving as a liaison to community, contractor, professional and supplier organizations.

(3) Establishing contract specific goals based upon the availability of M/WBEs to provide the supplies, materials and equipment or services required by the Contract.

(4) Monitoring contracts to evaluate compliance with Contract Specific Goals and commitments.

(5) Cooperating with and aiding user agencies facilitate participation by M/WBEs in Procurements.

(6) Reviewing, approving, or rejecting utilization plans for achievement of contract specific goals, and evaluating the extent to which goals were achieved.

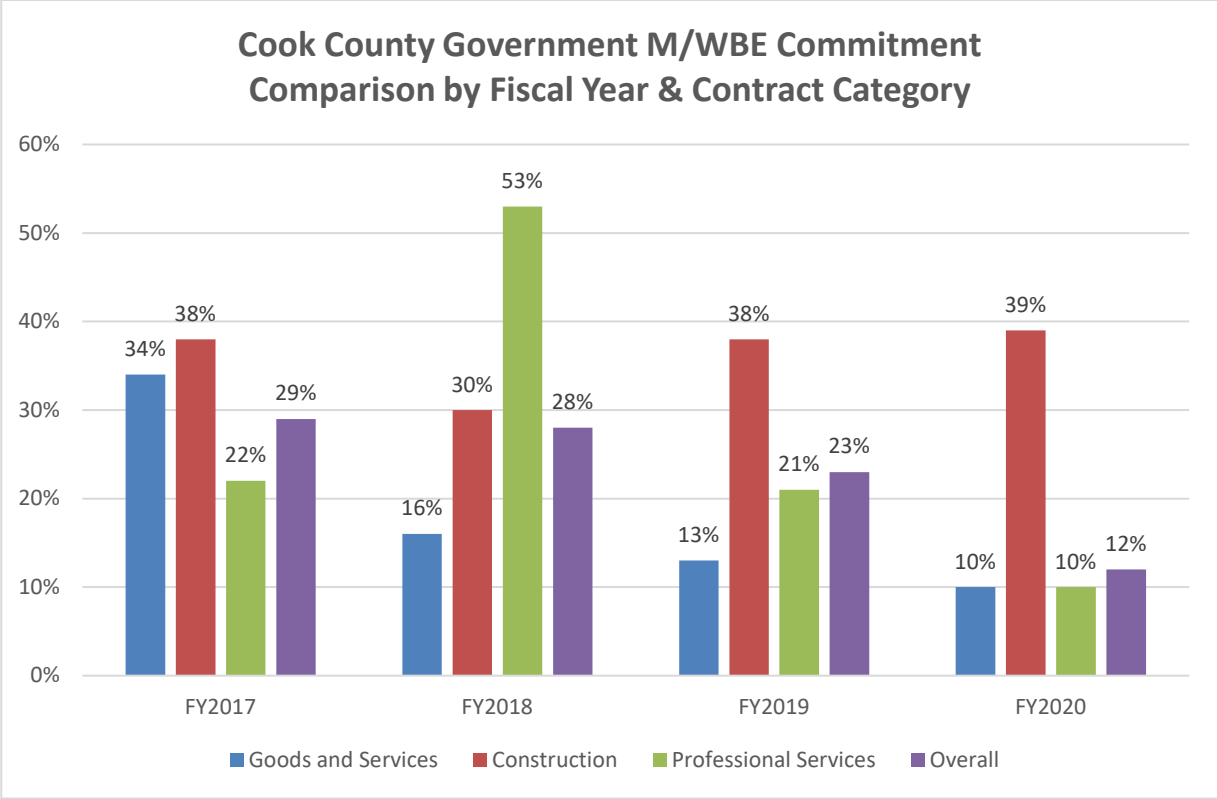
(7) Monitoring contracts to ensure compliance with Section 34-388, Prompt Payment of M/WBEs.

(8) Evaluating the effectiveness and utility of the program.

(9) Monitoring the program and the County's progress towards program goals.

(10) Reporting to the Contract Compliance Committee, at its request, information regarding the administration of the program and its progress toward achieving program goals.

M/WBE Participation by Contract Commitments

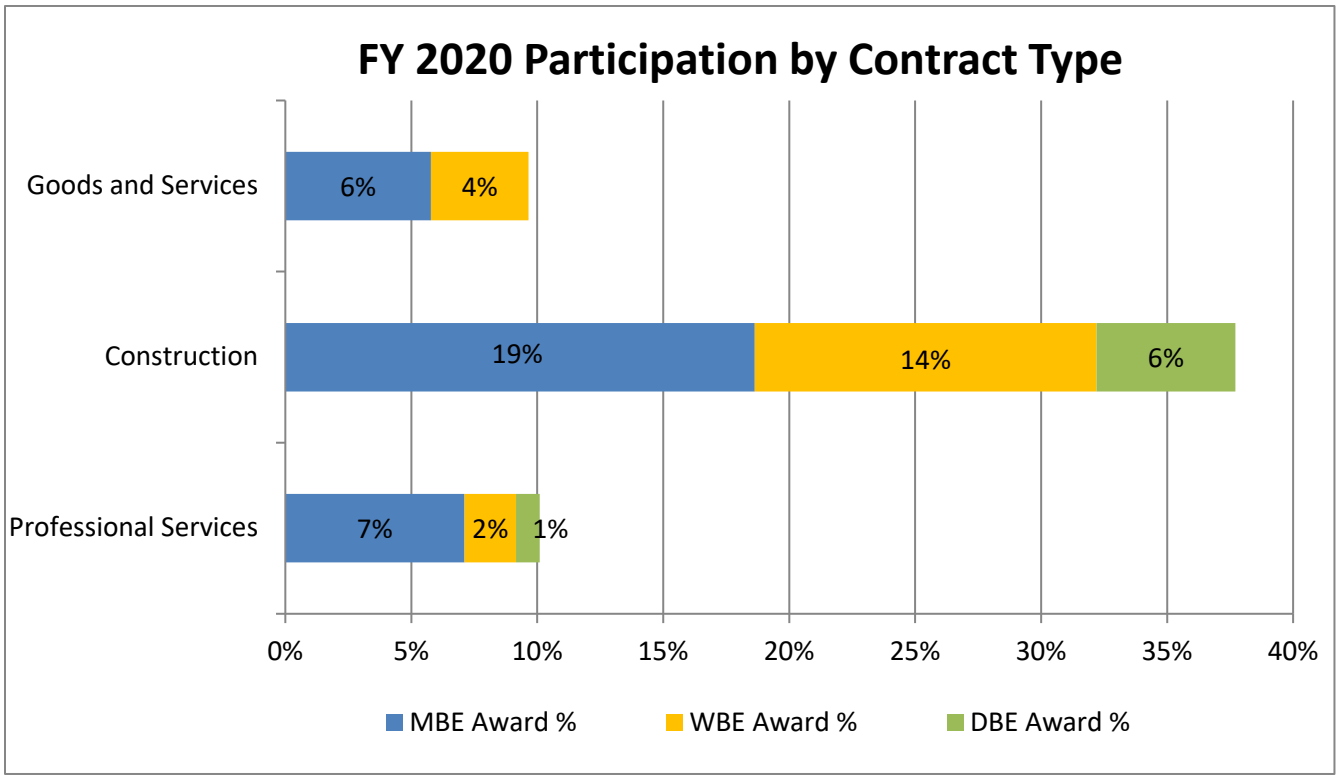


The chart above represents the committed utilization of M/W/DBEs on County contracts awarded over the last three fiscal years. Overall, M/WBE participation represented 12% of all contracts awarded in FY2020.

