

City of Austin  
Small and Minority Business Resources

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## Zero Waste Advisory Commission

## SMBR M/WBE Procurement Program Overview

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August 10, 2022  
Felecia Shaw, Acting Assistant Director



SMALL AND MINORITY  
BUSINESS RESOURCES



# Objectives



Provide a general overview of SMBR



Provide an overview of MBE/WBE goal setting process



Post-Award Contract Monitoring

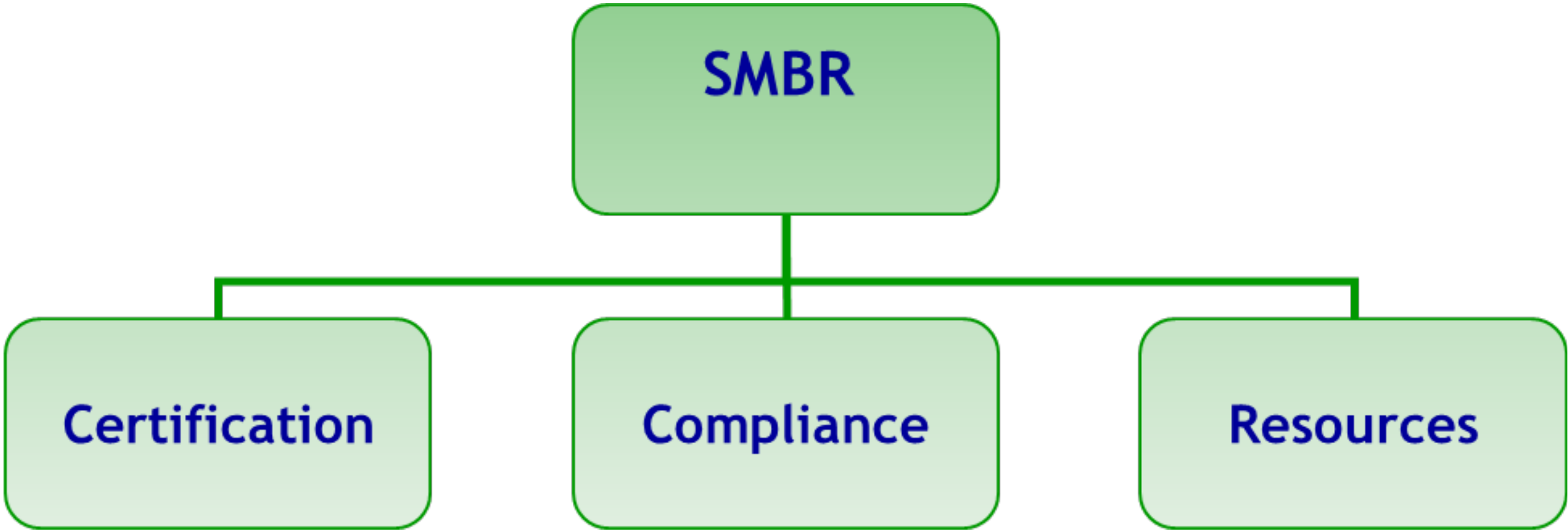


Program Violations



Q&A

# Small and Minority Business Resources Department



# Small and Minority Business Resources Overview

- Administers the MBE/WBE, DBE and ACDBE Programs by:
  - Certifying businesses that meet eligibility criteria
  - Monitoring utilization of certified firms on City contracts
  - Providing resources
    - Workshops/Training
    - Webinars
  - Meeting with local minority and women service trade organizations
- Educating Internal/External Stakeholders on program requirements (Pre-Award and Post-award)

# COA Goal Setting Overview

## § 2-9(A-D)-19 Establishes Contract Specific Goals

- SMBR reviews solicitations from the Purchasing Office for procurements with a value of \$50K and greater that are competitively bid.
- Exceptions:
  - Interlocal Agreements
  - Solicitations exempted from M/WBE Program  
(SMBR M/WBE Rules Section 1.2)

# Pre-Award: Setting Goals Overview

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City Project Manager – Works with Sponsor to define SOW and develops Trade Summary.

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Trade Summary Sheet identifies scopes of work and commodity codes  
Scope percentages reflect the anticipated amounts of materials/supplies and services.

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SMBR reviews project details including the estimate, trade summary, and MBE/WBE availability to establish goals.

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Each solicitation has a Compliance Plan with a subcontractor vendor list (“availability list”) of certified MBE/WBEs. The availability list is based on the trade summary.

# SMBR Solicitation Review

SMBR rep reviews scope of work and potential subcontracting opportunities

Review Trade Summary (eCAPRIS)

Assures all scopes are included from the scope document

Minimum two scopes of work

Review M/WBE Availability

3 MBEs or 3 WBEs in scopes

Review previous or similar contract history

Previous goals assignment

Previous utilization

# Goal Assignment

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## **Ethnic Specific Goal**

- African American
- Hispanic
- Native/Asian American
- Women

## **Aggregate Goals**

- MBE & WBE Goal  
Combines African American, Hispanic, & Native/Asian American percentages; separate goal for Women
- Combined MBE/WBE  
All groups combined.

# Compliance Determination

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City Code 2-9(A-D)-21(E)

- Firms are compliant by:
  - Either meeting the goals as established in the solicitation
  - OR;**
  - Demonstrating Good Faith Efforts for any ethic category where goals are not met (GFE).

# Minimum Requirements to Achieve Good Faith Efforts (GFE)

- 
- Notify Certified Firms via fax, e-mail, mail or phone at least 7 business days prior to submission of bid/proposal
  - Follow up with interested MBE/WBE firms
  - Negotiate in good faith with interested MBEs and WBEs
  - Select portions of work that will increase MBE/WBE opportunities
  - Publish notice in a local publication (i.e., newspaper, trade association publication, or social/electronic media)
  - Seek services of trade associations and other minority and women community organizations
  - Contact SMBR for assistance

# No Goal Solicitations

- No Goals may be determined on a contract due to:
  - insufficient or no “certified firm” availability or
  - insufficient or no subcontracting opportunities on a contract.
- In addition to "No Goals," some contracts are exempt from SMBR review by state and local law (i.e., certain sole source contracts, health and safety contracts, legal services contracts, emergency contracts, etc.)

Ref: Local Government Code 252.022 for a complete

# Post-Award Compliance Activities

Following Council award, the MBE/WBE Procurement Program applies to:

- **Pre-Construction & Kick-Off Meetings**
  - SMBR representative discusses MBE/WBE Program requirements
- **Subcontractor Expenditure Reports (SUBK)**
  - Prime Contractor/Prime Consultant submission of expenditure reports in conjunction with Pay Applications
- **Request for Change of Compliance Plan (RFC)**
  - Required for any changes to Compliance Plans (Addition, Substitution, Deletion & Contract Changes +/-)
- **M/WBE Close-Out Report**
  - As part of contract close-out process, confirmation that all subs have been utilized, accuracy of Original Contract amounts, Contract Change amounts, Payment amounts and Retainage.

# Program Violations

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- Utilization of subcontractors without SMBR approval
  - Using non-certified subcontractors on No Goal Projects without performing GFE
  - Failing to meet contractual goals or subgoals at contract close-out without justification

# Program Violation Impacts

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## **The Consultants/Contractors**

- Bidding on future City Projects
- Performance Evaluation Scores  
(Consultant and Contractor Performance Evaluation Program)

## **The Project Managers**

- Increased MBE/WBE focused trainings

## **City Staff Performance Measures**

# Contact Information

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# Questions

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