



**AGENDA**  
**CUYAHOGA COUNTY PUBLIC WORKS, PROCUREMENT & CONTRACTING**  
**COMMITTEE MEETING**  
**WEDNESDAY, DECEMBER 17, 2014**  
**CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS**  
**COUNCIL CHAMBERS – 4<sup>TH</sup> FLOOR**  
**11:00 AM**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT RELATED TO THE AGENDA**
- 4. APPROVAL OF MINUTES FROM THE DECEMBER 3, 2014 MEETING**
- 5. EXECUTIVE SESSION**
  - a) Sale of property where premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal, private interest is adverse to the general public interest; trade secrets; and R.C. 307.862(C).
- 6. MATTERS REFERRED TO COMMITTEE**
  - a) R2014-0298: A Resolution making an award on RQ30446 to GB at 1910 Carnegie, LLC in the amount of \$600,000.00 for the sale of County-owned property commonly known as the Whitlatch Building, located at 1910 Carnegie Avenue, Cleveland; authorizing the County Executive to take all necessary actions and to execute all documents necessary to consummate the contemplated transactions; and declaring the necessity that this Resolution become immediately effective.

- b) O2014-0037: An Ordinance amending the County's contracting procedures by 1) replacing Chapter 503 of the County Code to accept and adopt the County's 2014 Disparity Study and the Community Benefit and Opportunity Initiative Report and to establish the County's Equal Opportunity Programs and 2) amending Chapter 501 of the County Code, and declaring the necessity that this Ordinance become immediately effective.

**7. MISCELLANEOUS BUSINESS**

**8. OTHER PUBLIC COMMENT**

**9. ADJOURNMENT**

*\*Complimentary parking for the public is available in the attached garage at 900 Prospect. A skywalk extends from the garage to provide additional entry to the Council Chambers from the 5<sup>th</sup> floor parking level of the garage. Please see the Clerk to obtain a complimentary parking pass.*



## **MINUTES**

**CUYAHOGA COUNTY PUBLIC WORKS, PROCUREMENT & CONTRACTING  
COMMITTEE MEETING  
WEDNESDAY, DECEMBER 3, 2014  
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS  
COUNCIL CHAMBERS – 4<sup>TH</sup> FLOOR  
11:00 AM**

**1. CALL TO ORDER**

**Chairman Jones called the meeting to order at 11:09 a.m.**

**2. ROLL CALL**

**Mr. Jones asked Deputy Clerk Carter to call the roll. Committee members Jones, Germana, Conwell, Miller and Simon were in attendance and a quorum was determined.**

**3. PUBLIC COMMENT RELATED TO THE AGENDA**

**No public comments were given.**

**4. APPROVAL OF MINUTES FROM THE NOVEMBER 19, 2014 MEETING**

**A motion was made by Mr. Miller, seconded by Mr. Germana and approved by unanimous vote to approve the minutes of the November 19, 2014 meeting.**

**5. MATTERS REFERRED TO COMMITTEE**

- a) R2014-0285: A Resolution authorizing an amendment to Contract No. CE1100642-01 with HNTB Ohio, Inc. for design engineering services for reconstruction, with additional turning lanes, of Royalton Road from West 130th Street to York Road in the City of North Royalton to change the scope of services, effective 11/25/2014, and for additional funds in the amount not-to-exceed \$1,486,115.00; authorizing the County

Executive to execute the amendment and all other documents consistent with this Resolution; and declaring the necessity that this Resolution become immediately effective.

**Ms. Bonnie Teeuwen, Director of the Department of Public Works, addressed the Committee regarding Resolution No. R2014-0285. Discussion ensued.**

**Committee members asked questions of Ms. Teeuwen pertaining to the item, which she answered accordingly.**

**On a motion by Mr. Jones with a second by Mr. Miller, Resolution No. R2014-0285 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.**

## **6. MISCELLANEOUS BUSINESS**

### **a) Update regarding Disparity Study**

**Mr. Kenneth Surratt, Deputy Chief of Staff for Operations, provided the Committee with a brief overview and goals of the Disparity Study as well as the County's procurement policies. Discussion ensued.**

**Committee members asked questions of Mr. Surratt pertaining to the item, which he answered accordingly.**

**Mr. Rodney Strong, Esq., Chairman of Griffin & Strong P.C., provided the Committee with a summary of the findings and recommendations of the Disparity Study. Discussion ensued.**

**Committee members asked questions of Mr. Strong pertaining to the item, which he answered accordingly.**

**Ms. Anka Davis, Assistant Law Director, addressed the Committee regarding future legislation relating to the Disparity Study. Discussion ensued.**

**Committee members asked questions of Ms. Davis pertaining to the item, which she answered accordingly.**

**Mr. Jones announced that the next Public Works, Procurement & Contracting Committee meeting will be held on Wednesday, December 17, 2014 at 11:00 a.m.**

## **7. OTHER PUBLIC COMMENT**

**No public comments were given.**



8. ADJOURNMENT

**With no further business to discuss, Chairman Jones adjourned the meeting at 12:24 p.m., without objection.**

# County Council of Cuyahoga County, Ohio

## Resolution No. R2014-0298

Sponsored by: <b>County Executive FitzGerald/Department of Public Works</b>	<b>A Resolution</b> making an award on RQ30446 to GB at 1910 Carnegie, LLC in the amount of \$600,000.00 for the sale of County-owned property commonly known as the Whitlatch Building, located at 1910 Carnegie Avenue, Cleveland; authorizing the County Executive to take all necessary actions and to execute all documents necessary to consummate the contemplated transactions; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, the County engaged the services of CBRE, Inc. (“CBRE”), a commercial real estate services firm, to serve as the real estate portfolio program manager, provide brokerage services, and represent the County in connection with the real estate portfolio program; and,

WHEREAS, CBRE worked with the County to prepare and issue a request for proposal, RFP # 30446 (the “RFP”), for the real property consolidation project in accordance with the County’s Contracting and Purchasing Procedures Ordinance; and,

WHEREAS, the County received a proposal from GB at 1910 Carnegie, LLC (“Geis”) to purchase the land and all buildings and improvements commonly known as the Whitlatch Building (collectively “Property”) located at 1910 Carnegie Avenue, Cleveland, Ohio; and,

WHEREAS, the proposal is to sell the Property for \$600,000; and,

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of a County entity.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:**

**SECTION 1.** That the Cuyahoga County Council hereby makes an award on RQ30446 to GB at 1910 Carnegie, LLC in the amount of \$600,000.00 for the sale of

County-owned property commonly known as the Whitlatch Building, located at 1910 Carnegie Avenue, Cleveland.

**SECTION 2.** That the County Executive or his authorized designee is authorized to (a) take all actions, and to execute, acknowledge, deliver and/or file for record (as and where appropriate) (i) all documents and instruments necessary or desirable to facilitate and/or consummate the transactions contemplated hereby, including, but not limited to, a Purchase and Sale Agreement, and all documents to be executed by the County thereunder, and all financing-related documents (including but not limited to subordination, non-disturbance and attornment agreements, pledges, and security agreements), (ii) all other and further documents, instruments, certificates, agreements, amendments, assignments, subleases, consents, affidavits, certifications, disbursement authorizations, settlement statements, closing statements, proration statements, escrow agreements, escrow instructions, and notices, and (iii) amendments, modifications and supplements to any of the foregoing, that the County Executive may deem necessary or advisable in connection with the consummation of the transactions contemplated hereby, in all cases containing such terms and conditions as may be approved by the County's Director of Law, (b) agree to such payments, prorations, credits, deposits, holdbacks, escrows and other arrangements as may be necessary or advisable in connection therewith to facilitate and/or consummate such transactions, and (c) prosecute and/or defend any actions or proceedings that may be necessary or advisable relative to any of the foregoing matters.

**SECTION 3.** That all documents to be executed in connection with the transactions contemplated herein be subject to the Law Director or his designee's approval as to legal form and correctness.

**SECTION 4.** It is necessary that this Resolution become immediately effective for the usual daily operation of the County, the preservation of public peace, health, or safety in the County, and any additional reasons set forth in the preamble. Provided that this Ordinance receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

**SECTION 5.** It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was duly adopted.

Yeas:

Nays:

\_\_\_\_\_  
County Council President

\_\_\_\_\_  
Date

\_\_\_\_\_  
County Executive

\_\_\_\_\_  
Date

\_\_\_\_\_  
Clerk of Council

\_\_\_\_\_  
Date

First Reading/Referred to Committee: December 9, 2014

Committee(s) Assigned: Public Works, Procurement & Contracting

Journal \_\_\_\_\_  
\_\_\_\_\_, 20\_\_

# County Council of Cuyahoga County, Ohio

## Ordinance No. O2014-0037

<p>Sponsored by: <b>County Executive FitzGerald and Councilmember Jones</b></p> <p>Co-sponsored by: <b>Councilmembers Miller, Conwell, Connally, Germana and Hairston</b></p>	<p><b>An Ordinance</b> amending the County’s contracting procedures by 1) replacing Chapter 503 of the County Code to accept and adopt the County’s 2014 Disparity Study and the Community Benefit and Opportunity Initiative Report and to establish the County’s Equal Opportunity Programs and 2) amending Chapter 501 of the County Code, and declaring the necessity that this Ordinance become immediately effective.</p>
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WHEREAS, the Charter of Cuyahoga County makes economic growth a fundamental government purpose, articulates a desire for an improved focus on equity for all our citizens, and envisions long-term regional and global competitiveness for the County;

WHEREAS, Section 7.01 of the Charter of Cuyahoga County declares the County shall have as a primary responsibility the promotion and enhancement of the economic well-being and prosperity of the County and all its residents;

WHEREAS, Section 3.09(4) of the County Charter provides that the Council may establish the “procedures governing the making of County contracts and the purchasing of County supplies and equipment pursuant to competitive bidding;”

WHEREAS, the County Executive and the Council of Cuyahoga County have determined that ensuring maximum community benefits from the expenditure of County taxpayer dollars furthers the economic well-being and prosperity of the County and all its residents;

WHEREAS, Section 509.01 of the County Code requires the County to conduct a Disparity Study every five years;

WHEREAS, the County conducted a Disparity Study, a copy of which is attached as Exhibit A hereto;

WHEREAS, the County Council wishes to accept the findings and recommendations of the Disparity Study;

WHEREAS, the County Executive and the Council of Cuyahoga County have also determined that the adoption of a community benefits policy will help maximize value to the community of County taxpayer dollars and promote efficient administration of government;

WHEREAS, the County Executive and the Council of Cuyahoga County have determined that the adoption of a community benefits policy for County-funded public works, service contracts, and subsidized development projects encourages the use of well-trained workers earning decent wages and benefits, reflecting the diversity of the community, and producing quality work that enhances the environment and contributes to the economic well-being and prosperity of the County;

WHEREAS, Cuyahoga County government wishes to create a national model for a comprehensive community benefits policy, creating good jobs for residents and career pathways for low-income people, people of color, women, veterans, and other historically underrepresented groups, while also saving energy, reducing emissions, improving public health and contributing positively to the environment;

WHEREAS, the County retained local and national experts to assist a diverse group of local labor, community and environmental stakeholders to meet and develop the set of standards set forth in the attached Cuyahoga County Community Benefit and Opportunity Initiative;

WHEREAS, the County received the recommendations of Policy Matters Ohio for a Community Benefits and Opportunity Initiative program, attached hereto as Exhibit B;

WHEREAS, the County Council wishes to accept and adopt the recommendations for the Community Benefits and Opportunity Initiatives program;

WHEREAS, the adoption of the attached Cuyahoga County Community Benefit and Opportunity Initiative will make Cuyahoga County a national leader in maximizing local impact of economic and community development dollars through the contracting and procurement process;

WHEREAS, it is necessary to make other changes to the County's contracting laws to bring them up-to-date and meet the County's needs; and

WHEREAS, it is necessary that this Ordinance become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of the County departments.

**NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:**

**SECTION 1.** County Council hereby accepts and adopts all the findings and recommendations contained in the County’s 2014 Disparity Study attached hereto as Exhibit A, which is incorporated herein by reference.

**SECTION 2.** County Council hereby accepts and adopts the Community Benefit and Opportunity Initiative Report attached hereto as Exhibit B, which is incorporated herein by reference.

**SECTION 3.** Chapter 503 of the Cuyahoga County Code is hereby amended and replaced in its entirety to read as follows:

**CHAPTER 503: Equal Business Opportunity Programs**

**Section 503.01 Economic Inclusion Program**

**A. Program Established**

There is hereby established the Cuyahoga County Economic Inclusion Program, which shall include the following components:

1. Minority and women business aspirational goals based on the availability tables established in the County’s most recent disparity study; and
2. Race and gender-neutral small business enterprise set asides.

**B. Implementation**

The County Executive and the Office of Procurement and Diversity are hereby directed to promulgate the regulations for the implementation of the Economic Inclusion program and to implement it. The regulations shall be adopted in accordance with Chapter 113 of the Cuyahoga County Code and shall include the rules for the certification of small, minority, and women businesses. The County’s small business enterprise program in effect on December 1, 2014, shall continue in place until the regulations promulgated pursuant to this section are approved by the Administrative Rules Approval Board.

**Section 503.02 Community Benefit and Opportunity Program**

**A. Program Established**

There is hereby established the Cuyahoga County Community Benefit and Opportunity Program. The program, which shall be based on the 2014 Community Benefit and Opportunity Initiative recommendations received by the County from Policy Matters Ohio, shall have the following components:

1. Health Impact Assessment, Mitigation, and Design Requirements;

2. Construction careers program;
3. Responsible contracting requirements;
4. Non-construction employer requirements;
5. Developer requirements;
6. Buy-local program;
7. Contracting equity;
8. Community benefits fund; and
9. Continuing public input and oversight.

## **B. Implementation**

The County Executive, Public Works Department, and the Office of Procurement and Diversity are hereby directed to promulgate the regulations for the implementation of this Community Benefit and Opportunity Program and to implement it. The regulations shall be adopted in accordance with Chapter 113 of the Cuyahoga County Code.

**SECTION 4.** Chapter 501 of the Cuyahoga County Code is hereby amended as follows (deletions are stricken; additions are bolded):

1. Section 501.04(A)(1)(a) is amended as follows:
  - a. All contracts, purchases, sales, grants provided by the County, or loans provided by the County resulting in the County's expenditure of more than \$500,000.000. **If the transaction does not have an end date, the County shall calculate the anticipated revenue for purposes of determination of the appropriate approval authority based on a five-year term;**
2. Section 501.04(B)(1) is amended as follows:
  - b. All contracts, purchases, sales, grants provided by the County, or loans provided by the County resulting in the County's expenditure of more than \$100,000.00 but not more than \$500,000.00, except that the County Executive and/or Director of Economic Development may make loans of not more than \$200,000.00 without approval from the Board of Control for the limited purpose of implementing the Federal Neighborhood Stabilization Program. **If the transaction does not have an end date, the County shall calculate the anticipated revenue for purposes of determination of the appropriate approval authority based on a five-year term;**
3. Section 501.04(C) is hereby amended as follows:



All contracts, revenue generating agreements, purchases, sales, grants provided by the County and loans provided by the County for \$500.00 or more that do not otherwise require County Council or Board of Control approval shall require approval by the Contracts and Purchasing Board. **If the transaction does not have an end date, the County shall calculate the anticipated revenue for purposes of determination of the appropriate approval authority based on a five-year term;**

4. Section 501.13 is hereby amended as follows:

**In addition to the requirements set forth in Chapter 503 of the County Code, in** designing specifications for bids, requests for proposals, and requests for qualifications, the County shall consider dividing requests into smaller components when doing so would create a larger pool of potential bidders without reducing the cost-effectiveness of the project.

5. Section 501.17 is hereby amended as follows:

**Section 501.17 Legal Compliance**

**A.** Legal Review and Approval by the Law Department

All contracts, purchases, sales, leases, grants, or loans must undergo legal review before being executed. Use of a standard form, approved in advance by the Law Department, for a specific type of transaction shall satisfy the requirement of this section.

**B.** **Legal Compliance Associated with Public Debt**

1. **The Law Department, in coordination with the Office of Budget and Management, shall ensure the County's compliance with all legal requirements associated with the issuance of debt.**
2. **The Director of Law, either directly or through any of his or her authorized designees, is hereby authorized, designated, and empowered to take all appropriate measures to ensure the County's compliance with its debt issuance obligations, including, but not limited to, the following:**
  - a. **filing any and all necessary or appropriate documents with the Electronic Municipal Market Access (EMMA), including, but not limited to,**

**offering statements, material event notices, financial statements, and annual information statements; and**

**b. making any necessary or appropriate declarations in any reasonable form concerning the County's intent to issue obligations to reimburse expenditures, including, but not limited to, issuing declarations pursuant to 26 C.F.R. 1.150-2 or any similar or successor regulations or laws.**

**3. The County Executive, through the Office of Budget and Management, may promulgate regulations in accordance with Chapter 113 of the County Code governing the County's compliance with legal requirements regarding the issuance of debt.**

6. Section 501.18 is hereby amended as follows:

All expenditures related to any contract, purchase, sale, lease, grant, or loan must be made in accordance with the appropriation and proper warrant provisions of Section 5705.41 of the Ohio Revised Code. Notwithstanding any contrary requirements of the Ohio Revised Code and without regard to the transaction's dollar amount, provided that any prerequisite approvals are obtained pursuant to this Chapter, the County shall be free to utilize any payment methodology approved by the Fiscal Officer, including, but not limited to, the use of credit cards, electronic transfers, p-cards, and vouchers.

**In any case in which a contract is entered upon a per unit basis, the head of the department, board, or commission for the benefit of which the contract is made shall make an estimate of the total amount to become due upon such contract, which estimate shall be certified in writing to the Fiscal Officer. Such contract may be entered into if the appropriation covers such estimate, or so much thereof, as may be due during the current year. In such a case, the certificate of the Fiscal Officer based upon the estimate shall be a sufficient compliance with the law requiring a certificate.**

7. Section 501.22 is hereby amended as follows:

~~A. County's Purchasing Policy and Procedure Manual. Except as otherwise provided in Chapter 501 of the County Code, all contracts, purchases, sales, or leases shall be done in accordance with:~~

1. ~~Effective October 1, 2011, all contracts, purchases, sales, and leases shall be approved and done in accordance with the County's Purchasing Policy and Procedure Manual, as adopted and approved by County Council.~~
  2. ~~Effective January 1, 2012, all contracts, purchases, sales, and leases shall also be approved and done in accordance with the County's Small Business Enterprise (SBE) Program Policies and Procedures, as approved and adopted by County Council. In the interim until January 1, 2012, all contracts, purchases, sales, and leases shall continue to be approved and done in accordance with the County's existent Small Business Enterprise (SBE) Program Policies and Procedures.~~
  3. ~~Should any conflict exist between the procedures, requirements, or any other terms of the County's Purchasing Policy and Procedure Manual or any other administrative policies and Chapter 501 of the County Code, the procedures, requirements, and terms of Chapter 501 of the County Code shall prevail.~~
- B. ~~Updates to Purchasing Policy and Procedure Manual. The County Executive, through the Office of Procurement and Diversity, shall continually assess the need for any revisions or updates to the County's Purchasing Policy and Procedure Manual. The County Executive, through the Office of Procurement and Diversity, shall report to County Council on a biennial basis beginning on October 1, 2013, and every two years thereafter, regarding the need for any such updates or revisions.~~

**The County Executive shall promulgate regulations to be implemented by the Office of Procurement and Diversity governing purchasing and contracting policies and procedures. The regulations shall be adopted in accordance with Chapter 113 of the County Code.**

**SECTION 5.** It is necessary that this Ordinance become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Ordinance receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter.





# CUYAHOGA COUNTY



## Disparity Study October 31, 2014

235 Peachtree Street, NE  
Suite 400,  
Atlanta, GA 30303

Phone: 404.584.9777  
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 **GRIFFIN &  
STRONG P.C.**  
ATTORNEYS AND PUBLIC POLICY CONSULTANTS



## Table of Contents

<b>I. INTRODUCTION .....</b>	<b>6</b>
<b>A. Objective .....</b>	<b>7</b>
<b>B. Report Organization.....</b>	<b>7</b>
<b>C. Study Team.....</b>	<b>8</b>
1. EuQuant .....	8
2. Griffin & Strong, P.C. ....	8
<b>II. LEGAL ANALYSIS.....</b>	<b>10</b>
<b>A. Background and Introduction .....</b>	<b>10</b>
<b>B. The Croson Decision.....</b>	<b>12</b>
<b>C. Judicial Requirements for Challenges to MWBE Programs .....</b>	<b>15</b>
1. Standing .....	15
2. Equal Protection Clause Standards .....	17
3. Evidentiary Requirements.....	26
<b>D. The Latest Developments.....</b>	<b>39</b>
1. Associated General Contractors of America, San Diego Chapter v. California DOT, 713 F.3d 1187 (9th Cir. 2013). ....	39
2. Northern Contracting, Inc. v. State of Illinois, et al., 473 F.3d 715 (7th Cir. 2007).....	40
3. Rothe Dev. Corp. v. Dep't of Def., 545 F.3d 1023 (Fed. Cir. 2008).....	41
4. Engineering Contractors Ass'n of South Florida, Inc., et al v. Metropolitan Dade County, et al, 122 F.3d 895 (11th Cir. 1997).....	42
5. H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, et. al, 615 F.3d 233 (2010) .....	43
<b>E. Conclusion .....</b>	<b>44</b>
<b>III. PURCHASING PRACTICES, POLICIES, AND PROCEDURES .....</b>	<b>49</b>
<b>A. Introduction .....</b>	<b>49</b>
<b>B. Vendor Contact and Transparency.....</b>	<b>51</b>
<b>C. The Tiered Approval System .....</b>	<b>52</b>
<b>D. NOVUS and BuySpeed.....</b>	<b>54</b>
<b>E. Small Businesses in Cuyahoga .....</b>	<b>55</b>
1. The SBE Program.....	55
2. Barriers to SBE Engagement .....	57
<b>F. Purchasing Process and Documents.....</b>	<b>61</b>
1. Document Management from End-Users' Perspectives.....	61
2. Document Management within OPD.....	62
3. Procurement Process Training .....	64
<b>G. Policies Identified as Restrictive to Both Buyers and Vendors .....</b>	<b>65</b>

1.	Ethics Training .....	65
2.	Insurance Bond Requirements .....	66
<b>H.</b>	<b>Conclusion .....</b>	<b>68</b>
<b>IV.</b>	<b>STATISTICAL ANALYSIS .....</b>	<b>70</b>
<b>V.</b>	<b>PRIVATE SECTOR ANALYSIS .....</b>	<b>71</b>
<b>A.</b>	<b>Introduction .....</b>	<b>71</b>
<b>B.</b>	<b>Minority and Female Status as a Barrier to Business Start-up and Expansion Capital in the Ohio Private Sector.....</b>	<b>73</b>
<b>C.</b>	<b>Statistical and Econometric Framework .....</b>	<b>75</b>
<b>D.</b>	<b>The Effects of Minority and Female-Owned Business Status on Financing Business Start-up and Expansion in Ohio .....</b>	<b>76</b>
1.	Minority-owned Firm Status and The Demand for Start-up Capital in the Ohio Private Sector	78
2.	Minority-owned Firm Status and Bank Loan Start-up Financing .....	81
3.	Minority-owned Firm Status and Government Guaranteed Bank Loan Start-up Financing .....	84
4.	Minority-owned Firm Status and Home Equity Start-up Financing .....	87
5.	Minority-owned Firm Status and Venture Capital Start-up Financing .....	90
6.	Minority-owned Firm Status and Bank Loan Business Expansion Financing .....	93
7.	Minority-owned Firm Status and Government Guaranteed Bank Loan Business Expansion Financing .....	96
8.	Minority-owned Firm Status and Home Equity Loan Business Expansion Financing .....	99
9.	Minority-owned Firm Status and Venture Capital Business Expansion Financing .....	102
10.	Implications for the Existence of Discrimination Against Minority-owned Firms in the Ohio Private Sector .....	105
11.	Regression Analysis of Public Contracting and Subcontracting Disparities In Cuyahoga County	106
<b>VI.</b>	<b>ANECDOTAL EVIDENCE.....</b>	<b>109</b>
<b>A.</b>	<b>Introduction .....</b>	<b>109</b>
<b>B.</b>	<b>Telephone Survey of Business Owners.....</b>	<b>110</b>
<b>C.</b>	<b>Findings by Cross-Tabulations .....</b>	<b>112</b>
<b>D.</b>	<b>Public Hearings .....</b>	<b>125</b>
<b>E.</b>	<b>Focus Groups .....</b>	<b>129</b>
1.	FG1: Memorial-Nottingham Library, 12pm-4pm .....	130
2.	FG2: Bay Village Library, 12pm-1:30pm.....	136
<b>F.</b>	<b>E-mail Comments.....</b>	<b>138</b>
<b>G.</b>	<b>Anecdotal Interviews .....</b>	<b>139</b>
1.	Personal Interview Demographics .....	139
2.	Communication.....	140
3.	Informal Networks .....	141

4.	Race and Gender Discrimination .....	142
5.	Fear of Retaliation.....	144
6.	Outreach and Utilization.....	144
7.	SBE Program Regulation .....	145
8.	Small Business Advancement.....	146
<b>H.</b>	<b>Conclusion .....</b>	<b>147</b>
<b>VII.</b>	<b>FINDINGS AND RECOMMENDATIONS.....</b>	<b>149</b>
<b>A.</b>	<b>Introduction .....</b>	<b>149</b>
<b>B.</b>	<b>Summary of Findings.....</b>	<b>149</b>
<b>C.</b>	<b>Findings from EuQuant’s Statistical Analysis .....</b>	<b>150</b>
<b>D.</b>	<b>Summary of GSPC’s Qualitative Evidence.....</b>	<b>154</b>
<b>E.</b>	<b>GSPC’s Recommendations.....</b>	<b>156</b>
<b>VIII.</b>	<b>CONCLUSION .....</b>	<b>163</b>
<b>IX.</b>	<b>APPENDICES .....</b>	<b>164</b>



**Table of Figures**

Table 1: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and the Demand for Start-up Capital in the Ohio Private Sector ..... 79

Table 2: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and the Demand for Start-up Capital in the Ohio Private Sector ..... 80

Table 3: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Start-up Financing in the Ohio Private Sector ..... 82

Table 4: Herteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Start-up Financing in the Ohio Private Sector ..... 83

Table 5: Heteroscedastic Probit Parameter Esitmates: Minority-Owned Business Status and Government Guaranteed Bank Loan Start-up Financing in the Ohio Private Sector..... 85

Table 6: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Staus and Government Guaranteed Bank Loan Start-up Financing in the Ohio Private Sector..... 86

Table 7: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Start-up Financing in the Ohio Private Sector..... 88

Table 8: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Start-up Financing in the Ohio Private Sector..... 89

Table 9: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Start-up Financing in the Ohio Private Sector..... 91

Table 10: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Start-up Financing in the Ohio Private Sector..... 92

Table 11: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Expansion in the Ohio Private Sector ..... 94

Table 12: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Expansion Financing in the Ohio Private Sector ..... 95

Table 13: Heteroscedastic Probit Parameter Estimates: MInority-Owned Business Status and Government Guaranteed Bank Loan Expansion in the Ohio Private Sector ..... 97

Table 14: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Government Guaranteed Bank Loan Expansion Financing in the Ohio Private Sector ..... 98

Table 15: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Loan Financing in the Ohio Private ..... 100

Table 16: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Loan Expansion Financing in the Ohio Private Sector ..... 101

Table 17: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Expansion Financing in the Ohio Private Sector .....103

Table 18: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Expansion Financing in the Ohio Private Sector ..... 104

Table 19: Do you feel as though you have experienced discriminatory behavior from the private sector (non-government) in the past? ..... 114

Table 20 : How many times have you been denied a commercial (business) bank loan between 2009 and 2012? ..... 115

Table 21: Please indicate your agreement or disagreement with the following statement: “Some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as subcontractors” ..... 117

Table 22: Please indicate your level of agreement or disagreement, on a scale of 1 to 5, where 1 is Strongly Agree and 5 is Strongly Disagree. .... 118

Table 23: Do you believe that there is favoritism or disparate treatment in the certification process? ..... 120

Table 23: Sometimes, a prime contractor will include a minority and women-owned sub-contractor on a bid to meet the “good faith effort” requirement, then drop the company as a sub-contractor after winning the award. .... 123

Table 24: Some nonminority (male) prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses. .... 124

Table 25: Disparity Indices Indicate a Strong Inference of Discrimination..... 151

Table 26: Disparity Indices Indicate a Strong Inference of Discrimination ..... 152

Table 27: Disparity Indices Indicate a Strong Inference of Discrimination..... 153

## I. INTRODUCTION

Cuyahoga County, Ohio (“County”) contracted with EuQuant, Inc. (“EuQuant”) (an economic research and data analytics company) to perform an economical and statistical analysis of minority, Female and small business performance in Cuyahoga. EuQuant sought, through data collection and statistical analysis, to ascertain the participation and utilization of Minority and Women owned businesses (“MWBE”), during a study period from FY2009-FY2012, that are eligible to provide goods and services to the County.

The County also contracted with Griffin & Strong, P.C. (“GSPC”) (a law and public policy consulting firm) to collect and analyze anecdotal data minority, Female and small businesses in Cuyahoga County, conduct an economic analysis of the private sector, and produce a final disparity study report (“Study”).

The purpose of this Study was to determine whether a minority and/or Female enterprise inclusion program is necessary and legally supported in Cuyahoga County. The goal of the Study was to determine whether there exists a statistically significant disparity between the number of available MWBEs in the Cuyahoga marketplace and the number of these firms that have been awarded contracts from the County, or their prime contractors. The Study also will be used to determine if a legal predicate exists to maintain or create any remedial programs under City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989).

Cuyahoga County, and other governmental entities across the country, authorize disparity studies in response to Croson and subsequent cases in order to determine whether there is a compelling interest for the continuation and creation of remedial procurement programs, based upon race, gender, and ethnicity. In order for the legal requirements of Croson to be satisfied, GSPC must determine whether the County has been a passive or active participant in discrimination with regard to the access of MWBEs to its procurement process.

## **A. Objective**

The principal objectives of this Study were:

- to determine whether the County, either in the past or currently, engages in discriminatory practices in the solicitation and award of contracts, in the business categories of Professional Services, Construction, Goods & Services, and Suppliers;
- to determine if a legally justified need exists for Cuyahoga County to establish any remedial programs for MWBEs in accordance with the guidelines set forth by the Supreme Court and relevant subsequent cases; and
- to provide recommendations as to suggested actions to be taken by the County as a result of the findings of the Study, including serious consideration of race-neutral program options.

## **B. Report Organization**

This report is organized into the following sections:

Chapter II, which is an overview of the case law history in this area;

Chapter III, which provides a review of Cuyahoga County's purchasing policies and practices;

Chapter IV, which presents the Data Development, Collection and Analysis ("DDCA") conducted by EuQuant as the statistical analysis.

Chapter V, which analyzes whether there is discrimination in the private sector;

Chapter VI, which outlines the qualitative analyses: the analysis of anecdotal data collected from the telephone survey, personal interviews, focus groups, public meetings, and public comment;

Chapter VII, which presents the detailed findings of this Study and GSPC's recommendations;

Chapter VIII, which is GSPC's conclusion; and

Chapter IX, which is the Appendices.

## **C. Study Team**

### **1. EuQuant**

- Dr. Thomas D. Boston, CEO, EuQuant
- Linje Boston, Research Director, EuQuant

#### **About EuQuant**

EuQuant is an economic consulting and urban planning company whose mission is to empower clients with data-driven solutions for achieving success. EuQuant was founded in 1994 by Dr. Thomas D. Boston, who is a professor of economics at Georgia Institute of Technology. Dr. Boston was assisted by the EuQuant staff, most especially, Linje Boston, who is research director at EuQuant. Linje holds an undergraduate degree in statistics from Carnegie Mellon University and a graduate degree in statistics from the University of Michigan.

### **2. Griffin & Strong, P.C.**

- Rodney K. Strong, Esq., CEO, Griffin & Strong, P.C.
- Dr. Gregory Price, Senior Economist, Morehouse College
- Michele Clark Jenkins, J.D., Senior Director and Project Manager, Griffin & Strong, P.C.
- Imani Strong, Deputy Project Manager, Griffin & Strong, P.C.
- Winston Terrell Group, Anecdotal Interviews
- Oppenheim Research, Inc., Telephone Survey

#### **About Griffin & Strong, P.C.**

Griffin & Strong, P.C. is a professional corporation based in Atlanta, Georgia, that is actively engaged in the practice of law, as well as governmental and private consulting. Since the firm's inception in 1992, the public policy consulting division has been continuously directed and controlled by Rodney K. Strong. Attorney Strong has an extensive background in the area of

public contracting with specific experience conducting disparity studies. Gregory Price, Ph.D., served as Senior Economist for this Study and reviewed all quantitative aspects of the Study. Michele Clark Jenkins, as the Project Manager, was responsible for the day-to-day aspects of GSPC's portions of the Study. Mrs. Jenkins has extensive experience in managing disparity studies, bench-markings, and goal settings. Imani Strong served as Deputy Project Manager and supported all activities of the Study. Ms. Strong's expertise in anthropological studies and prior experience on GSPC studies made her an asset to the execution of this Study, particularly in the analysis of the anecdotal evidence. Susan Johnson handled the project administration of the Study.

### **Other Members of the Project Team**

- **Winston Terrell Group** is a government affairs, public outreach and community relations firm which prides itself on innovative strategies to assist in strategic development for its clients. The firm puts a premium on servicing clients and providing reasonable solutions to problems. Specialty areas include public participation, procurement, representation before government entities, and building relationships with local, state and federal governments. The firm's diverse portfolio includes engineering and architectural firms, public relation firms, non-profits, technology firms, social service providers, municipalities and other interests. The firm conducted all anecdotal interviews for this study.
  
- **Oppenheim Research, Inc.**, is a Florida-based women-owned, full-service market research firm with over 35 years of experience serving public and private entities. Some of their services include telephone interviews, focus group, and mail survey data. For this project, they conducted the telephone survey.

## II. LEGAL ANALYSIS

### A. Background and Introduction

The purpose of this disparity study is to evaluate whether a minority and/or Female business enterprise program is necessary in Cuyahoga County.

Government initiatives which seek to employ "race conscious" remedies to ensure equal opportunity must satisfy the most exacting standards in order to comply with constitutional requirements. These standards and principles of law were applied and closely examined by the Supreme Court in City of Richmond v. J.A. Croson Company, 488 U.S. 469 (1989) and Adarand Constructors, Inc. v. Peña, 515 U.S. 200 (1995). See also Johnson v. California, 543 U.S. 499(2005); and Parents Involved in Community Schools v. Seattle Sch. Dist. No. 1, 551 U.S. 701(2007). The Croson decision represents the definitive legal precedent which established "strict scrutiny" as the standard of review by which state and local programs that grant or limit government opportunities based on race are evaluated. The Adarand decision subsequently extended the "strict scrutiny" standard of review to race conscious programs enacted by the Federal Government.

In rendering the Croson decision in January 1989, the U.S. Supreme Court held that the City of Richmond's minority business enterprise ordinance--which mandated that non-MWBE-owned prime contractors, to whom the City of Richmond had awarded contracts, subcontract 30% of their construction dollars to minority-owned subcontractors--violated the equal protection clause of the Fourteenth Amendment to the United States Constitution. In a six-to-three majority decision, the Court held that state and local programs which use race-conscious measures to allocate, or "set aside," a portion of public contracting exclusively to minority-owned businesses must withstand a "strict scrutiny" standard of judicial review.

The “strict scrutiny” test requires public entities to establish race- or ethnicity-specific programs based upon a compelling governmental interest and that such programs be narrowly tailored to achieve the governmental interest. Croson, 488 U.S. 469; Associated Gen. Contrs. of Ohio, Inc. v. Drabik, 214 F.3d 730 (6th Cir., 2000); Ohio Contractors Ass’n. v. Keip, 713 F.2d 167 (6th Cir. 1983); See also, Michigan Road Builders Assn., Inc. v. Milliken, 834 F.2d 583 (6th Cir. 1987). The “strict scrutiny” test further requires a "searching judicial inquiry into the justification" for the race-conscious remedy to determine whether the classifications are remedial or "in fact, motivated by the illegitimate notions of racial inferiority or simple racial politics". Croson, 488U.S. at 493; Wygant v. Jackson Bd. of Educ., 476 U.S. 267 (1986); Michigan Road Builders Ass’n., Inc., 834 F.2d 583 (1987).

It is important to note that the “strict scrutiny” standard of review represents the highest level of judicial scrutiny, and is used to test the legality of all state programs which consider race as a determining factor for the award of benefits or services. Concurrently, States desirous of using gender as a determining factor in the award of benefits or services are subject to the lesser stringent standard of intermediate scrutiny. See Kirchberg v. Feenstra, 450 U.S. 455, 461 (1981); Personnel Administrator of Mass. v. Feeney, 442 U.S. 256, 273 (1979). “State action is presumed to be valid and will be sustained if the classification drawn by the state is rationally related to a legitimate state interest.” Miami University Wrestling Club v. Miami University, 195 F. Supp.2d 1010, 1013 (S. D. Ohio 2001) (citing Valot v. Southeast Local Sch. Dist. Bd. of Educ., 107 F.3d 1220, 1229(2001)). See also, Wengler v. Druggists Mutual Ins. Co., 446 U.S. 142, 150 (1980) and Michigan Road Builders Ass’n., 834 F.2d at 595. However, where gender classification is at issue in the Sixth Circuit, there exist unaltered precedent with respect to equal protection analysis that which has not been challenged since the United States Supreme Court’s pronouncements involving the Virginia Military Institute. We will examine *infra* that Sixth Circuit precedent.

Since Croson, there has been an evolution in the case laws in this arena in the Sixth Circuit and throughout the country. Generally, the decisions have been consistent with the analysis and principles of law set forth in Croson. However, there are anomalies which present judicial modification and expansion of the principles of law in Croson, with regard to the methods used



to establish an evidentiary determination of discrimination and the standards required of any resulting remedial programs.

This legal analysis discusses the legal principles outlined by the United States Supreme Court, the U.S. Circuit Courts of Appeal for the Sixth Circuit, and important cases from other Circuits in setting forth the specific requirements in the public contracting programs for minority and Female-owned businesses.

## **B. The Croson Decision**

In its Croson decision, the Supreme Court ruled that the City of Richmond's Minority Business Enterprise (hereinafter "MBE") program failed to satisfy both prongs of the "strict scrutiny" standard which is required for any race-based activities undertaken by governmental entities. The two prongs of the "strict scrutiny" standard require that any race-based activity must be justified by a compelling governmental interest and it must be narrowly tailored to achieve that compelling goal or interest. Croson Company, 488 U.S. at 507. The City failed to show that its minority set-aside program was "necessary" to remedy the effects of discrimination in the marketplace because it had not demonstrated the necessary discrimination. The Court reasoned that a mere statistical disparity between the overall minority population in Richmond (50 percent African-American) and awards of prime contracts to minority-owned firms (0.67 percent to African-American firms) was an irrelevant statistical comparison and insufficient to raise an inference of discrimination. Regarding the evidence that Richmond provided to support its goal program, the Court emphasized the distinction between "societal discrimination", which it found to be an inappropriate and inadequate basis for social classification, and the type of identified discrimination that can support and define the scope of race-based relief. The Court noted that a generalized assertion that there has been past discrimination in an entire industry provided no guidance to determine the present scope of the injury a race-conscious program sought to remedy. The Court emphasized, "...there was no direct evidence of race discrimination on the part of the City in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors." Id. at 480.

In short, the Court concluded there was no prima facie case of a constitutional or statutory violation by anyone in the construction industry. Justice O'Connor did opine, however, that evidence might indicate a proper statistical comparison "where there is a significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged by the locality or the locality's prime contractors, an inference of discriminatory exclusion could arise." *Id.* at 509. In other words, the statistical comparison would be one between the percentage of MBEs in the market that are qualified, willing, and able to perform contracting work (including prime contractors and subcontractors) and the percentage of total City contracting dollars awarded to minority-owned firms. The relevant question among lower federal courts has been how to determine this particular comparison. See discussion of statistical comparison, *infra*.

Additionally, the Court stated that identified anecdotal accounts of past discrimination could provide the basis to establish a compelling interest for local governments to enact race-conscious remedies. However, conclusory claims of discrimination by City officials, alone, would not suffice. In addition, the Court held that Richmond's MBE program was not remedial in nature because it provided preferential treatment to minorities such as Eskimos and Aleuts, groups for which there was no evidence of discrimination in Richmond. *Id.* In order to uphold a race- or ethnicity-based program, there must be a determination that a strong basis in evidence exists to support the conclusion that the remedial use of race is necessary. A strong basis in evidence cannot rest on an amorphous claim of societal discrimination, on simple legislative assurances of good intention, or congressional findings of discrimination in the national economy. *Id.* At 506.

Regarding the second prong of the "strict scrutiny" test, the Court ruled that Richmond's MBE program was not narrowly tailored to redress the effects of discrimination. *Id.* First, the program extended to a long list of ethnic minorities (e.g., Aleuts) for which the City had established no evidence of discrimination. Thus, the scope of the City's program was too broad. Second, the Court ruled that the thirty percent (30%) goal for MBE participation in the Richmond program was a rigid quota not related to identified discrimination. Specifically, the Court criticized the City for its lack of inquiry into whether a particular minority business, seeking racial preferences, had suffered from the effects of past discrimination. Third, the Court expressed

disappointment that the City failed to consider race-neutral alternatives to remedy the underrepresentation of minorities in contract awards. Finally, the Court highlighted the fact that the City's MBE program contained no sunset provisions for a periodic review process intended to assess the continued need for the program. Id. at 500.

Thus, in order for states, municipalities, and local governments to satisfy the narrow tailoring prong of the “strict scrutiny” test, the Croson Court suggested analyzing the following factors:

- Whether the MBE program covers minorities or women for which there is evidence of discrimination (i.e., statistical disparity, anecdotal evidence, etc.);
- Whether the size of the MBE participation goal is flexible and contains waiver provisions for prime contractors who make a "good faith" effort to satisfy MBE utilization goals, but are unsuccessful in finding any qualified, willing and able MBEs;
- Whether there was a reasonable relationship between the numerical goals set and the relevant pool of MBEs capable of performing the work in the marketplace;
- Whether race-neutral alternatives were considered before race-conscious remedies were enacted; and
- Whether the MBE program contains sunset provisions or mechanisms for periodic review to assess the program's continued need.