Cook County Government FY 2020 MBE/WBE/DBE Award (Commitments) Summary*

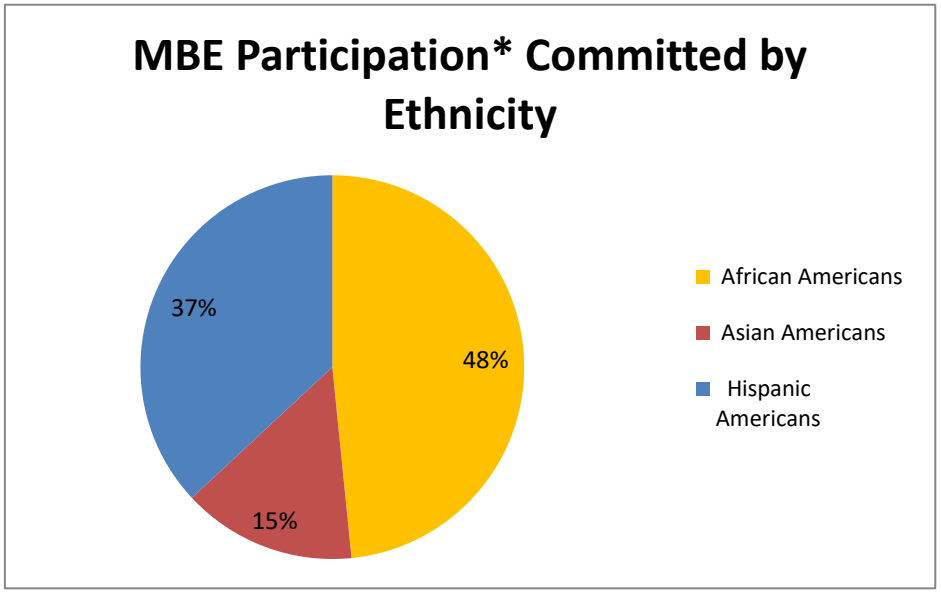
	MBE Award	*WBE Award*	*DBE Award***	*Non-M/WBE Award*	*Total Award*
Goods and Services	**$14,696,023**	**$9,865,452**	**$0**	**$229,783,157**	**$254,344,632**
Construction	**$5,961,880**	**$4,344,301**	**$1,763,396**	**$19,934,813**	**$32,004,390**
Professional Services	**$2,521,478**	**$724,802**	**$333,345**	**$31,855,655**	**$35,435,280**
Total	**$23,179,381**	**$14,934,555**	**$2,096,741**	**$281,573,625**	**$321,784,302**

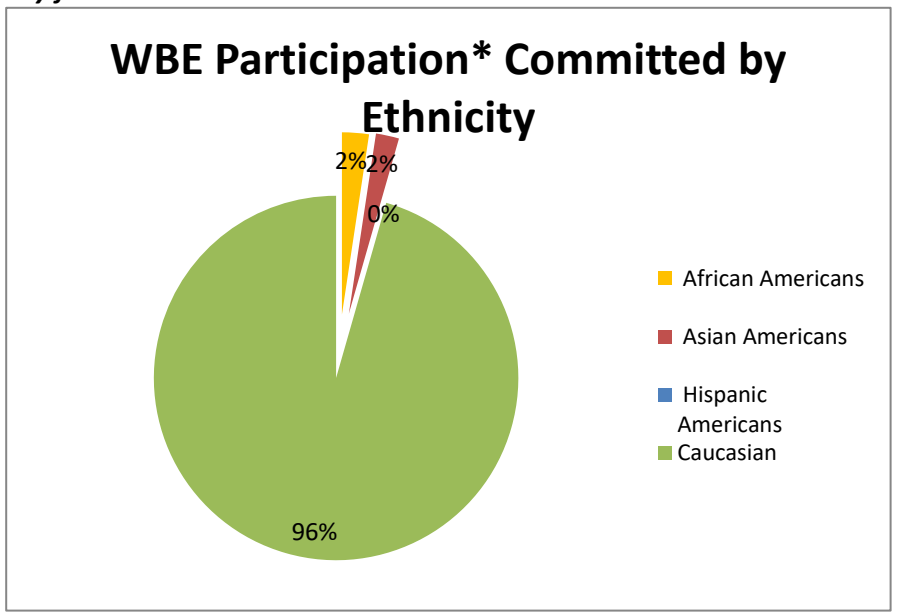
M/W/DBE Commitments for Goods and Services totaled 10%, for Construction totaled 38% and for Professional Services totaled 10%.



Cook County Government MBE/WBE/DBE FY 2020 Awards by Ethnicity (Commitments)									
	Minority-owned Business Dollars				Women-owned Business Dollars				
Contract Type	African Americans	Asian Americans	Hispanic Americans	Total MBE	African Americans	Asian Americans	Hispanic Americans	Caucasian	Total WBE
Goods and Services	$7,959,991	$2,185,719	$4,550,312	$14,696,022	$325,953	$270,780	$0	$9,268,719	$9,865,452
Construction	$2,357,692	$656,488	$2,947,700	$5,961,880	$30,000	$36,028	$0	$4,278,273	$4,344,301
Professional Services	$901,589	$558,184	$1,061,706	$2,521,479	$0	$0	$0	$724,802	$724,802
Total	$11,219,272	$3,400,391	$8,559,718	$23,179,381	$355,953	$306,808	$0	$14,271,794	$14,934,555

