



Office of Equal Opportunity

Recommendations to Increase Access, Equity & Diversity in Procurement

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Office of Equal Opportunity

Part I – Recommendations to Increase Access, Equity & Diversity in Procurement

Guiding Principles & Desired Outcomes

STRATEGIC INITIATIVE #2.4 - INCREASE THE DOLLAR AMOUNT OF CONTRACTS BETWEEN THE CITY AND SMALL, MINORITY AND WOMEN-OWNED LOCAL BUSINESSES BY 10%.

1. Increase opportunities for local businesses through policy enhancements.
2. Leveling the playing field for small and veteran businesses.
3. Reduce barriers for local business owners.
4. Minimal impact to the City's (General Government & GRU) daily operations.

Staff Commitment & Collaboration

- One-on-One meetings with impacted Charter Officers (City Attorney, City Manager and GRU Manager) along with procurement staff within the City (General Government and GRU).
- Approved for legal form by the City Attorney's Office; Agreement by City Manager, GRU Manager and respective procurement staff.
- There is a strong passion and desire to enhance opportunities for local businesses.

Initial Observations

- There are no tangible incentives for becoming certified as a small business with the City (General Government & GRU).
- Current procurement policy allows originating departments to receive written quotes of more than \$2,000 and less than \$50,000 from 1 respondent; procurement procedures allow originating departments to receive written quotes from 2 respondents. Although different, neither requires sourcing from small and/or veteran businesses.
- Current scoring process for bid selection does not include an incentive for certified small and/or veteran businesses.

Initial Observations

- There is no current mechanism to review solicitations, prior to public release, creating affirmative procurement initiatives (sheltered market opportunities, etc.) for certified small and/or service-disabled veteran businesses.
- The organization (General Government & GRU) has different small business program requirements, size standards; no uniform criteria for both programs.

Recommendation One

Creation of a Service-Disabled Veteran Business Enterprise Program

- **Benefits:** Establishes a local certification program for service-disabled veteran businesses, modeled after the State of Florida's program; creates a new category for businesses and provides exposure in an online directory available to internal departments and external stakeholders (other government agencies, business organizations, etc.).
- **Implementation:** EO Office to provide policy language and technical assistance; General Government and GRU to handle certification for their current respective programs; Accept certification of other certifying agencies, reducing burdensome process for business owners and creating efficiencies within the City.

By The Numbers...

- **U.S. Census Bureau**
 - National: 2.4 million veteran businesses
 - Florida: 176, 727 veteran businesses
- **VA National Center for Veterans Analysis and Statistics**
 - National: 22 million veterans
 - State: 1,584,000 veterans
 - Alachua County-18,515 veterans
- **Florida Office of Supplier Diversity**
 - Statewide: 344 certified service-disabled veteran businesses
 - Alachua County: 7 certified service-disabled veteran businesses
- **Central & North Florida Supplier Development Council**
 - Region: 2 registered veteran businesses

***There is a huge market for veteran and service-disabled veteran businesses.
Our goal is to increase outreach, awareness and education!***

Recommendation Two

Amend both Procurement Policy and Procedures for purchases more than \$2,000 and less than \$50,000 to have 3 written quotes, and require one of the quotes to come from a certified small and/or service-disabled veteran business, if they exist.

- **Benefits:** Increases competition, provides an incentive for local small and service-disabled veteran businesses to get certified by the City, increases procurement opportunities for local small and service-disabled veteran businesses with a level playing field and should lead to increased expenditures with these businesses; creates uniform procurement policy and procedures.

Recommendation Three

Realign the Procurement Policy and Procedures for scoring process during bid selection; re-align point breakdown to include points if you are certified small and/or service disabled veteran business (5% of total points)

- **Benefits:** Provides an incentive for being certified and levels the playing field for small and service-disabled veteran businesses.

Recommendation Four

- a) **Policy language allowing the City to provide affirmative procurement initiatives in our race and gender neutral program; language should include sheltered market opportunities for small and service-disabled veteran businesses.**
- b) **Policy language to create an internal staff committee to review upcoming solicitations for affirmative procurement initiatives on a monthly basis.**
- **Benefits:** Increases opportunities for local small and service-disabled veteran businesses; will lead to increased opportunities for these businesses, increase and expand their capacity and lead to increased expenditures by these businesses; creates local jobs and new hiring opportunities; builds income, wealth and assets among small businesses.

Small Business Procurement Program (SBPP) (General Government)

- Less than 100 permanent, F/T employees
- Net worth < \$3 million; < \$2 million after income taxes but excluding carry-over losses
- Net worth < \$3 million for sole proprietors includes personal and business investments
- Must be located in corporate limits of the City

Small Business Enterprise (SBE) (GRU)

- Independently owned and operated business
- Employs less than 200 permanent, F/T employees
- Together with its affiliates, has a net worth of no more than \$5 million
- Small Business Enterprise (SBE) Program available nationwide.



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EO Director Recommendation: Authorize staff to draft formal changes and take action as deemed appropriate.

QUESTIONS/COMMENTS?





City of Gainesville: Diversity in Business Contracting

Agenda Item 150339.

EO Director Recommendation: No further action needed by the Committee; Formally dispose of item.

Upcoming Committee Items

- a) Part II – Recommendations to EO Policies, Charter and/or Ordinance**
- b) Part III – Update on Office Structure (Who We Are, What We Do and How We Operate); Budget Outlook Reflecting New Focus**

QUESTIONS/COMMENTS?