The Croson Court clearly contemplated that there would be circumstances under which the “strict scrutiny” test could be met by a state, county, municipality or other local governmental

entity and that it would be necessary for state and local entities, in certain circumstances, to redress identified discrimination with race-conscious remedies. The court carefully specified the elements of the analysis to be utilized to determine whether an entity has met the constitutional test, however, it only gave clues as to how the necessary analysis would be carried out. That process has been the subject of numerous cases since the Croson decision and are outlined below.

### **C. Judicial Requirements for Challenges to MWBE Programs**

In the legal challenges to MWBE programs, the courts have consistently applied a four-part approach to reviewing and deciding such challenges. First, they have determined the standing requirements for a plaintiff to maintain a suit against an MWBE program. Second, they have established the standard of review of equal protection that governs judicial inquiry. Third, they have decided the evidence that is necessary to prove discrimination. Fourth, they have required a certain burden of production and proof in these cases.

#### **1. Standing**

As a result of the Croson decision, courts have entertained numerous legal challenges to MWBE race-conscious programs. Standing is important because it usually is pivotal in determining a party's ability to bring a lawsuit. "Injury in fact" is one of the three elements required to obtain Article III standing, along with causation and redressability. Under the traditional standing analysis, in order to satisfy the "injury in fact" requirement, plaintiffs must establish a causal connection between the injury, the ordinance, and the likelihood that the injury will be redressed by a favorable decision. Moreover, the Courts may dismiss a lawsuit when the plaintiff fails to show some "concrete and particularized" injury that is in fact imminent and which amounts to something more than "conjectural or hypothetical" injury. See Cone Corp. v. Hillsborough County, 157 F.R.D. 533 (M.D. FL 1994). (Court imposed Rule 11 sanctions based on plaintiffs' complaint which failed to establish "injury in fact"). See also Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992).

Prior to the Adarand decision, the United States Supreme Court in Northeastern Florida Chapter of Associated General Contractors of America v. City of Jacksonville, Florida, et al., 508 U.S. 656(1993), modified the traditional standing requirement for contractors challenging local and state government minority preference schemes. The Court relaxed the “injury in fact” requirements by holding that so long as the nonminority contractor can show that it was “able and qualified to bid” on a contract subject to the City’s ordinance, the “injury in fact” arises from an inability to compete with MWBEs on an equal footing due to the ordinance’s “discriminatory policy See Contractors Ass’n. of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990, 995 (3rd Cir. 1993); Concrete Works of Colorado v. City and County of Denver, 36 F.3d 1513, 1518 (10th Cir. 1994) (Concrete Works submitted and the ordinance prevented it from competing on an equal basis.); Webster Greenthumb v. Fulton County, 51 F. Supp. 2d 1354 (N.D. Ga 1999). (Plaintiff Greenthumb demonstrated that it was able to bid on contracts and a discriminatory policy prevented it).” Specifically, the Court stated:

When the government erects a barrier that makes it more difficult for members of one group to obtain a benefit than it is for members of another group, a member of the former group seeking to challenge the barrier need not allege that he would have obtained the benefit but for the barrier in order to establish standing. The “injury in fact” in an equal protection case of this variety is the denial of equal treatment resulting from the imposition of the barrier, not the ultimate inability to obtain the benefit. And in the context of a challenge to a set-aside program, the “injury in fact” is the inability to compete on an equal footing in the bidding process, not the loss of a contract. To establish standing, therefore, a party challenging a set-aside program...need only demonstrate that it is able and ready to bid on contracts and that a discriminatory policy prevents it from doing so on an equal footing. Northeastern, 508 U. S. at 666; see also Brunet v. City of Columbus, 1 F.3d 390, 396-97 (6th Cir. 1993).

The United States Supreme Court in Hunt v. Washington State Apple Advertising Comm., 432 U.S. 333(1977), established a three-prong test to determine whether an association has standing to bring a lawsuit on behalf of its members: a court must determine whether “(1) its

members would otherwise have standing to sue in their own right; (2) the interests it seeks to protect are germane to the organization's purpose; and (3) neither the claim asserted nor the relief requested requires the participation in the lawsuit of the individual members. *Id.* At 343.

In *Adarand*, the Supreme Court continued to find standing in cases in which the challenging party made "an adequate showing that sometime in the relatively near future it will bid on another government contract." *Adarand*, 515 U.S. at 2105. That is, if the challenging party is very likely to bid on future contracts, and must compete for such contracts against MBEs, then that contractor has standing to bring a lawsuit.

## **2. Equal Protection Clause Standards**

The second preliminary matter that courts address is the standard of equal protection review that governs their analysis. The Fourteenth Amendment provides that "No state shall . . . deny to any person within its jurisdiction the equal protection of the laws". U.S. Const. amend. XIV, § 1.

### **(a) Judicial Standards of Review**

Courts determine the appropriate standard of equal protection review by examining the protected classes embodied in the statute. The Courts apply "strict scrutiny" to review an ordinance's race-based preference scheme and inquire whether the law is narrowly tailored to achieve a compelling governmental interest. See, e.g., *Wessmann v. Gittens*, 160 F.3d 790 (1st Cir. 1998). Conversely, gender-based classifications are evaluated under the intermediate scrutiny rubric, which provides that the statute must be substantially related to an important governmental objective. *Mississippi Univ. for Women v. Hogan*, 458 U.S. 718(1982). See *Engineering Contractors Ass'n of South Florida, Inc., et al v. Metropolitan Dade County, et al*, 122 F.3d 895 (11th Cir. 1997). (Eleventh Circuit explaining *U.S. v. Virginia*, 518 U.S. 515 (1996) and the appropriate gender-based affirmative action equal protection analysis). Therefore, race-conscious affirmative action is subject to a higher standard of judicial review than gender-

conscious affirmative action, normally. In both a Michigan and an Ohio equal protection law case involving affirmative action, the Sixth Circuit has employed a “strict scrutiny” test when presented with issues of gender classification. Because such is the precedent of the Sixth Circuit Court of Appeals, and because a number of the Federal Appellate Circuits have examined which standard of review it would employ given the heightened intermediate scrutiny employed in the Sixth Circuit. Thus we can only conclude that it is best to subject our analysis of gender based programs to “strict scrutiny” absent a specific controlling contrary decision from the United States Supreme Court, or an announcement by the Sixth Circuit Court of Appeals of a different standard in public contracting cases than that which has been utilized in employment law matters.

### **i. Strict Scrutiny**

In order for a local government to enact a constitutionally valid MWBE ordinance which applies to awards of its contracts, it must show a compelling governmental interest. This compelling interest must be proven by particularized findings of discrimination. The “strict scrutiny” test ensures that the means used to address the compelling goal of remedying discrimination “fit” so closely that there is little likelihood that the motive for the racial classification is illegitimate racial prejudice or stereotype. Croson, 488 U.S. 469(1989). See also, Adarand, 515 U.S. at 235; Hopwood v. State of Texas, 78 F.3d 932, 951 (5th Cir. 1996). Only after legislative or administrative findings of constitutional or statutory violations, local governments have a compelling interest in remedying discrimination.

The Courts have ruled that general societal discrimination is insufficient to justify the use of race-based measures to satisfy a compelling governmental interest. Adarand Constructors, 515 U.S. at 227; Croson, 488 U.S. at 496-97. See Miller v. Johnson, 515 U.S. 900, 904 (1995). Rather, there must be some showing of prior discrimination by the governmental actor involved, either as an “active” or “passive” participant. 488 U.S. at 498. Even if the governmental unit did not directly discriminate, it can take corrective action. As the court noted in Tennessee Asphalt v. Farris, “[g]overnmental entities are not restricted to eradicating the effects only of their own discriminatory acts. Tennessee Asphalt Co. v. Farris, 942 F.2d 969, 974 (6th Cir. 1991).

The governmental entity must point to specific instances or patterns of identifiable discrimination in the area and in the industry to which the plan applies. A prima facie case of intentional discrimination is deemed sufficient to support a local government's affirmative action plan. However, generalized assertions that there has been past discrimination in an entire industry provides no guidance for a legislative body to determine the precise scope of the injury it seeks to redress. Croson, 488 U.S. at 498-99. See Miller, 515 U.S. at 921.

Since all racial classifications are viewed as legally suspect, the governing body must show a "strong basis in evidence" of discrimination in order to justify any enactment of race-conscious legislation. Merely stating a "benign" or "remedial" purpose does not constitute a "strong basis in evidence" that the remedial plan is necessary, nor does it establish a prima facie case of discrimination. Thus, the local government must identify the discrimination it seeks to redress, (Croson, 488 U.S. at 500-01), and particularized findings of discrimination must also be set forth. Although Croson places the burden on the government to demonstrate a "strong basis in evidence," the Fourteenth Amendment does not require a Court to make an ultimate judicial finding of discrimination before the government may take affirmative steps to eradicate discrimination. A particularized showing of discrimination in a marketplace and a determination that a state or local government is a "passive participant" in that marketplace discrimination establishes a compelling governmental interest. The City and County of Denver, Colorado were able to establish a compelling interest by demonstrating they were a passive participant in private discrimination. Concrete Works of Colorado v. City and County of Denver, 36 F.3d 1513 (1994).

In Concrete Works of Colorado, Inc., the Tenth Circuit Court of Appeals reversed the District Court's granting of summary judgment for the City of Denver, which had determined that Denver's factual showing of past race and gender discrimination justified its compelling government interest in remedying the discrimination. In reversing, the Tenth Circuit held that factual issues of dispute existed about the accuracy of Denver's public and private discrimination data, but noted that Denver had shown evidence of discrimination in both the award of public contracts and within the Denver metropolitan statistical area ("MSA") that was particularized and geographically based. On remand, Denver needed only to come forward with evidence that its



ordinance was narrowly tailored, whereupon it became Concrete Works' burden to show that there was no such strong basis. Id.

The Sixth Circuit signaled in Drabik, that statistical proof of under-utilization would be insufficient in and of itself to supply the justification for the utilization of a non-race-neutral measure in public contracting practices. Drabik, 214 F.3d at 735. The Drabik Court, did not read the Croson Court as permitting remedial action of a non-race neutral type simply because of statistical findings of underutilization of those minority companies that were in the ready, willing and able to perform a public contracting need category, but rather required that “governments . . . identify discrimination with some specificity before they may use race-conscious relief; explicit findings of a constitutional or statutory violation must be made.” (Internal Punctuation omitted). Drabik, 214 F.3d at 735. Moreover the Drabik Court signaled that the government would need to present evidence demonstrating “pervasive, systematic, and obstinate discriminatory conduct” in order to satisfy Croson. Drabik, 214 F.3d at 737.

The types of evidence routinely presented to show the existence of a compelling interest include statistical and anecdotal evidence. Croson, 488 U.S. at 501. See, United Black Firefighters Ass’n. v. City of Akron, 976 F.2d 999, 1009 (6th Cir. 1992); see also, Engineering Contractors, 122 F.3d 895 (11th Cir. 1997); Wessmann v. Gittens, 160 F.3d 790. Where gross statistical disparities exist, they alone may constitute prima facie proof of a pattern or practice of discrimination. Anecdotal evidence, such as testimony from minority contractors, is most useful as a supplement to strong statistical evidence. Concrete Works, 36 F.3d at 1513, 1520 (10th Cir. 1994). See Engineering Contractors, 122 F.3d 895, 125-26 (11th Cir. 1997); Ensley Branch v. Seibels, 31 F.3d 1548, 1565 (11th Cir. 1994). Nevertheless, anecdotal evidence is rarely so dominant that it can, by itself, establish discrimination under Croson. The “combination of anecdotal and statistical evidence,” however, is viewed by the Courts as “potent”. Coral Construction Co. v. King County, 941 F.2d 910, 920 (9th Cir. 1991).

If there is a strong basis in evidence to justify a race- or ethnicity-based program, the next step of the “strict scrutiny” test is to determine whether the MWBE program is narrowly tailored

to redress the effects of discrimination. Ohio courts have relied upon the Supreme Court's acknowledgement of "maintaining a diverse student body" as an "a compelling state interest" for the use of race based programs, with the proviso that "racial quotas are impermissible", and that race cannot be the decisive factor when considering a student's admission. Tharp v. Board of Education of the Northwest Local School District, 2005 U.S. Dist. LEXIS 36572. See also, Grutter v. Bollinger, 539 U.S. 244 (2003). In Croson, the Court considered four factors:

1. whether the city has first considered race-neutral measures, but found them to be ineffective;
2. the basis offered for the goals selected;
3. whether the program provides for waivers; and,
4. whether the program applies only to MBEs who operate in the geographic jurisdiction covered by the program.

Other considerations include the flexibility and duration of the program; that is, whether the program contains a sunset provision or other mechanism for periodic review of its effectiveness. These mechanisms ensure that the program does not last longer than necessary to serve its intended remedial purpose. Furthermore, such mechanisms keep pure the relationship of numerical goals to the relevant labor market, as well as the impact of the relief on the rights of third parties. Adarand, 515 U.S. at 238.

1. the necessity for the relief and the efficacy of alternative remedies;
2. the flexibility and duration of the relief, including the availability of waiver provisions;
3. the relationship of the numerical goals to the relevant labor market; and
4. the impact of the relief on the rights of innocent third parties. Alexander, 901 F. Supp. 986, 995-96. (Affirmed in part, reversed in part; Alexander v. Estep, 95 F.3d 312 (4th Cir. 1996); Ensley Branch, 31 F.3d 1548, 1569 (11th Cir. 1994); Webster v. Fulton County, Ga., 51 F. Supp. 2d 1354, 1362 (N. D. Ga. 1999).

## ii. Intermediate Scrutiny

In Coral Construction Company v. King County, 941 F.2d 910, (9th Cir. 1991), cert. denied, 502 U.S. 1033, 122 S. Ct. 875 (1992), the Ninth Circuit Court of Appeals applied an intermediate scrutiny standard in reviewing the WBE section of the county's ordinance. See also, Miami University Wrestling Club v. Miami University, 195 F.Supp.2d 1010, 1013 (2001). The Third Circuit U.S. Court of Appeals applied an intermediate level of review in its ruling in Contractors Association of Eastern Pennsylvania, Inc. v. City of Philadelphia, 6 F.3d 990, (3rd Cir. 1993). However, the Court opined that it is unclear whether statistical evidence as well as anecdotal evidence is required to establish the standard of discrimination necessary to satisfy the intermediate scrutiny standard; and if so, how much statistical evidence is necessary. Nonetheless, the Court struck down the WBE portion of Philadelphia's programs, finding that the City had no statistical evidence and insufficient anecdotal evidence regarding women-owned construction firms and gender discrimination.

The Eleventh Circuit Court of Appeals in Ensley Branch NAACP v. Seibels, addressed the issue in a Title VII action. In this decision, the Eleventh Circuit rejected the argument that, based on Croson, the Supreme Court intended "strict scrutiny" to apply to gender-conscious programs challenged under the Equal Protection Clause. Ensley Branch N.A.A.C.P. v. George Seibels, 31 F.3d 1548, 1579 (11th Cir. (1994)). Since Ensley, the Supreme Court decided United States v. Virginia, 518 U.S. 515. (1996), thereby invalidating Virginia's maintenance of the single sex Virginia Military Institute (VMI). Rather than deciding the constitutionality of the VMI program under intermediate scrutiny, the Court held that "parties who seek to defend gender-based government action must demonstrate an 'exceedingly persuasive justification' for that action. Virginia, U.S. at 529. The Court then applied this "exceedingly persuasive justification" standard in invalidating the VMI program. Justice Rehnquist concurred only in the judgment, noting that "the Court . . . introduces an element of uncertainty respecting the appropriate test Id. at 559. Justice Scalia dissented, suggesting that the majority had effectively adopted a "strict scrutiny" standard to judge the constitutionality of classifications that deny individuals opportunity on the basis of sex. Id. at 571. The majority however, neither rejected nor affirmed Justice Scalia's analysis.

It is not certain whether the Supreme Court intended the VMI decision to signal a heightening in scrutiny of gender-based classifications. However, it may be that the VMI case stands as unique because – like key, recent Supreme Court rulings - it involves an institution of higher learning. In the Sixth Circuit however, “gender based affirmative action plans are subject to “strict scrutiny” when challenged under the Equal Protection Clause.” Brunet v. City of Columbus, 1 F.3d 390, 403-04 6th Cir. (1993). See also, Conlin v. Blanchard, 890 F.2d 811, 816 (6th Cir. 1989). It is noteworthy that both the Brunet and Conlin Courts in their establishment of “strict scrutiny” as the yardstick to be employed in the Sixth Circuit, were themselves reviewing employment action cases. Recent Federal District Court cases, as in Engineering Contractors Assn. of South Florida, Inc. v. Metropolitan Dade County, 122 F.3d 895(11th Cir. 1997), continue to confine their analysis of WBE programs to traditional intermediate scrutiny Id. at 907-08. Here the court noted, however, that the measure of evidence required for a gender classification is ambiguous. The Eleventh Circuit agreed with the Third Circuit’s holding that intermediate scrutiny requires that evidence be probative, but added that “probative” must be “sufficient as well.” Id. at 895.

### **(b) Passive Participation**

“Strict scrutiny” requires a strong basis in evidence of either active participation by the government in prior discrimination or passive participation by the government in discrimination by local industry. Croson, 488 U.S. at 491-92. In Dade County, the Court noted again that the measure of evidence required for a gender classification is less clear. The Court agreed with the Third Circuit’s holding that intermediate scrutiny requires that evidence be probative but here the Court added that probative must be “sufficient as well.” Engineering Contractors, 122 F.3d at 895. The Supreme Court in Croson opined that municipalities have a compelling interest in ensuring that public funds do not serve to finance private discrimination. Local governments may be able to take remedial action when they possess evidence that their own spending practices exacerbate a pattern of private discrimination. Croson, 488 U.S. at 502.

Subsequent lower Court rulings have provided more guidance on passive participation by local governments. In Concrete Works of Colorado Inc. v. The City and County of Denver, 36 F.3d 1513 (10th Cir. 1994), the Tenth Circuit held that it was sufficient for the local government to demonstrate that it engaged in passive participation in discrimination rather than showing that it actively participated in the discrimination. Thus, the desire for a government entity to prevent the infusion of public funds into a discriminatory industry is enough to satisfy the requirement. Accordingly, if there is evidence that the County government is infusing public funds into a discriminatory industry, Cuyahoga County has a compelling interest in remedying the effects of such discrimination. However, there must be evidence of exclusion or discriminatory practices by the contractors themselves.

The Court in Concrete Works stated "neither Croson nor its progeny clearly state whether private discrimination that is in no way funded with public tax dollars can, by itself, provide the requisite strong basis in evidence necessary to justify a municipality's affirmative action program. Although we do not read Croson as requiring the municipality to identify an exact linkage between its award of public contracts and private discrimination, such evidence would at least enhance the municipality's factual predicate for a racial gender conscious program. Id., at 1529. Other courts continue to struggle with this issue.

In Adarand Construction v. Slater (hereinafter referred to as "Adarand VI"), the Tenth Circuit U.S. Court of Appeals addressed the constitutionality of the use in a federal transportation program of a subcontractor compensation clause which employed race-conscious presumptions in favor of minority and disadvantaged business enterprises. Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10th Cir. 2000). In addressing the federal government's evidentiary basis to support its findings of discrimination against minorities in the publicly funded and private construction industry, the Court did not read Croson as requiring that the governmental entity identify the exact linkage between its award of public contracts and private discrimination. The Tenth Circuit noted that the earlier Concrete Works ruling had not demonstrated the necessary finding of discrimination:

Unlike Concrete Works, the evidence presented by the government in the present case demonstrates the existence of two kinds of discriminatory barriers to minority subcontracting enterprises, both of which show a strong link between racial disparities in the federal government's disbursements of public funds for construction contracts and the channeling of those funds due to private discrimination. The first discriminatory barriers are to the formation of qualified minority subcontracting enterprises due to private discrimination, precluding from the outset competition for public construction contracts by minority enterprises. The second discriminatory barriers are to fair competition between minority and nonminority subcontracting enterprises, again due to private discrimination, precluding existing minority-owned firms from effectively competing for public construction contracts. The government also presents further evidence in the form of local disparity studies of minority subcontracting and studies of local subcontracting markets after the removal of affirmative action programs. Id. (emphasis added); see also Concrete Works, 36 F.3d at 1529.

The Federal Government's evidence consisted of numerous congressional investigations, hearings, local disparity studies and anecdotal evidence demonstrating discrimination by prime contractors, unions and financial lenders in the private market place. The Court of Appeals concluded that the government's evidence had demonstrated as a matter of law that there was a strong basis in evidence for taking remedial action to remedy the effects of prior and present discrimination. The Court found that Adarand had not met its burden of proof to refute the government's evidence. Adarand, 228 F.3d at 1176.

Since the "strict scrutiny" standards and evidentiary benchmarks apply to all public entities and agencies, it follows that the questions regarding passive participation in discrimination are relevant to all governmental units. Moving a step further, since the Federal Government has a compelling interest in not perpetuating the effects of racial discrimination in its own distribution of public funds, cities share the same interest. The Court in Croson stated that "[i]t is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to

finance the evil of private prejudice”. Croson, 488 U.S. at 492 (citing Norwood v. Harrison, 413 U.S. 455 (1973)).

### **3. Evidentiary Requirements**

In Croson, the Supreme Court concluded that state and local governments have a compelling interest to remedy identified past and present discrimination within their jurisdictions. Thus, courts have to assess whether a public entity has the requisite factual support for its MWBE program in order to satisfy the particularized showing of discrimination required by Croson. This factual support can be developed from anecdotal and statistical evidence.

#### **(a) Anecdotal Evidence**

The majority decision in Croson impliedly endorsed the inclusion of personal accounts of discrimination. Croson, 488 U.S. at 480, (noting as a weakness in the City's case that the Richmond City Council heard "no direct evidence of race conscious discrimination on the part of the city in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors"). However, according to the Croson standard, selective anecdotal evidence about MBE experiences alone would not provide an ample basis in evidence to demonstrate public or private discrimination in a municipality's construction industry. See Concrete Works, 36 F. 3d.1513 (10th Cir. 1994). See also, Middleton et al v. City of Flint, 92 F.3d 396, 405 (6th Cir. 1996) (Anecdotal evidence is most useful as a supplement to strong statistical evidence . . . ."(Internal citations omitted)). Nonetheless, personal accounts of actual discrimination or the effects of discriminatory practices may complement empirical evidence. In addition, anecdotal evidence of a governmental entity's institutional practices that provoke discriminatory market conditions is particularly probative. Thus, courts have required the inclusion of anecdotal evidence of past or present discrimination. See Contractors Ass'n., 6 F. 3d at 990, 1002-03 (3rd Cir. 1993) (weighing Philadelphia's anecdotal evidence); Coral Constr. Co. v. King Co., 941 F.2d 910, 919 (9th Cir. 1991) ("[The combination of convincing anecdotal and statistical evidence is potent"); Cone Corp. v. Hillsborough Co., 908 F.2d 908, 916 (11th Cir. 1990), (supplementing Hillsborough County's statistical evidence with testimony from MBEs who filed

complaints to the County about prime contractors' discriminatory practices), cert. denied, 498 U.S. 983, 111 S. Ct. 516 (1990); Engineering Contractors, 122 F.3d at 925-26.

In Coral Construction Company v. King County, the Ninth Circuit U.S. Court of Appeals concluded that "the combination of convincing anecdotal and statistical evidence" was potent. Coral Constr. Co., 941 F.2d at 919. In a separate case, the Third Circuit suggested that a combination of empirical and anecdotal evidence was necessary for establishing a prima facie case of discrimination. Contractors Assn. of Eastern Pennsylvania v. City of Philadelphia, 6 F. 3d 990, 1003 (3rd Cir. 1993). In addition, the Ninth Circuit approved the combination of statistical and anecdotal evidence used by the City of San Francisco in enacting its MWBE ordinances. Associated General Contractors of California, Inc. v. Coal. For Economic Equity, et al., 950 F.2d 1401 (9th Cir. 1991), cert. denied, 503 U.S. 985, 112 S. Ct. 1670 (1992).

On the other hand, neither empirical evidence alone nor selected anecdotal evidence alone provides a strong enough basis in evidence to demonstrate public or private discrimination in a municipality's construction industry to meet the Croson standard. Concrete Works, 36 F. 3d at 1513. For example, in O'Donnell Construction v. District of Columbia, the Court reversed the denial of a preliminary injunction for the plaintiff because the District of Columbia failed to prove a "strong basis in evidence" for its MBE program. O'Donnell Constr. Co. v. District of Columbia, 963 F.2d 420 (D.C. Cir. 1992). The Court held in favor of the plaintiff because much of the evidence the District offered in support of its program was anecdotal. The Court opined that "anecdotal evidence is most useful as a supplement to strong statistical evidence--which the Council did not produce in this case." O'Donnell, 963 F.2d 420, 427 (D.C. Cir. 1992).

In Engineering Contractors, the Federal District Court held that, "we have found that kind of evidence [anecdotal] to be helpful in the past, but only when it was combined with and reinforced by sufficiently probative statistical evidence. Engineering Contractors Ass'n, 122 F. 3d at 925.



Accordingly, a combination of statistical disparities in the utilization of MWBEs and particularized anecdotal accounts of discrimination are required to satisfy the factual predicate. Thus, any study should include anecdotal evidence of past and present discrimination in order to establish the factual predicate by these guidelines.

## **(b) Statistical Data**

The Court in Croson explained that an inference of discrimination may be made with empirical evidence that demonstrates "a significant statistical disparity between the number of qualified minority contractors . . . and the number of such contractors actually engaged by the locality or the locality's prime contractors. Croson, 488 U.S. at 509. A predicate to governmental action is a demonstration that gross statistical disparities exist between the proportion of MBEs awarded government contracts and the proportion of MBEs in the local industry "willing and able to do the work," in order to justify its use of race conscious contract measures. Ensley Branch, 31 F.3d at 1565. In order to adequately assess statistical evidence, there must be evidence identifying the basic qualifications of minority contractors "willing and able to do the job" and the Court must determine, based upon these qualifications, the relevant statistical pool with which to make the appropriate statistical comparisons. Engineering Contractors Ass'n, 122 F. 3d. at 925 (11th Cir. 1997). Although subsequent lower Court decisions have provided considerable guidelines for statistical analyses sufficient for satisfying the Croson factual predicate, there are multiple ways that the courts have accepted for conducting statistical analyses.

### **i. Availability**

The attempted methods of calculating MWBE availability have varied from case to case. In Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3rd Cir. 1993), the Third Circuit stated that available and qualified minority-owned businesses comprise the "relevant statistical pool" for purposes of determining availability. The Court permitted availability to be based on the metropolitan statistical area ("MSA") and local list of the Office of Minority Opportunity; for non-MWBEs, which itself was based on census data. In Associated General Contractors of America v. City of Columbus, 936 F. Supp. 1363 (S. D. Ohio 1996), the

City's consultants collected data on the number of MWBE firms in the Columbus MSA in order to calculate the percentage of available MWBE firms. This is referred to as the rate of availability. Three sources were considered to determine the number of MWBEs "ready, willing and able" to perform construction work for the city. Associated General Contractors of America v. City of Columbus, 936 F. Supp. 1363 (1996). (Reversed on related grounds, 172 F.3d 411 (6th Cir. 1999)). However, the Court found that none of the measures of availability purported to measure the number of MWBEs who were qualified and willing to bid as a prime contractor on city construction projects because neither the City Auditor Vendor Payment History file, Subcontractor Participation Reports, or Contract Document Database of the City were attentive to which firms were able to be responsible or provide either a bid bond or performance bond. The Court observed that the anecdotal evidence collected demonstrated that only a fraction of all collection firms were capable of meeting these requirements. The Court wrote, "[t]here is no basis in the evidence for an inference that qualified M/FBE firms exist in the same proportions as they do in relation to all construction firms in the market." Associated General Contractors of Am., 936 F. Supp. at 1389. The Court wondered aloud why the City did not simply use the records it already maintains "of all firms which have submitted bids on prime contracts" since it represents "a ready source of information regarding the identity of the firms which are qualified to provide contracting services as prime contractors." Id.

The issue of availability also was examined by the Eleventh Circuit in Contractors Association of South Florida, Inc., et al v. Metropolitan Dade County, et al, 122 F.3d 895 (11th Cir. 1997). Here, the Court opined that when reliance is made upon statistical disparity, and special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minority-owned firms qualified to provide the requested services. Moreover, these minority-owned firms must be qualified, willing and able to provide the requested services. If the statistical analysis includes the proper pool of eligible minorities, any resulting disparity, in a proper case, may constitute prima facie proof of a pattern or practice of discrimination.

In an opinion by the Sixth Circuit in Associated General Contractors v. Drabik, the Court of Appeals ruled that the State of Ohio failed to satisfy the "strict scrutiny" standard to justify the

state's minority business enterprise act, by relying on statistical evidence that did not account for which firms were qualified, willing and able to perform on construction contracts. The court stated that "although Ohio's most compelling statistical evidence compares the percentage of contracts awarded to minorities to the percentage of minority-owned businesses...the problem is that the percentage of minority-owned businesses in Ohio (7% of 1978) did not take into account which were construction firms and those who were qualified, willing and able to perform on state construction contracts." Drabik, 214 F.3d at 736 (2000). Although this was more data than was submitted in Croson, it was still insufficient under strict scrutiny, according to the court. Id.

## **ii. Utilization**

Utilization is a natural corollary of availability, in terms of statistical calculation. In City of Columbus, 936 F. Supp. 1363, the City's consultants calculated the percentage of City contracting dollars that were paid to MWBE construction firms. This is referred to as the rate of utilization. From this point, one can determine if a disparity exists and, if so, to what extent.

## **iii. Disparity Index and Croson**

To demonstrate the under-utilization of MWBEs in a particular area, parties can employ a statistical device known as the "disparity index." See Contractors Ass'n., 6 F.3d at 1005 (Third Circuit joining the First, Ninth, and Eleventh Circuits in relying on disparity indices to determine whether a municipality satisfies Croson's evidentiary burden). The disparity index is calculated by dividing the percentage of available MWBE participation in government contracts by the percentage of MWBEs in the relevant population of local firms. A disparity index of one (1) demonstrates full MWBE participation, whereas the closer the index is to zero, the greater the MWBE under-utilization. Some courts multiply the disparity index by 100, thereby creating a scale between 0 and 100, with 100 representing full MWBE utilization.

Courts have used these MWBE disparity indices to apply the "strong basis in evidence" standard in Croson. For instance, the Eleventh Circuit held that a 0.11 disparity "clearly

constitutes a prima facie case of discrimination indicating that the racial classifications in the County plan were necessary" under Croson. Cone Corp., 908 F.2d at 916. Based on a disparity index of 0.22, the Ninth Circuit upheld the denial of a preliminary injunction to a challenger of the City of San Francisco's MBE plan based upon an equal protection claim. AGC v. Coal. For Economic Equity, 950 F.2d 1401, 1414 (9th Cir. 1991). Accordingly, the Third Circuit held that a disparity of 0.04 was "probative of discrimination in City contracting in the Philadelphia construction industry." Contractors Ass'n., 6 F.3d at 1005.

#### **iv. Standard Deviation**

The number calculated via the disparity index is then tested for its validity through the application of a standard deviation analysis. Standard deviation analysis measures the probability that a result is a random deviation from the predicted result (the more standard deviations, the lower the probability the result is a random one.) Social scientists consider a finding of two standard deviations significant, meaning that there is about one chance in 20 that the explanation for the deviation could be random and the deviation must be accounted for by some factor. The Eleventh Circuit has directed that " 'where the difference between the expected value and the observed number is greater than two or three standard deviations', then the hypothesis that [employees] were hired without regard to race would be suspect." Peightal v. Metropolitan Dade County, 26 F.3d 1545, 1556 (11th Cir. 1994) (quoting Hazelwood School District et al. v. United States, 433 U.S. 308, quoting Castaneda v. Partida, 430 U.S. 482, 497 n.17, 97 S. Ct. 1272, 1281 n.17, (1977)).

#### **v. Statistical Regression Analysis**

The statistical significance of certain quantitative analyses was another issue that arose in the Webster case. The district court indicated that the appropriate test should resemble the one employed in the Engineering Contractors case, wherein two standard deviations or any disparity ratio that was higher than .80 (which is insignificant), should be used. The Webster court criticized the Fulton County expert for failing to use a regression analysis to determine the cause of the disparity. The court likewise discredited the post-disparity study for failing to use

regression analysis to determine if underutilization was due to firm size or inability to obtain bonding and financing.

The Webster court noted that the Court of Appeals in Engineering Contractors affirmed the District Court's conclusion that the disparities offered by Dade County's experts in that case were better explained by firm size than by discrimination. Webster, 51 F. Supp. 2d at 1365. Dade County conducted a regression analysis to control for firm size after calculating disparity indices with regard to the utilization of BBEs, HBEs and WBEs in the Dade County market, by comparing the amount of contracts awarded to the amount each group would be expected to receive based on the group's bidding activity and the awardee success rate. Although there were a few unexplained disparities that remained after controlling for firm size, the District Court concluded (and the Court of Appeals affirmed) that there was no strong basis in evidence for discrimination for BBEs and HBEs and that the quantitative analysis did not sufficiently demonstrate the existence of discrimination against WBEs in the relevant economic sector. Engineering Contractors, 122 F.3d at 917. Specifically, the court noted that finding a single unexplained negative disparity against BBEs for the years 1989-1991 for a single SIC code was not enough to show discrimination.

The Fourth Circuit Court of Appeals has signaled its agreement with this position. As mentioned in Podberesky, *infra*, the Court of Appeals determined that the University of Maryland's merit-based scholarship program designed exclusively for Black students was unconstitutional. In its opinion, the three-judge panel rejected UMCP's evidence about its reference pool of high school graduates as overly broad. Additionally, the court voiced its concerns that the University's "collection of arbitrary figures" failed to account for economic or other explanations for the high attrition rates among African American students at UMCP. "We can say with certainty...that the failure to account for these, and possibly other, nontrivial variables cannot withstand strict scrutiny...In more practical terms, the reference pool must factor out, to the extent practicable, all nontrivial, non-race based disparities in order to permit an inference that such, if any, racial considerations contributed to the remaining disparity. Croson, 488 U.S. at 504.

### **(c) Geographic Scope of the Data**

The Croson Court observed that because discrimination varies across market areas, state and local governments cannot rely on national statistics of discrimination in the disputed industry to draw conclusions about prevailing market conditions in their respective regions. Croson, 488 U.S. at 504. However, to confine the permissible data to a governmental entity's strict geographical borders would ignore the economic reality that contracts are awarded to firms located in adjacent areas. Thus, courts closely scrutinize pertinent data related to the jurisdictional area of the state or municipality.

Generally, the scope of the statistical analyses pertains to the geographic market area from which the governmental entity makes most of its purchases. In addition, disparities concerning utilization, employment size, and formation are also relevant in determining discrimination in a marketplace. It has been deemed appropriate to examine the existence of discrimination against MWBEs even when these areas go beyond the geographical boundaries of the local jurisdictions. See Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 91 F.3d 586, 604 (3rd Cir. 1996).

Court decisions have allowed jurisdictions to utilize evidence of discrimination from nearby public entities and from within the relevant private marketplace. Nevertheless, extra-jurisdictional evidence must still pertain to the operation of an industry within geographic boundaries of the jurisdiction. As the court wrote in Tennessee Asphalt v. Farris, “[s]tates and lesser units of local government are limited to remedying sufficiently identified past and present discrimination within their own spheres of authority.” Tennessee Asphalt Co. v. Farris, 942 F.2d 969 974 (6th Cir. 1991).

### **(d) Post-Enactment Evidence**

In Croson, the Court stated that a state or local government “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” Croson, 488

U.S. at 504. However, the Court declined to require that all relevant evidence of such discrimination be gathered prior to the enactment of the program. Pre-enactment evidence refers to evidence developed prior to the enactment of an MWBE program by a governmental entity. Such evidence is critical to any affirmative action program because, absent any pre-enactment evidence of discrimination, a state or local government would be unable to satisfy the standards established in Croson. Post-enactment evidence is that which has been developed since the affirmative action program was enacted and therefore was not specifically relied upon as a rationale for the government's race and gender conscious efforts. As such, post-enactment evidence has been another source of controversy in contemporary litigation, though most subsequent rulings have interpreted Croson's evidentiary requirement to include post-enactment evidence. Significantly, crucial exceptions exist in rulings from the federal district courts.

In West Tennessee Chapter of Associated Builders and Contractors v. Board of Education of the Memphis City Schools, 64 F. Supp. 2d 714 (W.D. Tenn 1999), the District Court faced the issue of whether "post enactment evidence" was sufficient to establish a strong basis upon which a race conscious program could be supported. The court opined that although the court in Croson was not faced with the issue of post enactment evidence, much of the language in the opinion suggested that the Court meant to require the governmental entity to develop the evidence before enacting a plan. Furthermore, when evidence of remedial need was not developed until after the enactment of a race-conscious plan, that evidence provided no insight into the motive of the legislative or administrative body.

The court concluded that admitting post-enactment evidence was contrary to Supreme Court precedent as developed in Wygant, Croson, and Shaw. The Court held that post-enactment evidence may not be used to demonstrate that the government's interest in remedying prior discrimination was compelling. It is important to note that this opinion is not representative of the majority of case law on this issue.

Early post-Croson decisions permitted the use of post-enactment evidence to determine whether an MWBE program complies with Croson. See, e.g., Contractors Ass'n., 6 F. 3d, at 1003-04 (3rd

Cir. 1993); Harrison & Burrows Bridge Constructors, Inc. v. Cuomo, 981 F.2d 50, 60 (2d Cir. 1992); Coral Constr., 941 F.2d at 921. In Ensley, the Eleventh Circuit explicitly held that post-enactment evidence is properly introduced in the record and relied upon by district courts in determining the constitutionality of government race and gender-conscious programs:

Although Croson requires that a public employer show strong evidence of discrimination when defending an affirmative action plan, the Supreme Court has never required that, before implementing affirmative action, the employer not have proved that it has discriminated. On the contrary, further finding of discrimination need neither precede nor accompany the adoption of affirmative action. Ensley Branch, 31 F.3d at 1565.

In light of the case law and applicable legal principles, a race and gender-conscious program implemented by the government of Cuyahoga County may be supported by post-enactment evidence of discrimination. Although post-enactment evidence may not suffice to support the original intent of a governmental entity, it can prove helpful in other ways. See, e.g., Mark L. Johnson, “Legislate First, Ask Questions Later: Post-Enactment Evidence in Minority Set-Aside Litigation,” 2002 U. Chi. Legal F. 303 (2002). Specifically, post-enactment evidence seems necessary to determine the program's success for narrow tailoring and continued need after the program's initial term has expired. Contractor's Association of Eastern PA., Inc. v. City of Philadelphia, 91 F.3d 606, 606 (3rd Cir. 1996).

### **(e) Remedies-- Narrowly Tailored**

Under the Croson framework, any race-conscious plan must be narrowly tailored to ameliorate the effects of past discrimination. Croson's progeny provide significant guidance on how remedies should be narrowly tailored. “Generally, while ‘goals’ are permissible, unyielding preferential ‘quotas’ will normally doom an affirmative action plan.” Stefanovic v. University of Tennessee, 1998 U. S. App. LEXIS 1905 (6th Cir. 1998); see also Tuttle v. Arlington County School Board, 195 F.3d 698 (4th Cir. 1999).



Not unlike other U.S. District Courts and U.S. Courts of Appeal throughout the United States, Sixth Circuit courts have, citing to United States v. Paradise, 480 U.S. 149, 171 (1987), also recognized four considerations in determining whether a plan is narrowly tailored. See Aiken v. City of Memphis, 37 F.3d 1155 6th Cir. (1994); Drabik, 214 F.3d 730 (2000); Grutter v. Bollinger, 288 F.3d 732 (6th Cir. 2002); Coalition to Defend Affirmative Action v. Granholm, 473 F.3d 237 (6th Cir. 2006); F. Buddie Contracting, Ltd., v. Cuyahoga Community College Dist., 31 F. Supp. 2d 584 (E. Div. Ohio 1998); and Ashton v. City of Memphis, 49 F. Supp. 2d 1051 (W. D. Tenn 1999);. See also Peightal , 940 F.2d 1394, 1406 (11th Cir. 1991); Engineering Contractors, 122 F.3d. 895, 927 (citing Ensley Branch, 31 F.3d at 1569). They are:

1. consideration of race neutral alternatives,
2. flexibility of plan,
3. relationship of plan's numerical goals to relevant market, and
4. effect of plan on third parties.

Post-Croson cases articulated the general guidelines listed below in construing the elements of the narrow tailoring prong:

1. Relief is limited to minority groups for which there is identified discrimination;
2. Remedies are limited to redressing the discrimination within the boundaries of the enacting jurisdiction;
3. The goals of the programs should be flexible and provide waiver provisions;
4. Race and/or gender neutral measures should be considered; and
5. The program should include provisions or mechanisms for periodic review and sunset.

As a result, the Sixth Circuit has invalidated race-specific approaches that it found were not narrowly tailored along these lines. See, e.g., Cuyahoga Community College Dist., 31 F. Supp. 2d at 588;

MWBE programs must be designed so that the benefits of the programs are targeted specifically toward those firms that faced discrimination in the local marketplace. To withstand a challenge, relief must extend only to those minority groups for which there is evidence of discrimination. See Drabik, 214 F.3d at 735. Consequently, MWBE firms from outside the local market must show that they have unsuccessfully attempted to do business within the local marketplace in order to benefit from the program.

Croson requires that there not only be a strong basis in evidence for a conclusion that there has been discrimination, but also for a conclusion that the particular remedy is made necessary by the discrimination. In other words, there must be a "fit" between past/present harm and the remedy. The Sixth Circuit said in Drabik, "outdated evidence does not reflect prior un-remedied or current discrimination", (Internal quotations and citations omitted). Drabik, 214 F.3d at 730.

Inherent in the above discussion is the notion that MWBE programs and remedies must maintain flexibility with regard to local conditions in the public and private sectors. Courts have suggested project-by-project goal setting and waiver provisions as means of insuring fairness to all vendors. As an example, the Fourth Circuit had little problem rejecting the Banneker scholarship program at the University of Maryland because it had no "sunset" provision. "The program thus could remain in force indefinitely based on arbitrary statistics unrelated to constitutionally permissible purposes. Podberesky, 38 F.3d at 160. Additionally, some courts have indicated that goals need not directly correspond to current availability if there are findings that availability has been adversely affected by past discrimination. Lastly, "review" or "sunset" provisions are necessary components to guarantee that remedies do not out-live their intended remedial purpose.