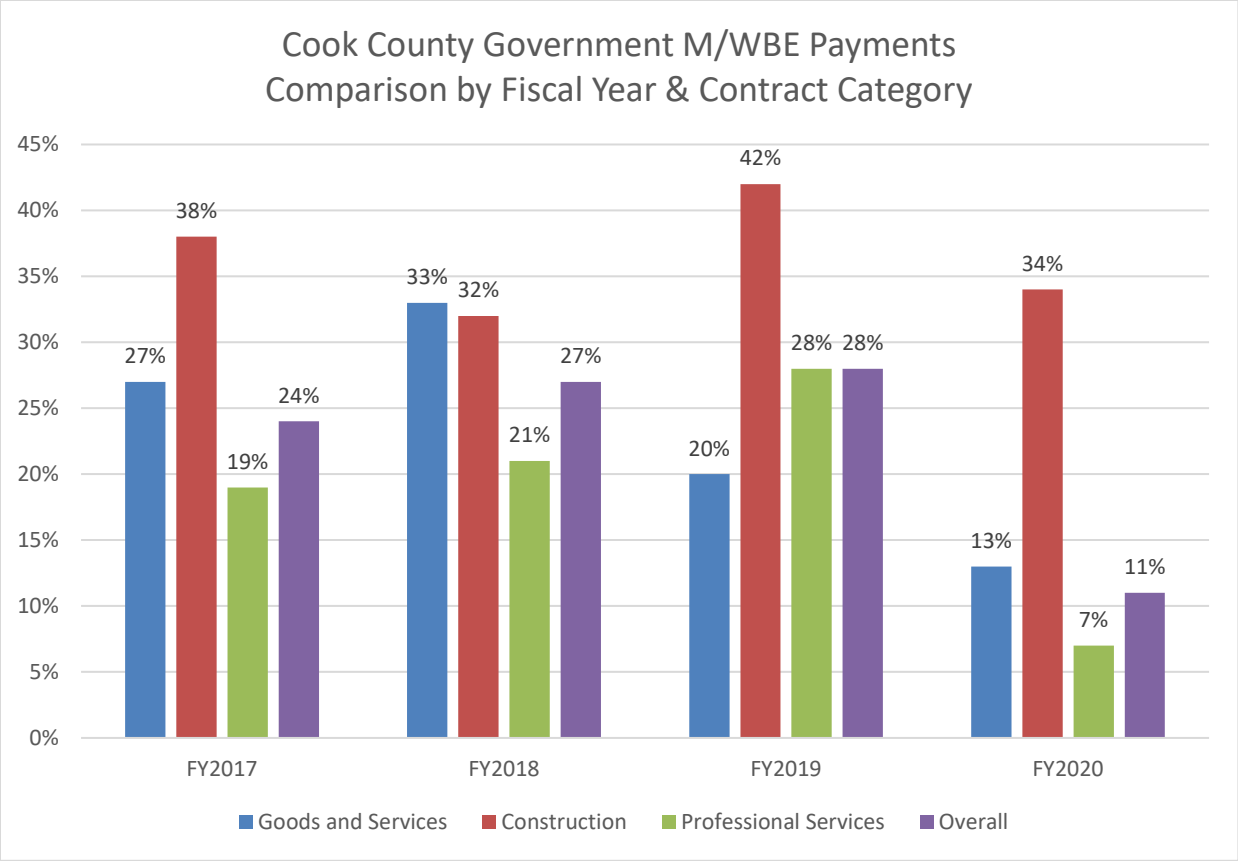
**** Includes sole-source contracts **DBE participation applies to federally funded contracts***





MBE $23,179,381 Male $17,571,151 or 76% of MBE commitment, Female $5,608,230 or 24% of MBE commitment

M/WBE Participation by Contract Payment



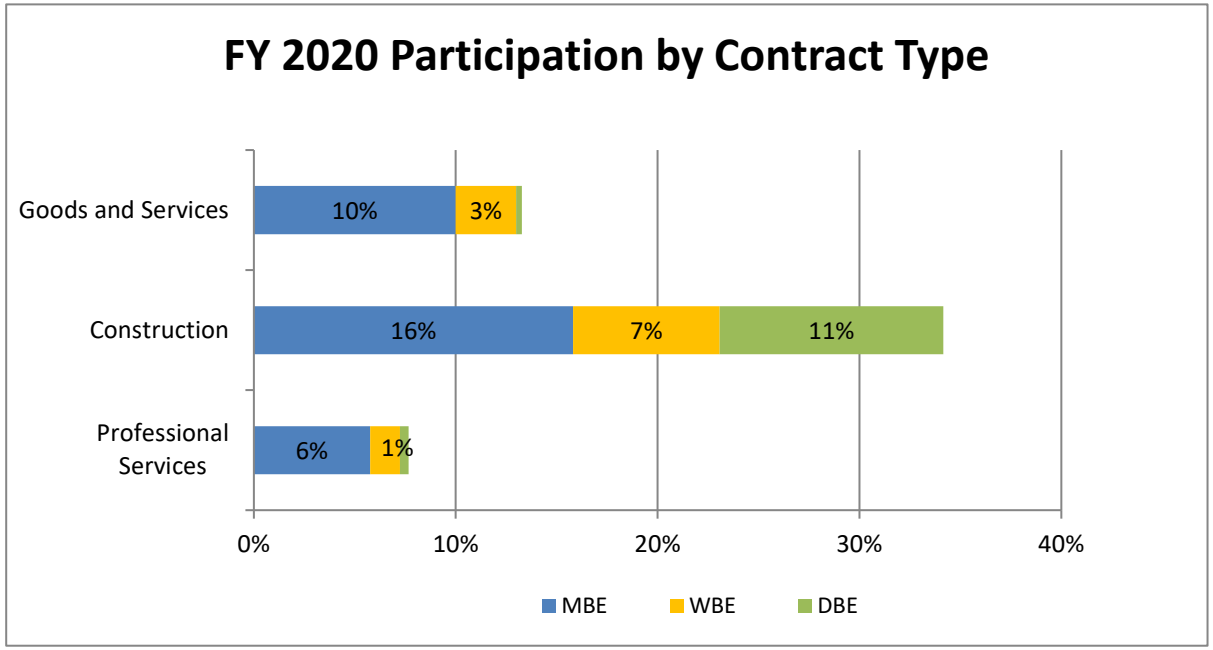
In FY 2020, 11% of contract payments were made to M/WBEs.

The chart above represents the percentage of MBE and WBE participation based on contract payments by fiscal year and contract category. Overall, M/WBE participation represented 11% of all contracts payments made in FY2020.