### **(f) Burdens of Production and Proof**

The Croson court struck down the City of Richmond's minority set-aside program because the City failed to provide an adequate evidentiary showing of past and present

discrimination. Croson, 488 U.S. at 498-506. So did the State of Ohio in Associated Gen. Contrs. of Ohio, Inc. v. Drabik, 1998 U.S. Dist. LEXIS 22042. Since the Fourteenth Amendment only allows race-conscious programs that narrowly seek to remedy particularized discrimination, the Court held that state and local governments "must identify that discrimination . . . with some specificity before they may use race-conscious relief." The Court's rationale for judging the sufficiency of the City's factual predicate for affirmative action legislation was whether there existed a "strong basis in evidence for its [government's] conclusion that remedial action was necessary." Croson, 488 U.S. at 500 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S. Ct. 1842, 1849(1986)).

Croson places the initial burden of production on the state or local governmental actor to demonstrate a "strong basis in evidence" that its race- and gender-conscious contract program is aimed at remedying identified past or present discrimination. A state or local affirmative action program that responds to discrimination is sustainable against an equal protection challenge so long as it is based upon strong evidence of discrimination. A municipality may establish an inference of discrimination by using empirical evidence that proves a significant statistical disparity between the number of qualified MWBEs, the number of MWBE contractors actually contracted by the government, or by the entity's prime contractors. Furthermore, the quantum of evidence required for the governmental entity must be determined on a case-by-case basis and in the context and breadth of the MWBE program it advanced. See Concrete Works, 36 F.3d 1513 (10th Cir. 1994). If the local government is able to do this, then the burden shifts to the challenging party to rebut the municipality's showing. See Contractors v. Philadelphia, 6 F. 3d at 1007.

Once the governmental entity has shown acceptable proof of a compelling interest in remedying past discrimination and illustrated that its plan is narrowly tailored to achieve this goal, the party challenging the affirmative action plan bears the ultimate burden of proving that the plan is unconstitutional. Mazeske v. City of Chicago, 218 F.3d 820 (7th Cir. 2000); Sherbrooke Turf, Inc. v. Minn. DOT, 345 F.3d 964 (8th Cir. 2003).

## D. The Latest Developments

### 1. **Associated General Contractors of America, San Diego Chapter v. California DOT, 713 F.3d 1187 (9th Cir. 2013).**

On April 16, 2013, in a case styled, Associated General Contractors of America, San Diego Chapter v. California DOT, and the United States Court of Appeals for the 9th Circuit upheld the constitutionality of the California Department of Transportation's (Caltrans) Disadvantaged Business Enterprise (DBE) program. The Caltrans program implements the federal DBE Program. The federal program applies to state and local government recipients of federal funds from the U. S. Department of Transportation (DOT) through the U. S. Federal Aviation Administration (FAA), Federal Transit Administration (FTA), and Federal Highway Administration (FHWA). Caltrans had engaged a consulting firm to conduct a disparity study and significantly the court found the information in the disparity study probative and ruled that Caltrans met the burden of strict scrutiny.

The Ninth Circuit stated in pertinent part:

Based on review of public records, interviews, assessments as to whether a firm could be considered available, for Caltrans contracts, as well as numerous other adjustments, the firm concluded that minority- and women-owned businesses should be expected to receive 13.5% of contract dollars from Caltrans-administered federally assisted contracts... [The disparity study] accounted for the factors mentioned in Western States Paving. Western States Paving Co. v. Washington State DOT, 407 F.3d 983 (9th Cir. 2005); Geod Corp. v. NJ Transit Corp., 746 f.supp.2d 642 (NJ Dist. 2010); M.K. Weeden Constr., Inc. v. Mont. Dep't of Trans., 2013 U.S. Dist. LEXIS 126286, as well as others, adjusting availability data based on capacity to perform work and controlling for previously administered affirmative action programs...The substantial statistical disparities alone would give rise to an inference of discrimination, and certainly Caltrans' statistical evidence combined with anecdotal evidence passes constitutional muster.

This decision is important because it is the most recent validation of the efficacy of a properly conducted disparity study in allowing a governmental actor to survive the constitutional test of strict scrutiny when its narrowly tailored programs are challenged.

**2. Northern Contracting, Inc. v. State of Illinois, et al.,  
473 F.3d 715 (7th Cir. 2007)**

Northern Contracting filed suit against the Illinois Department of Transportation claiming that it violated the Constitution in its establishment of a program for awarding contracts to socially disadvantaged small business. The District Court denied NCI's claim, because NCI failed to establish that IDOT did in fact violate the Constitution, and the Seventh Circuit of Appeals agreed.

In this case, Illinois used a means other than bidder data to determine relative available market. NCI claimed, among other things, that the Code of Federal Regulations, 49 C.F.R. § 26.45(c) (2), required IDOT to use bidder data, and instead, IDOT used a "custom census" method. Because the use of other resources did not constitute a violation of any regulation leading to an impermissible method of evaluation of availability, together with other failings of a plaintiff in this type of legal action, the Court affirmed the District Court's ruling.

This case signals further acceptance of more than one way to determine availability. It does not evaluate either the cost, or measure the propensity of that pool to yield accurate data as compared to other data pools like those presented as examples in the Code of Federal Regulations. It simply rejects Plaintiff's contention that there is only one way to calculate the number of ready, willing, and able firms.

**3. Rothe Dev. Corp. v. Dep't of Def., 545 F.3d 1023  
(Fed. Cir. 2008)**

In this case, a nonminority Female contractor brought suit against the Department of Defense, because a contract wherewith it had submitted the lowest bid on was in fact awarded to a Socially Disadvantaged minority bidder, because the scheme devised by Congress permitted an SDBE to receive a 10% adjustment in excess of the amount bid against other non-disadvantaged competitors for government contracts. Though the case had been appealed multiple times to the Federal Circuit Court of Appeals, the last appeal brought with it a facial validity challenge from Rothe.

Although the party challenging a statute bears the ultimate burden of persuading the court that it is unconstitutional, the government first bears a burden to produce strong evidence supporting the legislature's decision to employ race-conscious action. . . . "The court must review the government's evidentiary support to determine whether the legislative body had a 'strong basis in evidence' to believe that remedial action based on race was necessary." (Internal punctuation and citations omitted). Rothe Dev. Corp., 545 F.3d at 1036

Although Croson places the burden on the government to demonstrate a "strong basis in evidence," the Fourteenth Amendment does not require a court to make an ultimate judicial finding of discrimination before the government may take affirmative steps to eradicate discrimination. However, the courts have said that such prerequisite particularized finding of discrimination "need not incriminate itself with a formal finding of discrimination prior to using a race-conscious remedy." Rothe Dev. Corp., 545 F.3d at 1043 (Fed. Cir. 2008) (citing, Dean v. City of Shreveport, 438 F.3d 448, 455 (5th Cir. 2006).

This case is important because it caused the dismantling of the Department of Defenses' DBE program and, if it had had wide-spread authority or if it had established a trend in the courts, could have had a chilling effect on all federal DBE programs. However, this case has been narrowly interpreted only to apply to this case and no other jurisdictions have followed its outcome.

**4. Engineering Contractors Ass'n of South Florida, Inc., et al v. Metropolitan Dade County, et al, 122 F.3d 895 (11th Cir. 1997).**

In this case, the Miami Dade Commissioners devised a set-aside program for construction contracts and established participation goals for those businesses which were qualified as either Black business Enterprises, Hispanic Business Enterprises, or Women Business Enterprises. The Eleventh Circuit Court of Appeals upheld the District Court's holding of the set-aside program as unconstitutional, and addressed in its opinion a question raised by the District Court with respect to gender classifications.

The concern was whether the U.S. Supreme Court created a new standard for review of gender classifications in the "exceedingly persuasive justification" phrase used to analyze single sex university admissions to the Virginia Military Institute (VMI). The eleventh Circuit held that it did not. In fact the Court stated that it noted the use of the phrase "exceedingly persuasive justification" while . . . [the] Supreme Court continues to recite "the time-honored intermediate scrutiny standard with approval even as it explains how a district court must evaluate whether the proffered justification for a gender classification is "exceedingly persuasive." *Id.*, at 908. The Eleventh Circuit goes on to say, "Instead of overruling Mississippi University for Women, the VMI Court cited that case as "immediately in point" and the "closest guide" for the VMI decision itself. [*United States v. Virginia*, 518 U.S. 515, 532 (1996)]. The Supreme Court is not in the practice of overruling its own precedents by citing them with approval, and we decline to hold that the Court did so in the VMI case. Unless and until the Supreme Court tells us otherwise, intermediate scrutiny remains the applicable constitutional standard in gender discrimination cases, and a gender preference may be upheld so long as it is substantially related to an important governmental objective."

This case is important because, if in fact the Eleventh Circuit is correct in its explanation of the U.S. Supreme Court's decision in the VMI case, then the Sixth Circuit's continued application of the strict scrutiny standard of review of gender classifications can reasonably be expected to conform to that of the VMI decision, except if a distinction can be drawn between gender classifications in public contracting and school admissions.

**5. H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, et. al, 615 F.3d 233 (2010)**

Denied a contract because of its failure to demonstrate good faith efforts to meet participation goals for minority and Female-owned subcontractors, H. B. Rowe Company, Incorporated (“Rowe”), a prime contractor brought an action, asserting that the goals set forth in North Carolina statute (N.C. Gen. Stat. § 136-28.4 (1990)), violate the Equal Protection Clause, and sought injunctive relief as well as money damages. After extensive discovery and a bench trial, the district court held the challenged statutory scheme constitutional both on its face and as applied. The Fourth Circuit Court of Appeals held that it agreed with the district court that the State produced a strong basis in evidence justifying the statutory scheme on its face, and as applied to African American and Native American subcontractors, and that the State demonstrated that the scheme was narrowly tailored to serve its compelling interest in remedying discrimination against these racial groups. But the Court did not agree with the district court that the same was true as applied to other minority groups and Female-owned businesses.

Reviewing the results of the research firm’s (that had conducted a disparity study) testing, together with the data concerning the events in subcontractor inclusion during the program’s suspension period, the Court was able to see that (1) the State’s use of a goals program for inclusion of African-American, Native-American, and nonminority women-owned businesses was supported by a statistically strong basis, and that (2) the newly revised North Carolina statute which called for frequent goal setting was constitutional. The Court of Appeals noticed prominently that the State’s program had been going on since 1983, and had only achieved the inclusion numbers adduced in the 2004 study performed by the commissioned national researcher. H. B. Rowe, 615 F.3d 250.

Furthermore, the Court’s rejection of Rowe’s challenge of the North Carolina statute on the grounds of its lack of flexibility was thwarted by Rowe’s failure to make a good faith effort to include minority subcontractors. The Court of Appeals wrote,



Prime contractors can bank any excess minority participation for use against future goals over the following two years. Given the lenient standard and flexibility of the "good faith" requirement, it comes as little surprise that as of July 2003, only 13 of 878 good faith submissions--including Rowe's--had failed to demonstrate good faith efforts. H. B. Rowe, 615 F.3d at 253-54.

The importance of this case is that it solidifies the trend that began in the other appellate courts of this country. The Court when presented with a viable challenge to a state's statute as it concerns MWBE programs will need to see not only a program that has what Croson requires at the statute's initial enactment, but also that when the program's continuation is at issue, it too then will be well supported by more than mere conjecture as to its necessity to continue. There will need to be statistically sound collection of data from appropriate sources; testing of that data once collected to ensure high confidence; and anecdotal corroboration of findings to disprove other explanations for apparent disparities. Some other signals were presented by the Appellate Court in Rowe.

The Court also reported that the State did in fact, though it was not challenged on the basis of its having failed to do so, sought out race neutral measures in an attempt to overcome the effects of past and present racial exclusion. H. B. Rowe, 615 F.3d at 252. And the Court did not disapprove of the State requiring statutorily, that a new disparity study be conducted every five years. H. B. Rowe, 615 F.3d at 253.

## **E. Conclusion**

In summary, Cuyahoga County can remedy the effects of past racial discrimination in public contracting so long as it can, with some specificity identify instances of past discrimination, and continue to apply those practices commanded by the United States Supreme Court in Croson, and reaffirmed and refined in the many subsequent case decisions like Drabik.

To do so, the County must set forth a compelling governmental interest through the use of sound statistical analysis supported by anecdotal findings, and then create a program that is neither over inclusive or under inclusive to achieve those compelling governmental interests, which is referred to in Croson as being “narrowly tailored” . In this respect Cuyahoga County offers no stark differences from the many other appellate circuits of the United States. This is not the same in matters of gender specific remedial programs. Whereas, the majority of other circuits today recognize the test to be employed when scrutinizing gender specific remedies, as “intermediate scrutiny”, the Sixth Judicial Circuit has law, that is evident in cases like Brunet, that recognizes strict scrutiny as the standard of review to be applied to gender specific remedial measures. These cases suggest that County governments should craft gender discrimination remedial measures as they craft their race and ethnic discriminatory remedial measures. If the County offers such programs meeting this higher standard, it will certainly satisfy the less stringent standard that appears to be the trend throughout the other judicial circuits of the United States.

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### III. PURCHASING PRACTICES, POLICIES, AND PROCEDURES

#### A. Introduction

This chapter is an analysis of the purchasing practices, policies, and procedures for Cuyahoga County (the “County”). A thorough review of internal departmental policies, County ordinance, and informational documents distributed to potential vendors was conducted by the study team of Griffin & Strong, P.C. (“Study Team”) In addition to this, a series of thirteen (13) interviews were conducted with Cuyahoga County officials and departmental personnel to ascertain their understanding and perspectives on the policies in place. This analysis will examine the areas in which policies may need to be altered or elucidated for either the public or County personnel, where practice diverges from or directly defies policy, and where policy is well understood and considered effective. The following review is intended to ensure that best practices are followed to encourage participation of all qualified vendors within the Relevant Market and to determine if there is evidence of active or passive discrimination in the County’s purchasing practices.

Interviews were conducted with personnel in the following departments:

- The Office of Procurement and Diversity (OPD)
- The Small Business Enterprise Program Division of OPD
- The Department of Development
- The Department of Public Works—Construction
- The Department of Public Works—Engineering
- The Executive Offices of Cuyahoga County
- The Department of Senior and Adult Services
- The Department of Information Technology
- he Department of Job and Family Services

The Office of Procurement and Diversity (OPD) acts as a “hub” for purchasing and reviews all bids and contracts, ensuring that they have the correct documents and are funneled through to the appropriate departments and stages in the procurement process. The official procurement process is as follows:

Each department within the County determines a need for a particular commodity or service internally. The various procurement methods are set forth in Section III of Cuyahoga County’s Purchasing Policy and Procedure Manual. These include informal competitive bids for purchases of \$25,000 or below, formal competitive bidding for purchases over \$25,000, and RFQs for Professional Design Services and other services where there is a high level of special expertise.<sup>1</sup> The user department will provide the specifications, subject to approval by the department head.

The Office of Procurement and Diversity (“OPD”) is the monitoring body for all contracts and procedures and ensures that the proposer’s documents are in place for eventual approval. This central department conducts occasional trainings which are intended to disseminate information regarding the procurement process. Vendors are notified of contracts out for bid through e-mail blasts from the BuySpeed system, on which they may self-register, through advertisements in newspapers and/or other media outlets, and on the County’s website. Outreach to Small Business Enterprises (SBE) is conducted through a division of OPD, which also sets the SBE goals on all contracts, generally up to 30%, but contingent upon the available firms in the market. The County has its own certification for SBEs and conducts regular monitoring and verification according to the dictates of County Ordinance 02011-0054.

The process for vendor registration is dictated by ordinance and the requirements may vary depending on the type of registration and the agency that administers that registration process. All potential bidders on any County contract must be registered as vendors with the County, as SBEs if applicable, and complete registration and ethics training through the Inspector General’s

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<sup>1</sup> Informal competitive bids use the three (3) quote or informal RFP method; formal competitive bids are by RFP or “lowest and best” price. Other forms of competitive bidding are revenue generating procurements, real estate leasing by RFP, leasing of County properties (revenue generating), and sale of County property by bid.

(IG) office. OPD’s role is to ensure that the appropriate measures are taken to obtain bonding and the other necessary certifications, and the department has the authority to reject bids on this basis.

BuySpeed is the purchasing software that has been used by the County for more than fifteen (15) years and allows vendors to self-register in the system. OPD performs an administrative review of a firm’s registration (e.g. bonding and required registration documents) and the user department performs a technical review of the registration (e.g. compliance with the specifications of the bid). If there is an SBE goal on a project, the SBE Division reviews the bid for compliance prior to acceptance. While the SBE Price Preference, as outlined in section XII of the SBE Policy (Ordinance 02011-0054), details the impacts of SBE compliance on an award, the recommended vendor must be in compliance with administrative and technical requirements.

## **B. Vendor Contact and Transparency**

Each department in the County has “field buyers” and OPD then manages purchases after the process has been initiated by the department. RFPs, RFQs, and RFBs over \$25,000 are considered formal (requiring competitive bids), according to County Code Section 501.12, and come through OPD. These requests are then sent out to the “plan holders” or bidders list of registered vendors. “All those people get perfect information,” says PPI-4, of the plan holder’s list. “We make great efforts in doing that.” PPI-4 believes that there is a great deal more transparency now that the old government has been pushed out and those involved in the corruption scandal uprooted. Now, the bid process is available and “we receive a lot of public records requests.”

“Nobody trusts Cuyahoga,” PPI-4 says. The source of previous issues, according to this County employee, was that there were change orders issued to add money to large contracts that were not documented well and there was quite a bit that did not go through procurement. When asked if there is increased oversight as a result, PPI-4 responded emphatically, “Oh, yes.” The first thing to go, PPI-4 says, was the “Purchasing Manager Discretion” feature, whereby the purchasing manager may click a button and approve purchases.



Now there is “full disclosure” with everything bid out through the online system, BuySpeed, or advertised on the internet. If there is a sole source contract, it is posted for five days and will be put out to bid if even one vendor says that they can provide that service as well. The days of “telephonic orders” on quotes for informal bids under \$25,000 are over, PPI-4 asserts. “You could say ‘made call, no answer’ or you could call the same people every time” (PPI-4). Now, small purchases that require quotes must be posted for at least 24 hours on BuySpeed.

Purchases for professional services, such as appraisal, legal, architectural or engineering work, are not required to be competitively bid (Code Sec. 501.12 (B) (2)). However, unless a request for an exemption is granted by the Contracts and Purchasing Board, and the contract or purchase is \$25,000 or more and there is more than one potential source, the contracting agency must bid the work through an RFP or an RFQ.

### **C. The Tiered Approval System**

In general, while there are other impacting factors, all purchases between \$500 and \$100,000 go to the Contracts and Purchasing Board and any contracts between \$101,000 and \$500,000 are discussed by the Board of Control. Contracts over \$500,000 are addressed by the County Council, which consists of eleven elected members. A clerk ensures that items coming from the Office of Procurement and Diversity are in accordance with the Contracts and Purchasing Code and are cost-effective. The inspector general vets all vendors for fraud. Though the boards give two opportunities at their meetings for public comment, PPI-9 has never personally witnessed an appeal. (However, GSPC has been made aware of at least 2 appeals/protests at the board meetings). “Typically, appeals on purchasing go right to OPD or the law department or are handled through the departments” (PPI-9). However, vendors are present at council meetings.

The new tiered system is a product of the “complete overhaul after the corruption scandal,” initiated by the new County executive (PPI-9). The eleven member County Council previously consisted of three commissioners who made all decisions on purchasing above a certain threshold.

The County Executive “wanted more decision makers at the table” (PPI-9). The Contracts and Purchasing Board consists of the County Executive, the Chief of Staff, one member of County Council, the Public Works Director, the OPD Director and the Fiscal Officer. The Board of Control consists of the County Executive, three members of County Council, the Public Works Director, OPD Director and the Fiscal Officer (Code Sec. 205.01, 205.02). Every meeting is open to members of the public and agendas and minutes are posted regularly on the County website. According to PPI-9, there tends to be mainly staff present, members of the media, and occasionally vendors if there is a presentation pertaining to their project.

PPI-14 deals with employment services and program development for the Job and Family Services department. The department administers federal dollars for TANF and recipients of cash assistance must be involved in some form of work. Job and Family Services contracts with firms to provide this work to cash assistance recipients. The department crafts all RFPs and decides for itself what programs are needed, then recommends to county council. After this process, the legal department must review for insurance requirements and language.

PPI-14 recounts the struggle to bid out for a summer youth employment program. “We can’t wait until the money is allocated to bid” PPI-14 says, because the process to get it through the County Council and OPD’s process is “very long and not terribly intuitive.” Beyond this, it takes a while to get on the County Council’s agenda, since they only meet twice a month and all contracts must have three readings if they are over \$500,000. Then, the County Executive must sign and “he might not sign it for weeks” (PPI-14). The previous system of three county commissioners moved “more smoothly” than the current tiered system in PPI-14’s opinion.

In addition to this tiered, two-board process, technological purchases must go through yet another step at the Information Technology department. In the last three years, the IT department has been focused on centralizing the organization and, as a part of this process, the County Council passed an ordinance that requires the IT director to approve all technological purchases in the County. Anything that is over \$500 and falls under the category of technology is reviewed by the Technical Advisory Committee (TAC). TAC is more focused on “the tech perspective than the

sourcing perspective,” meaning that they are focused on ensuring that purchases meet technical standards and are compatible with current systems than examining the purchasing process (PPI-12).

#### **D. NOVUS and BuySpeed**

“People like BuySpeed,” PPI-4 says. It works “reliably” and produces documents and reports to make purchasing more efficient. Beyond this, buyers can set themselves up on BuySpeed. Previously, they were required to apply and get approved, but now they can “set it up in three minutes.” Vendors self-identify by NIGP codes and are notified of every contract out for bid under their specified codes automatically. The department also issues “No-Bid” sheets, questioning vendors about their decision not to bid on certain projects.

However, according to PPI-10, a regular departmental user of the system, there are problems with reliability of BuySpeed. “We’re lucky if we can even get into it” because they are located in a remote office and on the State of Ohio’s network. It should be noted that BuySpeed is a web-based system and can be accessed anywhere via the Internet. This staff member regularly talks to vendors about enrolling with BuySpeed and instructs them on registering with the Inspector General’s office. In addition to notifying firms about contracts through BuySpeed, this division pulls from an in-house list. “It would be nice if there was one reliable source for vendor lists,” PPI-10 states. It should be noted that BuySpeed is managed by the vendors themselves and is self-identifying, so there is no verification of minority or Female business ownership. On the positive side, they can change/update primary contact information, company address and NIGP codes detailing the goods/services offered, but on the other side, many times, vendors fail to keep their information up to date and thus access to information and notification about business opportunities are hindered/delayed. ODP plans to provide and develop vendor training session and “How to do Business with the County” Guides in the near future. Furthermore, the system does not allow internal approval. It should be noted that, although this is PPI-10’s perception, each department has tailor-made approval paths. Vendors also report difficulty reading and accessing documents through BuySpeed. The current system does not allow departments to share databases, preventing knowledge about firms from being disseminated.

“There are only two vendors in this area for microfilm equipment. I sat in on a board meeting and listened to another department put in a contract for exactly what I was gonna do. If I had seen that before it went in, I could have piggybacked on their contract. If they have to do (the contracting process) twice, vendors have to get another performance bond and it’s not fair to them to charge that much” (PPI-7).

The OPD department has utilized a system called NOVUS since 2008, which is intended to encourage paperless operation and workflow management. However, PPI-1 says, this program is “limited” and is therefore being expanded to include new features that should “streamline” processes (PPI-1). Documents are scanned and uploaded so that anyone on the control board can see everything a buyer has attached for a particular bid item. “Everything is loaded into NOVUS, but that system doesn’t have true workflow built in,” PPI-13 states. The new system, which IT is currently building, will, once a contract is approved by the IT director, automatically route to the next individual in the chain of command, then to OPD, the legal department, and risk management. As NOVUS and BuySpeed are “completely separate” systems, the new system will create links that allow them to “talk” to one another (PPI-13). According to PPI-13, there is a “huge problem” with data error, which can be eliminated by automating workflow.

## **E. Small Businesses in Cuyahoga**

### **1. The SBE Program**

The Director of the Office of Procurement and Diversity also governs the Small Business Enterprise (SBE) program. The SBE program was created by Ordinance No. O2011-0054 in the County Council. The program is extensive, including a mentor-protégé program, in-house certification and verification, site visits, award and post-award monitoring, bond assistance, non-compliance sanctions, and a clear explanation of those efforts that constitute “good faith.” Prime

Contractors are expected to submit a “covenant of non-discrimination” and an “SBE subcontractor participation plan” with bids and proposals, pursuant to Section X of the SBE Ordinance. A “good faith effort” in executing this plan is determined by OPD based on records of “correspondence and responses thereto” and copies of advertisements in publications and other media (SBE Ordinance, Section XI).

The SBE Supervisor works directly under the director and has three staff members specific to SBE. The supervisor oversees all work and deals with new applicants to ensure that they understand the program. One staff member is tasked with re-certification of letters A through P and does site visits for 5-year updates. Another employee handles the same for businesses starting with letters Q through Z, and handles subcontractor payments and complaints. The supervisor sends the letters to prime contractors informing them of the documents required by SBE. The last staff person works mainly on the database which is “not too user friendly,” but is in the process of being revamped (PPI-5). The SBE program only sees those contracts bid over \$25,000 (which are considered formal). “We do receive complaints that there needs to be more minorities in the program,” PPI-5 says. Still, the SBE supervisor tries to “teach business owners techniques” by instructing them to register as vendors and to obtain the bid holders list and market themselves to primes. There is a “huge” desire in the minority business community for a specific program, PPI-5 says, and its members come to the supervisor of the SBE program often about that issue. However, it should be noted that Minority and Women Business Enterprises (MWBEs) are currently tracked in Cuyahoga County’s system. However, there is no current certification of MWBEs so they are self-identified. If an MWBE program is recommended from the Study, it will be necessary to either put a certification process in place or devise a method for accepting certifications from other governmental entities. This is important because any race or gender-conscious program must be “narrowly tailored” to fit the demonstrated remediation which would be to MWBEs only.

“This office is worth it” PPI-5 says when discussing the desire to excel and create a viable minority business program. PPI-5 believes that more resources, including a discrete minority business program, are necessary. The supervisor is “well known” within the business community as an advocate for both minority and small businesses and has urged employees to do as much

outreach as possible (PPI-5). In addition, there is an SBE Grievance Board in place for those who would like to appeal companies that have been denied. “We try to go above and beyond,” PPI-5 asserts. If a company reports that a prime has failed to utilize their services, the office tries not to “blackball” the subcontractor in the marketplace and will therefore “discreetly” negotiate with the prime by giving them an opportunity to provide documentation demonstrating that they attempted to use the firm but were unable to do so. PPI-5 states that the idea is to build relationships, not knock them down,” and, as a general rule, firms “feel good” about this method. However, there are few provisions for the SBE program administrators to halt the process or upon discovery of fraudulent behaviors. The ordinance states that non-compliance is punishable by either “limited suspension, rejection of future proposals, withholding payment, cancellation of contract, or permanent debarment,” yet makes it unclear which officials within the County as an entity wield this power.

One of the problems with the efficacy of the SBE program is that buyers “don’t really understand” the program. They just “pass information on” rather than dealing with small businesses themselves (PPI-5). The SBE program staff tries to teach buyers about the role of the SBE program, but PPI-5 notes that training might be necessary. “I want all the employees to know what is going on in the SBE Program” (PPI-5). Of those departmental personnel who feel highly familiar with the SBE program, officials in the department of Public Works’ construction division state specifically that they spend quite a bit of their time “translating” the realities of small firms to the executives at the County. They assert that the legal language in many of the forms makes work with the County inaccessible. In addition, it is difficult to understand all of the different tiers of registration and the process required prior to bidding or being awarded a contract.

## **2. Barriers to SBE Engagement**

### **(a) Multiple Separate Registrations**

There is often confusion, according to PPI-6 and PPI-7, about registration. “People come in to register with SBE not knowing that they also have to register with BuySpeed and the Inspector General. They have to go through so many layers that they get discouraged” (PPI-6). PPI-6 suggests an integrated registration system, that would automatically take SBE bidders to

BuySpeed and then to Inspector General Registration. Linking them would appease vendors who, PPI-7 states, are “angry.”

Public Works is responsible for maintenance on all county buildings, sanitary sewers, and the construction and maintenance of roads and bridges. All of the jobs they hire for, PPI-7 says, are “playing in the dirt,” where contractors are doing hands-on jobs away from their desks and have less time to focus on administrative matters. PPI-7 says that even though “we are not trying to hold them back and we are out searching for (new SBEs),” the system “makes their lives difficult.” “I’ve been doing purchasing for ten years,” PPI-6 inserts, “and we are losing vendors in this process.” Information disseminated to applicants from Cuyahoga’s SBE program states the requirements for SBE certification:

“continuous operation in the category for which it is requesting certification for one year, that majority ownership has at least one year of work experience...that its’ annual gross revenues or its total workforce are at or less than the amounts established by the Small Business Administration” (Small Business Enterprise New Program Application, Cuyahoga County).

Beneath this information, the document states explicitly that “anyone and everyone interested in doing business with Cuyahoga County should register as a vendor” and “Vendor registration is different from SBE certification (link).” The link takes users/applicants to the Office of Procurement and Diversity portal for vendor registration, the BuySpeed portal, and the Inspector General Ethics Training Registration. It is reasonable to assume that some vendors may be confused about the configuration of these multiple registrations. The link on the website should make it clear that BuySpeed registration is not vendor registration and that the registration for Ethics Training is required for the letting of any contracts.

Many small vendors with whom PPI-6 and PPI-7 communicate are still not computerized. PPI-7 describes a father and son-owned body shop as the “ultimate small business. They don’t

have a computer so they go to the library and call me on the phone and I walk them through the registration process” (PPI-7). It is not allowed for officials to enter the data for the vendors, which these public works personnel believe is an inconvenience and a hindrance. “We try to be proactive about helping out these people and we save money because their overhead is so much lower,” PPI-6 asserts. There needs to be increased public awareness, PPI-6 argues, “in layman’s terms.” Once a vendor is registered with Inspector General, “something should say ‘are you an SBE firm?’ so that they will know that further registration is necessary” (PPI-6).

### **(b) Payment Times and Start Dates**

“We definitely don’t move to pay contractors quickly,” says PPI-12, and this can be a deterrent for small firms. PPI-13 states that they would like to hire more local and small firms, but providing incentives is difficult. PPI-12 and PPI-13 state that SBEs gain credit in the RFP process but that the process is “very confusing for them” (PPI-13). Beyond that, the complicated procurement process makes it an uncertain and difficult process, especially for SBEs. “The fact that we have decentralized procurement slows us down” (PPI-12). There is a lack of communication, according to PPI-12, between the department buyers, OPD, and the end users. PPI-12 believes that in-house OPD buyers are unnecessary. “I would prefer to have all the buyers work for procurement” (PPI-12).

Also, PPI-11 notes that the contract is with the prime, who must then contract with the sub and “smaller firms are left waiting.” The main complaint heard from SBEs and subcontractors is the timeliness of payment. Because the payment process still involves paper checks rather than electronic payment it “takes a little while and primes don’t pay subs until they are paid,” PPI-11 notes. “Small firms can’t absorb that money for three months and this can deter someone from wanting to work with us” (PPI-11). “Contracts take way longer to get through now because there’s a million people who have to sign off on it. We take four months to tell them now that we’re ready to go. We’re unreliable,” PPI-11 says.



### **(c) Confusion about SBE Goals**

The SBE goal for these purchases can vary and is set by the OPD Director, generally at no more than 30%. A prime contractor must show that they at least attempted to meet the goal. The frequency of waivers of such goals seems to vary from department to department, but is based on a review of relevant firms in the market and funding requirements. When an SBE is a prime, they receive a 20% credit toward their goal but they still must have additional SBE, which PPI-11 says that people are often confused about this requirement. PPI-11 says, “that is a weird one, especially if they want to do all the work themselves, then they have to get 10% more participation.” OPD “leaves it to the department” to make the final decision on an RFQ and the committee within the department will score as a group. The SBE goal is “brought up” but it does not disqualify a firm if they have not met it (PPI-11). “As a part of negotiations, we go back and say ‘We want you to try to meet this number,’” but there is no penalty in the scores (PPI-11). Until it gets to the “numbers stage” when firms have access to dollar amounts, they are unable to set accurate goals, says PPI-11. Those firms that don’t have any SBEs at all and also have not tried to include them “also have bad proposals” and typically will not win, according to PPI-11.

The department receives an online list from SBE and buyers will check about SBE subcontractors. “We just trust them (OPD)” to provide accurate SBE data, PPI-11 says. “Sometimes we get a call from an out of town vendor asking how to find SBEs and we direct them to the website” (PPI-11). However, PPI-11 recalls pulling up a category and “saying ‘I know this person is SBE’, but if you go to a different category they aren’t there” (PPI-11). This inconsistency in the database is “hard” for out of town firms. In addition, “people don’t understand the forms,” PPI-11 asserts, “especially if they are new to the County.” PPI-11 believes that well-meaning firms sometimes miss out on SBE requirements. “We try to look if it’s realistic,” PPI-11 says. If a firm attempts to claim that a very small piece of the project will make up their 30% SBE goal, “we ding them points” in evaluation (PPI-11). In practice, during the advertisement period and at pre-bid/pre-proposal meetings, vendors are encouraged to ask questions and seek verifications. If there is an SBE goal, then there is an SBE staffer who presents the SBE requirements and responds to questions regarding the SBE requirements. The bid package also includes sample completed SBE forms.

## **F. Purchasing Process and Documents**

### **1. Document Management from End-Users' Perspectives**

According to PPI-14, a member of a Cuyahoga user department, the Office of Procurement and Diversity's role is to see if the documents are there "make sure the i's are dotted and t's crossed," but they "don't look at content" (PPI-14). "It's a cursory review, but it's incredibly long," PPI-14 says. The Job and Family Services Department has one staff member who does "nothing but checks the status of contracts online" with OPD (PPI-14). "The county administration considers our department the gold standard for the County" in terms of the procurement process, PPI-14 states. This County employee attributes this designation to the professional staff in the department who monitor contract documents for accuracy before beginning the procurement process. "Nobody tells us the rationale" behind some of the documents requested, PPI-14 states. When an RFP is issued, there are six copies made and OPD keeps one, but the user department is still required to download it into the system. For instance, PPI-14 continues, each time there is a change to the cover page anything in the queue has to change "rather than say that this change will be effective going forward" (PPI-14). Most county agencies don't have the staff to do what the Jobs and Family Services Department does, says PPI-14. "We build in time so that we don't miss the start date," PPI-14 says, because their programs are time-sensitive. "Sometimes we talk to prospective vendors and we have to tell them that we've started before we had the allocation due to the long process" (PPI-14).

Officially, OPD is the "face" or conveyor of news regarding new requirements/changes. Whenever possible, it is intended that OPD will implement requirement changes based on a future effective date. However, many times, OPD is informed that changes must be effective immediately. Furthermore, OPD divulges whenever possible and known, the reasoning behind the changes. Also, please note that the RFP and RFQ processes are led by the user departments because they are the technical experts for the item and, thus, negotiate the contracts procured via RFP and RFQ processes. Yes, OPD keeps one copy of each proposal

submitted for the County record. When the user department submits the eventual negotiated contract for award and approval in NOVUS for approval by the pertinent contracting authority, it is required that the proposal from the recommended vendor also be attached in NOVUS along with other pertinent documents so that the approvers have a complete history of the procurement process for that item. For the formal bids, OPD is similarly required to attach a copy of the bid from the recommended vendor when contracts/POs are submitted for award and approval in NOVUS for approval by the pertinent contracting authority.

The Department of Urban Development also works with federal dollars, though their personnel's attitude toward OPD's role is more favorable, indicating a good working relationship and relative navigability. They work directly with the legal department to draft the language for contracts, though "most of it is boilerplate" (PPI-3). The federal regulations are standardized across the country and based on best practice. Ethics regulation oversight, insurance requirements, and certification are done in purchasing. Development receives a list of firms, but is not a part of the initial approval process. The legal department ensures that the County requirements are included in all awarded contracts (PPI-2). There is a vendor compliance checklist, which PPI-2 and PPI-3 assert they follow to the letter. "We don't develop policy but follow what we're told by the Law Department and OPD" (PPI-2). When an RFP is issued from Development, the director of the OPD determines if there should be SBE percentages. "We are doing performance measurement to ensure that things move along in a timely way" PPI-2 says of efficiency. "We know how to work it, being in government we know why these things are in place and we just try to get OPD everything they need to do their job" (PPI-2). "We like consistency. Our work follows federal guidelines and federal policy direction and we would hope that county policy continues to be compatible with that" (PPI-2).

## **2. Document Management within OPD**

Procedurally, for each formal bid/RFP/RFQ, a tab sheet is prepared that documents the required evaluation results for the administrative review, technical review, and, if applicable, the SBE review. The conclusions/finding of these reviews are documented on the bid tabulation sheets. The technical review is done by the user department and typically is the final review. If

the user department documents on the tab sheet that the vendor did not meet the technical requirements, the OPD Buyer should communicate with the user department to determine the reason. For RFPs and RFQs, the user departments score the proposals as detailed in the RFP/RFQ specification packet and download the spreadsheet summarizing the scoring and award recommendation in to NOVUS when it submits the contract for award and approval in NOVUS for approval by the pertinent contracting authority. As such, they will note the Yes/Y for the recommended vendor(s) and NO/N for the others on the RFP and RFQ tab sheet.

PPI-1 states that it receives bids into OPD that have “a lot of discrepancies” and must be rejected. Therefore, PPI-1 has established as personal practice to attach a bid evaluation sheet and make it public to bidders, outlining the requirements that the bidder did not meet in order to answer any questions that may crop up in the future. This is not a requirement, nor is PPI-1’s practice of going to the legal department for review of rejected bids, but is done because this particular employee believes that it is a more efficient process. The bid evaluation sheet is not a requirement for OPD personnel and PPI-1 states that there are many times when purchasing officials just write “no” on bids without officially documenting their reasoning.

PPI-1 says that things “run smoothly to a point.” If a department does not provide all the requisite documents, it can take months to complete a contract. The expanded NOVUS system should help, PPI-1 says, as it will also usher in a new system by which the law department receives everything before OPD reviews it, preventing documents from being passed back and forth multiple times between the two. PPI-1 believes that more departmental accountability is necessary for the efficiency of procurement overall.

“I wish that more departments would take the initiative on the front end to make sure that they have the proper documentation,” PPI-1 says, because otherwise the process “gets held and there’s nothing we can do to move the item forward” (PPI-1). If the language is incorrect on an insurance certificate, for instance, OPD must issue a law ticket and refer the documents back to the legal department who must then re-examine the bid package. More internal accountability with state auditors, PPI-1 believes, would be beneficial at the departmental level. “We did training

sessions and there was always an excuse for why they didn't have the required documents" (PPI-1). According to this county employee, there is not a good working relationship with departments, who are sometimes frustrated with purchasing officials for oversight. The policies are available on the internet and procurement has provided departments with document checklists.

### **3. Procurement Process Training**

The procurement process tends to run "smoothly and quickly" from PPI-10's end. This is a result of the new buyer in the department, who is, apparently, better at following up with staff and providing consistent information. Each OPD Buyer is assigned a slate of user departments. The department assignments are reallocated every 3 years based on projected workload and available staffing. Also, OPD Buyers are available to answer questions from the user department on the procurement and contracting process (including any changes/revisions to procedures).

At a pre-bid conference, this employee recounts a standard procedure of welcoming potential bidders, providing an overview of the program, answering questions, then reviewing the RFP and instructing vendors on how to submit. The County's buyer goes through the bid requirements and SBE goals if applicable. There is always a staff member from the department present to write what was asked and the answers given so that "if we gave a wrong answer, it's not held against them in bid evaluations." In addition, this employee keeps a notebook to record every conversation with vendors, who are encouraged to call as many times as necessary during the bid process, in order to keep track of answers provided.

Though PPI-10 has developed a system for keeping staff and vendors informed outside of what is explicitly required of the role, this employee believes that more frequent training of buyers and staff is necessary. "The last time was 2011—when you teach someone something one time, it doesn't work. They need reinforcement" (PPI-10). From this staff member's perspective, there is confusion due to the fact that when "OPD will roll out changes, they only send an e-mail to notify us." This is less of a problem for the Senior and Adult Services division, PPI-10 asserts, because

“we’ve got three people and if one is misunderstanding a rule, we will have caught it. But what about these one-person departments?” (PPI-10).

When policies are changed internally, PPI-11 says that OPD will simply “send a memorandum.” “Sometimes training would be nice when there’s major things that change,” PPI-11 says when asked if training would be helpful. “We don’t understand why it takes so long with OPD,” PPI-11 says, and it is difficult to communicate with consultants because of unpredictability. “I don’t have time every single day to call unless the contract is urgent” and without calling, PPI-11 contends, they have “no idea” where the contract is in OPD’s process.

In contrast to PPI-10 and PPI-11’s recollections, the County states that the Purchasing Policy Ordinance (O2011-0046) was approved in the early fall of 2011 and, subsequently, OPD provided training in the fall of 2011 on the new policy. In the summer of 2012, the Cuyahoga County Contracting and Purchasing Procedures Ordinance (O2011-0015) was approved and, in the December of 2012, OPD provided training on the revisions impacting procurement procedures. The changes impacting the procurement procedures were effective January 1, 2013. Also, at the request of the user departments (typically for new hires), OPD has done and will do department focused trainings. OPD also will do a county wide training on procurement and contracting procedures during fall of 2014.

Further, County states that while OPD is available for user departments to call regarding the status of their items, for each submitted item, the NOVUS system provides several means of checking the status of an item.

## **G. Policies Identified as Restrictive to Both Buyers and Vendors**

### **1. Ethics Training**

The Inspector General’s office handles the Ethics Registration process pursuant to Cuyahoga County Code Chapter 407. If a firm contracts with the County for \$15,000 or more in a

calendar year, they must complete ethics training online and pay a \$100 fee, good for four years. IG also conducts research to ensure that a vendor is “upstanding” and not engaged in “fraud, malpractice, or corruption” (PPI-9). However, large companies may be put off by ethics requirements. “Google’s not gonna take an ethics course” (PPI-13). They “don’t want to go through the hassle” of training and “getting a signature is sometimes very difficult” (PPI-13). However, PPI-12 says they are “over the hump” even though the “rollout was painful.”

County employees in the Department of Public Works describe the difficulties with attempting to purchase vehicles for the sheriff’s department due to the County’s ethics training and registration process. Once firms have a state certification, they view Cuyahoga’s as “duplicate and repetitious” (PPI-7). “If they had to do that everywhere, in all eighty-five counties, they would be losing money, PPI-7 contends. “We don’t recognize the state’s authority and no one will register. We can’t even get vehicles for the sheriff’s department!” (PPI-6). In addition, “people who register on one side of the street don’t realize that they’re not registered on the other side,” PPI-6 says of the possibility of sharing registrations and certifications with the City of Cleveland.

## **2. Insurance Bond Requirements**

On the subject of bid bonding restrictions, PPI-7 says that the county’s processes are too slow to justify the expense to many firms. This employee describes a vehicle purchase for \$20,000 requiring a 5% bid bond. The dealership would only stand to make \$200 profit, according to PPI-7, and the “bond will be held until three months after the van is delivered and paid for. We have to go to legal when we see obvious errors like that and request permission to lower the bond.” PPI-6 simply lowers them without going through the whole process, stating “I don’t even go to them anymore.” “I see great opportunities for small businessperson to make inroads but they are handicapped by the county’s many layers of restrictions” (PPI-7).

Insurance bond requirements are also restrictive, PPI-6 and PPI-7 agree. The doubled dollar amount of insurance coverage means increased costs for the businesses and increased hourly rates for the County. “We have another company,” PPI-7 recounts, “an SBE, a family-owned operation, and we gave them a not-to-exceed contract for the year. We call them when we need them. When I informed them that the insurance requirements doubled, they said our hourly rate doubled” (PPI-7). Small businesses are disproportionately affected by the increased insurance bond requirements and the only provision currently made to alleviate this is a provision in the SBE Ordinance enabling Cuyahoga County to “investigate, develop, and implement” a bond assistance program (Ordinance O2011-0054, XIX). PPI-6 asserts that if you’re not a “multimillion dollar business, it’s not worth it.” Talking to small companies and telling them that the insurance requirement is a million dollars is “embarrassing” PPI-6 says, “You want to cry for them. They can’t do it. They can’t afford it.” “Each contract is different,” PPI-7 says, and the County should account for that. When small businesses add the insurance into their costs, they “can’t absorb it, now they’re no longer the low bidder” (PPI-7).

The new, heightened insurance bond requirements are a “problem,” says PPI-13. “Our contract negotiations fail because of them.” A firm must ask themselves if it is “worth the cash” to bid (PPI-13). Another County employee, PPI-14, says that small nonprofits “can’t do it, it’s not cost effective.” According to PPI-11, the doubled insurance requirements are a “big fiasco.” “Primes have no issue, but subs say they can’t meet it,” forcing department staff to file a waiver with the law department, who will grant a reduction if they don’t believe that it is risky (PPI-11). “We have heard from a lot of people that SBE subs are having trouble,” PPI-11 says. For instance, an independent contractor on a specialized bridge project had to run his contract through a bigger firm for whom he worked part time purely due to insurance requirements. “There needs to be some kind of caveat for minimal risk; it should be automatic,” to say that you can have lower coverage if you meet certain criteria, PPI-11 believes. “It slows things down when we have to take it to law” (PPI-11).



## **H. Conclusion**

While the ethics trainings, certifications, and registrations may be considered necessary aspects of Cuyahoga County's procurement process according to the unique history of the County with regards to purchasing, their monitoring and oversight could be streamlined for a more productive and efficient workflow. Among the suggestions listed herein, more regular trainings within the departments by OPD stands out as a viable first step. It is clear that there is a lack of understanding between OPD and the user departments, who see many of the documents required as non-specific to their needs and at times unnecessary. The new OnBase system will streamline the process so that the law department receives documents prior to OPD, which should prevent the back-and-forth that frustrates many user departments. More frequent trainings could eliminate some of the lingering confusion, allowing OPD staff to take suggestions from the departments as well as explaining the purpose behind some of the documentation and processes required.

It is important for any examination of policy to take into account the reality that uniform policies at times impact businesses disproportionately. For instance, Cuyahoga County's documented issues with processing payments promptly may place a greater burden on a smaller firm with less revenue to cover their losses while their payments are being processed. Officials within the County have stated that the main complaint heard from small business owners is the timeliness of payment.

The uniform insurance bond requirements also seem to disproportionately impact SBEs in the County, many of whom find the current requirement too financially difficult to meet. This could be alleviated by a bond assistance program within the County or reduced bond requirements on lower-risk projects. The perception of many County employees that the heightened insurance bond requirements are a deterrent to small business participation should not be taken lightly and, in conjunction with any evidence gathered in anecdotal interviews and telephone surveys, will be addressed further in the Findings and Recommendations section of this study. Furthermore, in addressing small business participation and compliance, the SBE program could be bolstered by a more straightforward policy to ensure sanctions for non-compliance. Currently, the Grievance

Board can “recommend” sanctions and the Ordinance is unclear as to which county officials hold the final power over their implementation.

Finally, the lack of databases that “talk to each other” hinders both vendors and buyers. The inability of departments to share databases and borrow information from one another prevents SBEs from receiving automatic referrals to other relevant departments. As stated by one County employee in the Information Technology department, the automation of workflow through connected databases can also help to eliminate data error. As for vendor registration, the BuySpeed website should make it clear in the system that there are more steps required, such as vendor registration with the Inspector General and Ethics Training, before one may be considered eligible for a contract with the County. To that end, the Ethics requirements and multiple registrations are seen by many internal to the County as a hindrance to attracting larger firms who do business in multiple jurisdictions, as well as confusing to smaller firms who are not, according to some, informed adequately about the entire process. A clear step-by-step bid eligibility process for vendors laid out either in print format or on the website or as an addendum to the contract documents would be helpful in ensuring that laymen can understand the steps required of them by the Department of Law and the Inspector General.

#### IV. STATISTICAL ANALYSIS

The statistical analysis for the Study was conducted by EuQuant, Inc. and is attached as Appendix A.

The analysis summarizes all aspects of the statistical data development, collection and analysis and explains findings regarding the availability, utilization and disparity in the use of minority and women-owned businesses that expressed an interest in, or executed, contracts with Cuyahoga County between 2009 and 2012.

## V. PRIVATE SECTOR ANALYSIS

### A. Introduction

A disparity analysis aids in determining if the government has assisted—at least indirectly—or will continue (if the pattern continues) to assist in perpetuating the discriminatory conduct of private actors by being a passive participant in market processes that are discriminatory in their effects on minority and women-owned business enterprise. Indeed, Justice O'Connor, speaking for the Supreme Court in Croson, indicated that a state "has the authority to eradicate the effects of private discrimination within its own legislative jurisdiction", and can even "use its spending powers to remedy private discrimination if it identifies that discrimination with the particularity required by the Fourteenth Amendment.<sup>2</sup> GSPC sought to discover whether there is a pervasive pattern of private sector discrimination in the State of Ohio from which it can be inferred that Cuyahoga County has passively assisted in perpetuating the discriminatory conduct of private actors. The data utilized in this analysis came from the US Census Bureau's 2007 Survey of Business Owners Public Use Microdata Sample (SPUMS).

SPUMS provides the only comprehensive, regularly collected source of information on selected economic and demographic characteristics for businesses and business owners by gender, ethnicity, race, and veteran status in the 50 states, and District of Columbia.<sup>3</sup> The SPUMS universe consists of the population of all nonfarm businesses filing Internal Revenue Service tax forms as individual proprietorships, partnerships, or any type of corporation, and with receipts of \$1,000 or more. The SPUMS covers both firms with paid employees and firms with no paid employees.<sup>4</sup> A company or firm in the SPUMS is a business consisting of one or

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<sup>2</sup> See: City of Richmond v. J. A. Croson Co., 488 U.S. 469 (1989)

<sup>3</sup> SPUMS data are publicly available at <http://www.census.gov/econ/sbo/pums.html>

<sup>4</sup> The SPUMS data are stratified by state, industry, frame, and whether the company had paid employees in 2007. SPUMS does not report if business owners are disabled, and veteran's status—which is in all likelihood correlated with disability status—enables some understanding of the effects of disabled business owner status on business outcomes.

more domestic establishments that the reporting firm specified under its ownership or control. For each business sampled in the SPUMS, business ownership is also demographically defined.

Business ownership is defined for particular demographic groups having 51 percent or more of the stock or equity in the business and is categorized by: (1) Gender: Male; Female; or equally male/Female, (2) Ethnicity: Hispanic; equally Hispanic/non-Hispanic; non-Hispanic, (3) Race: White; Black or African American; American Indian or Alaska Native; Asian; Native Hawaiian or Other Pacific Islander; some other race; minority; equally minority/nonminority; nonminority, (4) Veteran status: Veteran; equally veteran/nonveteran; nonveteran, and (5) Publicly held and other firms not classifiable by gender, ethnicity, race, and veteran status.

The private sector analysis in our analysis considers the SPUMS data for the State of Ohio. While the State of Ohio need not constitute the relevant market area for public contracting by Cuyahoga County, SPUMS does not capture data at the county level—the state is the smallest level of geography measured in SPUMS. The value of using SPUMS to evaluate private sector discrimination is that it captures business owner outcomes that can be adversely impacted by discriminatory practice, and the sampling is representative of the universe of firms in the State of Ohio, which enables unbiased statistical estimates of the effects of minority status on business owner outcomes in the State of Ohio—a political jurisdiction that includes Cuyahoga County. In this context, basing the private sector analysis based on the State of Ohio SPUMS data is consistent with the reasoning in Croson that the relevant market for statistical analysis of discrimination is not necessarily confined to specific governmental jurisdictional boundaries, such as cities or counties.<sup>5</sup>

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<sup>5</sup> See: *Richmond v. J. A. Croson Co.*, 488 U.S. 469 (1989).

## **B. Minority and Female Status as a Barrier to Business Start-up and Expansion Capital in the Ohio Private Sector**

In neoclassical economic theory, the output of firms is conditioned on the complementary relationship between capital and other relevant inputs. In the absence of capital, and/or the means to finance capital and the other inputs required to produce goods/services for the market, profit-maximizing firms are constrained from entering a market to produce output. A firm's ability to acquire and finance capital and other necessary inputs therefore is arguably one of the most important determinants of whether it enters a market, and once in the market, whether it can finance additional capital and other inputs to expand the business.<sup>6</sup> A major source of financing for the capital and other inputs for businesses are the private actors in capital markets that provide equity, loans, and venture capital.<sup>7</sup> If business access to private equity, loans and venture capital is adversely affected as a result minority or Female ownership status, this would be suggestive of, and consistent with discrimination against minority and Female-owned businesses in the private sector.

Given the significance of access to financing for capital and other inputs for the emergence and survival of small businesses, our private sector analysis considers the extent to which minority-owned businesses in the State of Ohio face discriminatory barriers in securing such financing. The SPUMS is particularly well-suited to such an inquiry because it captures data that shows whether firms secured various types of financing during their initial start-up, and later during expansion. GSPC's emphasis on exploring barriers to financing is motivated by the research literature on minority-owned businesses, which is dominated by considerations of access to financing, underscoring the importance of discriminatory barriers faced by minority-owned businesses that compromise their formation, operation, and survival.<sup>8</sup> As such, our private sector

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<sup>6</sup> See: Beck, Thorsten, Asli Demirguç-Kunt, and Vojislav Maksimovic. "Financial and legal constraints to growth: does firm size matter?" *Journal of Finance* 60, no. 1 (2005): 137 - 177.

<sup>7</sup> See: Bates, Timothy, and William Bradford. "Analysis of venture-capital funds that finance minority owned businesses." *Review of Black Political Economy* 32, no. 1 (2004): 37 - 46., and Ratcliffe, Janneke. "Who's counting? Measuring social outcomes from targeted private equity." *Community Development Investment Review*, Federal Reserve Bank of San Francisco 3, no. 1 (2007): 23 - 37.

<sup>8</sup> See: Asiedu, Elizabeth, James A. Freeman, and Akwasi Nti-Addae. "Access to credit by small businesses: How relevant are race, ethnicity, and gender?" *American Economic Review* 102, no. 3 (2012): 532 - 537. Blanchard, Lloyd,

analysis will inform whether private actors providing business financing in the State of Ohio are engaging in discriminatory practices in a way that is biased against minority and Female-owned businesses. Evidence of such a bias would be suggestive of a key private sector barrier faced by minority-owned businesses in the State of Ohio—a barrier to equal opportunity access to financing that can constrain the ability of minority-owned businesses to compete on equal terms with other businesses in the market for goods and services.<sup>9</sup>

Lastly, evidence of bias in the market for financing against minority and Female-owned businesses in the State of Ohio would lend support to the "but-for justification" for targeted set-asides. Ian Ayres and Frederick Vars, in their consideration of the constitutionality of public affirmative programs posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to minority businesses.<sup>10</sup> If a political jurisdiction awards contracts to the low-cost bidder, this effectively renders the political jurisdiction a passive participant in the private discrimination as minority-owned firms may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by minority-owned firms in private markets for financing can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the absence of such discrimination, they would be able to compete with other firms in bidding for public contracts. Such a rationale for minority set-asides also coheres the finding that, that both the entry and performance of black-owned firms is compromised by their low trust in the capacity

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Bo Zhao, and John Yinger. "Do lenders discriminate against minority and woman entrepreneurs?" *Journal of Urban Economics* 63, no. 2 (2008): 467 - 497, Blanchflower, David G., Phillip B. Levine, and David J. Zimmerman. "Discrimination in the small-business credit market." *Review of Economics and Statistics* 85, no. 4 (2003): 930 - 943, Mijid, Naranchimeg, and Alexandra Bernasek. "Decomposing racial and ethnic differences in small business lending: Evidence of discrimination." *Review of Social Economy* (2013): 1 - 31, and Robb, Alicia M., and Robert W. Fairlie. "Access to financial capital among US businesses: The case of African American firms." *Annals of the American Academy of Political and Social Science* 613, no. 1 (2007): 47 - 72.

<sup>9</sup> (See: Bates, Timothy. "Minority business access to mainstream markets." *Journal of Urban Affairs* 23, no. 1 (2001): 41-56.

<sup>10</sup> See: Ayres, Ian, and Fredrick E. Vars. "When does private discrimination justify public affirmative action?" *Columbia Law Review* 98, no. 7 (1998): 1577-1641.

and willingness of Federal Government (e.g. courts, regulatory agencies) to mitigate the discrimination they face in the private sector.<sup>11</sup>

### C. Statistical and Econometric Framework

Methodologically, our private sector analysis utilizes a binary regression model (BRM) framework—which will permit an assessment of the relationship between a binary/categorical dependent variable such as a business having received of a particular form of business-financing, and independent categorical variables such as race, ethnicity and gender status. The central aim of our private sector analysis with a BRM is to examine how the race/gender/ethnicity status of a business owner in the State of Ohio effects the likelihood and probability of securing particular types of financing in the private sector—relative to white male business owners.<sup>12</sup>

The SPUMS does not provide sampling weights, so our analysis reports estimates from a heteroscedastic probit specification of the BRM, as failing to account for omitted variables driving selection into the SPUMS data could result in biased parameter estimates if based on a homoscedastic specification for the variance of the error term as in standard simple logit and probit specifications of the BRM.<sup>13</sup> A heteroscedastic error specification of the BRM fit to the

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<sup>11</sup> See: Price, Gregory N. "Race, trust in government, and self-employment." *American Economist* 57, no. 2 (2012): 171 - 187.

<sup>12</sup> Formally, for an outcome deemed success and indexed by unity, a BRM specification for the process determining success is  $Prob(Y_i = 1) = \phi(\sum \beta_i X_i)$ , where the  $X_i$  are independent covariates that explain outcome  $Y_i$ , the  $\beta_i$  are the effects of the  $X_i$ , and  $\phi$  is a cumulative probability function. The outcomes  $Y_i = 1$  or 0 can be viewed as being generated by a linear latent variable regression function of the form  $y_i^* = \sum \beta_i x_i + \varepsilon_i$ , where the mean value of  $\varepsilon_i$  is zero and its variance is unity,  $Y_i = 1$  if  $y_i^* > 0$ , and  $Y_i = 0$  if  $y_i^* \leq 0$ . While the  $X_i$  account for the effects of observed covariates on  $Y_i$  for a given population, the effect of unobserved covariates can be assumed to be accounted for in a error term  $\varepsilon_i$ .

<sup>13</sup> A primary justification for sampling weights is to account for heteroscedasticity that can exist in a population, See: Solon, Gary., Steven J. Haider, and Jeffrey Wooldridge. 2013. "What are we weighting for?" National Bureau of Economic Research Working Paper No. 18859, Cambridge, MA.



SPUMS data allows for unbiased estimation of the effects of the covariates on the dependent variable.<sup>14</sup>

#### **D. The Effects of Minority and Female-Owned Business Status on Financing Business Start-up and Expansion in Ohio**

GSPC identified 22,641 sample firm observations in the State of Ohio from the SPUMS. The data permitted identification of minority-owned firms that were owned by 1.) Asians, 2.) Females, 3.) Disabled Veterans, 4.) Hispanics, 5.) Black Americans/African Americans, and 6.) Native Americans (American Indian or Alaskan Native). Approximately 29 percent of the sample firms in Ohio were owned by one of these six minority groups, and to estimate the parameters of our BRM specifications, we use binary variables for each separate minority group category, in addition to one for firm group membership in any of them.<sup>15</sup> To control for unobserved heterogeneity and the bias caused by omitted variables, we allowed the heteroscedasticity in outcomes to be a function of the firm’s reported sales revenue.<sup>16</sup>

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<sup>14</sup> A heteroscedastic probit specification of the BRM is  $Prob(Y_i = 1) = \phi \left[ \frac{\sum \beta_i X_i}{\exp(\sum \gamma_i Z_i)} \right]$ , where  $\phi$  is now the cumulative density function for the standard normal distribution, and  $\sum \gamma_i Z_i$  is a specification for the error variance, which can differ across realizations of  $Y_i$ , as a function of covariates  $Z_i$ , which can differ from the covariates  $X_i$ . For the underlying heteroscedastic probit latent variable regression specification, the variance of  $\varepsilon_i$  is  $[\exp(\sum \gamma_i z_i)]^2$ . The difference between the standard probit and heteroscedastic specification of the BRM is simply the denominator of  $\exp(\sum \gamma_i z_i)$ , as the standard probit assumes the error variance is unity, and every observation has an equal weight. As the SBOPUMS does not provide sampling weights, and there could be some self-selection into the sample for which no controls may be available for—they are unobserved—the heteroscedastic probit specification of the BRM is more compelling.

<sup>15</sup> Among the 6,459 minority owned firms the approximate shares owned by each group were 11 percent for Asians, 77 percent for Females, 3 percent for Disabled Veterans, 17 percent for Hispanics, 2 percent for African Americans/African Americans, and 1 percent for Native Americans.

<sup>16</sup> The mean value of sales for firms in the sample was approximately \$4,333.

Heteroscedastic probit BRM parameter estimates are reported in Tables 1 - 18.17 We report, for each private sector outcome under consideration, a specification that considers all minority-owned firm outcomes relative to nonminority-owned firm outcomes, and a specification that disaggregates minority-owned firm outcomes by race, ethnicity, gender and disabled-veteran status. The disaggregation permits assessment as to whether or not particular groups within the minority-owned firm classification have different outcomes, suggestive of facing differential discrimination in the market for financing business enterprise in the Ohio private sector. For the sake of brevity, and economy of results presentation, we do not report the estimated coefficients for the specification of heteroscedasticity, however in each instance the specification was significant implying that the presumed form of unobserved heterogeneity in the error term was consistent with the data.

For each specification GSPC reports the estimated coefficient—which measures how minority-owned firm status affects the probability of the outcome under consideration. The standard error of the estimated coefficient along with the absolute value of its t-value, and its statistical significance is also reported. A significant t-value suggests that the estimated coefficient is not due to pure chance, and instead suggests that it is caused by the covariate in question—in this instance minority-owned firm status. As diagnostic measures to assess the adequacy of the estimated specification we report a chi-square test that the covariates jointly have no effect on the dependent variable.<sup>18</sup> A significant chi-square statistic is consistent with rejecting a null hypothesis that the covariates jointly have no effect on the dependent variable under consideration in each specification.

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<sup>17</sup> *STATA 11.0* was used to estimate the parameters of the heteroscedastic probit BRM specifications. For a description of *STATA*—software for statistical/econometric analysis—see <http://www.stata.com/>

<sup>18</sup> A chi-square test is a statistical test used to compare the parameters estimated from observed data with parameters we would expect to obtain according to a specific hypothesis that the parameters are not jointly and statistically different from zero.

## **1. Minority-owned Firm Status and The Demand for Start-up Capital in the Ohio Private Sector**

Tables 1-2 report parameter estimates of the effects of minority-owned firm status on the demand, and measured by the need for start-up capital in the Ohio private sector. The parameter estimates reported in Tables 1 - 2 enable insight into the extent to which relative to nonminority-owned firms, minority-owned firms are different with respect to having a need for start-up financing. For the specifications in Tables 1-2, the dependent binary variable is whether or not the firm had "no need" for start-up capital. The statistically significant and negative sign on the aggregate minority-owned firm status indicator in Table 1 suggests that in general, minority-owned firms are less likely, relative to nonminority-owned firms, to have no need for start-up capital. With the exception of firms owned by Disabled Veterans and Native Americans, the results in Table 2 are similar, with the largest effect for Female-owned firms. Overall, the parameter estimates in Tables 1-2 suggest that relative to nonminority-owned firms, minority-owned firms are more likely to need start-up financing provided by the private sector in Ohio.

**Table 1: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and the Demand for Start-up Capital in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: No Start-up Capital Needed (Binary)			
Regressors:			
Constant	.338	.009	37.55 <sup>a</sup>
Minority-owned Business	-.255	.018	14.17 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	192.22 <sup>a</sup>		

Griffin & Strong, P.C. (2014)

Notes:

<sup>a</sup> Significant at the .01 level

**Table 2: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and the Demand for Start-up Capital in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: No Start-up Capital Needed (Binary)			
Regressors:			
Constant	.338	.009	37.55 <sup>a</sup>
Asian American-Owned Business	-.114	.048	2.37 <sup>b</sup>
Female-Owned Business	-.262	.020	13.10 <sup>a</sup>
Disabled Veteran-Owned Business	.194	.091	2.13 <sup>b</sup>
Hispanic American-Owned Business	-.223	.038	5.87 <sup>a</sup>
African American-Owned Business	-.211	.100	2.11 <sup>b</sup>
Native American-Owned Business	-.141	.354	.398
Number of Observations	22641		
$\chi^2_k$	237.01 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>b</sup> Significant at the .05 level

## **2. Minority-owned Firm Status and Bank Loan Start-up Financing**

Tables 3-4 report parameter estimates of the effects of minority-owned firm status and financing firm start-up with a bank loan in the Ohio private sector. For the specifications in Tables 3-4, the dependent binary variable is whether or not the firm started-up with a bank loan. The statistically significant and positive sign on the aggregate minority-owned firm status indicator in Table 3 suggests that in general, minority-owned firms are more likely, relative to nonminority-owned firms, to have bank loans as a source of start-up financing. With the exception of firms owned by African Americans, and Native Americans the parameter estimates reported in Table 4 are similar, with Native American-owned firms being relatively less likely to have used bank loans as start-up financing. Overall, the parameter estimates in Tables 3-4 suggest that relative to nonminority-owned firms, minority-owned firms are more likely to have bank loans as a source of start-up financing in the Ohio private sector.

**Table 3: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Bank Loan (Binary)			
Regressors:			
Constant	-2.02	.022	91.82 <sup>a</sup>
Minority-owned Business	.203	.037	5.48 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	29.98 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>b</sup> Significant at the .05 level

<sup>c</sup> Significant at the .10 level

**Table 4: Herteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Bank Loan (Binary)			
Regressors:			
Constant	-2.01	.021	95.71 <sup>a</sup>
Asian American-Owned Business	.109	.096	1.13
Female-Owned Business	.128	.041	3.12 <sup>a</sup>
Disabled Veteran-Owned Business	.749	.116	6.46 <sup>a</sup>
Hispanic American-Owned Business	-.137	.074	1.85 <sup>c</sup>
African American-Owned Business	.189	.175	1.08
Native American-Owned Business	-3.03	.067	45.22 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	2130.02 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>b</sup> Significant at the .05 level

<sup>c</sup> Significant at the .10 level



### **3. Minority-owned Firm Status and Government Guaranteed Bank Loan Start-up Financing**

Tables 5-6 report parameter estimates of the effects of minority-owned firm status and financing firm start-up with a government guaranteed bank loan in the Ohio private sector. For the specifications in Tables 5 - 6, the dependent binary variable is whether or not the firm started-up with a government guaranteed bank loan. The statistically insignificant sign on the aggregate minority-owned firm status indicator for the parameter estimates reported in Table 5 suggest that in general, minority-owned firms are neither more or less likely, relative to nonminority-owned firms, to have government guaranteed bank loans as a source of start-up financing. The parameter estimates reported in Table 6 suggest that relative to nonminority-owned firms, African American-owned firms are more likely, and Native American-owned firms are less likely to have government guaranteed bank loans as a source of start-up financing.

**Table 5: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Government Guaranteed Bank Loan Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Government Guaranteed			
Bank Loan (Binary)			
Regressors:			
Constant	-2.33	.029	80.34 <sup>a</sup>
Minority owned Business	-.051	.057	.895
Number of Observations	22641		
$\chi^2_k$	.790		

Notes:

<sup>a</sup> Significant at the .01 level

**Table 6: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Government Guaranteed Bank Loan Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Government Guaranteed Bank Loan (Binary)			
Regressors:			
Constant	-2.33	.029	80.34 <sup>a</sup>
Asian American-Owned Business	-.187	.177	1.06
Female-Owned Business	-.023	.062	.371
Disabled Veteran-Owned Business	-.271	.345	.785
Hispanic American- Owned Business	-.173	.1381.25	
African American-Owned Business	.407	.215	1.89 <sup>c</sup>
Native American-Owned Business	-2.81	.060	46.83 <sup>a</sup>
Number of Observations	226414		
$\chi^2_k$	2197.01 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>c</sup> Significant at the .10 level

#### **4. Minority-owned Firm Status and Home Equity Start-up Financing**

Tables 7 - 8 report parameter estimates of the effects of minority-owned firm status and financing firm start-up with a home equity loan in the Ohio private sector. For the specifications in Tables 7 - 8, the dependent binary variable is whether or not the firm started-up with a home equity loan. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 7 suggest that in general, minority-owned firms are less likely relative to nonminority-owned firms to have home equity loans as a source of start-up financing. The parameter estimates reported in Table 8 suggest that the reduced likelihood of minority-owned firms having home equity loans as a source of start-up financing is driven exclusively by the reduced likelihood of firms owned by Females and Disabled Veterans having such financing, as it is only significant and negative in those instances when disaggregated minority-owned firm status is considered. Overall, the parameter estimates reported in Tables 7 - 8 suggest that relative to nonminority-owned firms only disabled veteran-owned and Female-owned firms are less likely to have home equity loans as a source of start-up financing in the Ohio private sector.

**Table 7: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Home Equity			
Loan (Binary)			
Regressors:			
Constant	-1.51	.016	94.37 <sup>a</sup>
Minority-owned Business	-.156	.031	5.03 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	25.42 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

**Table 8: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Home Equity Loan (Binary)			
Regressors:			
Constant	-1.51	.016	94.37 <sup>a</sup>
Asian American-Owned Business	-.005	.077	.065
Female-Owned Business	-.173	.035	4.94 <sup>a</sup>
Disabled Veteran-Owned Business	-.319	.169	1.89 <sup>c</sup>
Hispanic American-Owned Business	-.107	.067	1.59
African American-Owned Business	-.060	.169	.355
Native American-Owned Business	.565	.431	1.31
Number of Observations	22641		
$\chi^2_k$	34.05 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>c</sup> Significant at the .10 level

## **5. Minority-owned Firm Status and Venture Capital Start-up Financing**

Tables 9 - 10 report parameter estimates of the effects of minority-owned firm status and financing firm start-up with venture capital in the Ohio private sector. For the specifications in Tables 9 - 10, the dependent binary variable is whether or not the firm started-up with venture capital. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 9 suggest that in general, minority-owned firms are more likely relative to nonminority-owned firms to have venture as a source of start-up financing. The parameter estimates reported in Table 10 suggest that the increased likelihood of minority-owned firms having venture capital as a source of start-up financing is true for all except Asian-owned, African American-owned, and Native American owned firms. Relative to nonminority-owned businesses, Native American-owned firms are less likely to have venture capital as a source of start-up financing.

**Table 9: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Ventured Capital (Binary)			
Regressors:			
Constant	-2.01	.022	91.36 <sup>a</sup>
Minority-owned Business	.203	.037	5.49 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	29.98 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level



**Table 10: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Start-up Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Start-up Financed by Venture Capital (Binary)			
Regressors:			
Constant	-2.01	.022	91.36 <sup>a</sup>
Asian American-Owned Business	.109	.096	1.13
Female-Owned Business	.128	.041	3.12 <sup>a</sup>
Disabled Veteran-Owned Business	.749	.116	6.46 <sup>a</sup>
Hispanic American- Owned Business	.137	.074	1.85 <sup>c</sup>
African American-Owned Business	.189	.175	1.08
Native American-Owned Business	-3.03	.067	45.22 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	2130.02 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>c</sup> Significant at the .10 level

## **6. Minority-owned Firm Status and Bank Loan Business Expansion Financing**

Tables 11 - 12 report parameter estimates of the effects of minority-owned firm status and bank loan business expansion financing in the Ohio private sector. For the specifications in Tables 11 - 12, the dependent binary variable is whether or not the business financed its expansion with a bank loan. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 11 suggest that in general, relative to nonminority-owned firms minority-owned firms are less likely to finance the expansion of their business with a bank loan. The parameter estimates reported in Table 12 suggest that the reduced relative likelihood of minority-owned firms having bank loans as a source of financing the expansion of their business is similar for all minority-owned businesses under consideration except for firms owned by Asians, Disabled Veterans and African Americans, as the indicator coefficient for is negative but insignificant in these instances.

**Table 11: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Expansion in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Bank Loan (Binary)			
Regressors:			
Constant	-1.53	.023	66.52 <sup>a</sup>
Minority-owned Business	-.336	.035	9.60 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	91.76 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

Table 12: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Bank Loan Expansion Financing in the Ohio Private Sector

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Bank Loan (Binary)			
Regressors:			
Constant	-1.53	.023	66.52 <sup>a</sup>
Asian American-Owned Business	-.047	.086	.546
Female-Owned Business	-.347	.039	8.89 <sup>a</sup>
Disabled Veteran-Owned Business	-.010	.143	.069
Hispanic American-Owned Business	-.311	.078	3.99 <sup>a</sup>
African American-Owned Business	-.143	.200	.715
Native American-Owned Business	-4.80	.370	12.97 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	337.44 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

## **7. Minority-owned Firm Status and Government Guaranteed Bank Loan Business Expansion Financing**

Tables 13 - 14 report parameter estimates of the effects of minority-owned firm status and government guaranteed bank loan business expansion financing in the Ohio private sector. For the specifications in Tables 13 - 14, the dependent binary variable was whether or not the business financed its expansion with a government guaranteed bank loan. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 13 suggest that in general, relative to nonminority-owned firms minority-owned firms are less likely to finance the expansion of their business with a government guaranteed bank loan. The parameter estimates reported in Table 14 suggest that relative to nonminority-owned firms, those owned by Females and Native Americans have a reduced likelihood of financing the expansion of their business with a government guaranteed bank loan.

Table 13: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Government Guaranteed Bank Loan Expansion in the Ohio Private Sector

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Government			
Guaranteed Bank Loan (Binary)			
Regressors:			
Constant	-2.31	.063	36.67 <sup>a</sup>
Minority-owned Business	-.196	.063	3.11 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	9.67 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

**Table 14: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Government Guaranteed Bank Loan Expansion Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Government Guaranteed Bank Loan (Binary)			
Regressors:			
Constant	-2.31	.029	79.65 <sup>a</sup>
Asian American-Owned Business	-.024	.153	.157
Female-Owned Business	-.205	.071	2.89 <sup>b</sup>
Disabled Veteran-Owned Business	-.289	.347	.833
Hispanic American- Owned Business	-.171	.146	1.17
African American-Owned Business	-.109	.357	.305
Native American-Owned Business	-2.88	.063	45.71 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	2065.93 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>b</sup> Significant at the .05 level

## **8. Minority-owned Firm Status and Home Equity Loan Business Expansion Financing**

Tables 15 - 16 report parameter estimates of the effects of minority-owned firm status and home equity loan business expansion financing in the Ohio private sector. For the specifications in Tables 15 - 16, the dependent binary variable is whether or not the business financed its expansion with a home equity loan. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 15 suggest that in general, relative to nonminority-owned firms minority-owned firms are less likely to finance the expansion of their business with a home equity loan. The parameter estimates reported in Table 16 suggests that the reduced likelihood of minority-owned firms utilizing home equity loans as a source of financing the expansion of their businesses is driven by the relative lower likelihood of firms owned by Females, Disabled Veterans, and Hispanics.



**Table 15: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Loan Financing in the Ohio Private**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Home Equity Loan (Binary)			
Regressors:			
Constant	-1.59	.016	99.37 <sup>a</sup>
Minority-owned Business	-.250	.034	7.35 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	53.42 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

**Table 16: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Home Equity Loan Expansion Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Home Equity Loan (Binary)			
Regressors:			
Constant	-1.59	.016	99.37 <sup>a</sup>
Asian American-Owned Business	-.055	.086	.639
Female-Owned Business	-.239	.038	6.29 <sup>a</sup>
Disabled Veteran-Owned Business	-.379	.188	2.01 <sup>b</sup>
Hispanic American-Owned Business	-.241	.079	3.05 <sup>a</sup>
African American-Owned Business	.178	.158	1.13
Native American-Owned Business	.959	.396	2.42 <sup>b</sup>
Number of Observations	22641		
$\chi^2_k$	58.83 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

<sup>b</sup> Significant at the .05 level

## **9. Minority-owned Firm Status and Venture Capital Business Expansion Financing**

Last but not least, Tables 17 - 18 report parameter estimates of the effects of minority-owned firm status and venture capital business expansion financing in the Ohio private sector. For the specifications in Tables 17 - 18, the dependent binary variable is whether or not the business financed its expansion with venture capital. The statistically significant and negative sign on the aggregate minority-owned firm status indicator for the parameter estimates in Table 17 suggest that in general, relative to nonminority-owned firms minority-owned firms are less likely to finance the expansion of their business with venture capital. The parameter estimates reported in Table 18 suggest that the reduced likelihood of minority-owned firms utilizing venture capital as a source of financing the expansion of their businesses is true for all minority-owned firms except for firms owned by Disabled Veterans, for which the estimated coefficient is positive but statistically insignificant.

**Table 17: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Expansion Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Venture Capital (Binary)			
Regressors:			
Constant	-2.63	.041	64.15 <sup>a</sup>
Minority-owned Business	-.490	.128	3.83 <sup>a</sup>
Number of Observations	226414		
$\chi^2_k$	14.69 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

**Table 18: Heteroscedastic Probit Parameter Estimates: Minority-Owned Business Status and Venture Capital Expansion Financing in the Ohio Private Sector**

	Coefficient	Standard Error	t-Value
Regressand: Expansion Financed by Venture Capital (Binary)			
Regressors:			
Constant	-2.63	.041	64.15 <sup>a</sup>
Asian American-Owned Business	-3.26	.336	9.70 <sup>a</sup>
Female-Owned Business	-.494	.154	3.21 <sup>a</sup>
Disabled Veteran-Owned Business	.302	.269	1.12
Hispanic American- Owned Business	-3.12	.042	74.29 <sup>a</sup>
African American-Owned Business	-3.15	.181	17.40 <sup>a</sup>
Native American-Owned Business	-3.12	.069	45.22 <sup>a</sup>
Number of Observations	22641		
$\chi^2_k$	6165.14 <sup>a</sup>		

Notes:

<sup>a</sup> Significant at the .01 level

## **10. Implications for the Existence of Discrimination Against Minority-owned Firms in the Ohio Private Sector**

GSPC's private sector analysis minority-owned businesses in the State of Ohio is motivated by the idea that if business firm access to private equity, loans and venture capital is conditioned on minority ownership status, this would be suggestive of, and consistent with discrimination against minority-owned businesses in the private sector. Discrimination against minority-owned businesses in private sector markets for business financing would result in those businesses having a reduced likelihood, relative to nonminority-owned businesses, of receiving start-up and expansion financing from private sector sources. GSPC's analysis finds that relative to nonminority-owned businesses, minority-owned businesses in the State of Ohio are less likely to have utilized bank loans, home equity and venture capital to finance business start-up and expansion.

The parameter estimates reported in Tables 1 - 18 reveal that the probability and likelihood of minority-owned businesses utilizing start-up and expansion finance capital from the private sector in Ohio is smaller relative to white business owners, as being a minority-owned firm in general reduced the likelihood relative to nonminority-owned firms of receiving financing in 7 of the 9 types of start-up or expansion financing considered. Such relative probabilities and likelihoods are consistent with discriminatory behavior by private lenders against minority-owned businesses in the Ohio private sector which constrains their ability to enter the market, and once in the market, to expand their capabilities. Even when minority status is disaggregated into relevant race/gender/ethnicity/disability status (e.g. Asian, Female, Disabled Veteran, Hispanic, Black, Native American) for each type of financing considered, the results reported in Tables 1 – 18 still show that a majority of the specific minority groups have relative lower likelihood of receiving particular types of start-up and expansion capital relative to nonminority-owned firms.

These findings, while consistent with private sector discrimination against minority-owned firms in Ohio, are not necessarily proof of actual private sector discrimination. While our analysis considers minority-group based disparities in accessing and using certain type of business financing, a shortcoming of using disparity in group outcomes to infer discrimination is

that statistical/econometric specifications based on disparate group outcomes could omit variables that are unobserved, but important to the group outcomes under consideration.<sup>19</sup> For example, our analysis does not control for a business firm's and/or its principle owners credit history, which is not included in the SPUMS. As such, our parameter estimate could be biased if relative to nonminority-owned firms, minority-owned firms have inferior credit histories, resulting in them being less likely to secure financing from the private sector because they are riskier, and not because they are minority-owned. However, we are confident that our parameter estimates identify the conditional effect of minority status on receiving financing as they are based on an estimator that controls for the heteroscedasticity associated with omitted variables that may also condition the outcome under consideration. Indeed, our heteroscedastic probit estimator controls for unobserved heterogeneity in the form of omitted variables and selection into the SPUMS sample associated with business firm size as measured by sales revenue. That the sign and significance on the minority-owned firm indicators in our parameter estimates correspond to what they would if business financing suppliers discriminated against minority-owned businesses, suggest that our parameter estimates identify the effects of private sector discrimination against minority-owned firms in the private sector of Ohio.

### **11. Regression Analysis of Public Contracting and Subcontracting Disparities In Cuyahoga County**

In this section GSPC considers the relative, public contracting and subcontracting outcomes of business firms owned by nonwhites in the relevant market area for Cuyahoga County. Our analysis utilizes data from business firms that are either willing, able, or have actually contracted/subcontracted with Cuyahoga County, with the aim of determining if the statistical likelihood of successful contracting/subcontracting is conditioned in a statistically significant manner on the race, ethnicity, gender and disability status of business owners. Such an analysis is a useful and important complement to estimating disparity indexes, which assume all things important for success and failure are equal among business firms competing for public contracts, and are based on unconditional moments—statistics that do not necessarily inform causality or

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<sup>19</sup> See: Pager, Devah, and Hana Shepard. "The sociology of discrimination: Racial discrimination in employment, housing, credit, and consumer markets." *Annual review of sociology* 34 (2008): 181 - 209.

the source of differences across such statistics. As disparity indexes do not condition on possible confounders of self-employment, and success and failure in public sector contracting/subcontracting by business firms, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased.

Our analysis posits that there are indeed confounders of success and failure in public sector contracting/subcontracting that are sources of heterogeneity among business firms that lead to heterogeneity in success and failure. Failure to condition on sources of heterogeneity in success/failure in public sector contracting/subcontracting can leave simple disparity indexes devoid of substantive policy implications as they could possibly reflect in part or in whole disparate outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in public sector contracting/subcontracting by nonwhite firms. Controlling for confounders that are presumably independent of the race, ethnicity, gender, and disability status of business firm owners, and important for differences in the success/failure rate of business firms competing for public sector contracts/subcontract, if race, ethnicity, gender, or disability status conditions a lower likelihood of success/failure, this would be suggestive of such status causing observed disparities.

Our analysis is based on survey data compiled by GSPC, and constitutes a two-stage cluster sample of firms from the bidder and vendor lists provided by Cuyahoga County. Clusters were constructed on the basis of assigned categories for a business enterprise's primary line of business. The GSPC survey categorized five primary lines of business: Building Construction, Special Trade Contractor, Professional Services, General/Personal Services, and Supplies and Equipment. Given a cost-based constraint of a total sample of 500, a random sample from each cluster was selected, and the cluster share of total observations was used to approximate probability weights for the individual observations of businesses in the cluster.

The GSPC survey was a 103 item questionnaire, that captured data on firm and individual owner characteristics that approximates the content of the SPUMS on which we based our private sector analysis in an earlier part of this report. The interest in this section is in the extent to which a business firm owner's race, ethnicity, gender and disability status conditions success/failure in Cuyahoga County public contracting and subcontracting opportunities. As such, our use of the data in the GSPC survey is limited to the measured covariates that in our view are best suited for



evaluating the extent to which a business firms owner's race, ethnicity and disability status are a possible cause of public contracting disparities.