Cook County Government MBE/WBE/DBE Payment Summary (Actuals)*

	MBE Payment	*WBE Payment*	*DBE Payment*	*Non-M/W/DBE Payment*	*Total Payments*	*Total MBE/WBE/DBE Payments*
Goods and Services	$11,749,978	$3,517,096	$336,409	$101,895,044	$117,498,527	$15,603,483
Construction	$9,385,526	$4,311,544	$6,574,789	$39,088,597	$59,360,456	$20,271,859
Professional Services	$23,729,503	$6,142,758	$1,722,051	$380,775,248	$412,369,560	$31,594,312
Total	$44,865,007	$13,971,398	$8,633,249	$521,758,889	$589,228,543	$67,469,654

Participation is based on payments reported by vendors (Primes and Subcontractors). Contract payments made in FY2020 include contracts awarded in previous years as well as a portion of those awarded during FY2020. Amounts includes Sole Source Contracts.



In FY 2020, payments made on County contracts represented:

13% M/WBE participation on Goods and Services

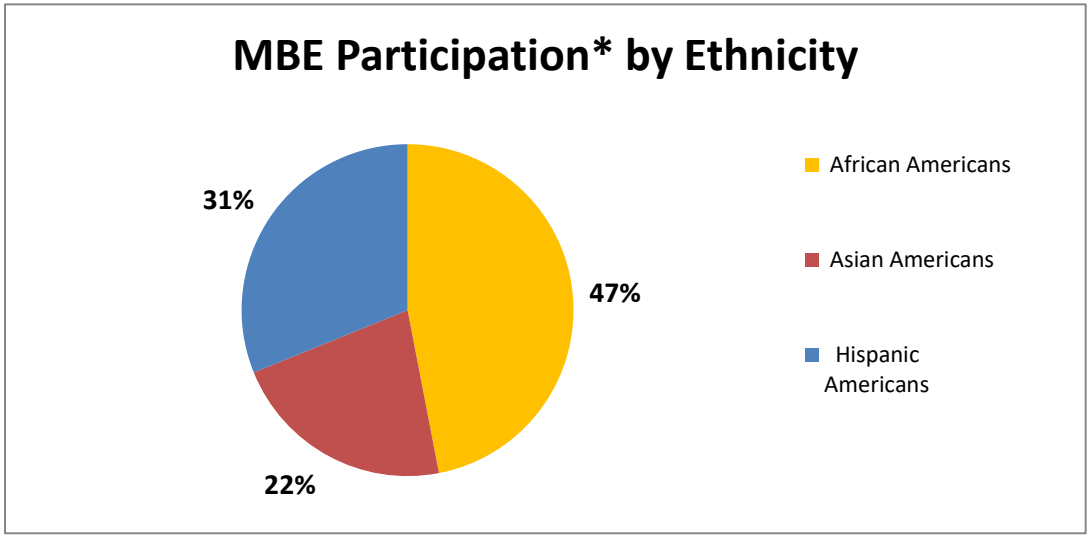
34% M/W/DBE participation on Construction Projects

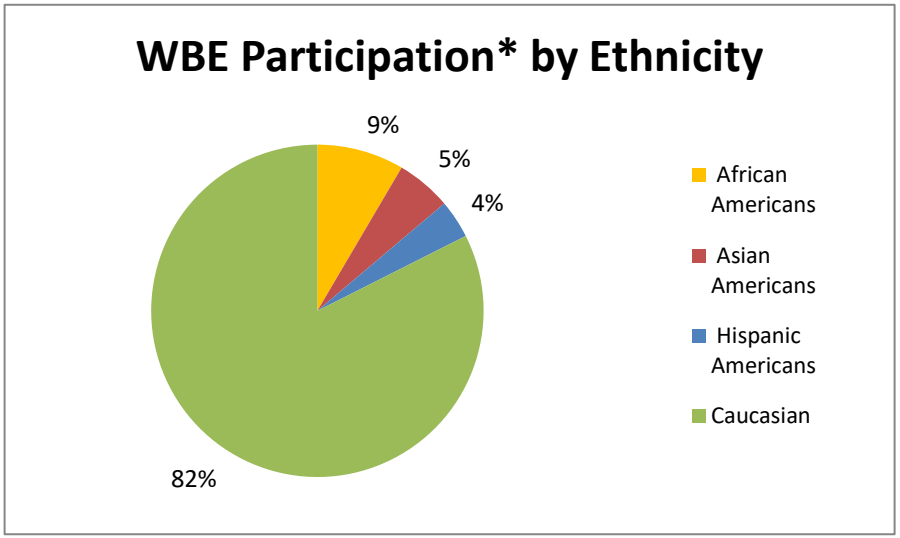
7% M/WBE participation on Professional Contracts

Overall, participation of M/WBEs represented **11%** of all contract payments

Cook County Government
MBE/WBE/DBE Payments by Ethnicity (Actuals)*

	Minority Business Enterprise (MBE) Dollars				Women Business Enterprise (WBE) Dollars				
Contract Type	African Americans	Asian Americans	Hispanic Americans	Total MBE	African Americans	Asian Americans	Hispanic Americans	Caucasian	Total WBE
Goods and Services	$6,680,179	$2,894,836	$2,174,963	$11,749,978	$209,476	$320,307	$308,338	$2,678,975	$3,517,096
Construction	$4,768,519	$871,460	$3,745,547	$9,385,526	$713,227	$136,560	$186,029	$3,275,728	$4,311,544
Professional Services	$9,623,891	$6,058,579	$8,047,033	$23,729,503	$259,770	$292,859	$27,505	$5,562,624	$6,142,758
Total	$21,072,589	$9,824,875	$13,967,543	$44,865,007	$1,182,473	$749,726	$521,872	$11,517,327	$13,971,398