Table 1 reports a summary on the description, mean and standard deviation of the covariates from the GSPC survey that are relevant to the analysis of this section. The first three listed covariates measure the public contracting activities and outcomes of the business firms in the relevant market area for Cuyahoga County since July 2007. Their unconditional variation—given by the standard deviation—in the sample presumably reflects unconditional variation in each business firm's propensity to seek public contracting opportunities and success securing such opportunities. However, the other covariates also have unconditional variation and they measure business firm and owner characteristics that could be important for the observed variation and disparities in seeking and being successful in obtaining public contracting opportunities in Cuyahoga County.

## VI. ANECDOTAL EVIDENCE

### A. Introduction

The collection and analysis of anecdotal evidence is an aspect of the comprehensive approach Griffin & Strong, P.C. utilizes in conducting disparity studies in compliance with the U.S. Supreme Court's decision in Croson. In Croson, the Court held that, while they cannot stand alone, anecdotal accounts of discrimination may help to establish a compelling interest for a local government to pursue race- and gender-conscious remedies. Moreover, such evidence can provide a local governmental or quasi-governmental entity with a firm basis for fashioning a program that is narrowly tailored to remedy identified forms of marketplace discrimination and other barriers to disadvantaged, minority and women business participation in contract opportunities.

GSPC's methodology for collecting and analyzing qualitative data incorporates multiple methods of information-gathering through a combination of telephone surveys, focus groups, public hearings, and phone interviews, as well as e-mail comments. The evidence gathered through these methods of observation and interaction are used in conjunction with the statistical and econometric research to provide clarity as to the particular causes of any discrimination or disparities found. GSPC's engagement with business owners in the Cuyahoga County area was both public and individual, and included:

1. Telephone Survey of Business Owners
2. Anecdotal Interviews
3. Public Hearings
4. Focus Groups

GSPC's anecdotal analysis is intended to "reach behind" the numbers, to enable the firm to draw inferences from the statistical data as to the prevalence and type of obstacles faced by minority, women-owned, and small businesses in Cuyahoga County's procurements. The focus of the engagement with businesses in the Relevant Market area has been to identify respondents' experiences in conducting business with the County. GSPC solicited participation and responses

from community members, and businesses that have done, or attempted to do business with the County. The personal interview guide used in interviewing businesses included questions designed to establish a business profile for each business. Interviewers gathered information concerning the primary line of business, gender and ethnicity of owner, organizational status, number of employees, year business established, gross revenues, and level of education.

The public hearings drew business owners to speak on the record about their experiences, each taking the floor to address GSPC as well as the members of the County Commission and administration in attendance, and the wider public. Similarly, the focus groups allowed firm owners to discuss their experiences, but also created a collegial and enclosed environment wherein they felt comfortable to dialogue with one another. As will be shown below, the combination of these three methods of collecting the stories, experiences, and histories of business owners in the Cuyahoga County area as well as the telephone survey data available for review, create a well-rounded picture of the perception of the County by the business owners whom it serves.

## **B. Telephone Survey of Business Owners**

In May and June of 2014 Oppenheim Research<sup>20</sup> conducted a telephone survey of business owners from the Cuyahoga County, OH Business community. GSPC provided the questions for the survey, and a random stratified list of vendors. The list was taken from the data file provided to GSPC by EuQuant and stratified by the major work categories.

GSPC provided Oppenheim Research with five (5) times the number of firms in each category needed to achieve the sample. Each category list was randomly numbered so that Oppenheim could start with the first number and continue until it achieved the sample size for that category. Oppenheim Research made a number of attempts, resulting in 306 completed surveys. The disposition of all attempts and calls is set forth in the table below.

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<sup>20</sup> Oppenheim Research is a woman-owned firm that specializes in telephone surveys and has extensive experience in conducting them as part of a disparity study.

Row Labels	Count	of
Always Busy	11	
Answering Machine	413	
Busy Signal	18	
Callback/Never reached	255	
Cell Phone	5	
Complete	314	
Did not use services	2	
Duplicate	20	
Fax Machine	8	
Final Fax	10	
Final House Refusal	8	
Final Refusal	77	
Final Wrong #	37	
Household Level RF	4	
Ineligible (explain)	86	
Known Respondent RF	11	
NA	1	
Re-connected (VF)	1	
Disconnected (VF)	347	
No Answer	70	
Not Used-Quota only	244	
on company voicemail	1	
Resp Never Available	4	
Spanish Callback	1	
Temp Out of Service	18	
Wrong #	54	
(blank)		
<b>Grand Total</b>	<b>2020</b>	
Eligible	430	
Cooperation Rate	0.742	
Total # of Attempts	5081	

The telephone survey consisted of 81 substantive questions which asked for various financial and demographic data. A sample of the telephone survey is attached as Appendix B.

### **C. Findings by Cross-Tabulations**

The distribution of firm ownership tabulated from the survey is as follows with the actual cross tabulations from the survey attached as Appendix C:

- Caucasian: 76% (234)
- Black American: 14.7% (45)
- Asian/Pacific Islander: 2.0% (6)
- Hispanic American: 2.3% (7)
- Subcontinent Asian: 1.3% (3)
- Native American 0% (0)
- No Response: 1.0% (3)
- Other: 2.3% (7)

The distribution of firm ownership based upon gender<sup>21</sup> is:

- Male: 65% (199)
- Female: 33% (101)
- No Response: 2% (6)

The distribution based on response to the question, “Which one of the following is your company’s primary line of business?” is as follows:

- Professional Services (General Contractor): 32% (98)
- Construction: 18.3% (56)
- Goods and Services: 23.9% (73)
- Supplier: 25.8% (79)

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<sup>21</sup> Response to telephone survey question which asked, “Is more than 50 percent of your company owned and controlled by a woman or women?”

Firms answered various questions concerning the race/ethnicity/gender backgrounds of the owners, owner educational level, and firm financial histories. These questions allow a more nuanced perspective on the survey respondents. The majority of respondents in all race and gender categories either had attended college, were college graduates, or held post graduate degrees, with all Asian Americans and Hispanic Americans falling into these categories and 83% and 86% of Caucasians and Black Americans at this level, respectively (Table 14, Appendix C). 88% of Women-owned firms had completed some college, were college graduates, or had obtained a post graduate degree. 22.4% of the 67 Women-owned businesses surveyed that reported being certified were also certified as Minority Business Enterprises by a government entity (Table 36.1, Appendix C). Below, we arrange the anecdotal data in contingency tables specifying relationships between row and column variables, and test via Chi-square whether the levels of the row variable are differentially distributed over levels of the column variables. A significant Chi-square test statistic means that any differences in cell frequencies—which measure the race and gender characteristics of anecdotal survey respondents, cannot be explained by chance alone, or are statistically significant.

When asked for information on their firms' gross revenues for the calendar year 2012, Black and Subcontinent Asian American-owned firms had the highest percentages in the "\$50,000 or less" category, with a quarter of firms in each group. Caucasian-owned firms' highest percentages were in the "\$1,000,001-\$3,000,000" category, with 20% of their total respondents falling into this group. Women-owned firms had their highest percentage in the \$50,000 or less range with 43% of all Female respondents (Table 17, Appendix C).

When asked if their firm had experienced discriminatory behavior from the County at any point since 2009, the vast majority of respondents answered that they had not. In fact, only 7% of Caucasian-owned firms, 13% of Black American-owned firms, 14.3% of Hispanic American-owned firms and no Asian American-owned firm respondents answered in the affirmative (Table 53, Appendix C). However, of those who experienced discrimination from the County, 53.8% stated that it was in the form of action taken against the company by the County rather than in the form of verbal or written statements (Table 56, Appendix C). Only 10% of Women-owned firms responded that they had experienced discrimination from the County and 50% of those that

responded in the affirmative said that the discrimination was in the form of action taken by the County against their firm (Table 53, Appendix C).

As shown in the table below, 87% of Caucasian-owned firm respondents felt as though they had not experienced discriminatory behavior from the private sector in the past, whereas less than half of Black American and Hispanic American-owned firms answered that they did not feel discriminated against in the private sector. No Asian American-owned firm respondents answered that they felt discriminated against in the private sector. Only 22% of the 101 women-owned firms interviewed stated that they had been discriminated against in the private sector. (See Table 19 below):

**Table 19: Do you feel as though you have experienced discriminatory behavior from the private sector (non-government) in the past?**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian Males	Black American	Asian Pacific	Hispanic American	Native American	Sub-continet Asian	No Response	Other
Un-weighted Base	306	101	234	45	6	7	0	4	3	7
Yes	50 16.3 %	22 21.8 %	26 11.1%	20 44.4%	0 0.0%	3 42.9 %	0 0.0%	0 0.0%	0 0.0%	1 14.3%
No	249 81.4 %	76 75.2 %	205 87.6%	22 48.9 %	6 100.0%	3 42.9 %	0 0.0%	4 100.0%	3 100.0 %	6 85.7%
DK	7 2.3%	3 3.0%	3 1.3%	3 6.7%	0 0.0%	1 14.3 %	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 20 below addresses the number of times survey respondents had been denied a commercial bank loan during the study period, 78.1% of Caucasian-owned firm respondents answered that they had never been denied, whereas 84% of Black American-owned firm respondents had been denied between 1 and 10 times. 75% of Hispanic American-owned firms had never been denied and no Asian American-owned firm respondents had ever been denied. 66% of women-owned firms reported having never been denied a commercial bank loan.

**Table 20 : How many times have you been denied a commercial (business) bank loan between 2009 and 2012?**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Sub-continent Asian	No Response	Other
Un-weighted Base	306	101	234	45	6	7	0	4	3	7
None (Never Denied)	59 65.6%	16 61.5%	50 78.1%	3 15.8%	2 100.0%	3 75.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
1-10	26 28.9%	9 34.9%	10 15.6%	16 84.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	5 5.6%	5 5.6%	4 6.3%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	216	75	170	26	4	3	0	4	3	6



In response to the statement that some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as sub-contractors, only a quarter of Caucasian-owned firm respondents agreed or strongly agreed, whereas 47% of Black American-owned firms, 50% of Subcontinent Asian American-owned firms and 43% of Hispanic American-owned firms either agreed or strongly agreed with that statement (Table 52, Appendix C). 28% of women-owned firms across all race and ethnic categories agreed or strongly agreed with this statement. . The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

**Table 21: Please indicate your agreement or disagreement with the following statement: “Some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as subcontractors”.**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Sub-continent Asian	No Response	Other
Un-weighted Base	306	101	234	45	6	7	0	4	3	7
Strongly Agree	33 10.8%	12 11.9%	21 9.0%	8 17.8%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
Agree	60 19.6%	18 17.8%	41 17.5%	13 28.9%	1 16.7%	1 14.3%	0 0.0%	1 25.0%	1 33.3%	2 28.6%
Neither Agree or Disagree	108 35.3%	36 35.6%	87 37.2%	13 28.9%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
Disagree	52 17.0%	13 12.9%	41 17.5%	4 8.9%	2 33.3%	1 14.3%	0 0.0%	2 50.0%	1 33.3%	1 14.3%
Strongly Disagree	7 2.3%	2 2.0%	6 2.6%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK	46 15.0%	20 19.8%	38 16.2%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

When asked if they believed that there is an informal network of prime and subcontractors in Cuyahoga County, nearly 20% of Caucasian respondents strongly disagreed, compared to 42% of Black American and 57% of Hispanic American respondents. As can be seen in the table below, another 20% of Caucasian respondents “agreed” with the statement, but not strongly, accompanied by another 20% of Black American respondents (Table 72, Appendix C). Overall,

only 10% of Caucasian respondents who agreed or strongly agreed with this statement agreed that exclusion from this network has kept them from bidding or has interfered with their ability to contract in the public or private sector. 44% of Black American respondents believed that this network had been detrimental to their firms, either agreeing or strongly agreeing with the statement, and 57% of Hispanic American-owned firms felt the same. 44% of women-owned firms across all racial and ethnic categories agreed or strongly agreed that there is an informal network and, while another 22% neither agreed nor disagreed, only 4% strongly disagreed with that statement. (Table 73, Appendix C) , The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

**Table 22: Please indicate your level of agreement or disagreement, on a scale of 1 to 5, where 1 is Strongly Agree and 5 is Strongly Disagree. There is an informal network of prime and sub-contractors in Cuyahoga County.**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black America	Asian Pacific	Hispanic American	Native America	Subcontinent Asian	No Response	Other
Unweight	306	101	234	45	6	7	0	4	3	7
Strongly Agree	71 23.2%	27 26.7%	46 19.7%	19 42.2%	0 0.0%	4 57.1%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
Agree	63 20.6%	17 16.8%	50 21.4%	9 20.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	3 42.9
Neither	78 25.5%	22 21.8%	59 25.2%	12 26.7%	3 50.0%	1 14.3%	0 0.0%	1 25.0%	1 33.3%	1 14.3%
Disagree	41 13.4%	17 16.8%	34 14.5%	1 2.2%	2 33.3%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	2 28.6
Strongly Disagree	17 5.6%	4 4.0%	15 6.4%	0 0.0%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	36 11.8%	14 13.9%	30 12.8%	4 8.9%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%

66% of Black Americans and 42% of Hispanic Americans agreed or strongly agreed that double standards in qualification and performance make it more difficult for minority and/or women-owned, businesses to win bids or contracts, while only 16% of Caucasians agreed or strongly agreed with that statement. 37% of Women-owned firms across all ethnicities agreed or strongly agreed that there are double standards in qualification and performance (Table 75, Appendix C). Of Black Americans, 26.7% and 24.4% of respondents strongly agreed or agreed, respectively, with the statement that a prime contractor will sometimes include minority or women-owned businesses to meet a “good faith effort” requirement and then drop them once they win the award. 43% of Hispanic Americans strongly agreed with that statement and 50% of Asian Pacific Americans agreed or strongly agreed. This is compared to the 24% of Caucasian respondents who either agreed or strongly agreed with this statement. 30% of women-owned firms agreed or strongly agreed that primes will occasionally use an MWBE subcontractor to meet the good faith effort requirement and then drop them after winning the award (Table 76, Appendix C). As shown in the table below, 20% of women-owned businesses, 17% of Caucasians, 18% of African Americans, and 29% of Hispanic Americans believe that there is favoritism or disparate treatment in the certification process (Table 39, Appendix C). The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

**Table 23: Do you believe that there is favoritism or disparate treatment in the certification process?**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Un-weighted Base	306	101	234	45	6	7	0	4	3	7
Yes	51 16.7%	19 19.0%	39 16.7%	8 17.8%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	194 63.6%	65 65.0%	144 61.8%	33 73.3%	6 100.0%	3 42.9%	0 0.0%	3 75.0%	2 66.7%	3 42.9%
DK	60 19.7%	16 16.0%	50 21.5%	4 8.9%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	3 42.9%
No Response	1	1	1	0	0	0	0	0	0	0

Over 50% of Caucasians and African Americans had worked as a prime with the private sector. 83% of Asian Americans and 28% of Hispanic Americans did the same. Over 75% of Asian Pacific Americans and Subcontinent Asians worked as primes in the private sector (Table 401, Appendix C). However, only 33% of Caucasians and 18% of African-American-owned firms worked as primes with Cuyahoga County. Only 14% of Asian Pacific Americans worked as

primes with the County and 25% of Hispanic American respondents (Table 22.1, Appendix C). The percentage difference in participation as primes public sector work for the County versus private sector work was most significant for Asian-Pacific Americans, African Americans, and Caucasians. . The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

Tables 34.1 to 34.15 in Appendix C ask respondents to determine factors that “may prevent companies from bidding or obtaining work on a project” for Cuyahoga County. Pre-qualification requirements were considered an issue for 22% of African Americans and 29% of Hispanic Americans and 42% of those identifying as “other,” whereas only 12% of Caucasians and 14% of women-owned firms believed the same. Performance bond requirements and bid bond requirements had similar percentages for each race and gender group, however the number of Caucasian business owners who viewed bid bonds to be a problem spiked to 15% from 11-12% in the previous categories (Table 34.3 and 34.4, Appendix C). Insurance requirements were seen as an issue primarily by Hispanic Americans with 29%, but only 7% for Caucasian and Female firm owners and 13% of Black Americans, and no percentage in every other category (Table 34.5, Appendix C)

Bid Specifications saw an increase in response in many race/ethnic/gender categories though, notably, no Hispanic American-owned firm agreed that this would be a barrier to working on projects. 24% of women- owned firms and 27% of African American respondents, however, believed that they were (Table 34.6, Appendix C). The time given to prepare a bid package or quote was seen as a bigger issue amongst African-American business owners at 47%, whereas every other group responded affirmatively in the teens (Table 34.7, Appendix C). Limited knowledge of purchasing practices, policies, and procedures was, again, a bigger issue for African American respondents at 36%, however 16% of Caucasians and Asian Pacific Americans believed the same, along with 18% of women-owned firms (Table 34.8, Appendix C). “Lack of Experience” as a barrier to obtaining work received the lowest percentages, with Caucasian and women-owned firms around 10% and African Americans at 20%. Hispanic Americans and Asian Pacific Americans rated 14% and 17% respectively (Table 34.9, Appendix C). Lack of personnel as a barrier saw similar numbers from African Americans, Caucasians,

and women-owned firms as lack of experience, however Hispanic Americans and Asian Americans did not believe at all, or did not know, if lack of personnel was a barrier (Table 34.10, Appendix C). The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

In terms of contract size and cost, African Americans responded at 37% and 40% respectively that both were barrier, whereas 14% of Hispanic American firms viewed size as a problem compared to 29% that had an issue with cost. Women-owned firms were on par with both issues at 19% and Caucasians viewed size and cost as barriers at 13% and 15% respectively (Tables 34.11 and 34.12, Appendix C). The selection process was considered a barrier for 43% of Hispanic Americans and 31% of African Americans, as well as over 20% of women-owned businesses (Table 34.14, Appendix C). Competing with large companies was a barrier for 57% of Hispanic and African American-owned business, as well as 33% of Asian Americans, 22% of Caucasians, and 34% of women-owned businesses. The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications. The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

**Table 24: Sometimes, a prime contractor will include a minority and women-owned sub-contractor on a bid to meet the “good faith effort” requirement, then drop the company as a sub-contractor after winning the award.**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Sub-continent Asian	No Response	Other
Un-weighted	306	101	234	45	6	7	0	4	3	7
Strongly Agree	42 13.7%	17 16.8%	26 11.1%	12 26.7%	0 0.0%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Agree	48 15.7%	14 13.9%	32 13.7%	11 24.4%	3 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
Neither	103 33.7%	32 31.7%	83 35.5%	10 22.2%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	5 71.4%
Disagree	53 17.3%	19 18.8%	46 19.7%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	1 33.3%	0 0.0%
Strongly Disagree	14 4.6%	5 5.0%	11 4.7%	1 2.2%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	46 15.0%	14 13.9%	36 15.4%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	2 66.7%	0 0.0%

When asked if they believe that some nonminority male prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses, 32% of Caucasian respondents neither agreed nor disagreed and 22% either disagreed or strongly disagreed, compared to the nearly 60% of Black American-owned business respondents who either agreed or strongly agreed with that statement, the 50% of Subcontinent Asian Americans and the 43% of Hispanic American-owned businesses who strongly agreed, and the 33% of Asian Pacific American-owned businesses that agreed. 37% of women-owned firms across all race and ethnic categories (Table 78, Appendix C). The Chi-square test statistic was



significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

**Table 25: Some nonminority (male) prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses.**

	Total	Women	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
			Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Sub-continent Asian	No Response	Other
Un-weighted	306	101	234	45	6	7	0	4	3	7
Strongly Agree	43 14.1%	14 13.9%	25 10.7%	13 28.9%	0 0.0%	3 42.9%	0 0.0%	2 50.0%	0 0.0%	0 0.0%
Agree	73 23.9%	23 22.8%	52 22.2%	13 28.9%	2 33.3%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	5 71.4
Neither	91 29.7%	31	76 32.5%	7 15.6%	4 66.7%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	2 28.6
Disagree	45 14.7%	30.7%	40 17.1%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Strongly Disagree	14 4.6%	14 13.9%	12 5.1%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	40 13.1%	16 15.8%	29 12.4%	8 17.8%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	2 66.7%	0 0.0%

The survey also found that over 60% of Black American and Hispanic American business owner-respondents believed that, in general, minority and women-owned businesses are viewed as less competent than nonminority male-owned firms, and only about 25% of Caucasian respondents believed the same. 42% of the 101 women-owned firms surveyed across all racial and ethnic categories agreed or strongly agreed with this statement (Table 77, Appendix C).

The Chi-square test statistic was significant, suggesting that the responses are statistically significant and different across the race and gender classifications.

While Black American and Hispanic American-owned firms tended to believe strongly that discrimination occurred within the County and the private sector, the majority of Caucasian respondents were either less sure or did not agree. Asian Americans (split by the survey into Asian Pacific and Subcontinent Asian) had lower numbers overall in agreement with statements regarding discrimination and informal networks. It is clear from questions regarding private sector work and loan denial rates, however, that Black and Hispanic American business owners are having a harder time in both the private and public marketplace and their perceptions of discrimination in both sectors cannot be discounted.

#### **D. Public Hearings**

Three (3) public hearings were held in Cuyahoga County as a part of this study. The first was conducted at Memorial-Nottingham Library, centrally located in the County on June 18, 2014 at 6pm. Three (3) business owners attended and gave testimony to the members of the County Commission and GSPC's team that were present. The second focus group, located in the Bay Village Library in Bay Village, Ohio on June 19, 2014, also at 6pm was unattended. There was low turnout for both hearings, although an e-mail blast was sent to 2,849 firms in the area inviting their participation and both hearings were<sup>22</sup> advertised on Griffin & Strong, P.C.'s various social media platforms. It was therefore determined by the study team at Cuyahoga County and GSPC that it would serve the study well to conduct one more public hearing to give the public another chance to participate.

On this occasion, September 15, 2014, in the Cuyahoga County Council Chambers, after another e-mail blast was sent, meetings with various community organizations by both GSPC's

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<sup>22</sup> Of those 2,849 firms, 11 unsubscribed to GSPC's e-mails on this study and 1,379 opened the e-mail. The e-mail contained information regarding both hearings. The e-mails sent regarding the focus groups also contained information on the hearings to be conducted on the same day.

CEO and County Commissioner Pernel Jones, and a press release issued from the Cuyahoga County Executive's Office, there were approximately thirty persons in attendance and 10 chose to speak on the record. The following will address the salient topics from both attended public hearings, conducted 3 months apart.

Testimony at the final public hearing indicated that majority-owned firms feel that there is an even playing field regardless of race; however, the contention that arose verbally both there and in one of the focus groups between majority firm owners and African American firm owners indicates a racial tension in the marketplace that cannot be ignored.

Each participant was invited by GSPC's Project Executive, Rodney K. Strong, to come to the podium or microphone and give testimony about their experiences contracting with Cuyahoga County, positive or negative, on the record. Each public hearing had a court reporter present and those transcripts are available upon request. The first business owner, Mr. Harvey, came forward to state that he was there as a result of an e-mail from GSPC and has been familiar with the work of the disparity study. He had participated in many public projects with the City of Cleveland, but took issue with the lack of participation on some County projects. He argued that as a result of minorities like himself "not being able to contract legitimately with the County," there is increased economic disparity in minority communities, as their firms would hire minorities as well. He states that because his is a non-union company, he could not participate in several projects. When prompted, he indicated that he thought that the County "should put in a specification that it is not a union job" so that other firms could "share in the economic pie in procuring these contractors, union or non-union".

One Mr. Witherspoon came forward to state that he worked in training, consulting, and promotional work and felt that the County had been "good" about outreach when it came to letting businesses know when there were opportunities to bid. However, he feels that primes should put subcontractors into a "bidding lottery" or have some mechanism for ensuring that different firms have a "chance to create a track record" because "awarding a portion to one sub doesn't open it up to enough people."

Mr. Hoyas, a representative from the Hispanic Contractors Association, noted that the recent Medical Mart project was a “prime example from a Hispanic perspective” of exclusion. He stated that, though they brought “30 Hispanic contractors to the table” and talked about engagement, “a lot of stuff went to the wayside” and there were “unkept promises and issues with the union.” Mr. Hoyas stated that there are “major projects that are going on in this town” and named the building companies Kilbain, Turner, and Donnelly as among the prime contractors that fail to focus on “diversity and inclusion.” Representatives of Turner Construction were present at the hearing and sent a statement afterward that they felt that the Hispanic American owned business participation on the project had been misrepresented. They provided GSPC with tables showing a breakdown of their workforce participation by race/ethnicity, (which was not relevant to this discussion); and another showing subcontractor dollars awarded to Hispanic firms in the County. It is outside the scope of this study for GSPC to investigate the claims of either Mr. Hoyas or Turner Construction. It should also be noted that Mr. Hoyas also expressed concerns about the lack of an Hispanic outreach consultant on GSPC’s disparity study team.

Mr. Spain rose to speak as an official, appointed by the County, to the Metro Hospital Board. He stated that he was on an independent board that had been discussing procurement and disparity and found that the discussion involved contracts with small dollar amounts, whereas the focus should be on bonding issues and “meaningful” contracts. He suggested that the County “try to work smaller contractors in with larger contractors” and said that “we don’t expect to get the business so we (minorities) don’t even bid on a whole lot.” He stated that once firms have developed a track record they can be placed with larger contractors so that they can move up. He also stated the opinion that past technical assistance programs were “much better” than current programs.

Two participants, a Mr. Adams and Mr. Butler, expressed concerns that Cleveland and Cuyahoga County are not as open as other cities. Mr. Adams, the owner of a marketing and public relations firm, stated that there is a “nativist culture” that only engages the “same players” and that the County should adopt new metrics for determining economic indicators of growth of businesses in the community and look at best practices in other cities, including the encouragement of “cross-cultural collaboration.” Mr. Butler owns a sustainability consulting firm

in Cleveland and agreed with many of Mr. Adams' statements, stating that "part of the reason that there is a disparity is that there is a capacity issue" and "many minority businesses are lacking in various 20th century matters like cross-cultural competency." Mr. Butler expressed concerns about the literacy of adults in Cleveland and indicated that the issue is two-fold: the lack of an adequately educated populous and, upon education and business ownership, the assumption that minorities can only be subcontractors. He argues that in "other areas of the country" entities "aggregate companies as primes" rather than breaking down contracts for subcontractor involvement. He recommends increased joint-venturing of minority businesses in the County.

Mr. Novak, a representative of a certified SBE Female-owned firm in Cleveland came forward to state that his firm has always found the County's process to be "fair and participation goals to be reasonable," that they require "diligence and hard work" to meet, but are "achievable." As a steel erector, his firm has worked as both a prime and as a subcontractor and involves other small and minority business contractors for other portions of the work they do as primes, such as trucking and shipping. Mr. Jordan came back to express his offense at Mr. Novak's statement and to clarify that he is only referring to minority businesses because "anyone can be SBE. "What's your record?" addressing Mr. Novak. He assured those present that "no MBE has erected steel at their (Mr. Novak's firm's) level, I guarantee you," and that "some of the disparities are caused by people who come to talk about what they've done for the County. Mr. Novak rebutted that, as a subcontractor, his firm has to hire union laborers and they have a "successful track record for onsite workforce compliance percentages," both minority and female workers as well as local workers.

Mr. Fleming rose to speak on the record that his firm had actually bid on a portion of the work for the building in which the hearing was held. He stated that they were going through the process of preparing the bid and then were not contacted, though they contacted the prime on three different occasions. He suggested that the County needs better prime to subcontractor coordination to handle such issues.

Ms. Wilson, a social services provider who had spoken in forum at the previous public hearing came forward to discuss her role as a subcontractor with the "Tapestry" program through the County and her frustration with having waited for referrals that never came. She also gave

testimony that, prior to the meeting, she went to the County website for an RFP with an end date of September 24<sup>th</sup> that required trainings provided only on September 23<sup>rd</sup> and October 8<sup>th</sup> in Boston, MA. She went through the list of Ohio providers and found that only one agency had the training required to apply, which would mean that all other applicants unable to obtain the training would be deemed unresponsive. Ms. Wilson provided GSPC with these documents and her statements were verified. She stated that she is a qualified member of the community who provides much needed culturally adaptive parenting services but is continually excluded through the County's procurement practices.

Following Ms. Wilson, Ms. Jenkins, another county-based social services provider who, also, had previously spoken at the Memorial-Nottingham public hearing, rose to give her statement. She stated that she also went through the County's "Tapestry" program as a subcontractor and completed a rigorous process to ensure compliance and that they were assured work as a result of completion of the program. Because her firm is not funded by grants, County projects were very important to her, besides the fact that she wants to work in her own community. Though she was in good standing, larger agencies continued to receive all the referrals and the few families she was able to serve, she was not paid for her services for over six months and lost her office. She stated that her firm would only like the opportunity to grow but that the County has deemed them, through this program, as being "good professionals with good track records" and they "still use their friends."

### **E. Focus Groups**

There is significant research on discursive models of gathering qualitative data and it is widely accepted that the gathering of a self-selected group of interested persons to interact, verbally and non-verbally, on a particular topic may bring a wealth of significant knowledge to the subject discussed. In describing the interactions of the focus group participants, it is important that the social interactional aspect of the analysis be incorporated. To this end, this section of the anecdotal chapter of the study will address body language, movement, positioning, non-verbal signals, and the byplay of interpersonal interaction that occurred. Each of the firm representatives present were there as a result of GSPC's e-mail campaign to garner participation, which was sent to the full list of e-mail addresses provided by the County and EuQuant.

**1. FG1: Memorial-Nottingham Library, 12pm-4pm**

The participants in the first focus group at Memorial-Nottingham Library in Cleveland, OH on June 18, 2014, trickled in to sit in a pre-arranged meeting room. The tables and chairs had been turned inward to face one another in a semi-circle, college seminar style. The business owners that participated were all from Cleveland and all residents of Cuyahoga County. Besides the two facilitators from GSPC's team, there were seven participants present. During GSPC's explanation of the purpose of the disparity study and its history, Councilmember Pernel Jones entered the meeting room. Mr. Jones greeted the participants, speaking about the process of securing the disparity study for Cuyahoga County. There were several concerns raised by the participants about the expansion of the local small business program to include firms physically located outside of Cuyahoga County, which Councilmember Jones promised to look into before exiting the focus group.

Then, GSPC's team invited each participant present to introduce themselves, beginning with the man on the facilitator's right in the circle. Participant FG-1-1, an owner of a small construction and renovation firm, recounted experiences with a major construction company with whom he had been in contact, but never heard back from. The participant stated that the City of Cleveland<sup>23</sup> continued to award that company projects, though they did not seem to be responding to minority-owned firms interested in becoming subcontractors.

FG-1-2 works in concrete and construction and heard the CEO of a major company say that he "didn't have to do anything" regarding the utilization of minority-owned firms, but that since the City of Cleveland is 60% minority, his firm would be interested in taking minority bids. The problem, according to this participant, is the difference between public and private dollars. "They can do what they want to do" FG-1-2 states. If the City of Cleveland asked how many minorities they worked with besides those they were contractually or goal-obligated to work with,

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<sup>23</sup> GSPC will attempt, insofar as it is possible, to distinguish between the different entities addressed in these meetings and interviews. Many participants discussed issues with the City of Cleveland, Cuyahoga County, as well as other entities in the area including Sewer and Water.

“that will answer everybody’s disparity study in the City, the County, and the Sewer district” (FG-1-2).

FG-1-3 teaches parenting and anger management, and states that they are credentialed as a social worker. This participant signed up on the County’s website to receive RFPs, but has never filled one out. The reasons were forthcoming as the discussion progressed. FG-1-4 participates in real estate rehabilitation, both commercial and residential. This participant has been a contractor in Cleveland for eight years, “but I make no money here;” FG-1-4 states that the firm tends to contract in other cities. “If you do any work (in the City) you better go through those companies,” referring to two major demolition companies and a large real estate company.

FG-1-5, a veteran Cuyahoga County contractor, notes that, though she has always had contract with the County, “It has its issues.” Similarly, FG-1-6 used to do a lot of business with the County, but now without a program, “we haven’t gotten anything.” He states that, when people look at dollars spent, they look to construction and overlook what goes on the supply side. FG-1-7 does electrical and got a job at the Juvenile Justice Center for 1.5 million, which was their first job with the County. “We did a lot of work, and it started off right;” however, the company that was supposed to mentor them sent \$8 million worth of “pass-through” with his company. “On paper you look good” FG-1-7 says, since they made promises to teach his firm how to effectively schedule a job from beginning to end and deal with hidden costs. Still, in the end, the “mentor” firm only gave his small business “3% of every dollar” of that 8 million.

This anecdote signaled a pause to the round of introductions, initiating a back-and-forth between the two, more established business owners, and this newcomer to the County. Though it was clear that all parties knew each other, had greeted one another genially with pats on the back and laughter, FG-1-7’s story created a telling ripple through the room.

“Why’d you let them use your name?” FG-1-5 asked. “I sued the company that made a copy of my (certification) and they got kicked out for 5 years.” FG-1-7 rebuts that “When you’re working



for them (majority general/prime contractors), they have you in their grip because they have the ability to hurt you. If they take it away, you're back at zero. They know what you need and how to put enough money out there to keep you going, but you're not making what you should make, with the promise of more. At the end of the day, they racked up thousands of dollars of material in my name." At this, FG-1-5 shook her head, acknowledging the untenable situation the man was describing, and the introductions resumed.

FG-1-8 and FG-1-9, from a midsize office equipment supply firm, introduced themselves and stated that "We don't do that," in reference to the unethical practices FG-1-7 recounted in his anecdote. FG-1-5, already shaking her head negatively as they were speaking asked accusatorily, "Why are you here?" and, upon FG-1-8's response that they were there to "learn" about the procurement process, she turned to the facilitator and stated, bluntly, "They shouldn't be here." The marked tension in the room was broken by the chuckles of a couple of other minority business owners who appeared to agree. However, FG-1-2 stated that it was a good thing to "know the process" and "be educated" because some people "know the process but try not to abide by it." This interaction ceased when Councilmember Jones returned to the room. He addressed a couple of questions and exited again. At that point, the interaction resumed.

It should be noted that FG-1-8 and FG-1-9 were the only two Caucasians, and the only non-African-American participants in the room. The racial tensions in the business community in the greater Cleveland area were spoken aloud in this outburst. It should also be noted that many of the African-American business owners chose to stay well after the departure of FG-1-8 and FG-1-9 at 1pm, continuing the discussion on until 4pm, a full three hours of "internal" dialogue. FG-1-4 would later state that she did not feel that she could "speak freely" while the majority prime contractors were present and FG-1-7 would corroborate the sentiment, stating that "they tell each other everything." It was clearly an "us v. them" situation in which some African-American participants, presumably due to some of the experiences of being blackballed described herein, did not feel that having nonminority prime contractors present would enable them to speak without their words being repeated. Whether or not that was truly the case with FG-1-8 and FG-1-9 specifically, GSPC has no way to discern. What is crucial here is the perception that their presence was symbolic of a silencing business environment to which minorities and small

firms are only allowed cursory entrance and run a constant risk of being summarily excluded. What is examined in this section is the perception that the County's practices have a hand in facilitating, if not fostering, the continuation of that environment.

This group could be described as "self-selective" in that, in order to participate, one must have been on a County list, opted to receive correspondence, clicked through on an e-mail whose subject line held the phrase "disparity study," determined that a) one had enough time to devote to travel and participation or b) that the study itself was important enough for oneself or one's community to merit the sacrifice of time and energy. FG-1-6 stated during the group session that "Everyone in this room is a rebel," after expressing the opinion that he had "never seen so many laid back minorities [than in Cuyahoga]" (FG-1-6). "You got somebody like [FG-1-7] who will stand up, but if you make too much noise, he has no support from our community at all," FG-1-6 stated. He viewed this apparent decline in activism amongst the minority business community as the end of an era of committed individuals who would "shut [projects] down" such as the former leader of one of the minority activist organizations did. The decision to be a part of the disparity study, to commit one's words and experiences to record (even with the promise of relative anonymity) was seen by FG-1-6 as a rebellious act in Cuyahoga, one that only the brave, "stand up," individuals would commit. This speaks to the perception of a silencing environment within the business community, where it is believed to require courage to share experiences doing business with prime contractors or with the County.

FG-1-7 began to discuss the issues for minorities with the unions in the County.

"If I bring in a kid at my church with a strong work ethic, I'm not allowed to bring him in and let him work for me for dollars he will spend in the City, I am forced to get guys in the union that are friends, nephews, brothers, family members. I am a black man whose entire workforce is white. The union blocks these [other, minority] guys from getting in" (FG-1-7).

He states that those in the meeting are the few minorities that made it "out of the barrel," but that "others might not have been able to study because they're hungry." He also asserts that

the union requires a particular test and then will have minority candidates “sweep the floors the entire apprenticeship” and states that the companies some of his friends worked for had them “carrying things and cleaning” rather than learning the trade. FG-1-7 did not go through a union program, but trained at a technical school that has been shut down for 20 years because the school system “got rid of” technical and vocational programs (FG-1-7).

To this, FG-1-2 states that there “has to be a way” to reach out to minority youths and “help them understand what construction is and that it’s a good living” because “the union is discriminatory” (FG-1-2). FG-1-4 notes that he obtained \$2 million in liability insurance, workers compensation, “everything they told me to carry, I carry” and that he was told “when we get done with the union, we’ll see if we have some work for you” (FG-1-4).

FG-1-3, a social worker, stated that there was a man who came to her “on his own” because he was required to take a class, but he had the agency he was “supposed” to go to stapled to his probation documents. In the end, she says that she won but “had to fight probation to get that guy” because her classes worked better for his schedule. She notes that County officials are not supposed to “steer” clients to one place, but they are “threatening parolees to go to certain people” (FG-1-3). When asked how one receives such preferences, FG-1-7 replies that firms get in by knowing “some people at the golf course and at the bar” and says that knowing that this is the way it works is why he likes the “get-togethers that force us to meet and greet” (FG-1-7). However, he says, this is just a County problem. “The City is good, I’ve personally had good backup from the city. They make sure I get paid” (FG-1-7).

FG-1-2 argues that it starts with the owners making a stipulation for race-conscious goals that “by law” they are unable to do. “What we get as goals, can only be a goal, [it] can’t be a mandate” (FG-1-2). They suggest mandatory pre-bid meetings which “eliminates Joe over here bidding a project and never having to meet Hispanic or Black firms.” FG-1-5 says “that good faith effort form should be eliminated” to which FG-1-7 replied “and burned.” FG-1-2 says that the SBE program at the County does “desk monitoring” but “they’re not in the field.”

FG-1-3 states that referrals in social services should not be restricted to any one particular firm. She also states that she doesn't get paid promptly. FG-1-2 and FG-1-7 agree that payment is a "huge" issue. "It can put you out of business" (FG-1-2). FG-1-3 also notes that larger firms have grant writers in her field and that she cannot compete. She suggests that the County do an RFP training session. "All the small agencies sit together to try to coordinate, none of us have gotten contracts. Never ever won" (FG-1-3).

FG-1-2 says that "they need to model some things after the City" (of Cleveland) and that the County should start a financial loan program for small businesses with its surplus "of 187 million dollars just sitting there. Contractors like her should be getting paid (FG-1-2). FG-1-7 stated that he applied for a loan with \$25,000 in savings and \$10,000 that he "didn't want to touch." For a \$45,000 loan, the bank "wanted the 25 or wouldn't give it to me" (FG-1-7). The focus group moderator notes that this is over 50% of the loan request, an exorbitant amount, to which FG-1-2 replies that he traveled to Atlanta to find a minority-owned bank to borrow from. "They will tell you they don't loan to small businesses" (FG-1-2).

FG-1-6 says that, when there was a minority business program she was "delivering office supplies all over the city" but "as soon as you stopped telling them they had to do it, I never heard from them" (FG-1-6). FG-1-7 then shares his experience with potentially fraudulent activity on a County project.

"I was supposed to do work on medical mart, got ready to get people working and after it happened, I called Zenith and Gertz to start and they won't return my phone calls. Where's my purchase order, my contract? I keep getting the run around. Turns out they created a company called Eclipse which came up out the blue and gave them kickbacks. I complained and me complaining knocked me out of the next job, haven't gotten job with Cuyahoga since, someone has committed fraud. They say 'We don't have minority companies anymore, we have SBEs. So now white man can set up company as SBE and take money set aside for minorities (FG-1-7).

When he wrote to complain, FG-1-7 says that he was told that he writes too many letters by a contractor with Cuyahoga County. FG-1-4 commiserates, stating that it is common practice in Cuyahoga County. “I call a lot.” FG-1-3 states that she was “told to stop writing letters” by an official within the County. FG-1-4, FG-1-2, and FG-1-7 agree that the current head of the SBE program is “the best, but she’s limited” (FG-1-2).

## **2. FG2: Bay Village Library, 12pm-1:30pm**

The second group met at Bay Village Library in Bay Village, Ohio. The demographics of the attendees were markedly different. Though Griffin & Strong, P.C. received five (5) RSVPs for attendance from business owners for this particular focus group, only two attended, both nonminority women. As with the first focus group, the session began with an explanation of disparity studies, and GSPC’s role in the process. One attendee noted that it would be interesting to do a comparative study of the pre- and post-corruption scandal Cuyahoga County market. Both participants, one a technology consultant and the other the owner of a firm specializing in social work indicated that they were unhappy with having to complete the new County ethics training because “it wasn’t the small businesses, it was the County employees” engaged in corruption” (FG-2-1). Both women-owned small businesses had contracts with the County, one as prime and the other as a subcontractor.

FG-2-2 states that her contract with the County went well and that she received consistent business as a social services provider; however, payment was “unbearable” and sometimes she would go 5-6 months without payment all due to “one person interfering” whom she felt had developed a personal vendetta against her firm and used withholding of payments to retaliate.

She said that after “20 some years of this, complaints and letters, lawyers, month after month, I run a business there is no business that can exist if they are not paid for 5 months” (FG-2-1). As a result of this issue, this business owner was forced to give up her office space and find other arrangements for her agency. FG-2-1 says that other social services agencies experience something similar and it all stems, in this person’s estimation, from one particular person who

works in the Juvenile Court. FG-2-1 believes that conditions have improved under the current administration.

“Prior to Ed Fitzgerald it was worse. She was the bottom line, that’s where this culture of “we don’t want to irritate her because we won’t get any referrals” comes from. She has gone to all the departments and said refer to other agencies and not us. That bothers me” (FG-2-1).