MBE $44,865,007

Male $32,471,689 or 72% of MBE spend

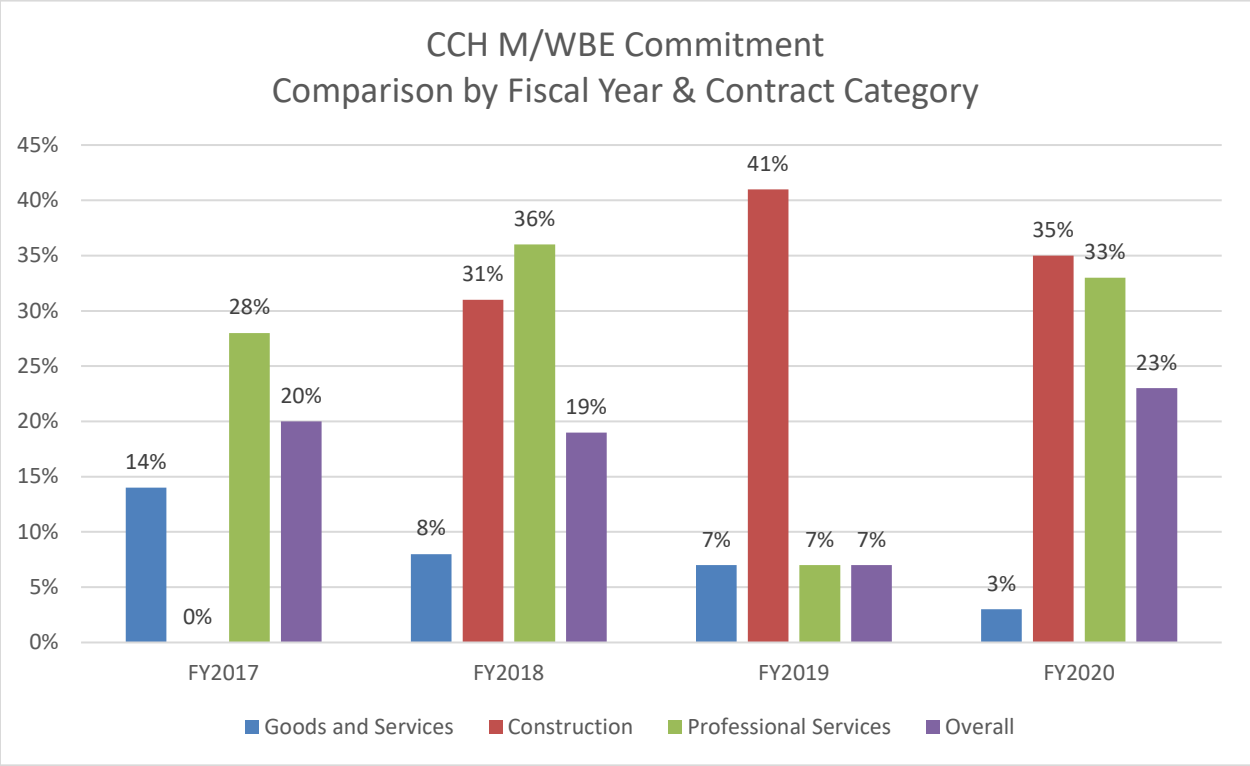
Female $12,393,318 or 28% of MBE spend

Cook County's Office of Contract Compliance (OCC) also administers the Cook County Health and Hospital System's M/WBE Program. OCC participates in the Hospital's Finance Committee and Board Meetings and works with the Hospital System to achieve MBE/WBE participation goals. The Office of Contract Compliance works closely with the Hospital's Supply Chain Management Department, which functions as the procurement arm by strategically sourcing goods and services across major spend categories throughout the health care system.

This section includes contract awards by the Cook County Health and Hospitals System (CCH) during FY2020 and actual payments made to minority and women owned businesses. Actual payment amounts are based on data reported by vendors. The Office of Contract Compliance tracks CCH M/WBE participation in the following three categories (1) Goods and Services, (2) Construction, and (3) Professional Services.

Overall, in Fiscal Year 2020, the Cook County Health and Hospitals System awarded 23% of contracts to minority- and women-owned businesses. Additionally, in the same fiscal year, 13% of contract payments were made to minority- and women-owned businesses.

M/WBE Participation by Contract Commitment



The chart above represents the committed percentage of MBE and WBE participation on Cook County Health & Hospital Systems' contract awards over the last three fiscal years. Due to the nature of goods and services procured by CCH, M/WBE participation varies.

In FY 2020, 23% of contract commitments were made to M/WBEs.

In FY 2020, CCH awarded:

3% M/WBE participation on Goods and Services

34% M/WBE participation on Construction Contracts

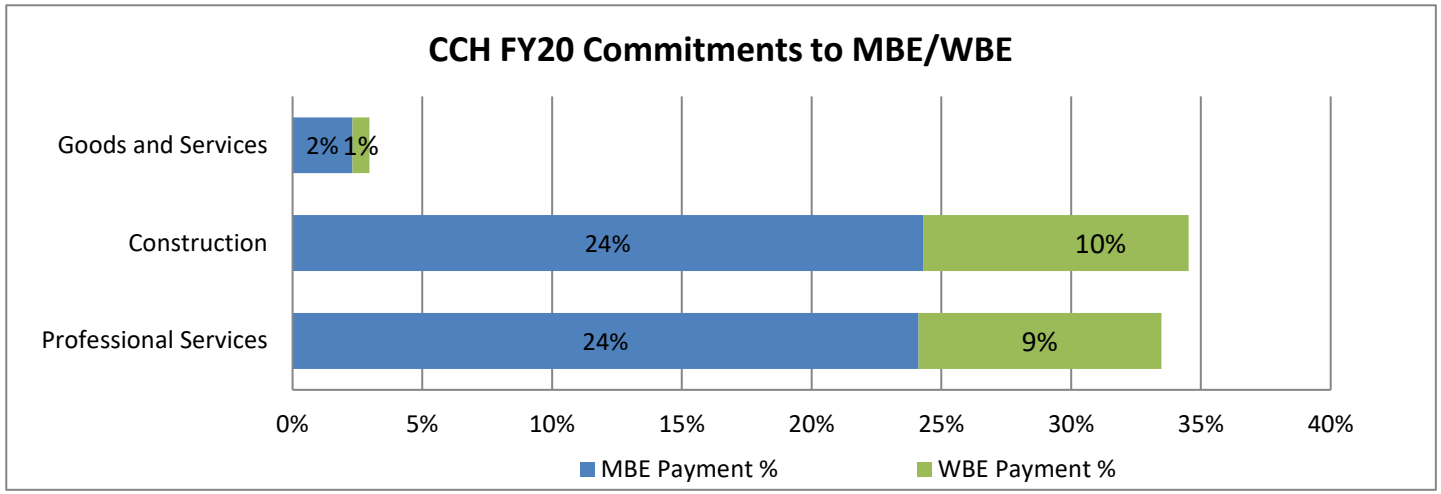
33% M/WBE participation on Professional Services Contracts

Overall, M/WBE participation represented **23%** of contracts awarded

Cook County Health and Hospitals System FY2020 Contract Awards* (Commitments) MBE/WBE Summary

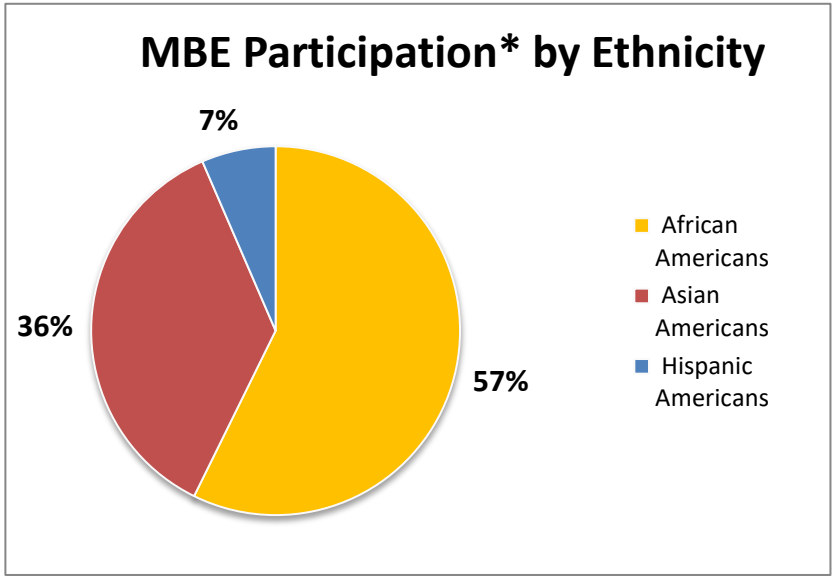
	MBE Awards	*WBE Awards*	*Non-M/WBE Awards*	*Total Awards*
Goods and Services	$2,908,843	$818,352	$122,215,614	$125,942,809
Construction	$3,170,557	$1,335,708	$8,545,071	$13,051,336
Professional Services	$56,741,822	$21,991,469	$156,477,110	$235,210,401
Total	$62,821,222	$24,145,529	$287,237,795	$374,204,546

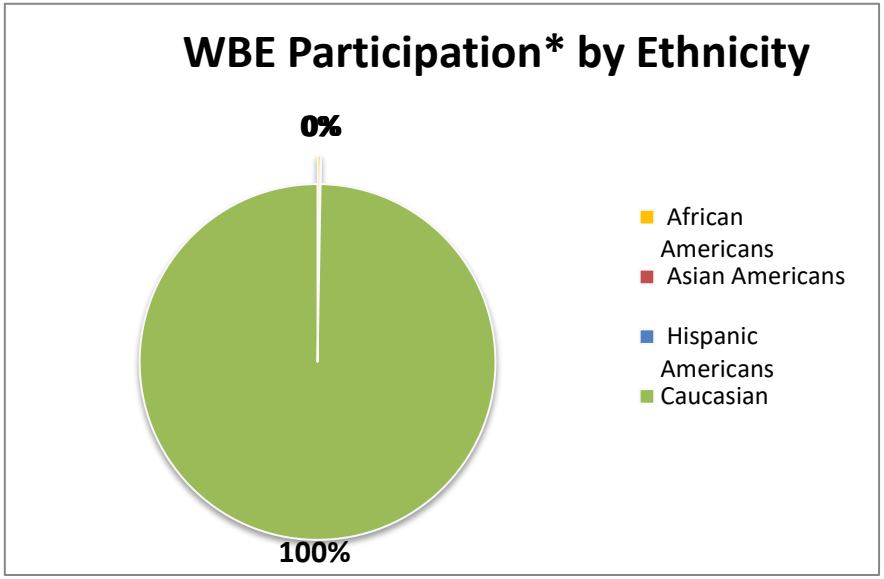
***Includes sole source contracts.**



Cook County Health and Hospitals System (CCH)
MBE/WBE FY 2020 Awards (Commitments) by Ethnicity

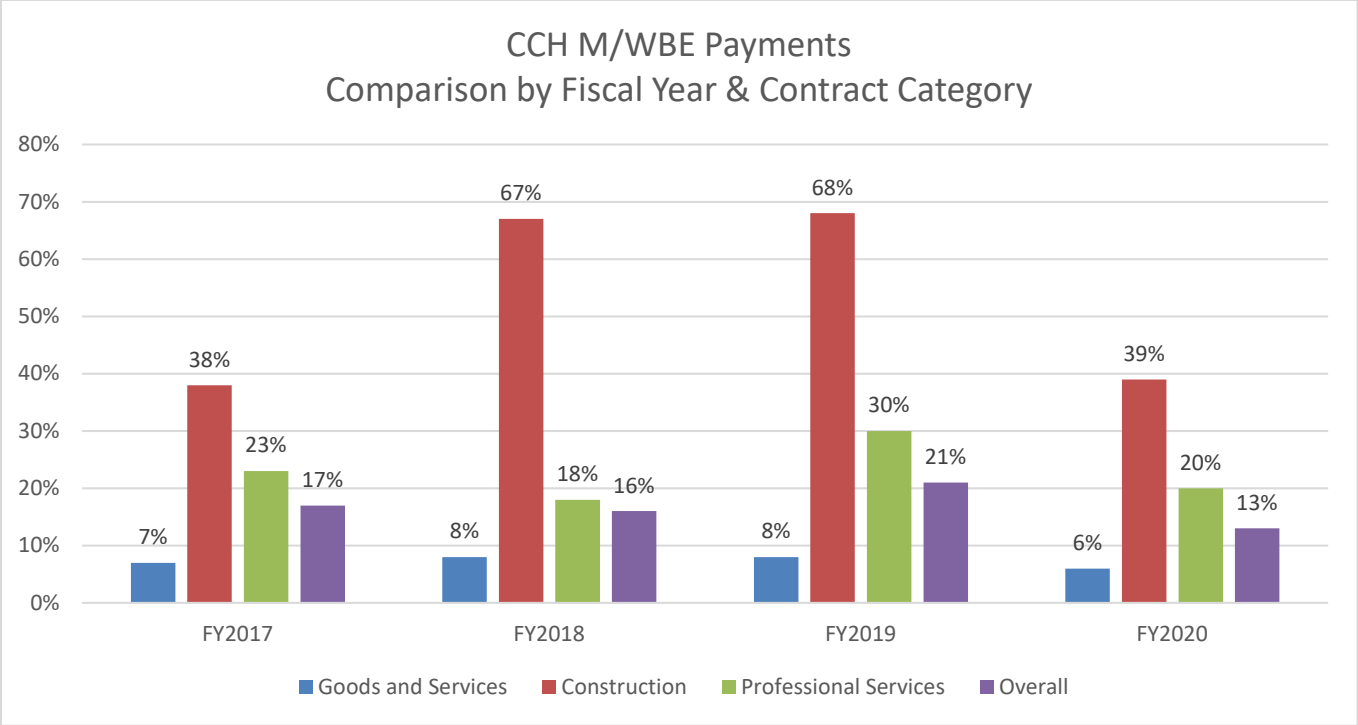
	Minority Business Enterprise (MBE) Dollars				Women Business Enterprise (WBE) Dollars				
Contract Type	African Americans	Asian Americans	Hispanic Americans	Total MBE	African Americans	Asian Americans	Hispanic Americans	Caucasian	Total WBE
Goods and Services	$806,515	$1,617,308	$485,020	$2,908,843	$25,441	$0	$0	$792,911	$818,352
Construction	$1,015,691	$86,145	$2,068,721	$3,170,557	$40,000	$0	$0	$1,295,708	$1,335,708
Professional Services	$34,167,215	$21,045,464	$1,529,143	$56,741,822	$0	$0	$0	$21,991,469	$21,991,469
Total	$35,989,421	$22,748,917	$4,082,884	$62,821,222	$65,441	$0	$0	$24,080,088	$24,145,259