FG-2-2 states that she recently had an experience with a major national telecommunications firm wherein a \$20,000 contract had been signed and they already had \$3,000 in billing when her firm was informed that the prime “didn’t need us anymore.” After contacting the SBE program head, who stated that their “hands were tied,” this business owner took matters into her own hands and continued to call the prime contractor, who eventually said that it had been a “misunderstanding” and allowed her firm to complete the agreed upon work. “They submitted a bid and said they were giving us a percentage of the contract” FG-2-2 states, but “if I hadn’t done something, nothing would have happened.” According to FG-2-2, the SBE program doesn’t have the authority they need to properly sanction this kind of activity. In the end, her firm did not receive the full \$20,000 because of the suspension of the project.

Both women agreed that the County should adopt mandatory pre-bid sessions. “Why have a pre-bid and it’s not mandatory? The big people don’t come otherwise and we can’t meet the people who are going to bid” (FG-2-2). But, according to FG-2-2, there needs to be more work done on the contract compliance end to ensure that the scope of work is figured out in the beginning and authority should be given to the SBE program to stop the process if the contract is not being adhered to. FG-2-1 states that these firms are “doing 20% to meet the requirement” but are doing it “fraudulently because they have no idea how they are going to use the firm. According to these firms, the “level of scrutiny for the direct service provider does not match the level of scrutiny for people who administer contracts” (FG-2-1).

FG-2-2 recounted “a few bad years” resulting in her inability to obtain bonding, but was unaware of the SBA bonding program or any other options designed for small businesses.

Bonding, she says, is why she has only ever bid as a subcontractor. FG-2-1 feels that two small businesses (referring to both present) “forget the fact that we’re Female” aren’t being treated in a “professional business best practice way” by the County. Corroborating this, FG-2-2 states that “no one follows through” on the processes that are designed to protect small businesses. “You’re only going on dollar amount submitted with quote and those numbers are not right” (FG-2-2).

## **F. E-mail Comments**

GSPC received e-mail comments through their Cuyahoga County e-mail address, [cuyahoga@gspclaw.com](mailto:cuyahoga@gspclaw.com), which was maintained by the deputy project manager. During the course of the study GSPC received two statements from firms submitted through this address as well as a statement from the Hispanic Roundtable, a business organization in Cleveland.

EC-1, the owner of a supply company, believes that not being a minority or Female-owned business has “precluded” them from competing in Cuyahoga and claims that they have a local competitor that “put his company in his wife’s name in the late 80’s” and has been “reaping the benefit of the certification for over 29 years and we have lost countless orders and revenue because of it” (EC-1). This business owner would like to see the expansion of race and gender neutral companies to “help small, new companies get started and grow” (EC-1). Another firm owner states that she has been certified as an FBE for over ten years but has never done any work for the County. She states that since the “cleanup” after the scandal, her firm has participated in bids “as the FBE on a prime vendor’s bid” but “never won any work” (EC-2). It should be noted that the County does not currently have a race or gender conscious program.

Though the County does not have an MWBE program or goals, the Hispanic Roundtable especially feels that a goal relevant to the availability of Hispanic owned firms in the area should be set for Cuyahoga County’s procurements, particularly those involving construction. The full written statement from the Hispanic Roundtable is attached as Appendix D.

## **G. Anecdotal Interviews**

The personal interviews were conducted during the months of June to September, 2014. The one-on-one interviews were conducted with a random sample derived from databases provided by Cuyahoga County Government officials. The Winston/Terrell Group mailed, emailed, telephoned or faxed confirmation letters to all firms that agreed to be interviewed. The interviews were conducted either at the firm owner's office, at a location designated by the firm owner, or over the phone if requested by the firm owner. Interviews ranged in length from 15 to 90 minutes.

### **1. Personal Interview Demographics**

Thirty (30) firms were interviewed. Many more firms were contacted than chose to participate. The reasons for non-participation include:

- Wrong or bad telephone numbers; telephone numbers disconnected
- Cancellations of scheduled interviews
- Lack of interest
- Length of interview
- The fact that firms did not have contracts with Cuyahoga
- Schedule conflicts with no availability for alternative scheduling
- Concern that input would not be taken seriously
- No-shows for scheduled interviews

Of the 30 representatives interviewed, the ethnic and gender breakdown is as follows:

- 11 African Americans
- 2 Hispanic Americans
- 10 Caucasians
- 1 Native American
- 4 Asian Americans
- 11 Female-Owned Businesses, across all ethnicities.



It is the belief of the majority of minority-owned firms, African American and Asian Americans, in anecdotal interviews especially that, without an MWBE program or goals, majority-owned firms would not desire to do business with them. African American-owned firms cited many instances of prime contractor fraud and the majority of MBEs listed that they did in fact believe that there was internal favoritism. Though many Asian American-owned firms cited that the County is fair and responsive, very few African American-owned firms believed the same. In fact, their impressions of the County's outreach efforts was similar to the testimonies of the Hispanic Roundtable.

## **2. Communication**

In terms of communication about bid opportunities, few minority-owned firms felt that it was adequate. "I don't see any encouragement," AI-18 states, indicating that he receives information from various small business associations but few from the County directly. In terms of suggested improvements to the County process, he would like to see email announcements about projects being bid. AI-20 believes that signing up on the website does not necessarily mean that you will "get the bid announcement" because "everything is not always online in a timely fashion" (AI-20). This administrative issue is especially impactful because several interviewees mentioned their lack of time due to the size of their firms. AI-20 believes that it would be "really helpful" if the County sent e-mails according to commodity code as some other entities do (AI-20). Another firm owner suggest that the County could be more "clear and concise" about what they are looking for in a bid and "give it to us in a timely manner, and give us some time to respond" (AI-27).

Only one firm came out vehemently in favor of the County's processes with regards to communications.

"They will specifically reach out and say we have this opportunity, and I assume they do that with others. They will send out an RFP to our firm. They have been

more than willing to sit down and review qualifications packages on those things that we would not have gotten as a part of the submission, and they say here's a way to improve and review things. So they have been very helpful for us to be successful." (AI-13)

"I'd like to see some sort of follow-up on some of these projects. The County's building a new headquarters and we did bid on it, and we have heard no response about any of them about what we have submitted. "The County has not been helpful when they have had questions about the procurement process. Respondent stated that most of the assistance that they have been provided has been through the Minority Business Solutions group, a local group that works with minority contractors. "Well you know, you're not getting the contracts that's one thing. When you bid a project. And, when you're putting together a \$800K bid on some of the flooring and painting contracts and don't get a response, it takes time to put those packages together and to not get a response, they were all basically asking for all these bids and once we turned them in, the communication stopped." (AI-29)

### **3. Informal Networks**

With regards to informal networks within the County, half of those interviewed across all demographic groups indicated that they believed that there was an informal network in the County. One firm stated that there is sometimes County/prime contractor collusion in the selection of subcontractors, "they already have their go to people, and they put out a bid to satisfy their paperwork that they've gone to people on the SBE list, but they already have their chosen people" (AI-2). The owner of a County-based management consulting firm stated that "because you are not at the country club where they go," some firm owners do not have "access to decision-makers and they actually take you seriously" (AI-20). AI-20 went on to state that,

"I'm in leadership Cleveland but I'm not on the same boards or revenue level. It didn't really benefit me as I thought it would. I'm not in the places where they are

to keep an ongoing relationship with those who could potentially give me work or make contracts available or give me access.” (AI-20)

AI-27 claims that he can “pretty much look and tell whether that I needed even to throw my name in the hat because I’ll look at their relationship” and notes that it can be difficult to build new relationships in the County because of this.

#### **4. Race and Gender Discrimination**

With regard to overtly discriminatory practices in the County’s procurement and/or in the relationships between prime contractors and potential subcontractors, there was much less consensus. Though the minority women interviewed never mentioned their gender, the two Caucasian Female-owned businesses interviewed did indicate gender discrimination. “Some feel that it is a man’s world. They feel that I shouldn’t be there,” AI-14 stated when asked about obstacles to minority and women-owned business participation. AI-12 said that she has never experienced someone in the private sector stating that “I only want to deal with men, or I only want to deal with women,” but said that in the public sector “they will spell it out” when looking for a specific gender to participate (AI-12).

As for racial discrimination, 19 of the 30 interviewees indicated that they believed that there is discrimination in Cuyahoga County and a need for MWBE goals. All 19 were either minorities or Caucasian women. 4 of the 6 Caucasian male-owned firms interviewed indicated that they did not believe discrimination existed or that there was a need for MWBE goals. According to AI-9, a Caucasian contractor, “primes will use the best subs no matter what they are” and AI-7, similarly, believes that everyone is on a “very nice, equitable, balanced” playing field (AI-7). On the other hand, AI-9 says that minorities do not do as well within the County because “they are not qualified. Some are, but for the most part there are a lot of issues where they are just not ready or equipped to do the work necessary” (AI-9).

Conversely, minority and Female-owned firms state that there is very present discrimination and indicate that they believe the playing field to be in no way level. According to an African-American Female owner of a local staffing firm, speaking directly to AI-9's assertions,

“They say that they cannot find anyone to do the work that needs to be completed. They say that all the time that’s the generic statement. These diverse suppliers do not have the financial capacity, they do not have the expertise.” (AI-25)

AI-28, amongst other minority firm owners, believes that the SBE program is not effective without strict provisions to utilize minority firms.

“I have contacted them. I have voiced complaints. I have sent letters. I basically told them that this was the worst thing that they could have done by allowing this program to go from MBE to SBE and challenge them to show me the numbers to show me how many minorities really got work after they changed the program and I don’t think that they can produce it.” (AI-28)

Though when asked directly if they believed that there was “reverse discrimination” within the County (meaning that there was an exclusionary preference for groups commonly considered disadvantaged), Caucasian firm owners stated that they did not believe that such a phenomenon was present, but made many contradictory statements. One firm owner stated that, in the presence of goals, contractors “would go to minority companies first to meet participation requirements” and that he would see companies like his “go get certifications to remain competitive and not lose business to those that are certified” but did not indicate how he would obtain such a certification through a minority business program without fraudulent action (AI-6). Another Caucasian business owner believes that the market is “cut-throat” and that nonminority companies that “come in less” than minority companies are edged out of the market and, in fact, that “the minority company will charge more because they are the minority company, and because the companies have to use them” (AI-11). It should be noted that this statement was not a

hypothetical “in the presence of goals” statement, but that the interviewee spoke as though goals were already in place for minorities in the County.

## **5. Fear of Retaliation**

In addition, many minorities fear retaliation for speaking up about discriminatory practices, either externally from prime contractors or within the County. AI-28 says, frankly, that “when you speak up you get blackballed” recalling that he “spoke up” about fraudulent and discriminatory activity on his work with Medical Mart and Cuyahoga County Headquarters as a subcontractor and “had a guy tell me straight to my face...that I did not get one job for that first phase or second phase and it was because I complained” (AI-28).

AI-27 has never appealed an award contract and feels that a firm that did so “would be blacklisted,” saying that the County would say “Here we have a complaining company, and why do we want to do business with someone like that?” (AI-27). As a result, he says, “I just don’t fight the fight” (AI-27). The firm states that the County has not been helpful when they’ve had questions or needed information about the procurement process. “If you ask the tough questions, they look at you as a troublemaker” (AI-27). This business owner did note that the County staff are, however, “courteous and polite” but “there’s never any results” (AI-27).

## **6. Outreach and Utilization**

Though the staff in the SBE program received praise, generally, it was mentioned multiple times that the program is lacking in outreach, monitoring, and authority to regulate misconduct.

The certification people are wonderful. They are very nice people. They do their outreach as they can, but they are not the ones doing the procurement; they are not the ones who start doing the project from the beginning.” (AI-5)

One Hispanic American-owned firm stated that it's a "doughnut and coffee show" that firms will not get much out of because "the deal has already been cut" (AI-4). Another firm owner, an African-American in professional services, stated that County outreach is "a dog and pony show" and that "nothing comes out of it that give us things, and once it's done... the same companies and fronts get the jobs" (AI-21).

AI-5 also believes that, in general, the County is not reaching out to the Hispanic community as they should be. Several interviewees indicated that they felt that the County's SBE program is skewed toward African-American participation. One Lebanese American firm owner stated that he would not qualify as an MBE because he is "not from anywhere from the African continent" (AI-1). A Caucasian small business owner stated that, when he went to the County to get certified as an SBE, he was told that he "was the first white guy" to do so. That was his first experience with the County and he "can't imagine them saying that to a black person or a Puerto Rican person or anybody" that he believed that it explained why his firm never received communication or information from the County: "because I'm not a minority" (AI-8). A Hispanic American firm owner stated that,

"The same people get taken care of over and over and when you think about it in a community that is predominantly minority African-American males that get taken care of more than the percentages of other ethnic groups in Cleveland, it's a reality we accept it" (AI-4).

## **7. SBE Program Regulation**

AI-4 says that the first thing that "those out-of-town contractors" do when they are awarded contracts is "look for a front company; a minority or Female business enterprise that is a front to do a pass-through" and that this is a very frustrating situation for legitimate businesses because "you cannot live on that 2 to 3%" of a contract that is given in a pass-through agreement (AI-4). In suggesting improvements to the SBE program, AI-21 stated that he would like to see them "check into front companies" and look at those that want to be certified as small businesses

“with greater scrutiny,” noting that “when a Black company comes into the County they’ll be scrutinized more than what a White company that has a front....It seems like you can’t get a job in Cleveland unless you get a white guy to be your partner” (AI-21). This statement is supported by another firm owner, who says that

“I know in this game, as long as I’ve been in this work, in order for you to graduate to the next level you have to basically sign on with a big money Caucasian person who plays 49% owner in order for you to actually grow your business” (AI-3).

Though her firm is in professional services and she has no personal experience with prime fraud, AI-20 states that she is familiar with the issues with prime contractors in Cuyahoga County through conversations with some of her clients in the construction industry, “they’re not paying their subs properly or taking a long time to pay them just all kinds of horror stories” (AI-20). According to AI-28, the fault in the SBE program is that “there is no teeth in the law....no enforcement of the rules” (AI-28).

## **8. Small Business Advancement**

Bonding requirements and firm size were considered to be an impediment by one-third of those interviewed. AI-19, a construction contractor, states that bonding is “very difficult” to get and that the County’s requirement that firms provide performance bonds excludes minority, Female, and small businesses. AI-28 also states that “the ability to get bonding” is “what keeps you from bidding now” (AI-28). He expresses displeasure with the lack of effort on the County’s part to help firms build bonding capacity. For small businesses, AI-16 would prefer it if the County attempted to “identify and maybe isolate certain projects for small businesses” and feels that it would go a long way toward helping smaller firms move from being subcontractors to bidding as primes (AI-16). According to AI-17, because small firms are competition for prime firms, they are consistently edged out in subcontracting and, therefore, the County “should project a better percentage of contract specifically for minorities as a prime. The goal of the SBE program is for

companies to grow and graduate and if they don't get help, you don't give them a chance, then they will stay small" (AI-17).

## **H. Conclusion**

While the majority of people appreciate the concept of an SBE program (even those that believe that there should be an MWBE program in addition or in its stead), the general perception is that the program is not given enough monitoring, enforcement, or sanctioning power. When complaints are filed, there is a feeling that they go nowhere, that the SBE program does not have the power to properly chastise prime contractors for their behavior toward subcontractors, or to stop work on projects should abuses become an issue. Though the SBE program and its head are viewed favorably overall, it was mentioned several times that the program should have more "teeth" to it.

In General, Caucasian American Males view the County procurement process as fair. Presented with the possibility of MWBE goals, some interviewed felt that it was a form of "reverse discrimination." The new County Council system and County Executive are viewed as fair and responsive especially in light of the fraud and transparency issues in the previous administration.

MWBEs by and large view the County's procurement as still operating under a "good old boy" system that is difficult to penetrate. There is a pervasive feeling that the use and requirement of unions on many projects prohibits minority participation due to accusations of discrimination within the union ranks. In addition to this, there is significant opinion, especially amongst minority participants, that firms who speak up about prime contractor misconduct or issues with County procurement will be retaliated against or "blackballed."

In anecdotal interviews and focus groups, several instances were recounted in which small and minority-owned businesses were offered work, and signed contracts with prime firms, and then were given only a portion of the work allotted or paid a small sum to do no work at all. Across



the board, in every demographic group, business owners cited the County's bonding requirements as prohibitive and indicated that small firms take the brunt of contract sizing. Recommendations that the County break out contracts and consider not only taking the lowest bidder, but adopting a more inclusive process, especially on construction contracts, was heard repeatedly.

In several forums, especially through stakeholder meetings, public testimony, and statement submittals, it became clear that many Hispanic American contractors feel that their needs have been considered secondary to those of African-American owned businesses in the County's outreach efforts. It was clear that racial tensions were high in the County in every forum, and many of the comments made in anecdotal interviews spoke to the combustible nature of these interactions.

In both focus groups and in some of the anecdotal interviews, it was indicated that mandatory pre-bid conferences and joint venturing between minority, women, and small firms can be effective in helping new businesses build relationships and helping more established businesses to move from sub- to prime contracting. In fact, the growth and financial health of businesses was a major focus of much of the anecdotal evidence collected, including concerns regarding bonding requirements and the suggestion by some that the County itself provide bonding assistance.

## VII. FINDINGS AND RECOMMENDATIONS

### A. Introduction

Cuyahoga County contracted with EuQuant, Inc. (“EuQuant”) (an economic research and data analytics company) to perform an economical and statistical analysis of minority, Female and small business performance in Cuyahoga County. The County also contracted with Griffin & Strong, P.C. (“GSPC”) (a law and public policy consulting firm) to collect and analyze anecdotal data of minority, Female and small businesses in Cuyahoga County and produce a final disparity study report, including these Findings and Recommendations.

The purpose of this Disparity Study is to determine whether a Minority and/or Female Business Enterprise Program is necessary in Cuyahoga County. To that end, GSPC presents the findings of the Study and provides recommendations, including the consideration of race-neutral, and if warranted, race conscious initiatives. Griffin & Strong, P.C. will present its findings and provide recommendations, including the consideration of race-neutral, and if warranted, race conscious initiatives.

### B. Summary of Findings

EuQuant’s economic and statistical analysis is attached as Appendix A to this report as “Data Development, Collection and Analysis Report (“DDCA”) and reflects, in summary, that there is substantial underutilization of minorities and women in both prime and subcontracting. There are also findings included in this study which show significant disparities in the utilization of minority and Female-owned businesses on private sector construction projects. Further, according to GSPC’s Private Sector Analysis, this study observed disparities in self-employment earnings by race and gender, even when controlling for demographic and economic variables. Commercial lending discrimination was also specifically identified in the study as an area of concern in the Cuyahoga County, Ohio marketplace.

These findings of disparities are fully supported by the anecdotal evidence collected by GSPC and also reveal a deep distrust by the minority business community in doing business with the County.

The qualitative and quantitative evidence, both individually and together, consistently demonstrate substantial disparities and inequities in the level of participation by minority and women owned businesses in Cuyahoga County's procurement process, as well as in its marketplace. By testing these disparities with regression analyses there is an obvious inference of discrimination. Further, it is concluded that, despite the County's efforts, through its small business program, without Cuyahoga County's active engagement to ensure that opportunities are open all, this inference of discrimination will continue in Cuyahoga County.

Specifically the findings of this study are as follows:

### **C. Findings from EuQuant's Statistical Analysis**

#### **FINDING 1 – Relevant Market.**

Cuyahoga County's relevant market area is defined as Greater Cleveland Metropolitan Area. Greater Cleveland includes the following counties: Cuyahoga, Geauga, Lake, Lorain and Medina. Greater Cleveland is a smaller geographic region than is the Cleveland – Akron – Canton Combined Statistical Area. The latter area includes eight counties and 3.5 million residents. Cleveland MSA has 2.1 million residents. The research results found that 80.1% of available firms had establishments located in Cuyahoga County, and 10.0% had establishments within Greater Cleveland outside of Cuyahoga.

#### **FINDING 2 – Prime Disparities.**

EuQuant determined that the simple disparity index for minority and women-owned firms prime contracting activity as a total of all procurement categories (Professional Services, Construction, Goods & Supplies, and Suppliers) provide a strong inference of discrimination. The

outcome of the standard deviation analysis replicated the results of the simple disparity index (with the exclusion of industries that had no standard deviation observations)

A simple disparity index is measured by dividing the utilization percentage by the availability percentage. If the resulting value is .80 or less, EuQuant determined that provides an inference of discrimination. Each of following individual minority groups and women for each procurement category had simple disparity indices of .80 or less in prime contracting:

**Table 26: Disparity Indices Indicate a Strong Inference of Discrimination**

Minority Groups and Women in Prime Contracting

Professional Services	Construction	Goods & Services	Suppliers
African Americans	African American	African Americans	African Americans
Hispanic Americans	Hispanic Americans	Hispanic Americans	Hispanic Americans
Asian Americans	Asian Americans		Asian Americans
Native Americans	Native Americans	Native Americans	Native Americans
Women	Women		Women

Griffin & Strong, P.C. 2014

**FINDING 3 – Subcontractor Disparities.**

Likewise, in subcontracting, EuQuant determined that the simple disparity index for minority and women-owned firms in subcontracting as a total of all procurement categories (Professional Services, Construction, Goods & Supplies, and Suppliers) provide a strong inference of discrimination. The outcome of the standard deviation analysis did not yield the same result. However, it is important to note that some industry categories did not have a sufficient number of awards to minorities and women required for a standard deviation analysis.

Each of the following individual minority groups and women for each procurement category had simple disparity indices of .80 or less in subcontracting, determined by EuQuant to provide a strong inference of discrimination:

**Table 27: Disparity Indices Indicate a Strong Inference of Discrimination**  
 Minority Groups and Women in Subcontracting

Professional Services	Construction	Goods & Services	Suppliers
	African American	African Americans	African Americans
Hispanic Americans		Hispanic Americans	
Asian Americans	Asian Americans	Asian Americans	Asian Americans
Native Americans	Native Americans	Native Americans	Native Americans
	Women		

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**FINDING 4 – Combined Prime and Subcontractor Disparities**

A combined prime and subcontractor utilization allows for a clearer picture of how many County dollars went to primes and subcontractors. This is particularly important when a Female or minority group may be overutilized as a subcontractor and underutilized as a prime. It may still be warranted to include that group in a remedial program because the overall dollars awarded represent a significant underutilization.

Each of following individual minority groups for each procurement category had simple disparity indices of .80 or less in the combined areas of prime contracting and subcontracting, determined by EuQuant to provide a strong inference of discrimination:

**Table 28: Disparity Indices Indicate a Strong Inference of Discrimination**

Minorities and Women in Combined Prime and Subcontracting

<b>Professional Services</b>	<b>Construction</b>	<b>Goods &amp; Services</b>	<b>Suppliers</b>
African Americans	African American	African Americans	African Americans
Hispanic Americans	Hispanic Americans	Hispanic Americans	
Asian Americans	Asian Americans	Asian Americans	Asian Americans
Native Americans	Native Americans	Native Americans	Native Americans
Women	Women		Women

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From the table above, only women-owned businesses were consistently overutilized as both primes and subcontractors in Goods and Services. Hispanic American-owned firms were overutilized as subcontractors, but had zero utilization as prime. The net result was underutilization, but it was not statistically significant underutilization.

**FINDING 5 –Capacity.**

The findings do not suggest the statistically significant disparities in prime contracting for minorities and women are the result of insufficient capacity.

**FINDING 6-Regression Analysis of Disparity.**

The results indicated that, controlling for other factors firms owned by women experienced 42% lower revenue than did firms owned by men, and the results were statistically significant. Firms owned by blacks experience revenues that were 98% lower in comparison to firms owned by whites and those results were also statistically significant.

## **D. Summary of GSPC's Qualitative Evidence**

### **FINDING 7-Private Market Analysis of Discrimination.**

**Access to Capital:** GSPC's private sector analysis of minority owned businesses in the State of Ohio is motivated by the idea that if business firm access to private equity, loans and venture capital is conditioned on minority ownership status, this would be suggestive of, and consistent with discrimination against minority-owned businesses in the private sector. Discrimination against minority-owned businesses in private sector markets for business financing would result in those businesses having a reduced likelihood, relative to nonminority-owned businesses, of receiving start-up and expansion financing from private sector sources. GSPC's analysis finds that relative to nonminority-owned businesses, minority-owned businesses in the State of Ohio are less likely to have utilized bank loans, home equity and venture capital to finance business start-up and expansion.

### **Finding 8 - Anecdotal Evidence**

It was perceived that:

- The SBE Program is a good concept but is weak in enforcement power, monitoring, and there are no real sanctions for those that do not comply. In addition, SBE's are always up against large primes so it is difficult for them to win bids and sometimes contracts are just too large for SBEs to bid on.
- Majority firms do not see a need for an MWBE program while minority firms believe that the good old boys network, unions, and discriminatory business practices keep them from getting work from primes.
- There is still a distrust of the procurement process by most MWBE firms and therefore some do not even bother to bid. Many times complaints are ignored. It is also felt that if complaints are made there will be retaliation.

- Primes do not make good on their offers to small and minority-owned businesses for subcontractor work.
- In every demographic group, business owners cited the County's bonding requirements as prohibitive.
- Hispanic American contractors feel that they are secondary to African-American-owned businesses in the County's outreach efforts.
- The County should assist MWBE's to get more contracts with primes by doing more outreach and creating more opportunities for MWBEs to interact with potential primes.

#### **Finding 9 -Purchasing Practices, Policies, and Procedures**

GSPC's analysis of Cuyahoga County's existing SBE program as well as general purchasing policies showed that certain policies are barriers to small business engagement. The findings in the anecdotal evidence and private sector analysis indicate that barriers to small business engagement may disproportionately hinder the engagement of minority and women-owned businesses. Cuyahoga's internally and externally observed issues with prompt payment, as well as the lack of awareness of the multiple steps necessary to become registered independently with Buyspeed, the Inspector General, and the SBE program, are hindrances to small businesses as a whole. The uniform insurance bond requirement is seen as an issue both by many of the Cuyahoga County employees interviewed and business owners interviewed for the anecdotal evidence portion of this study.



## **E. GSPC's Recommendations**

### **Recommendation 1: Commercial Antidiscrimination Policy**

Cuyahoga County already has a commercial antidiscrimination policy, but it is important to emphasize continuation of stating that policy in every procurement package. Some courts have noted that putting in place antidiscrimination rules is an important component of race-neutral alternatives.<sup>24</sup> Nationally, most agencies, like the County, have adopted requirements to ensure that their procurement process is not discriminatory.

### **Recommendation 2: Continuation of Small Business Program**

Cuyahoga County has tried a race neutral program, yet the statistically significant disparities, likely caused by race and gender have not attained the parity that they were put in place to help achieve. Cuyahoga County should continue its Small Business Enterprise Program, but should modify the program to respond to reviews of the program that it has “no teeth” by adding additional features so that the program has increased monitoring, enforcement and sanctioning power.

### **Recommendation 3: Small Business Set Aside**

Cuyahoga County should respond to the minimal number of MWBE prime contractor awards and the problem of contract sizing, as well as the issue of SBE's difficulties in bidding against large companies, by creating small business set asides. This means that certain contracts could only be bid by certified small businesses.

### **Recommendation 4: MWBE Aspirational Goals**

The SBE program has not been successful in remedying the inference of discrimination. Cuyahoga County should respond to the statistically significant underutilization of minority and women-owned businesses as prime and subcontractors by establishing a new MWBE economic

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<sup>24</sup> Engineering Contractors v. Dade County, 943 F.Supp. 1546 (SD Fla 1996).

inclusion program (“EIP”). This is not a fix goal program, but instead sets aspirational goals based upon availability.

The new EIP would set MWBE subcontractor goals in the work categories where statistically significant MWBE underutilization occurs. The goals should be set at a percentage that is in-line with the availability percentages for each MWBE group. Goals would be considered aspirational, in that firms that do not meet the goal would, in addition to attesting that they used good faith efforts to attain the goal, be subject to further inquiry as to why the goal was not met, but not be automatically deemed unresponsive. Based upon the information obtained, the County would have an option to accept the explanation, deny the contract, or launch a further discrimination investigation. The same goals could remain in place until the next disparity study is done in 5 years; however the program itself must have a “sunset date” in accordance with Croson. GSPC recommends a 5 year sunset date.

The EIP program, may be structured to set an overall MWBE goal, rather than setting a goal for each ethnicity, this allows for contracts where MWBE’s may not be available in certain industries. Since this is not a fixed goal program, it requires a more hands-on approach from procurement and contract compliance staff .

**Recommendation 5: Multiple Classifications**

In tracking attainment of goals, it is recommended that, although a firm will continue to be classified in one primary category for all other statistical purposes, an MBE or WBE firm that also qualifies as SBE can take advantage of the County’s SBE programs and can be counted as satisfying goals in as many categories as that firm would otherwise qualify.

**Recommendation 6: Local EIP Program**

Cuyahoga County should consider making the EIP program a local Greater Cleveland Area program in order to obtain maximum benefit to local MWBE firms. Prince George’s County, Maryland has a model program called “Jobs First,” that establishes a progressive means to benefit firms that operate in the County and support the tax base. See link at

<http://www.princegeorgescountymd.gov/sites/SupplierDevelopment/Services/Jobs-First-Act/Pages/default.aspx>

**Recommendation 7: Certification**

A new EIP program will require the establishment of a certification process for MWBE status in addition to SBE certification. Certification should be by each race/ethnicity/gender category in order to facilitate tracking availability and utilization in the future. The certification administration includes certification, contract administration, and monitoring.

**Recommendation 8: Alternatives to Reducing Contract Size**

If contract size cannot be reduced to match MWBE capacity, the County should look for instances in which MWBE capacity can be increased to match contract size. MWBE capacity can be increased by encouraging joint ventures among MWBEs. For example, in Oregon, the Northeast Urban Trucking Consortium, an organization composed of seven MWBE independent trucking firms with 15 trucks, joined together to win a \$2 million trucking contract. MWBE collaboration can be encouraged by citing consortium examples in newsletters and increasing outreach for projects where such collaboration may be effective.

The County may also cautiously encourage joint ventures between MWBEs and nonminority-owned firms on large-scale projects. For example, the City of Atlanta encourages establishment of joint ventures on large projects over \$10 million,<sup>25</sup> where economically feasible, to ensure prime contracting opportunities for all businesses, including certified MWBEs. This type of joint venture poses potential illicit “front” risks, and the County must examine these joint ventures carefully.

**Recommendation 9: Mandatory Pre-Bid Conference**

Cuyahoga County should respond to the issue of SBEs and MWBEs having difficulties in interacting with prime contractors, by requiring mandatory pre-bid conferences that will allow

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<sup>25</sup> City of Atlanta Ordinance Sec. 2-1450 and Sec. 2-1451.

potential prime contractors and subcontractors to interact. Further, the County should initiate additional events and opportunities for subcontractors and primes to interact.

**Recommendation 10: MWBE Outreach**

Cuyahoga County should respond to the continuing difficulties that the MWBE business community has in obtaining contracts by conducting more extensive outreach such as:

- The County should work to provide more forecasts of business opportunities to MWBE vendors.
- The County should partner with federal procurement efforts to market to MWBE firms in the region.
- The County can feature MWBEs and SBEs in employee and procurement newsletters to promote firm awareness.
- The County should assist in marketing and promoting MWBEs wherever possible to the private sector community.

**Recommendation 11: Private Sector Initiatives**

The County should require all bidders to describe their diversity program and list the MWBEs with which they do business. The County should also consider private sector initiatives, as is done by a number of entities such as the City of Tampa, FL; Atlanta, GA; and Saint Paul, MN, such as including MWBE goals in their economic development contracts and measuring MWBE participation on private sector projects performed by County prime contractors.

**Recommendation 12: Performance Bonds**

Cuyahoga County should respond to the perceived burden of performance bonds on SBE and MWBE firms by breaking performance bonds into “phases”. This would keep firms from having to get such large bonds all at once. Also, GSPC recommends interplay with the federal SBA bonding program which will provide relief to small businesses. Another mechanism is to raise the threshold of when performance bonds are necessary to a dollar amount to be determined by the County Council. The County might also consider discouraging primes from requiring performance bonds from subcontractors for jobs that are less than a dollar amount to be

determined by the County Council. The County could also undertake to entertain waivers for performance bonds. Firms could prequalify for such a waiver.

### **Recommendation 13: Union Contracts**

Despite a recurring perception to the contrary in the anecdotal evidence collected by GSPC, the County has no union requirements related to procurement, except on a few occasions when they have required PLA's (Project Labor Agreements)<sup>26</sup> PLAs relate only to the particular project and are not a condition for awarding a project either as a prime or a subcontractor. In other words, they do not require the awardee to be a union signatory, but to agree to certain union pay, workforce and other requirements on the awarded project.

However, based on anecdotal reports received by GSPC, there are still aspects of union relationships that should be closely monitored by the County

1. There are prime contractors that will not use subcontractors that are not union signatories, even though this is not a union requirement. This may be used as an excuse to keep using a closed circle of subcontractors that may exclude MWBEs as well as new entrants.
2. There may be some clear advantages to becoming a union signatory, however, it is difficult for small businesses to absorb the cost of performing exclusively under union contracts. The County should monitor any perceived pressure to become a union signatory and assist those small businesses, including MWBE's that would like to be unionized to do so.
3. Even a PLA may be unduly burdensome on MWBE firms because they may not be able to work with their normal labor crews and access to minority and female workforce may be limited. The County should do what it can to assure that there are nondiscriminatory practices in obtaining union membership.

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<sup>26</sup> The County is a signatory to Collective Bargaining Agreements that govern workforce.

With third party union agreements, again, those are workforce related and are not required by the collective bargaining agreements to be a condition of subcontractor awards, although PLAs may be required.

What we heard in anecdotal interviews was a misunderstanding that the County itself was awarding “union contracts”

#### **Recommendation 14: Listing of Subcontractors**

The County should require all contractors to submit a list of all subcontractors not only proposed to be utilized, but all subcontractors that were contacted in preparation of their bid package. The list of potential subcontractors should include, among other information, the proposed service, and bid amount. The listing of subcontractors would reduce the possibility of bid shopping. It would also assist the County during the submission review process, goal-setting process, and goal attainment review, and help avoid administrative issues of handling noncompliance after contract award.

#### **Recommendation 15: Staffing and Program Monitoring**

There should be an increase in the training and resources of the County to ensure the necessary resources to operate the SBE and MWBE program, train the internal customers and to track the data necessary to report on accomplishment. Specifically, this staff would perform outreach, respond to public inquiries about the program, analyze bid requirements, monitor compliance from current contracts, and perform dispute resolution, collect and report on data related to contract awards and expenditures and to respond to the needs of the internal customers regarding interpretation, assistance, and compliance.

The County should also develop the means to measure the effectiveness of its efforts. Possible measures include evaluating the following:

- a) growth in the number of MWBEs winning their first award from the County
- b) growth in percentage of MWBE utilization by the County
- c) growth in MWBE prime contracting
- d) growth in MWBE subcontracting to prime contractors
- e) number of firms that receive bonding
- f) percentage of MWBE utilization for contracts not subject to competitive bidding requirements

**Recommendation 16: Access to Capital**

The County should develop a comprehensive program to ensure equal access to capital and should convene private sector lenders for the purpose of evaluating the current performance of lenders with regard to MWBE lending and proposing coordinated efforts to increase lending to small and minority-owned businesses. In addition, the County should coordinate with the SBA to assist MWBE borrowers.

**Recommendation 17: Oversight Committee**

It is important that major stakeholders (including representatives of general contractors and MWBE contractors) take part in discussions about the County's SBE and MWBE programs. Consequently, the County should provide a vehicle for stakeholder input in the review of any SBE or MWBE program.

## VIII. CONCLUSION

### ***Closing Statement***

Cuyahoga County has had a difficult history but is making genuine efforts to gain back the trust of its business community. Although the current level of both prime and subcontractor MWBE utilization is minimal, the County is enthusiastic about making real changes to its procurement process in awards to both small businesses and MWBEs. The programs recommended by GSPC are narrowly tailored to the findings of EuQuant's statistical data and echoed by the anecdotal evidence collected by GSPC.

We urge the Cuyahoga County business community to join with the County to make these important changes and to help make them work.

Griffin & Strong, P.C.

December, 2014



## IX. APPENDICES

2014

# Phase 4: Cuyahoga DDCA Final Report

## Findings and Recommendations

This draft final report summarizes all aspects of the Data Development, Collection and Analysis conducted by EuQuant on behalf of Cuyahoga County. The document explains findings regarding the availability, utilization and disparity in the use of minority- and women-owned businesses that expressed an interest in, or executed, contracts with Cuyahoga County between 2009 and 2012.



**Contents**

List of Figures ..... 3

Executive Summary..... 5

Recommendations Regarding Data Management..... 16

Introduction, Background and Objectives ..... 17

Research Method, Data and Approach..... 20

Relevant Market Area Analysis ..... 25

Availability Analysis..... 26

    Characteristics of Certified SBEs ..... 29

    Available firms by Industry, Minority Status, Gender and Race ..... 31

    Available firms in Cuyahoga County ..... 34

    Available Firms by Cuyahoga County by Detailed Industry, Minority Status, Gender and Race ..... 36

    Availability of SBE Certified Firms ..... 39

    Utilization of Firms on Prime Contracts ..... 46

        a. Utilization by Broad Industry Categories, Minority Status, Gender and Race ..... 46

    Utilization of SBEs on Subcontracts ..... 50

        a. Profile of County SBE Aspirational Goals ..... 50

        b. Prime Contractor Commitment to SBE ..... 52

The Disparity Index Analysis ..... 56

    Disparity Analysis of SBE Subcontracting..... 56

    Disparity Analysis of Prime Contracting..... 57

    Disparity Analysis of Prime and Subcontracting Combines ..... 59

        Minority and Women Business Revenue Capacity ..... 60

        Regression Analysis of Disparity ..... 62

Private Market Analysis of Discrimination..... 64

    Demographic and Business Profile of the County ..... 64

    Detailed Findings Based on Descriptive Statistics..... 68

    Findings Based on Regression Analysis (See Figures Below) ..... 70

Appendix 1: Detailed Calculations for the Disparity Indexes..... 73

## List of Figures

Figure 1. THE RELEVANT MARKET AREA DEFINED BY CONTRACTING AWARD ACTIVITY (2009 - 2012).....	25
Figure 2. THE RELEVANT MARKET AREA DEFINED BY THE LOCATION OF AVAILABLE CONTRACTORS.....	26
Figure 3. "NUMBER OF AVAILABLE FIRMS IN CUYAHOGA COUNTY'S MARKET AREA .....	26
Figure 4. "AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY MINORITY STATUS.....	28
Figure 5. AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY GENDER STATUS.....	28
Figure 6. "AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY RACE AND ETHNIC STATUS .....	29
Figure 7. AVAILABLE FIRMS IN MARKET AREA BY SBE CERTIFICATION STATUS.....	30
Figure 8. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY MINORITY STATUS .....	30
Figure 9. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY GENDER STATUS.....	30
Figure 10. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY RACE AND ETHNIC STATUS .....	31
Figure 11. DISTRIBUTION OF AVAILABLE FIRMS BY BROAD INDUSTRY CATEGORY.....	32
Figure 12. DISTRIBUTION OF AVAILABLE FIRMS BY BROAD INDUSTRY GROUP AND MINORITY STATUS.....	33
Figure 13. NUMBER OF AVAILABLE FIRMS BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS.....	33
Figure 14. PERCENT OF AVAILABLE FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS .....	34
Figure 15. AVAILABLE FIRMS IN CUYAHOGA COUNTY BY INDUSTRY GROUP AND MINORITY STATUS.....	34
Figure 16. AVAILABLE FIRMS IN CUYAHOGA COUNTY BY INDUSTRY GROUP AND GENDER STATUS .....	35
Figure 17. AVAILABLE FIRMS IN COUNTY BY BROAD INDUSTRY GROUP, RACE AND ETHNICITY.....	35
Figure 18. DISTRIBUTION OF AVAILABLE FIRMS BY DETAILED INDUSTRY CATEGORY.....	36
Figure 19. NUMBER AND PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY AND MINORITY STATUS .....	37
Figure 20. NUMBER AND PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY AND GENDER STATUS.....	37
Figure 21. NUMBER OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY, RACE AND ETHNICITY .....	38
Figure 22. PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY, RACE AND ETHNICITY .....	39
Figure 23. SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP AND MINORITY STATUS.....	40
Figure 24. SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP AND GENDER STATUS.....	40
Figure 25. NUMBER OF SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS .....	41
Figure 26. PERCENT OF SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS .....	41
Figure 27. SBE CERTIFIED FIRMS BY DETAILED INDUSTRY AND MINORITY STATUS .....	42
Figure 28. SBE CERTIFIED FIRMS BY DETAILED INDUSTRY AND GENDER STATUS.....	43
Figure 29. NUMBER OF SBE CERTIFIED FIRMS BY DETAILED INDUSTRY, RACE AND ETHNIC STATUS .....	44
Figure 30. PERCENT OF SBE CERTIFIED FIRMS BY DETAILED INDUSTRY, RACE AND ETHNIC STATUS .....	45
Figure 31. MINORITY UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS 2009 - 2012 .....	46
Figure 32. GENDER UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY BROAD INDUSTRY, 2009 - 2012 .....	46
Figure 33. MINORITY UTILIZATION: CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 12 .....	47
Figure 34. GENDER UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 2012 .....	48
Figure 35. RACE AND ETHNIC UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 2012 .....	49
Figure 36. VALUE OF COUNTY CONTRACTS THAT COULD BE MATCHED TO PROCUREMENT REQUISITIONS .....	50
Figure 37. DISTRIBUTION OF PROCUREMENT AWARDS WITH ASPIRATIONAL GOALS.....	50
Figure 38. PROCUREMENT AWARDS BY ASPIRATIONAL GOAL STATUS AND BROAD INDUSTRY GROUP.....	50
Figure 39. MEAN COUNTY SBE ASPIRATIONAL GOAL PERCENTAGE BY BOARD INDUSTRY GROUP.....	51
Figure 40. VALUE OF COUNTY SBE ASPIRATIONAL GOALS.....	51
Figure 41. COUNTY ASPIRATIONAL GOAL PERCENTAGE TO SBEs BY DETAILED INDUSTRY .....	52
Figure 42. PRIME CONTRACTOR AWARD COMMITMENT TO SBEs BY DETAILED INDUSTRY .....	52
Figure 43. VALUE OF PRIME CONTRACTORS' COMMITMENTS TO SBEs.....	53
Figure 44. PRIME CONTRACTOR GOAL COMMITMENT TO SBEs BY DETAILED INDUSTRY .....	53
Figure 45. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP.....	54
Figure 46. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND RACE/ETHNICITY .....	54
Figure 47. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND GENDER.....	54
Figure 48. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND SBE STATUS.....	55

Figure 49. REGRESSION ANALYSIS AND OUTPUT .....63

Figure 50. DISTRIBUTION OF BUSINESSES BY LOCATION AND DETAILED INDUSTRY IN CLEVELAND SMSA AND REST OF OHIO.....66

Figure 51. MINORITY STATUS OF GOVERNMENT CONTRACTS IN CLEVELAND SMSA & REST OF OHIO .....67

Figure 52. MARKET AVAILABILITY BY RACE & ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO.....67

Figure 53. GENDER STATUS OF GOVERNMENT CONTRACTS IN CLEVELAND SMSA & REST OF OHIO .....68

Figure 54. AVERAGE REVENUE & SHARE OF TOTAL REVENUE BY RACE AND ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO .....69

Figure 55. REVENUE SHARE, AVAILABILITY AND SIMPLE DISPARITY INDEX BY RACE AND ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO .....70

Figure 56. REGRESSION MODEL SUMMARY .....71

Figure 57. REGRESSION ANOVA.....71

Figure 58. REGRESSION COEFFICIENTS.....71

## Executive Summary

### Background and Objectives

Cuyahoga County wants to ensure that qualified businesses owned by minority and female entrepreneurs have an equal opportunity to compete for the goods and services it procures. To this end, it commissioned EuQuant (an economic research and data analytics company) to conduct a statistical analysis of its contracting and procurement activity. The purpose is to determine whether or not minority-owned and women-owned businesses have been adversely affected by direct or indirect discriminatory practices. The Constitution allows government officials, under certain circumstances, to take remedial steps to promote opportunity, advance equality, and address discrimination. This study is designed to assist the County in determining whether such steps are necessary. It measures the size and statistical significance of disparities between the share of qualified, willing, and able firms available in the marketplace and the share of contracts they received. The formal name given to this research by Cuyahoga County is a Data Development, Collection and Analysis Report (DDCA). Its conclusions reflect activity that occurred between 2009 and 2012.