MBE $62,821,222

Male $15,960,667 or 25% of MBE commitment, Female $46,860,555 or 75% of MBE commitment



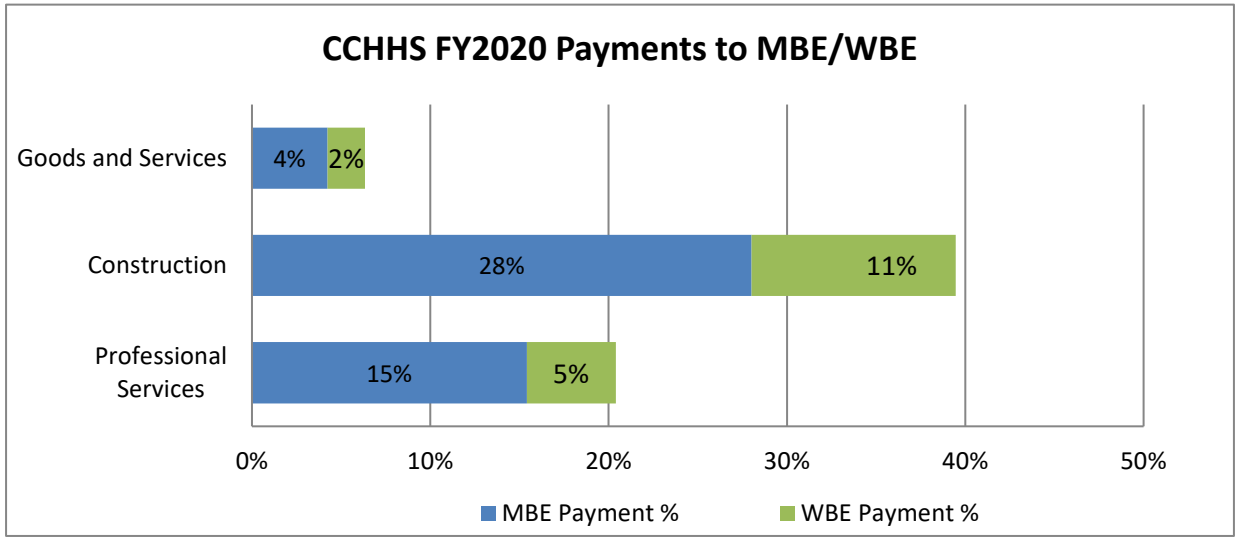
The chart above represents the percentage of MBE and WBE participation based on contract payments made over the last four fiscal years. Overall, M/WBE participation represented 13% of all contracts payments made in FY2020.

M/WBE Participation by Contract Payment

In FY 2020, M/WBE participation represented 13% of contract payments.

CCH Contract Payment* Summary FY2020				
	MBE Payment	*WBE Payment*	*Non-M/WBE Payment*	*Total Payments*
Goods and Services	$9,402,567	$4,669,044	$207,980,534	$222,052,145
Construction	$2,295,253	$937,389	$4,958,754	$8,191,396
Professional Services	$31,224,818	$10,103,749	$161,273,729	$202,602,296
Total	$42,922,638	$15,710,182	$374,213,017	$432,845,837

Participation is based on payments reported by vendors (Primes and Subcontractors). Contract payments made in FY2020 include contracts awarded in previous years as well as a portion of those awarded during FY2020. Amounts includes Sole Source Contracts.



FY 2020 payments made on CCH contracts represented:

6% M/WBE participation in Goods and Services

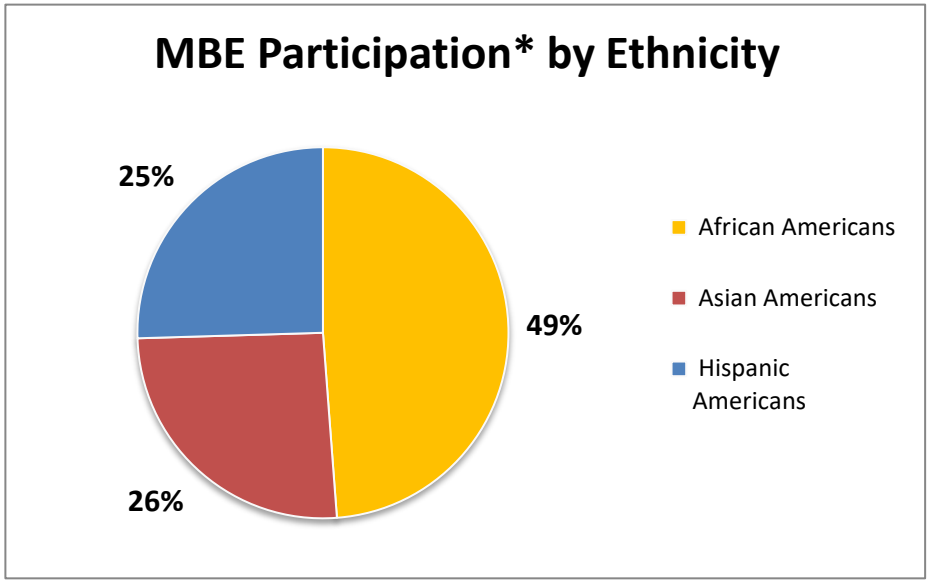
39% M/WBE participation in Construction

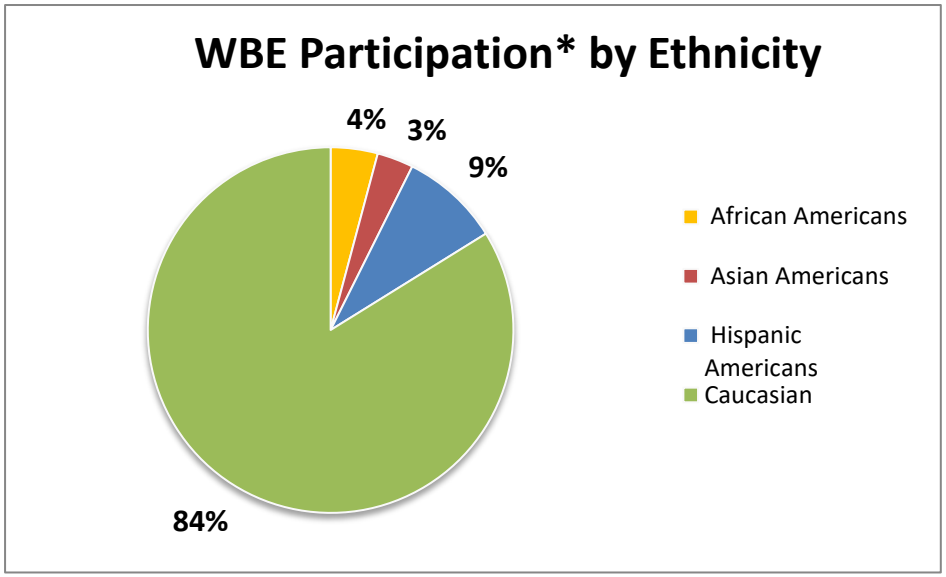
20% M/WBE participation in Professional Services Contracts

Overall, participation of M/WBEs represented **13%** of all contract payments

Cook County Health and Hospitals System (CCHHS)
MBE/WBE FY 2020 Payments (Actuals)* by Ethnicity

	Minority Business Enterprise (MBE) Dollars				Women Business Enterprise (WBE) Dollars				
Contract Type	African Americans	Asian Americans	Hispanic Americans	Total MBE	African Americans	Asian Americans	Hispanic Americans	Caucasian	Total WBE
Goods and Services	$5,396,586	$2,553,433	$1,452,548	$9,402,567	$427,843	$2,593	$0	$4,238,608	$4,669,044
Construction	$1,097,907	$0	$1,197,346	$2,295,253	$54,921	$0	$364,191	$518,277	$937,389
Professional Services	$14,451,072	$8,490,007	$8,283,739	$31,224,818	$170,547	$501,987	$1,016,293	$8,414,922	$10,103,749
Total	$20,945,565	$11,043,440	$10,933,633	$42,922,638	$653,311	$504,580	$1,380,484	$13,171,807	$15,710,182





MBE $42,922,638

Male $26,322,245 or 61% of MBE spend

Female $16,600,393 or 39% of MBE spend

2020 Outreach Activities

The Office of Contract Compliance ("OCC") participates in various outreach events throughout the year to market the County's upcoming contracting opportunities and encourage potential vendors to consider learning more about doing business with the County. The Office of Contract Compliance participated in the following events during FY2020:

Month	Event	Role
December	How to do Business with Cook County Government Workshop	Host
January	2nd Annual Health Choice Illinois "Supplier Diversity Symposium"	Exhibitor
February	City of Chicago Construction Summit	Exhibitor
March	CHA Certification Workshop	Speaker
October	How to do Business with Cook County Government Virtual Workshop	Host
November	DPS Certification Virtual Roundtable	Panelist

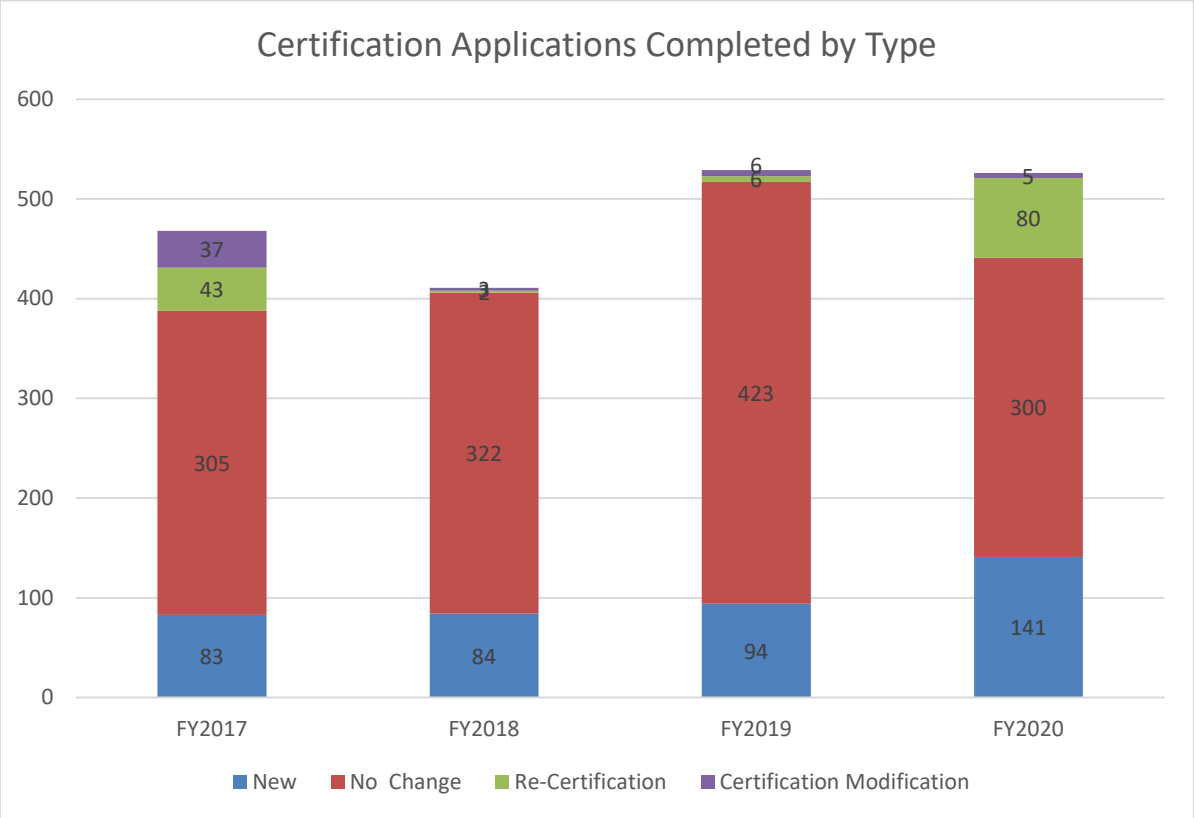
Certification Activities

The Office of Contract Compliance thoroughly investigates and periodically reviews all applications to ensure certification eligibility.

CERTIFICATION REQUIREMENTS

- 51%+ Ownership by Socially and Economically Disadvantaged Women/Minorities
- Owners Personal Net Worth capped at $2 Million + Consumer Price Index (Currently ~$2.3Million)
- Business cannot exceed US Small Business Administration Size Standards (Based on 5-year average)

During Fiscal Year 2020, The Office of Contract Compliance processed a total of 526 applications consisting of the following: 141 New Applications, 300 No Change Affidavits, 80 Re-Certifications, and 5 Certification Modifications.



During FY 2020 The Office of Contract Compliance hosted two (2) Certification Workshops that included information on applying for certification and completing documentation for Utilization Plans and Letters of Intent.

TONI PRECKWINKLE
PRESIDENT

Cook County Board of Commissioners

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