### Census Demography

Cuyahoga is the largest County in Ohio, with about 1.3 million people. It is experiencing a gradual yearly decline in population. In 2012, blacks made up 30% of the County's population while Hispanics and Asians together comprised about 8%. Very few Native Americans and Alaska Natives live in Cuyahoga. Combined, these minority groups owned about 17% of all small businesses in the County. Cuyahoga's poverty rate was 18% in 2012; however, one-third of the population of the City of Cleveland, the largest jurisdiction in the county, lived in poverty.

### Legal precedents

The research methodology is tailored to the requirements of the landmark United States Supreme Court decision in the case of *City of Richmond v. J.A. Croson*, 488 U.S. 469, 493 (1989) and its progeny. The Croson Decision and the Adarand Decision [*Adarand Constructors v. Peña*, 515 U.S. 200 (1995)] established "strict scrutiny" as the standard to be applied to local, state and federal programs that implement a race- or gender-conscious remedy in procurement. . The strict scrutiny analysis stipulates local or state legislation employing race- or gender-conscious remedial policies must demonstrate a compelling governmental interest and be narrowly tailored. According to Croson and the cases that followed, strong evidence of discrimination against minority- and women-owned businesses establishes a "compelling governmental interest".

## **Research Data**

Multiple databases were used in the study including the Byspeed database (the County's vendor registration and bidding system); the SBE database (which contains information on firms and applicants to the Small Business Enterprise (SBE) Program; the Contracts database (containing records on recipients of County contracts); and the Procurement database (which has records on procurement awards, prime contractor commitments to SBE subcontractors, SBE subcontracting awards and aspirational goals). Other sources included EuQuant's proprietary database, City of Cincinnati SBE program data; City of Cleveland MBE/FBE/CSB Program data; City of Columbus MBE Program data; and Northeast Ohio Regional Sewer District data.

## **Method and Data**

This report used statistical analyses, disparity indexes, standard deviation units and regression analysis to evaluate statistical disparities. The research method was tailored to legal requirements, including the necessity to restrict statistical finding to the relevant market area. The relevant market was determined to be Greater Cleveland Metropolitan Area. However the study also examined activity within Cuyahoga County, a submarket of the relevant market area.

## **Organization of Findings**

All findings were broken down into four broad Industry Categories: Professional Services; Construction Services; Goods and Other Services; and Suppliers. The four broad industry categories were then disaggregated into 13 detailed industries. Results were also broken down by minority status, gender status, and race and ethnic status. Availability and utilization results were broken down by prime contracting activity, SBE subcontracting activity and prime and subcontracting activity combined. Disparity indexes and regression analyses were used as part of the study to measure disparities. Contracting awards were also classified by County award protocols which were as follows: County Council criterion (\$50,000 and above); Board of Controls criterion (\$100,000 to \$500,000); and the Contracts and Purchasing Board Criteria (\$500 to \$100,000). Finally, an assessment of disparity and discrimination in Cuyahoga County's private market place was conducted.

## **Criteria for Determining Availability**

Available firms had to meet the following criteria: (1) actively registered with Cuyahoga County's vendor registration and bidders system (Byspeed) between 2009 and 2012; or, (2) certified SBE; or, (3) recipient of a County contract; or (4) recipient of a County procurement

award or SBE subcontracting awards. In addition, the firm must have also operated a place of business within the relevant market area.

### **Availability by Race, Gender and Ethnicity**

The relevant market area was determined to be Greater Cleveland Metropolitan Area. There were 4281 available firms in the relevant market area. The research team could determine the industry of operation of 4259 of those firms. For the most part, the analysis is restricted to those 4259 firms. Eighty-nine percent (89%) of the available firms in Cuyahoga's market place operated business establishments within the geographic boundary of Cuyahoga County. The remaining 11% were located within the Greater Cleveland Metropolitan Area, but outside of Cuyahoga County.

Minority business owners made up 9.1% (389) of all available firm and women business owners comprised 8.7% (371) of all available firms. African-Americans accounted for 6.9% (293) of all available firms; Hispanic Americans composed .9% (38), Asian Americans accounted for 1.2% (51); and Native Americans represented .2% (7).

### **Availability by SBE Certification Status**

Cuyahoga County used the race-and gender-neutral SBE program as a vehicle for increasing minority and women business utilization. The large representation of minority and women owned businesses among SBE certified firms reflects the special effort made by the County to promote race-and gender-neutral subcontracting opportunities.

As a result, minority and women-owned businesses comprised a much larger percentage of SBE certified firms in comparison to their representation among all available firms. Overall, SBE certified firms numbered 541, all were located in Cuyahoga County.

While minorities accounted for 9.1% of all available firms, they comprised 42.9% of SBEs. Similarly, while businesses owned by women accounted for 8.9% of all available firms, they made up 38.1% of SBE certified firms. Black Americans owned 32.3% of all SBEs, Asian Americans accounted for 5.0% of SBE certified firms. Further, Hispanic American-owned firms comprised 5.4%, and Native American-owned firms .2% of all SBE certified firms.

### **Availability by Industry**

Available firms were classified by 4 broad industry categories: professional services (which accounted for 44.4% of available firms); construction (20.3% of available firms); goods and other services (8.5%); and suppliers (26.8%). Available businesses were also classified and 13 detailed industry categories.



Broken down by broad industry category, minority businesses accounted for 8.8% of available firms in professional services, 14.8% of firms available in construction services, 10.5% of firms providing goods and other services and 4.9% of suppliers.

Women business availability across broad industry categories was 8.6% in professional service, 11.8% in construction, 9.1% in goods and services and 6.5% in suppliers.

Across the 13 detailed industries, the highest representation for minority-owned firms was in the following industries: 25.0% of available firms in heavy construction contracting, 23.1% in transportation and warehousing, and 16.7% in building construction.

The highest representation for women-owned firms (within detailed industries) was as follows: 17.9% of firms in transportation and warehousing, 13.4% in specialty trade contracting and 11.0% in general construction contracting.

### **SBE Subcontracting Availability by Industry**

Minority business owners comprised 42.9% of all SBE certified firms. They accounted for 42.0% of SBEs in professional services, 45.0% in construction, 53.8% in goods and services, and 31.4% of suppliers.

Women business owners comprised 38.1% of all SBE certified firms. They represented 42.9% of SBEs in professional services, 29.5% in construction services, 50.0% in goods and other services and 38.6% of suppliers.

African American owned firms accounted for 32.3% of all SBE certified firms. This included 32.0% of professional services, 31.0% of construction services, 42.3% of goods and services and 30.0% of suppliers.

Firms owned by Hispanic Americans represented 5.4% of all SBE certified businesses. They comprised 2% of businesses in professional services, 8.5% of construction services, 7.7% of goods and services, and 1.4% of suppliers.

### **Prime Contract Utilization**

The County awarded \$641.1 million in prime contracts between 2009 and 2012. Minority businesses received \$6,018,667 of prime contract awards. This represented .9% of total awards. The largest dollar value of awards to minorities was in professional services, \$.5 million (which represented 1.1% of all prime contracts); awards to minority businesses in construction services was \$.349 million (which represented .6% of all construction contracts), awards in other goods and services was \$.199 million (which was .4% of utilization within the industry).

Women business owners received \$12.1 million in total prime contracts, which represented 1.9% of the total. They received 1.2% of professional service awards, .8% of construction prime contracts, 10.2% of other goods and services and .1% of supply services awards.

Breaking down results by race and ethnicity, only African-Americans and Asian Americans received prime contract awards; these were \$5.6 million and \$.452 million respectively, representing .9% and .1% of total prime contracts.

### **Aspirational Goals and Commitments on SBE Subcontract**

The County sought to achieve a more equitable utilization of minority and women businesses through the race-and gender-neutral SBE Program. Aspirational goals were set on selected prime contracts. Prime contractors were encouraged to meet the aspirational goals by using qualified, willing and able subcontractors who were SBE certified.

A review of procurement records indicated that Cuyahoga County placed SBE aspirational goals on 13.9% of all prime contracts. The goals ranged from 5% to 30% of the value of the prime contract. The mean aspirational goal was 17.4% and the median was 15%. If all aspirational goals were achieved, they would have amounted to 2.4% of total prime contract awards.

Prime contractors committed to awarding \$10.8 million to SBE subcontractors. The commitments ranged from 0% to 62% of total contract value; the median was 20%.

### **SBE Subcontract Utilization**

While prime contractors committed \$10.8 million to SBE subcontractors, County records indicate SBEs were awarded \$9.8 million in subcontracts.

Awards to SBE subcontractors (\$9.8 million) represented an extremely small percentage of all prime contracts awarded by Cuyahoga (which was \$641.1 million). Specifically, subcontract awards to SBEs represented only 1.5% of the value of all prime contracts.

Of the \$9.8 million awarded through the SBE subcontracting program, minorities received \$3.2 million or 33.1% and women SBEs received \$2,486,480 or 25.4%.

Subcontract awards by race were as follows: African-Americans were awarded \$2,219,575 (22.7%), Hispanic Americans \$997,196 (10.2%) and Asian Americans were awarded \$20,092 (.2%).

Cuyahoga's procurement record also indicated that \$2.2 million of the \$9.8 million awarded through the SBE subcontracting program went to firms that were not SBE certified.

### **Prime Contract and Subcontract Utilization Combined**

Combining subcontracting and prime contracting awards, minorities received \$9.3 million - a value equal to 1.4% of all awards made by the county.

Combined, women received \$14.6 million or 2.3% of all awards. African Americans received \$7.8 million (1.2%), Hispanic Americans received \$.997 million or .2% and Asians received \$.472 million, or .1%.

The utilization of minorities across broad industry categories was as follows: 1.3% of professional services, 3.8% of construction services, .5% of goods and other services, and .4% of supply services.

The utilization of women was as follows: 1.5% in professional services, 1.4% in construction services, 10.7% in goods and other services and .4% in supply services.

### **The Disparity Analysis**

The simple disparity index is measured by dividing the utilization percentage by the availability percentage. A resulting value of .80 or less provides an inference of discrimination.

Disparities were also measured by standard deviation units. The objective of the standard deviation analysis was to determine whether or not the actual disparity in awards to minorities or women differed from what was expected given their availability in the marketplace. To standardize the results, the difference between the actual awards and expected awards is converted to standard deviation units. If the resulting value is negative and its absolute value is two or greater, an inference of discrimination is provided. The outcome of the standard deviation analysis may not be reliable if the number of observations (i.e. number of awards to the group under consideration) is less than five. Appendix 1 provides the detailed information that was used to calculate all disparity indexes. For disparity indexes on each race and ethnic group by industry category, the reader should refer to that appendix.

A high-level summary of the disparity index analysis is provided in the tables below. There are six tables and three categories of results. The first two tables summarize disparity indexes for SBE subcontracting activity for minorities and for women. The second two tables summarize disparity indexes for prime contracting activity for minorities and women. Finally, the third two tables summarize disparity indexes for prime contracting and subcontracting activity for minorities and women.

The two tables below provide the results of the simple disparity index based on comparing the minority utilization percentage to the availability percentage for SBE subcontracting activity.

The overall result of the first table provided an inference of discrimination for minorities. Specifically, the simple disparity index is .77 (availability was 42.9% and utilization was 33.1%). The same outcome was derived for women SBE subcontracting activity (see the second table). Specifically, availability was 38.1% and utilization was 25.4% which produced a simple disparity index of .67. The standard deviation analysis does not yield the same result. Standard deviation is -.854 for minorities and -1.16 for women. However, it is important to note that in some industry categories there were an insufficient number of awards to minorities and women as such the standard deviation analysis could not achieve a reasonable level of confidence. An asterisk reflects industries characterized by an insufficient number of observations.

**Subcontracting Disparity Indexes: Minority SBE Subcontracting Activity**

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	37.6%	42.0%	0.89	-0.17	*
CONSTRUCTION	37.7%	45.0%	0.84	-0.65	
GOODS & SERVICES	22.9%	53.8%	0.43		*
SUPPLIERS	4.3%	31.4%	0.14	-37.28	*
<b>TOTAL OR AVERAGE</b>	<b>33.1%</b>	<b>42.9%</b>	<b>0.77</b>	<b>-0.85</b>	

**Subcontracting Disparity Indexes: Women SBE Subcontracting Activity**

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	38.2%	42.9%	0.89	-0.16	
CONSTRUCTION	7.6%	29.5%	0.26	-8.61	*
GOODS & SERVICES	88.7%	50.0%	1.77	2.50	*
SUPPLIERS	56.1%	38.6%	1.45		*
<b>TOTAL OR AVERAGE</b>	<b>25.4%</b>	<b>38.1%</b>	<b>0.67</b>	<b>-1.16</b>	

The next two tables provide the results of the simple disparity index for prime contracting activity. It is based on comparing the minority utilization percentage to the availability percentage for prime contractors only. In the prime contracting analysis, certified SBEs were not included among the pool of available prime contractors. The results provide a strong inference of discrimination. Specifically, the simple disparity index for minority prime contractors was .67 (availability was 4.8% and utilization was .9%). The same outcome was true for women prime contractors. Specifically, availability was 5.0% and utilization was 1.9%, which

produced a disparity index of .38. The outcome of the standard deviation analysis replicated the results of the simple disparity index. In particular, the standard deviation for minorities was -5.87 and the standard deviation for women was -3.12. Both give rise to an inference of discrimination, also some industries did not have sufficient observations.

**Prime Contracting Disparity Indexes: Minority Prime Contracting Activity**

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.1%	5.7%	0.19	-5.96	
CONSTRUCTION	.6%	5.9%	0.10	-16.89	*
GOODS & SERVICES	.4%	3.8%	0.10		*
SUPPLIERS	.0%	3.2%	0.00		
<b>TOTAL OR AVERAGE</b>	<b>.9%</b>	<b>4.8%</b>	<b>0.20</b>	<b>-5.87</b>	

**Prime Contracting Disparity Indexes: Women Prime Contracting Activity**

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.2%	5.2%	0.24	-4.68	
CONSTRUCTION	.8%	6.7%	0.11	-16.65	
GOODS & SERVICES	10.2%	2.6%	3.89	1.12	*
SUPPLIERS	.1%	4.4%	0.03		*
<b>TOTAL OR AVERAGE</b>	<b>1.9%</b>	<b>5.0%</b>	<b>0.38</b>	<b>-3.12</b>	

The final two tables provide the results of the simple disparity index for prime contracting and subcontracting activity combined. The availability analysis included firms that were prime contractors and certified SBEs. Similarly, the utilization analysis includes awards made to minorities and women as prime contractors and subcontractors. The results also provide a strong inference of discrimination. Specifically, the simple disparity index for minority prime contracting and subcontracting activity combined was .16 (availability was 9.1% and utilization was 1.4%). The standard deviation for minorities was -9.07.

A similar outcome was found for women. Specifically, availability was 8.7% and utilization was 2.3%, which produced a disparity index of .26. The standard deviation was -5.46.

Prime and Subcontracting Disparity Indexes: Minority Prime & Subcontracting Activity

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.3%	8.8%	0.15	-7.20	
CONSTRUCTION	3.8%	14.8%	0.26	-8.70	
GOODS & SERVICES	.5%	10.5%	0.05	-50.20	*
SUPPLIERS	.4%	4.9%	0.07	-73.34	*
TOTAL OR AVERAGE	1.4%	9.1%	0.16	-9.07	

Prime and Subcontracting Disparity Indexes: Women Prime & Subcontracting Activity

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.5%	8.6%	0.17	-6.26	
CONSTRUCTION	1.4%	11.8%	0.12	-21.45	
GOODS & SERVICES	10.7%	9.1%	1.17	0.18	
SUPPLIERS	.4%	6.5%	0.06	-1.87	*
TOTAL OR AVERAGE	2.3%	8.7%	0.26	-5.46	

**Minority and Women Business Capacity**

The statistically significant disparities derived in the tables above for minorities and women do not appear to be the result of an insufficient business capacity. In particular, the research team used average revenue over three years as an approximation of the size of award a firm should be capable of performing. The research team then created four dollar categories for awards made by the county and sorted firms into those categories based on their revenue. The categories of awards were as follows: (1) contracts whose award value was less than \$50,000; (2) contracts that ranged from \$50,000 - \$99,999; (3) contracts whose value ranged from \$100,00 - \$499,999; and (4) contracts whose values were \$500,000 and greater.

Based on an evaluation of firm revenue, 44.1% of Caucasian businesses were capable of performing contract of \$500,000 and greater; this was true for 17.6% of minority businesses and 54.9% of businesses owned by women. For contracts that ranged between \$100,000 and \$499,999, the results indicated that 27.4% of nonminority businesses had revenue within that range while 16.6% of minority businesses and 25.6% of women owned businesses did.

**Distribution of Prime Contracts by the Value of Awards in Comparison to the Distribution of Available Firms by Average Revenue**

Category	Percent Distribution of Prime Contract by Award Amount	Percent Distribution of Non-minority Businesses by Revenue	Percent Distribution of Minority Businesses by Revenue	Percent Distribution of Women Businesses by Revenue
Less than \$50,000	49.0%	19.6%	3.6%	12.3%
\$50,000 - \$99,999	10.9%	8.9%	2.1%	7.2%
\$100,00 - \$499,999	22.8%	27.4%	16.6%	25.6%
\$500,000 and greater	17.3%	44.1%	17.6%	54.9%
No. of Contracts or Firms Observed	943	607	281	277

These findings suggest minority and women business owners had sufficient capacity to execute a much larger share of contracts than they were awarded.

**Regression Analysis of Disparity**

The research team also conducted a regression analysis so as to determine whether or not the statistical evidence suggested an inference of discrimination. The regression equation was designed to explain the average revenue of 727 firms available to Cuyahoga County. Average three-year revenue was the dependent variable (it was converted to a natural logarithm to adjust for stochastic errors). The regression analysis controlled for the broad industry categories in which firms operated; the gender of the firm’s owner; whether or not the firm was SBE certified; whether or not the firm was owned by African-American, other minority group member or a white American; the length of time the firm had operated; and it included a logistic probability variable that corrected the results for truncation bias resulting from missing observations on revenue.

The results indicated that, controlling for other factors, firms owned by women experienced 42% lower revenue in comparison to firms owned by men, and the results were statistically significant. Firms owned by blacks experienced revenues that were 98% lower in comparison to firms owned by whites and those results were also statistically significant. The number of observations for firms owned other by non-black minorities (i.e. Hispanics, Asians, and Native Americans) was too few to draw a definitive conclusion using regression analysis. The regression results were supported by findings for firms that operated in the Cuyahoga private market area. In particular, a regression analysis of discrimination in the private market found

statistically significant disparities in firm revenue for businesses owned by African-Americans and Native Americans.



## Recommendations Regarding Data Management

The following is a list of suggestions concerning improvements that can be made to data management processes so as to improve the efficiency of analyses in the future. Some suggestions deal with coding and classifying data while others specify ways of improving links between databases. The recommendations below are not listed in an order of important. They are as follows:

1. Information about Race/Ethnicity and Gender needs to be collected for non-SBE firms. Having this information for non-SBE firms is essential for tracking the impacts of the SBE program. The data collection procedures used for SBE firms should be extended to cover information for non-SBE firms.
2. Vendor numbers need to be standardized across the different databases
  - a. In the current data environment, the same vendor has up to three different vendor identification numbers assigned to it. For example, if vendor is an SBE registered firm, it may have one ID number. At the same time, many SBE firms are also in the Buyspeed database, which means this firm will have a separate ID number. Finally if the firm received a contract, it will have a different number in the contracts database.
  - b. In a more integrated data environment, one ID number should follow the same vendor throughout the different databases where vendor information is stored. It is important to note this standardized number need not be utilized as the primary identification number in each of the different databases, but each database should also have a common identification number. A federal tax id number is a leading candidate for such a common vendor identification number. This study found the federal tax id number was used in an encrypted form in the Buyspeed database. However, where it appeared in other databases, it was unencrypted and no link was provided. A step would be to use the federal ID number in all databases.
3. Contract records in the Contracts database need to be assigned an associated industry or work code. As it currently stands, the only way to classify the type of contract is to look at a detailed description. Assigning a work code/industry code based on this description should happen when the contract is created in the system. Assigning contract codes would make analyses more efficient and allow managers to better understand the allocation of contracting awards.
4. Within the procurement database, there are many procurement awards that do not match up with contracts in the contracts database. Whenever contracts cannot be linked by requisition number, it is impossible to determine whether procurement awards have been approved and executed or simply approved. Information in the contracts database details the amount of money that has been executed against a particular contract however the procurement database does not make this distinction. Going forward information needs to be kept in the procurement database that allows a person to determine whether a contract has been executed or just approved.

5. In the procurement database, when there are multiple SBE subcontractors who receive money awards it is now possible to determine the amount going to each vendor. One cannot break out the amount going to a particular group.

### Introduction, Background and Objectives

Over the last two years, Cuyahoga County has undergone a transformation. As part of this process, the County wants to ensure that qualified businesses owned by minority and female entrepreneurs have an equal opportunity to compete for the goods and services it procures.

In this regard, Cuyahoga retained EuQuant (an economic research and data analytics company) to conduct the quantitative components of a Disparity Study. Among other things, disparity studies allow government agencies to determine whether or not historically disadvantaged businesses (that are qualified, willing and able to execute contracts) have experienced discrimination either directly or indirectly in the award and execution of contracts.

The quantitative component of a disparity study examines statistical evidence regarding the difference (i.e. disparity) between the share of qualified, willing, and able firms that are available in the marketplace and the share of contracts they receive. Typically, the findings are broken down by race, ethnicity, gender and other relevant criteria such as industry, prime contracting and subcontracting activity.

The Constitution allows government officials, under certain circumstances, to take remedial steps to promote opportunity, advance equality, and address discrimination.<sup>1</sup> This study is designed to assist the County in determining whether such steps are necessary.

The formal name given to this research by Cuyahoga County is a Data Development, Collection and Analysis Report. Its conclusions reflect activity that occurred between 2009 and 2012. The findings are fundamental to conducting a disparity study. To complete the disparity study, the quantitative results presented in this report should be supplemented by conducting an analysis of qualitative evidence of direct or indirect discrimination. Combined, the quantitative and qualitative assessments allow the County to make programmatic changes that comply with the landmark U.S. Supreme Court case involving the City of Richmond versus J.A. Croson. That case

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<sup>1</sup> ACLU (2010) *A Guide to Federal Circuit Authority on Permissible Government Actions to Promote Racial and Gender Equality*. Accessed: October 14, 2013, 10:34 PM  
[https://www.aclu.org/files/assets/Promoting\\_Opportunity\\_and\\_Equality\\_in\\_America.pdf](https://www.aclu.org/files/assets/Promoting_Opportunity_and_Equality_in_America.pdf)

and its progeny set the standard by which judgments are made regarding the constitutionality of government procurement policies using race- and gender-conscious criteria.

Numerous sections make up this report. They include the following: an executive summary, a discussion of the study's methodology and approach, a description of the relevant market area within which the County procures goods and services, a profile of available firms in the market area, an examination of firms certified in the Small Business Enterprise (SBE) Program, and assessment of the extent to which available firms are successful prime contractors , an evaluation of the utilization of SBE firms on subcontracts, a statistical analysis of disparity and a statistical analysis of disparities among minority, women and nonminority firms that operated within Cuyahoga County 's private marketplace.

### **Legal precedents**

The research methodology used in this report is tailored to the requirements of the landmark United States Supreme Court decision in the case of *City of Richmond v. J.A. Croson*, 488 U.S. 469, 493 (1989). The Croson Decision and the Adarand Decision [*Adarand Constructors v. Peña*, 515 U.S. 200 (1995)] established "strict scrutiny" as the standard to be applied to local, state and federal programs that implement a race- or gender-conscious remedy.

The strict scrutiny analysis stipulates local or state policies employing race – or gender – conscious remedial policies must demonstrate a compelling governmental interest and be narrowly tailored to eradicate identified discrimination in the award of contracts. According to Croson and the cases that followed, strong evidence of discrimination against minority- and women-owned businesses establishes a "compelling governmental interest". The cases suggest the methodology that should be employed in conducting disparity studies and guidelines for determining the veracity of the evidence. Cases occurring in the US Court of Appeals for the Sixth Circuit are particularly relevant for Cuyahoga County. This is because Ohio, Kentucky, Michigan and Tennessee comprise the Sixth Circuit.

One Sixth Circuit decision [*Associated General Contractors of Ohio, Inc., v. Drabnik*, 214 F.3<sup>rd</sup> 730 (6<sup>th</sup> Cir.2000)] struck down a set-aside program operated by the Ohio Department of Administrative Services. In its findings, the Court raised the bar significantly for programs seeking to remedy past discrimination by race- and gender-conscious policies. It stated the government must make explicit findings of discrimination that show a pervasive, systematic and obstinate pattern of discrimination.

Generally, courts have established that statistical analyses must include an analysis of the difference or disparity between the amount of subcontracting dollars minority- and women-owned businesses receive and the amount they would be expected to win given their

availability in the relevant market. Disparity indexes and regression analyses have been widely accepted as procedures to use in determining whether or not statistical inferences of discrimination exist.

A disparity index having a value that is equal to or less than .80 provides an inference of discrimination. Similarly, courts have held that two or more standard deviations between actual awards and expected awards provide an inference of discrimination. Finally, Courts have looked favorably upon the use of regression analysis because they control for differences in firm related attributes when explaining differences in outcomes for various race, ethnic and gender groups.

### **Demographic Characteristics of the County**

Cuyahoga County is Ohio's most populous. The latest Census indicates the County's 2012 population was 1.3 million persons. It also indicated that the population is continuing to experience a gradual decline on a year-to-year basis. For example, between 2010 and 2012, the change in total population was -1.2% and it experienced an 8.2% decline between 2000 and 2010. Median household income in Cuyahoga County is \$43,861 and percent of persons living in poverty is 17.7%. In comparison Cleveland, the major city of the County, experienced a poverty rate of 32.7%.

The demographic makeup of the county is as follows: whites (64.8%), blacks (30.2%), Hispanic or Latino (5.1%) and Asian (2.8%). The representation of Native Americans and Alaska Natives is very small, comprising just .3%.

Official census statistics of the County documented 33,255 businesses. They represented 13.3% of the 250,000 businesses in the State of Ohio. While blacks made up 30.2% of the County's population and 12.5% of the State's population, they owned just 13.6% and 5.8% of the businesses in the County and State respectively. Likewise, Hispanics and Latinos comprised 5.1% of the County's population and the 3.3% of the State's population. They owned 1.6% and 1.1% respectively of the County and State's businesses. Finally, women made up 52.5% of the County's population and 51.1% of the State's population. They owned 28.0% and 27.7% of the businesses in the respective locations.

## Research Method, Data and Approach

The research team was led by Dr. Thomas D. Boston, CEO of EuQuant and a Professor of Economics at Georgia Institute of Technology (Georgia Tech). Dr. Boston was assisted by the EuQuant staff, most especially, Linje Boston, who is research Director at EuQuant. Linje holds an undergraduate degree in statistics from Carnegie Mellon University and a graduate degree in statistics from the University of Michigan.

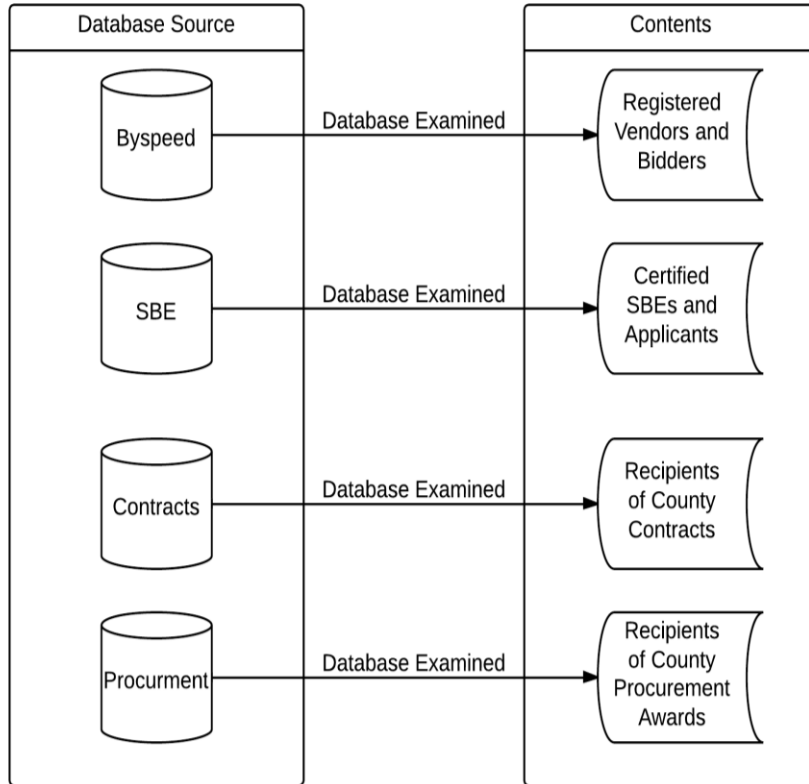
Multiple databases were used, including the following: the Byspeed database (which is the County's vendor registration and bidding system); the SBE database (which contains detailed information on the characteristics of certified firms and applicants to the Small Business Enterprise (SBE) Program; the Contracts database (which maintains records on recipients of County contracts); and the Procurement database (which maintains records on procurement awards, prime contractor commitments to SBE subcontractors, SBE subcontracting awards and aspirational goals set by the County on various projects). Additional data sources were also used to conduct the analysis of discrimination in the private market and identify the race, ethnicity and gender of business owners in Cuyahoga's market area. These sources included EuQuant's proprietary database (which has national records on more than one-half million small businesses, including, 2,300 firms located in Greater Cleveland Metropolitan Area and 7,400 in the State of Ohio, outside of Greater Cleveland); City of Cincinnati SBE program data; City of Cleveland MBE/FBE/CSB Program data; City of Columbus MBE Program data; and Northeast Ohio Regional Sewer District data. The first diagram below lists databases used in the study and the second details the type of information extracted from each database.

**DATA SOURCES USED TO  
CLASSIFY FIRMS**

- ~Byspeed Database
- ~SBE Database
- ~Contracts Database
- ~Procurement Database
- ~Euquant's Proprietary Database
- ~Central Contractor Register for Federal Government
- ~City of Cincinnati SBE Program
- ~City of Cleveland Certified MBE
- ~FBE
- ~CBS Vendor Program
- ~City of Columbus MBE Directory
- ~Columbus MBE Targeted Construction Directory
- ~Outside Columbus MBR Directory
- ~Northeast Ohio Regional Sewer District Vendor List

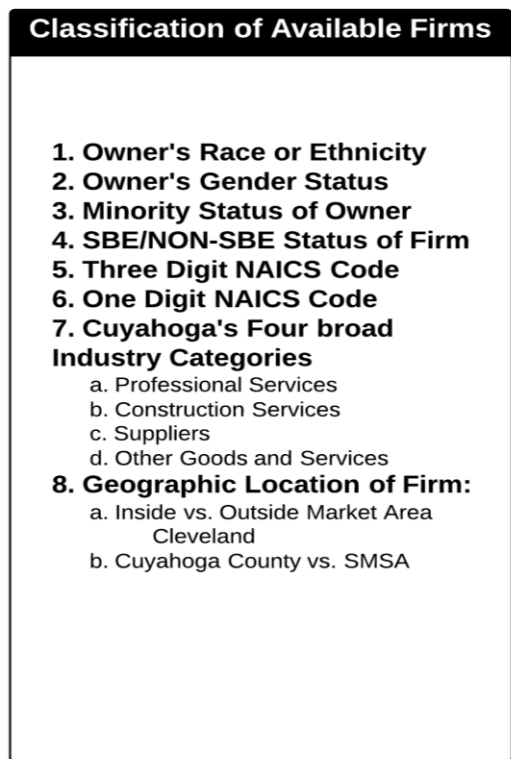
**METHOD AND CRITERIA USED TO DEFINE AVAILABLE FIRMS**

Objective: Identify the most statistically valid population of firms that are "Ready, Willing and Able" to do business with Cuyahoga County.



**Organization of the Research**

Results are classified by the categories listed in the diagram below.



More precisely, the results were broken down as follows:

1. The relevant market area (which is Greater Cleveland Metropolitan Area) and the sub-area within the relevant market (Cuyahoga County).
2. The four broad Industry Categories: Professional Services; Construction Services; Goods and the only 90 report Services; Suppliers.
3. The four broad industry categories further broken down into 13 detailed industries based on cross-referencing Cuyahoga County's procurement and subcontracting codes to NAICS categories. The resulting NAICS categories include the following industries: utilities, agriculture and mining; construction of buildings; heavy construction and civil engineering; specialty trades construction; light chemical manufacturing; heavy metal manufacturing; computer and electronics equipment manufacturing; wholesale and retail trade distribution; transportation and warehousing; information and telecommunications; professional scientific and technical services; healthcare and social services; repair, personal services and accommodations.



4. The business owner's minority status, gender status, race and ethnic status (including African-Americans, Asian Americans, Hispanic Americans and Native Americans).
5. The availability and utilization of firms broken down by prime contracting activity, SBE subcontracting activity and a combined summary of prime and subcontracting activity.
6. The disparity analysis broken down by the four broad industry categories. Within each industry category the disparity indexes are further broken down by prime contracting and SBE subcontracting, minority status, gender status, African-Americans, Hispanic Americans, Asian Americans and Native Americans.
7. The assessment of disparities based on a regression analysis that examined disparities in revenue by race and gender among firms registered with Cuyahoga County. The regression controls for relevant firm related attributes.
8. The procurement regulations protocols governing the award of contracts. Specifically, awards corresponding to County Council criterion (\$50,000 and above); board of controls criterion (\$100,000 to \$500,000); and the Contracts and Purchasing Board Criteria (\$500 to \$100,000). Available firms are slotted into the procurement award categories based on their average revenue over the last 3 years.
9. The assessment of disparity and discrimination in Cuyahoga County's private market place based on examining the revenue of firms in the private market relative to the firm related attributes.

## Relevant Market Area Analysis

Cuyahoga County’s relevant market area is defined as Greater Cleveland Metropolitan Area. Greater Cleveland includes the following counties: Cuyahoga, Geauga, Lake, Loraine and Medina. Greater Cleveland is a smaller geographic region than is the Cleveland – Akron – Canton Combined Statistical Area. The latter area includes eight counties and 3.5 million residents. Cleveland MSA has 2.1 million residents. The research results found that 80.1% of available firms had establishments located in Cuyahoga County, and 10.0% had establishments within Greater Cleveland outside of Cuyahoga.

An examination of contract records revealed that 70.2% of the total value of contracts awarded went to firms located in Greater Cleveland and 69.5% of the number of contracts that were awarded also went to firms located in Greater Cleveland. In practice, the typical standard for defining the market area is the location where 80% of vendors reside or 80% of the value of contracts is awarded encompassed 70% of the value of awards and number of contracts. In comparison, Cuyahoga County encompassed 80% of the firms. Therefore, Greater Cleveland is a reasonable compromise for defining the relevant market.

**Figure 1. THE RELEVANT MARKET AREA DEFINED BY CONTRACTING AWARD ACTIVITY (2009 - 2012)**

<b>LOCATION</b>	<b>VALUE OF CONTRACTS (DOLLARS)</b>	<b>PERCENT OF VALUE</b>	<b>NO. OF CONTRACTS</b>	<b>PERCENT OF TOTAL</b>
CUYAHOGA	\$ 613,549,703.47	68.19%	1314	65.1%
GREATER CLEVELAND -OTHER	\$ 18,892,869.51	2.10%	89	4.4%
OUTSIDE GREATER CLEVELAND	\$ 99,476,124.16	11.06%	237	11.8%
OUT OF STATE CONTRACTOR	\$ 167,879,093.17	18.66%	378	18.7%
<b>Total</b>	<b>\$ 899,797,790.31</b>	<b>100.00%</b>	<b>2018</b>	<b>100.0%</b>

Figure 1 indicates that Cuyahoga County accounted for the greatest total dollar value of contracts (\$613M), percent of value (68.19%) and number of contracts (1314) and percent of total (65.1%) during the contracting period between 2009 and 2012. Note that Out of State Contractors accounted for the second highest total dollar value, percent of value, number of contracts, and percent of total contracts during the same contracting period at \$167M, 18.6%, 378 and 18.7% respectively.

Figure 2. THE RELEVANT MARKET AREA DEFINED BY THE LOCATION OF AVAILABLE CONTRACTORS.

<u>LOCATION</u>	<u>NUMBER OF FIRMS</u>	<u>PERCENT OF FIRMS</u>
CUYAHOGA	3808	80.1%
GREATER CLEVELAND -OTHER	473	10.0%
OUTSIDE GREATER CLEVELAND	289	6.1%
OUT OF STATE CONTRACTOR	182	3.8%
<b>Total</b>	<b>4752</b>	<b>100.0%</b>

Figure 2 indicates the locations of available contractors. The greatest numbers of firms had establishments in Cuyahoga County; they accounted for 80.1% of all firms. There were 473 firms located in the Greater Cleveland-Outside the County and they accounted for 10% or the 2<sup>nd</sup> largest percent of all available firms. There were 289 firms located in Greater Cleveland and they accounted for 6.1% of firm. Lastly firms located outside of the State of Ohio only account for 3.8% of all available firms and they numbered 182. .

Figure 3. "NUMBER OF AVAILABLE FIRMS IN CUYAHOGA COUNTY'S MARKET AREA

<u>LOCATION</u>	<u>NUMBER OF FIRMS</u>	<u>PERCENT OF FIRMS</u>
CUYAHOGA	3808	89.0%
GREATER CLEVELAND -OTHER	473	11.0%
<b>Total</b>	<b>4281</b>	<b>100.0%</b>

GREATER CLEVELAND INCLUDES THE FOLLOWING COUNTIES: CUYAHOGA, GEauga, LAKE, LORAIN AND MEDINA

Figure 3 is restricted to firms in the market area. Cuyahoga County had the lowest number of available firms; it has 3,808 firms, which accounted for 89% of all firms. Greater Cleveland-Other the has 11% or 473 firms.

## Availability Analysis

an available firm must be qualified, willing and able to engage in contracting activity with Cuyahoga County and it must operate a business establishment within the relevant market area. Qualified, willing and able firms were identified as those meeting one of the following criteria: (1) actively registered with Cuyahoga County’s vendor registration and bidders system (Byspeed) between 2009 and 2012; or, (2) a certified SBE; or, (3)a recipient of a County contract; or (4)a recipient of a County procurement award or SBE subcontracting awards.

In addition to the meeting one of the above stated criteria, the firm had to operate a for-profit business establishment that was located within Greater Cleveland Metropolitan Area (the relevant market area). Based on the criteria specified above, there were 4281 firms qualified, willing and able to work for Cuyahoga County government. Among these firms, we identified the industry classification for 4259. The diagram below illustrates the criteria used to establish availability within the relevant market area.

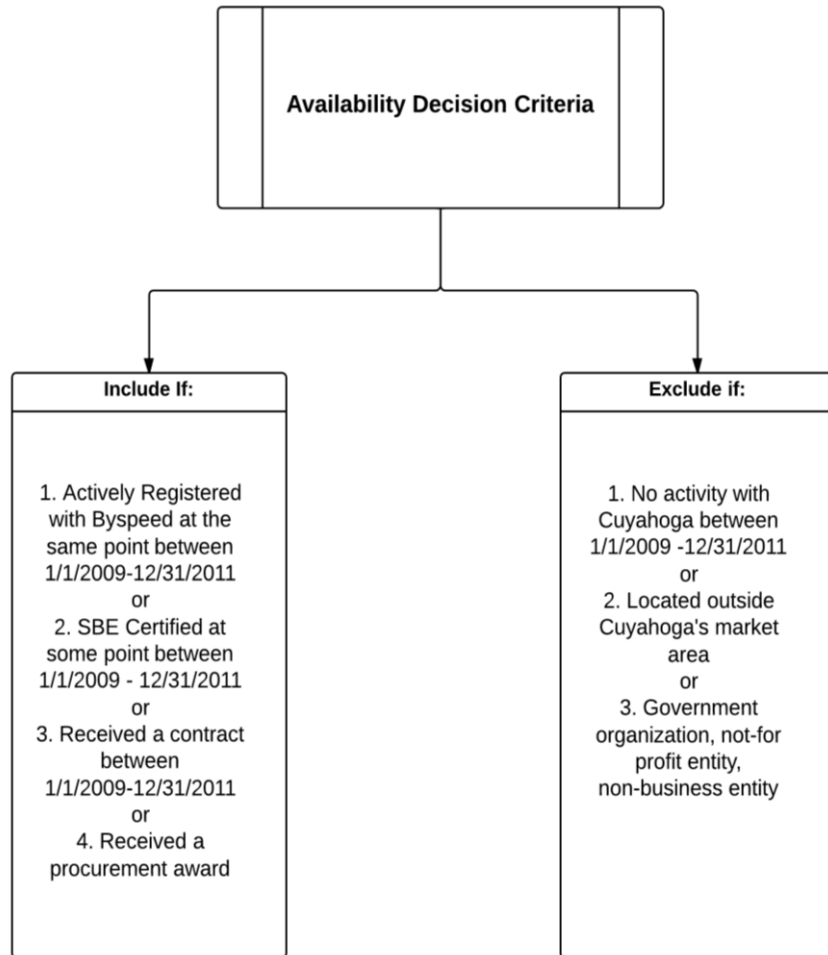


Figure 4. "AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY MINORITY STATUS

LOCATION	CUYAHOGA(NO.)	CUYAHOGA(%)	GREATER	GREATER	TOTAL (NO.)	TOTAL(%)
			CLEVELAND -OTHER	CLEVELAND -OTHER		
			(NO.)	(%)		
NON-MINORITY	3423	89.90%	466	98.5%	3889	90.8%
MINORITY	385	10.10%	7	1.5%	392	9.2%
<b>Total</b>	<b>3808</b>	<b>100.00%</b>	<b>473</b>	<b>100.0%</b>	<b>4281</b>	<b>100.0%</b>

GREATER CLEVELAND INCLUDES THE FOLLOWING COUNTIES: CUYAHOGA, GEauga, LAKE, LORAIN AND MEDINA

Figure 4 indicates the availability of minority and non-minority firms in the Cuyahoga County market area. In total, minority firms accounted for 9.2% of all firms, while non-minority firms accounted for the remaining 90.8%. Figure 4 indicates 89% of all available firms in Cuyahoga were owned by non-minorities, while 98.5% of firms in other areas of greater Cleveland were. Minorities owned 10% of available firms in Cuyahoga and 1.5% of firms in the rest of Greater Cleveland.

Figure 5. AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY GENDER STATUS

LOCATION	CUYAHOGA(NO)	CUYAHOGA(%)	GREATER	GREATER	TOTAL (NO)	TOTAL(%)
			CLEVELAND -OTHER	CLEVELAND -OTHER		
			(NO)	(%)		
FEMALE	358	9.40%	21	4.4%	379	8.9%
MALE	3450	90.60%	452	95.6%	3902	91.1%
<b>Total</b>	<b>3808</b>	<b>100.00%</b>	<b>473</b>	<b>100.0%</b>	<b>4281</b>	<b>100.0%</b>

NOTE: FEMALE OWNED FIRMS ARE ARE DEFINED AS THOSE OWNED BY CAUCASIAN WOMEN

Figure 5 presents the availability of firms in Cuyahoga County’s market area by gender status. For the entire Cuyahoga Market Area, female firms accounted for 8.9% while male firms accounted for the remaining 91.1%. Figure 5 dictates that female firms accounted for a larger percentage of firms in Cuyahoga (9.4%) than in Greater Cleveland-Other (4.4%). Additionally, in terms of the number of firms there were 358 female firms in Cuyahoga County and 21 in Greater Cleveland-Other. Male-owned firms had distribution in Cuyahoga (3,450 and 90.6%).

Figure 6. "AVAILABLE FIRMS IN CUYAHOGA'S MARKET AREA BY RACE AND ETHNIC STATUS

LOCATION	CUYAHOGA(NO)	CUYAHOGA(%)	GREATER CLEVELAND -OTHER		TOTAL (NO)	TOTAL(%)
			(NO)	(%)		
AFRICAN AMERICAN	291	7.60%	5	1.1%	296	6.9%
ASIAN	50	1.30%	1	0.2%	51	1.2%
HISPANIC	37	1.00%	1	0.2%	38	0.9%
NATIVE AMERICAN	7	0.20%		0.0%	7	0.2%
SUB-TOTAL MINORITY	385	10.10%	7	1.5%	392	9.2%
CAUCASIAN	3423	89.90%	466	98.5%	3889	90.8%
<b>Total</b>	<b>3808</b>	<b>100.00%</b>	<b>473</b>	<b>100.0%</b>	<b>4281</b>	<b>100.0%</b>

NOTE: FEMALE OWNED FIRMS ARE DEFINED AS THOSE OWNED BY CAUCASIAN WOMEN

Figure 6 indicates the availability of firms located in the Cuyahoga County market area by race and ethnic status. In total for the entire Cuyahoga Market area, Caucasian firms accounted for 90% of all available firms, African American firms accounted for 6.9%, Asian firms accounted for 1.2%, Hispanic firms accounted for .9% and Native American firms accounted for .2% of all firms.

Figure 6 dictates that minority firms comprise 10.1% of the firms in Cuyahoga County while non-minority firms account for the remaining 89.9%. Of the 10.1%, Minority African American firms comprised the largest percent at 7.6%, Asian firms the second largest at 1.3% and Hispanic firms the third largest at 1%. Native American firms comprised less than 1% of all minority firms.

### Characteristics of Certified SBEs

There were 541 businesses actively certified with the SBE Program, 57.1% (309) of the businesses were owned by whites while 42.9% were owned by members of minority groups. Businesses owned by women comprised 38.1% of SBE certified firms.

African-American business owners represented 32.3% of SBE certified firms, Asian American business owners represented 5.0%, Hispanic American business owners represented 5.4%, and Native American business owners represented .2%.

Figure 7. AVAILABLE FIRMS IN MARKET AREA BY SBE CERTIFICATION STATUS

SBE STATUS	CUYAHOGA NO.	CUYAHOGA(%)	GREATER CLEVELAND -OTHER		TOTAL NO.	TOTAL(%)
			NO.	(%)		
NON-SBE	3267	85.80%	473	100.0%	3740	87.4%
SBE	541	14.20%		0.0%	541	12.6%
<b>Total</b>	<b>3808</b>	<b>100.00%</b>	<b>473</b>	<b>100.0%</b>	<b>4281</b>	<b>100.0%</b>

Figure 7 lists the availability of firms in the Cuyahoga County market area by SBE certification status. In total, Non-SBEs accounted for 3,740 firms or 87% and SBEs accounted for 541 firms or 12%. In Cuyahoga County SBE firms comprised 14.2%, while non SBE firms accounted for the remaining 85%. All SBE firms were located within Cuyahoga County.

Figure 8. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY MINORITY STATUS

MINORITY STATUS	NUMBER	PERCENT
NON-MINORITY	309	57.10%
MINORITY	232	42.90%
<b>Total</b>	<b>541</b>	<b>100.00%</b>

Figure 8 lists the Availability of SBE certified firms by minority status. According to the table, of the 541 registered SBEs in Cuyahoga County, 42.9% are minority-owned while the remaining 57% have non-minority status.

Figure 9. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY GENDER STATUS

GENDER	NUMBER	PERCENT
FEMALE	206	38.10%
MALE	335	61.90%
<b>Total</b>	<b>541</b>	<b>100.00%</b>

Figure 9 lists the Availability of SBE certified firms by gender status. Accordingly, 62% of SBEs are male –owned while the remaining 38% are female-owned.

Figure 10. CUYAHOGA COUNTY SBE CERTIFIED FIRMS BY RACE AND ETHNIC STATUS

<u>RACE AND ETHNICITY</u>	<u>NUMBER</u>	<u>PERCENT</u>
AFRICAN AMERICAN	175	32.30%
ASIAN	27	5.00%
HISPANIC	29	5.40%
NATIVE AMERICAN	1	0.20%
SUB-TOTAL MINORITY	232	42.90%
CAUCASIAN	309	57.10%
<b>Total</b>	<b>541</b>	<b>100.00%</b>

Figure 10 describes the Availability of SBE certified firms by race and ethnic status in Cuyahoga County; 57% are Caucasian (309), 32% are African American (175), 5.4% are Hispanic (29), 5% are Asian (27), and .2% are Native American (1).

### Available firms by Industry, Minority Status, Gender and Race

Available firms were classified by 4 broad industry categories. These categories included professional services (which accounted for 44.4% of available firms); construction (20.3% of available firms); goods and other services (8.5%); and suppliers (26.8%).

Available businesses were also classified by 13 detailed industry categories including the following: utilities, agriculture and mining; construction of buildings; heavy construction and civil engineering; specialty trades construction; light chemical manufacturing; heavy metal manufacturing; computer and electronics equipment manufacturing; wholesale and retail trade distribution; transportation and warehousing; information and telecommunications; professional scientific and technical services; healthcare and social services; and repair, personal services and accommodations.

Using the broad industry classification, the largest number of minority firms operated in professional services (43.2%) and secondly construction services (32.7%). Supply industries accounted for 14.3% of minority firms and 9.7% operated in goods and services industries.

Women-owned firms were most heavily concentrated in construction services and secondarily professional services.

When available firms were classified by detailed industries, the largest number operated in professional, scientific and technical services industries (1146 businesses accounting for 26.9%). The 2nd largest industry concentration was healthcare and social services (587 businesses representing 13.8%), followed by specialty trade contracting (500 firms representing 11.7%).



Across all industries, minority firms comprised 9.2% of available firms. However, they represented a much higher percentage of particular industries. For example, minorities made up 25.0% of firms that were available in heavy construction contracting, 23.1% of available firms in transportation and warehousing, and 16.7% of available firms in building construction.

Women business owners represented 8.9% of all available firms. However they comprised 17.9% of firms in transportation and warehousing, 13.4% of firms in specialty trade contracting and 11.0% of firms in general construction contracting.

**Figure 11. DISTRIBUTION OF AVAILABLE FIRMS BY BROAD INDUSTRY CATEGORY**

<b>BROAD INDUSTRY CATEGORY</b>	<b>CUYAHOGA NO.</b>	<b>CUYAHOGA (%)</b>	<b>GREATER CLEVELAND - OTHER NO.</b>	<b>GREATER CLEVELAND - OTHER (%)</b>	<b>TOTAL NO.</b>	<b>TOTAL (%)</b>
PROFESSIONAL SERVICES	1730	45.63%	160	34.2%	1890	44.4%
CONSTRUCTION	769	20.28%	95	20.3%	864	20.3%
GOODS AND OTHER SERVICES	320	8.44%	43	9.2%	363	8.5%
SUPPLIERS	972	25.64%	170	36.3%	1142	26.8%
<b>Total</b>	<b>3791</b>	<b>100.00%</b>	<b>468</b>	<b>100.0%</b>	<b>4259</b>	<b>100.0%</b>

Figure 11 describes the availability of firms by broad industry categories for the entire Cuyahoga County market area. Professional services comprised 1890 firms or 44% of all firms, Suppliers comprised 1,142 firms or 27 % of all firms, construction comprised 864 firms or 20% of all firms, and Goods and Other Services comprised 363 firms or 8.5% of all firms.

There were 3,791 firms located in Cuyahoga County; 45% were in professional services, 25% were suppliers, 20% were in construction, and 8% were in goods and services.

Figure 12. DISTRIBUTION OF AVAILABLE FIRMS BY BROAD INDUSTRY GROUP AND MINORITY STATUS

BROAD INDUSTRY CATEGORY	NON-MINORITY NO.	NON-MINORITY % OF INDUSTRY	MINORITY NO.	MINORITY % OF INDUSTRY	TOTAL NO.	TOTAL % OF INDUSTRY
PROFESSIONAL SERVICES	1721	44.5%	169	43.2%	1890	44.4%
CONSTRUCTION	736	19.0%	128	32.7%	864	20.3%
GOODS AND OTHER SERVICES	325	8.4%	38	9.7%	363	8.5%
SUPPLIERS	1086	28.1%	56	14.3%	1142	26.8%
<b>Total</b>	<b>3868</b>	<b>100.00%</b>	<b>391</b>	<b>100.00%</b>	<b>4259</b>	<b>100.00%</b>

Figure 12 describes the availability of firms in the Cuyahoga Market Area by broad industry category and minority status. The largest percentage and number of minority firms were in professional services at 43% and 169 respectively; the second largest percent was in construction at 32%. For non-minority firms the largest percentages was in professional services at 44% and 1,721 respectively.

Figure 13. NUMBER OF AVAILABLE FIRMS BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS

BROAD INDUSTRY CATEGORY	AFRICAN AMERICAN (NO.)	ASIAN (NO.)	CAUCASIAN (NO.)	HISPANIC (NO.)	NATIVE AMERICAN (NO.)
PROFESSIONAL SERVICES	128	28	1721	11	2
CONSTRUCTION	93	14	736	19	2
GOODS AND OTHER SERVICES	30	3	325	5	0
SUPPLIERS	44	6	1086	3	3
<b>Total</b>	<b>295</b>	<b>51</b>	<b>3868</b>	<b>38</b>	<b>7</b>

Figure 13 describes the number of available firms in the Cuyahoga Market Area by broad industry group and race and ethnic status. For Caucasian firms the largest number was in professional services at 1,173 followed by suppliers at 1,086. For African American firms, the largest number was in professional services (128) followed by Construction (93). For Asians the largest number was in professional services (28) while the second largest was in construction (14). For Hispanic firms the largest number was in construction (19), followed by professional services (10). Native American firms numbered 3 in suppliers and 2 each in construction and professional services.

Figure 14. PERCENT OF AVAILABLE FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS

<b>BROAD INDUSTRY CATEGORY</b>	<b>AFRICAN AMERICAN % OF INDUSTRY</b>	<b>ASIAN % OF INDUSTRY</b>	<b>CAUCASIAN % OF INDUSTRY</b>	<b>HISPANIC % OF INDUSTRY</b>	<b>NATIVE AMERICAN % OF INDUSTRY</b>	<b>Total % OF INDUSTRY</b>
PROFESSIONAL SERVICES	6.8%	1.5%	91.1%	0.6%	0.1%	100.0%
CONSTRUCTION	10.8%	1.6%	85.2%	2.2%	0.2%	100.0%
GOODS AND OTHER SERVICES	8.3%	0.8%	89.5%	1.4%	0.0%	100.0%
SUPPLIERS	3.9%	0.5%	95.1%	0.3%	0.3%	100.0%
<b>Total</b>	<b>6.93%</b>	<b>1.20%</b>	<b>90.82%</b>	<b>0.89%</b>	<b>0.16%</b>	<b>100.00%</b>

Figure 14 describes the percent of available firms in the Cuyahoga Market Area by broad industry group and race and ethnic status. For Caucasian firms the largest percentage appears in suppliers at 95% followed by professional services at 91%. For African American firms, the largest percentage was in Construction at 10%, while the second largest was in goods and other services at 8%. For Asians the largest percentage was in construction at 1.6% followed by professional services at 1.5%. Hispanic firms comprise the largest percentage of construction at 2.2% followed by good and services at 1%. Native American firms largest percentage was in suppliers at .3% followed by construction at .2%.

### Available firms in Cuyahoga County

Figure 15. AVAILABLE FIRMS IN CUYAHOGA COUNTY BY INDUSTRY GROUP AND MINORITY STATUS

<b>BROAD INDUSTRY CATEGORY</b>	<b>NON-MINORITY NO.</b>	<b>NON-MINORITY (%)</b>	<b>MINORITY NO.</b>	<b>MINORITY (%)</b>
PROFESSIONAL SERVICES	1565	90.46%	165	9.5%
CONSTRUCTION	641	83.36%	128	16.6%
GOODS AND OTHER SERVICES	283	88.44%	37	11.6%
SUPPLIERS	918	94.44%	54	5.6%
<b>Total</b>	<b>3407</b>	<b>89.87%</b>	<b>384</b>	<b>10.1%</b>

NOTE: ANALYSIS RESTRICTED TO FIRMS LOCATED IN CUYAHOGA COUNTY

Figure 15 indicates the availability of firms in Cuyahoga County by broad industry and minority status. In total, Non-minority firms accounted for 89.8% of all firms. While minority firms accounted for the remaining 10.1%. According to figure 15, Non-minority firms were most heavily concentrated in professional services (1,565) and they represented the largest

percentage of firms in suppliers at 94%. For minority firms, professional services had the greatest number of firms at 165 and construction had the largest percentage at 17%.

**Figure 16. AVAILABLE FIRMS IN CUYAHOGA COUNTY BY INDUSTRY GROUP AND GENDER STATUS**

BROAD INDUSTRY CATEGORY	FEMALE % OF		MALE % OF	
	FEMALE NO.	GROUP	MALE NO.	GROUP
PROFESSIONAL SERVICES	164	9.5%	1566	90.5%
CONSTRUCTION	95	12.4%	674	87.6%
GOODS AND OTHER SERVICES	33	10.3%	287	89.7%
SUPPLIERS	66	6.8%	906	93.2%
<b>Total</b>	<b>358</b>	<b>9.44%</b>	<b>3433</b>	<b>90.56%</b>

Figure 16 indicates the availability of firms in Cuyahoga County by broad industry and gender status. In total female firms accounted for 9.4% of all firms while male firms accounted for the remaining 90.5%. According to figure 16, female firms had the largest number of businesses in profession services (164) and the largest percentage of firms in construction (12.4%). For male firms, the largest number was in professional services while the greatest percentage was in suppliers.

**Figure 17. AVAILABLE FIRMS IN COUNTY BY BROAD INDUSTRY GROUP, RACE AND ETHNICITY**

RACE AND ETHNICITY	PROFESSIONAL SERVICES (NO.)	PROFESSIONAL SERVICES (%)	CONSTRUCTION (NO.)	CONSTRUCTION (%)	GOODS & OTHER SERVICES	GOODS & OTHER SERVICES	SUPPLIER S (NO.)	SUPPLIERS (%)
					(NO.)	(%)	(NO.)	(%)
AFRICAN AMERICAN	125	7.23%	93	12.09%	29	9.06%	43	4.42%
ASIAN	28	1.62%	14	1.82%	3	0.94%	5	0.51%
CAUCASIAN	1565	90.46%	641	83.36%	283	88.44%	918	94.44%
HISPANIC	10	0.58%	19	2.47%	5	1.56%	3	0.31%
NATIVE AMERICAN	2	0.12%	2	0.26%	0	0.00%	3	0.31%
<b>Total</b>	<b>1730</b>	<b>100.00%</b>	<b>769</b>	<b>100.00%</b>	<b>320</b>	<b>100.00%</b>	<b>972</b>	<b>100.00%</b>

Figure 17 indicates the availability of firms in Cuyahoga County by broad industry and race and ethnic status. In professional services, African American firms accounted for the second largest percentage of firms 7.2%. Within Construction African American firms accounted for 12%. They accounted for 9% in goods and services and 4.4% in suppliers.

Available Firms by Cuyahoga County by Detailed Industry, Minority Status, Gender and Race

Figure 18. DISTRIBUTION OF AVAILABLE FIRMS BY DETAILED INDUSTRY CATEGORY

DETAILED INDUSTRY CATEGORY	CUYAHOGA NO.	CUYAHOGA(%)	GREATER CLEVELAND - OTHER NO.	GREATER CLEVELAND - OTHER (%)	TOTAL NO.	TOTAL(%)
UTILITIES, AGRICULTURE, MINING	30	0.79%	4	0.85%	34	0.80%
CONSTRUCTION: BUILDINGS	267	7.04%	33	7.05%	300	7.04%
CONSTRUCTION: HEAVY AND CIVIL	51	1.35%	13	2.78%	64	1.50%
CONSTRUCTION: SPECIALTY TRADES	451	11.90%	49	10.47%	500	11.74%
MANUFACTURING: LIGHT AND CHEMICAL	327	8.63%	45	9.62%	372	8.73%
MANUFACTURING: HEAVY AND METAL	263	6.94%	39	8.33%	302	7.09%
MANUF. : COMPUTER AND ELECTRONICS	171	4.51%	47	10.04%	218	5.12%
WHOLESALE AND RETAIL DISTRIBUTION	211	5.57%	39	8.33%	250	5.87%
TRANSPORTATION AND WAREHOUSING	74	1.95%	4	0.85%	78	1.83%
INFORMATION AND TELECOMMUNICATION	143	3.77%	14	2.99%	157	3.69%
PROFESSIONAL, SCIENTIFIC AND TECH.	1051	27.72%	95	20.3%	1146	26.9%
HEALTHCARE, SOCIAL SVCS AND MGT	536	14.14%	51	10.9%	587	13.8%
REPAIR, PER. SVCS., ACCOMMODATION	216	5.70%	35	7.5%	251	5.9%
<b>Total</b>	<b>3791</b>	<b>100.00%</b>	<b>468</b>	<b>100.0%</b>	<b>4259</b>	<b>100.0%</b>

Figure 18 indicates the availability of firms by detailed industry category. In total the top three industries with the largest number of firms were professional, scientific and technology 1,146, healthcare, social services and management at 587, and construction specialty trades at 500.

**Figure 19. NUMBER AND PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY AND MINORITY STATUS**

INDUSTRY	NON-MINORITY NO.	MINORITY %		
		OF INDUSTRY	MINORITY NO.	MINORITY % OF INDUSTRY
UTILITIES, AGRICULTURE, MINING	29	85.29%	5	14.71%
CONSTRUCTION: BUILDINGS	250	83.33%	50	16.67%
CONSTRUCTION: HEAVY AND CIVIL	48	75.00%	16	25.00%
CONSTRUCTION: SPECIALTY TRADES	438	87.60%	62	12.40%
MANUFACTURING: LIGHT AND CHEMICAL	358	96.24%	14	3.76%
MANUFACTURING: HEAVY AND METAL	294	97.35%	8	2.65%
MANUF. : COMPUTER AND ELECTRONICS	210	96.33%	8	3.67%
WHOLESALE AND RETAIL DISTRIBUTION	224	89.60%	26	10.40%
TRANSPORTATION AND WAREHOUSING	60	76.92%	18	23.08%
INFORMATION AND TELECOMMUNICATION	144	91.72%	13	8.28%
PROFESSIONAL, SCIENTIFIC AND TECH.	1042	90.92%	104	9.08%
HEALTHCARE, SOCIAL SVCS AND MGT	535	91.14%	52	8.86%
REPAIR, PER. SVCS., ACCOMMODATION	236	94.02%	15	5.98%
<b>Total</b>	<b>3868</b>	<b>90.80%</b>	<b>391</b>	<b>9.20%</b>

Figure 19 indicates the number and percent of available firms detailed industry category and minority status. In total the top three industries with the largest number of non-minority firms were professional, scientific and tech at 1,042, healthcare, social services and management at 535 and construction: specialty trades at 438. For minority firms, the industries with the greatest number of firms include professional, scientific and tech at 104, construction: specialty trades at 62 and healthcare, social services and management at 52.

**Figure 20. NUMBER AND PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY AND GENDER STATUS**

INDUSTRY	FEMALE %			
	FEMALE NO.	OF INDUSTRY	MALE NO.	MALE % OF INDUSTRY
UTILITIES, AGRICULTURE, MINING	5	14.71%	29	85.29%
CONSTRUCTION: BUILDINGS	33	11.00%	267	89.00%
CONSTRUCTION: HEAVY AND CIVIL	2	3.13%	62	96.88%
CONSTRUCTION: SPECIALTY TRADES	67	13.40%	433	86.60%
MANUFACTURING: LIGHT AND CHEMICAL	22	5.91%	350	94.09%
MANUFACTURING: HEAVY AND METAL	10	3.31%	292	96.69%
MANUF. : COMPUTER AND ELECTRONICS	14	6.42%	204	93.58%
WHOLESALE AND RETAIL DISTRIBUTION	28	11.20%	222	88.80%
TRANSPORTATION AND WAREHOUSING	14	17.95%	64	82.05%
INFORMATION AND TELECOMMUNICATION	13	8.28%	144	91.72%
PROFESSIONAL, SCIENTIFIC AND TECH.	106	9.25%	1040	90.75%
HEALTHCARE, SOCIAL SVCS AND MGT	50	8.52%	537	91.48%
REPAIR, PER. SVCS., ACCOMMODATION	15	5.98%	236	94.02%
<b>Total</b>	<b>379</b>	<b>8.90%</b>	<b>3880</b>	<b>91.10%</b>

Figure 20 indicates the availability of firms by detailed industry category and gender status. In total the top three industries with the largest number of female firms were professional, scientific and tech at 106, construction: specialty trades at 67, and healthcare, social services and management at 50.

**Figure 21. NUMBER OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY, RACE AND ETHNICITY**

INDUSTRY	AFRICAN-AMERICAN		CAUCASIAN		NATIVE AMERICAN
	NO.	ASIAN NO.	NO.	HISPANIC NO.	
UTILITIES, AGRICULTURE, MINING	2	2	29	1	0
CONSTRUCTION: BUILDINGS	39	3	250	8	0
CONSTRUCTION: HEAVY AND CIVIL	9	7	48	0	0
CONSTRUCTION: SPECIALTY TRADES	45	4	438	11	2
MANUFACTURING: LIGHT AND CHEMICAL	12	1	358	1	0
MANUFACTURING: HEAVY AND METAL	4	1	294	0	3
MANUF. : COMPUTER AND ELECTRONICS	5	3	210	0	0
WHOLESALE AND RETAIL DISTRIBUTION	23	1	224	2	0
TRANSPORTATION AND WAREHOUSING	14	1	60	3	0
INFORMATION AND TELECOMMUNICATION	6	4	144	3	0
PROFESSIONAL, SCIENTIFIC AND TECH.	77	23	1042	3	1
HEALTHCARE, SOCIAL SVCS AND MGT	45	1	535	5	1
REPAIR, PER. SVCS., ACCOMMODATION	14	0	236	1	0
<b>Total</b>	<b>295</b>	<b>51</b>	<b>3868</b>	<b>38</b>	<b>7</b>

Figure 21 indicates the number of available firms by detailed industry category and race and ethnic status. The top three industries with the greatest number of African American was include professional, scientific and tech (77), healthcare, social services and management (45), and construction: specialty trades (45). The top three industries with the largest number of Asian firms were professional, scientific and tech (23), construction: heavy and civil (7), and a tie between construction: specialty trades and information and telecommunication (4). The top three industries with the greatest number of Hispanic firms were construction: specialty trades (11), construction: buildings and retail (8), and healthcare social services and management (5). Finally, the top three industries with the largest number of Native American firms were manufacturing: heavy and metal (3), construction: specialty trades (2), and a tie between professional, scientific and tech. and healthcare and social services (1).

Figure 22. PERCENT OF AVAILABLE FIRMS IN TOTAL MARKET AREA BY DETAILED INDUSTRY, RACE AND ETHNICITY

<b>INDUSTRY</b>	<b>AFRICAN-AMERICAN % OF INDUSTRY</b>	<b>ASIAN % OF INDUSTRY</b>	<b>CAUCASIAN % OF INDUSTRY</b>	<b>HISPANIC % OF INDUSTRY</b>	<b>NATIVE AMERICAN % OF INDUSTRY</b>
UTILITIES, AGRICULTURE, MINING	5.90%	5.90%	85.30%	2.90%	0.00%
CONSTRUCTION: BUILDINGS	13.00%	1.00%	83.30%	2.70%	0.00%
CONSTRUCTION: HEAVY AND CIVIL	14.10%	10.90%	75.00%	0.00%	0.00%
CONSTRUCTION: SPECIALTY TRADES	9.00%	0.80%	87.60%	2.20%	0.40%
MANUFACTURING: LIGHT AND CHEMICAL	3.20%	0.30%	96.20%	0.30%	0.00%
MANUFACTURING: HEAVY AND METAL	1.30%	0.30%	97.40%	0.00%	1.00%
MANUFACTURING: COMPUTER AND ELECTRONIC EQPT	2.30%	1.40%	96.30%	0.00%	0.00%
WHOLE AND RETAIL DISTRIBUTION	9.20%	0.40%	89.60%	0.80%	0.00%
TRANSPORTATION AND WAREHOUSING	17.90%	1.30%	76.90%	3.80%	0.00%
INFORMATION AND TELECOMMUNICATION	3.80%	2.50%	91.70%	1.90%	0.00%
PROFESSIONAL, SCIENTIFIC AND TECHNICAL	7.30%	0.00%	92.70%	0.00%	0.00%
HEALTHCARE, SOCIAL SERVICES AND MANAGEMENT	6.70%	2.40%	90.40%	0.30%	0.10%
RETAIL, PERSONAL SERVICES AND ACCOMMODATION	7.50%	0.20%	91.30%	0.80%	0.20%
REPAIR, PERSONAL SERVICE, ACCOMMODATION	5.60%	0.00%	94.00%	0.40%	0.00%
<b>Total</b>	<b>6.90%</b>	<b>1.20%</b>	<b>90.80%</b>	<b>0.90%</b>	<b>0.20%</b>

Figure 22 indicates the percent of available firms in the Cuyahoga County Market Area by detailed industry category and race and ethnic status. The top three industries with the greatest percentage of African American firms were transportation and warehousing (17.9%), construction: heavy and civil (14.1%), and construction: buildings (13%). The top three industries with the greatest number of Asian firms were construction: heavy and civil (10.9%), utilities, agriculture, and mining (5.9%), and information and telecommunication (2.5%). The top three industries with the largest number of Hispanic firms were transportation warehousing (3.8%), utilities, agriculture, and mining, (2.9%), and construction: buildings (2.7%). Finally, the top three industries with the greatest number of Native American firms were manufacturing: heavy and metal (1%), construction: specialty trades (.4%), and retail, personal services and accommodation (.2%).

### Availability of SBE Certified Firms



Figure 23. SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP AND MINORITY STATUS

BROAD INDUSTRY CATEGORY	NON-MINORITY		MINORITY	
	NO.	% OF GROUP	NO.	MINORITY % OF GROUP
PROFESSIONAL SERVICES	127	58.0%	92	42.0%
CONSTRUCTION	110	55.0%	90	45.0%
GOODS AND OTHER SERVICES	24	46.2%	28	53.8%
SUPPLIERS	48	68.6%	22	31.4%
<b>Total</b>	<b>309</b>	<b>57.12%</b>	<b>232</b>	<b>42.88%</b>

Figure 23 indicates the availability of SBE certified firms by broad industry group and minority status. Of the 541 SBE certified firms, Non-minority firms accounted for 57.1% while minority firms account for the remaining 42.8%. SBE certified non-minority firms comprised the largest percentage of firms in the supplier industry (68.8%) and the greatest number of firms in construction (110). The greatest number of SBE certified minority firms was in construction (90) while the largest percentage was in goods and other services (53.8%).

Figure 24. SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP AND GENDER STATUS

BROAD INDUSTRY CATEGORY	FEMALE NO.	FEMALE % OF		MALE % OF	
		GROUP	MALE NO.	GROUP	
PROFESSIONAL SERVICES	94	42.9%	125	57.1%	
CONSTRUCTION	59	29.5%	141	70.5%	
GOODS AND OTHER SERVICES	26	50.0%	26	50.0%	
SUPPLIERS	27	38.6%	43	61.4%	
<b>Total</b>	<b>206</b>	<b>38.08%</b>	<b>335</b>	<b>61.92%</b>	

Figure 24 indicates the availability of SBE certified firm by broad industry group and gender status. Female firms accounted for 38%, while male firms account for the remaining 61.9%. SBE certified female firms comprised the largest percentage of firms in the goods and other services sector (50%) with the greatest number of firms in construction (59).

Figure 25. NUMBER OF SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS

BROAD INDUSTRY CATEGORY	AFRICAN AMERICAN		CAUCASIA	HISPANIC	NATIVE
	NO.	ASIAN NO.	N NO.	NO.	AMERICAN NO.
PROFESSIONAL SERVICES	70	15	127	7	0
CONSTRUCTION	62	10	110	17	1
GOODS AND OTHER SERVICES	22	2	24	4	0
SUPPLIERS	21	0	48	1	0
<b>Total</b>	<b>175</b>	<b>27</b>	<b>309</b>	<b>29</b>	<b>1</b>

Figure 25 indicates the availability of SBE certified firms by broad industry group, race and ethnic status. Of the 175 SBE certified African American firms, the largest number of firms was in professional services (70) followed closely by firms in construction at (62). For SBE certified Asian firms, the largest number of firms was in professional services (15) which was closely followed by construction (10). Of the 29 Hispanic SBE firms, the largest number was in construction (17), followed by professional services (7).

Figure 26. PERCENT OF SBE CERTIFIED FIRMS BY BROAD INDUSTRY GROUP, RACE AND ETHNIC STATUS

BROAD INDUSTRY CATEGORY	AFRICAN AMERICAN %		CAUCASIA	HISPANIC %	NATIVE
	AMERICAN % OF INDUSTRY	ASIAN % OF INDUSTRY	N % OF INDUSTRY	OF INDUSTRY	AMERICAN % OF INDUSTRY
PROFESSIONAL SERVICES	32.0%	6.8%	58.0%	3.2%	0.0%
CONSTRUCTION	31.0%	5.0%	55.0%	8.5%	0.5%
GOODS AND OTHER SERVICES	42.3%	3.8%	46.2%	7.7%	0.0%
SUPPLIERS	30.0%	0.0%	68.6%	1.4%	0.0%
<b>Total</b>	<b>32.3%</b>	<b>5.0%</b>	<b>57.1%</b>	<b>5.4%</b>	<b>0.2%</b>

Figure 26 indicates the availability of SBE certified firms by broad industry group, race and ethnic status by percent. Of all SBE certified firms, Caucasian firms comprised 57.1%, African American firms 32.3%, Hispanic firms 5.4%, Asian firms 5%, and Native American firms .2%. Caucasian firms comprised the highest percentage of firms in the supplier sector (68.6). African American SBE certified firms comprised the largest percentage in goods and services (42.3%), and professional services at (32%). The highest percentage of SBE certified Asian firms was in professional services (6.8%) and construction (5%). This largest percentage for SBE certified Hispanic firms was in construction (8.5%) and goods and services (7.7%). SBE certified Native American firms had their largest percentage in construction at (.5%).

Figure 27. SBE CERTIFIED FIRMS BY DETAILED INDUSTRY AND MINORITY STATUS

INDUSTRY	NON-MINORITY NO.	NON-MINORITY	MINORITY	MINORITY
		ROW%	NO.	ROW%
UTILITIES, AGRICULTURE, MINING	4	57.1%	3	42.9%
CONSTRUCTION: BUILDINGS	25	43.1%	33	56.9%
CONSTRUCTION: HEAVY AND CIVIL	6	42.9%	8	57.1%
CONSTRUCTION: SPECIALTY TRADES	79	61.7%	49	38.3%
MANUFACTURING: LIGHT AND CHEMICAL	8	80.0%	2	20.0%
MANUFACTURING: HEAVY AND METAL	3	42.9%	4	57.1%
MANUF. : COMPUTER AND ELECTRONICS	2	40.0%	3	60.0%
WHOLESALE AND RETAIL DISTRIBUTION	35	72.9%	13	27.1%
TRANSPORTATION AND WAREHOUSING	14	50.0%	14	50.0%
INFORMATION AND TELECOMMUNICATION	5	45.5%	6	54.5%
PROFESSIONAL, SCIENTIFIC AND TECH.	94	64.8%	51	35.2%
HEALTHCARE, SOCIAL SVCS AND MGT	28	44.4%	35	55.6%
REPAIR, PER. SVCS., ACCOMMODATION	6	35.3%	11	64.7%
<b>Total</b>	<b>309</b>	<b>57.1%</b>	<b>232</b>	<b>42.9%</b>

Figure 27 indicates the availability of SBE Certified firms by detailed industry and minority status. For minority firms, the industries with the largest number of firms were professional, scientific and tech (51) followed by construction: specialty trades (49). The two industries with the largest percentage of SBE certified minority firms were repair, personal services and accommodation (64.7%) and manufacturing: computer and electronics (60%).

Figure 28. SBE CERTIFIED FIRMS BY DETAILED INDUSTRY AND GENDER STATUS

INDUSTRY	FEMALE NO.	FEMALE ROW%	MALE NO.	MALE ROW%
UTILITIES, AGRICULTURE, MINING	3	42.9%	4	57.1%
CONSTRUCTION: BUILDINGS	19	32.8%	39	67.2%
CONSTRUCTION: HEAVY AND CIVIL	1	7.1%	13	92.9%
CONSTRUCTION: SPECIALTY TRADES	39	30.5%	89	69.5%
MANUFACTURING: LIGHT AND CHEMICAL	4	40.0%	6	60.0%
MANUFACTURING: HEAVY AND METAL	1	14.3%	6	85.7%
MANUF. : COMPUTER AND ELECTRONICS	2	40.0%	3	60.0%
WHOLESALE AND RETAIL DISTRIBUTION	20	41.7%	28	58.3%
TRANSPORTATION AND WAREHOUSING	12	42.9%	16	57.1%
INFORMATION AND TELECOMMUNICATION	4	36.4%	7	63.6%
PROFESSIONAL, SCIENTIFIC AND TECH.	59	40.7%	86	59.3%
HEALTHCARE, SOCIAL SVCS AND MGT	31	49.2%	32	50.8%
REPAIR, PER. SVCS., ACCOMMODATION	11	64.7%	6	35.3%
<b>Total</b>	<b>206</b>	<b>38.1%</b>	<b>335</b>	<b>61.9%</b>

Figure 28 indicates the availability of SBE Certified firms by detailed industry and gender status, 206 female firms represented 38.1% of all SBE certified firms while the remaining 335 male firms represented 61.9%. The two industries with the greatest number of female firms was professional and scientific (59) and construction: specialty trades (39). The two industries with the greatest percentage of female firms was repair, personal services and accommodation (64.7%) and healthcare, social services and management (49.2%).

Figure 29. NUMBER OF SBE CERTIFIED FIRMS BY DETAILED INDUSTRY, RACE AND ETHNIC STATUS

INDUSTRY	AFRICAN AMERICAN NO.	ASIAN NO.	CAUCASIAN NO.	HISPANIC NO.	NATIVE AMERICAN NO.
UTILITIES, AGRICULTURE, MINING	1	2	4		
CONSTRUCTION: BUILDINGS	24	3	25	6	
CONSTRUCTION: HEAVY AND CIVIL	3	5	6		
CONSTRUCTION: SPECIALTY TRADES	35	2	79	11	1
MANUFACTURING: LIGHT AND CHEMICAL	2		8		
MANUFACTURING: HEAVY AND METAL	4		3		
MANUF. : COMPUTER AND ELECTRONICS	3		2		
WHOLESALE AND RETAIL DISTRIBUTION	12		35	1	
TRANSPORTATION AND WAREHOUSING	11		14	3	
INFORMATION AND TELECOMMUNICATION	3	1	5	2	
PROFESSIONAL, SCIENTIFIC AND TECH.	36	13	94	2	
HEALTHCARE, SOCIAL SVCS AND MGT	31	1	28	3	
REPAIR, PER. SVCS., ACCOMMODATION	10		6	1	
<b>Total</b>	<b>175</b>	<b>27</b>	<b>309</b>	<b>29</b>	<b>1</b>

Figure 29 indicates the number of available SBE Certified firms by detailed industry and race and ethnic status. There were 175 SBE certified African American firms, the greatest number was in professional, scientific and technical at 36 and construction; specialty trade at 35. There was a total of 27 SBE certified Asian firms; the highest number of which was in professional, scientific and tech at 13, and the second highest was in construction: heavy and civil at 5. There was a total of 29 Hispanic SBE certified firms; the two industries with the largest number was construction: specialty trade at 11 and construction: buildings at 6. There is only one SBE certified Native American firm and it is in construction: specialty trade.

Figure 30. PERCENT OF SBE CERTIFIED FIRMS BY DETAILED INDUSTRY, RACE AND ETHNIC STATUS

INDUSTRY	AFRICAN AMERICAN		CAUCASIAN	HISPANIC	NATIVE AMERICAN
	ROW %	ASIAN ROW %	ROW %	ROW %	ROW %
UTILITIES, AGRICULTURE, MINING	14%	29%	57%	0%	0%
CONSTRUCTION: BUILDINGS	41%	5%	43%	10%	0%
CONSTRUCTION: HEAVY AND CIVIL	21%	36%	43%	0%	0%
CONSTRUCTION: SPECIALTY TRADES	27%	2%	62%	9%	1%
MANUFACTURING: LIGHT AND CHEMICAL	20%	0%	80%	0%	0%
MANUFACTURING: HEAVY AND METAL	57%	0%	43%	0%	0%
MANUF. : COMPUTER AND ELECTRONICS	60%	0%	40%	0%	0%
WHOLESALE AND RETAIL DISTRIBUTION	25%	0%	73%	2%	0%
TRANSPORTATION AND WAREHOUSING	39%	0%	50%	11%	0%
INFORMATION AND TELECOMMUNICATION	27%	9%	46%	18%	0%
PROFESSIONAL, SCIENTIFIC AND TECH.	25%	9%	65%	1%	0%
HEALTHCARE, SOCIAL SVCS AND MGT	49%	2%	44%	5%	0%
REPAIR, PER. SVCS., ACCOMMODATION	59%	0%	35%	6%	0%
<b>Total</b>	<b>32%</b>	<b>5%</b>	<b>57%</b>	<b>5%</b>	<b>0%</b>

Figure 30 indicates the percent of available firms by detailed industry and race and ethnic status. The two industries that had the largest percentage of African American firms were manufacturing: computer and electronics (60%) and repair, personal services, accommodation (59%). The highest percentage of Asian firms was in construction: heavy and civil (36%) and utilities, agriculture and mining (29%). The highest percentage of Hispanic firms was in information and telecommunication (18%) and transportation and warehousing (11%). The highest percentage of Native American firms was in construction: specialty trades (1%).

Utilization of Firms on Prime Contracts

a. Utilization by Broad Industry Categories, Minority Status, Gender and Race

Figure 31. MINORITY UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS 2009 - 2012

INDUSTRY	NON-MINORITY		MINORITY SUM OF CONTRACTS	MINORITY % IN INDUSTRY	TOTAL (SUM)	TOTAL % IN INDUSTRY
	SUM OF CONTRACTS	NON-MINORITY % IN INDUSTRY				
PROFESSIONAL	\$ 509,184,505	98.94%	\$ 5,470,766	1.06%	\$ 514,655,271	100.00%
CONSTRUCTION	\$ 52,952,952	99.35%	\$ 348,846	0.65%	\$ 53,301,798	100.00%
GOODS AND OTHER SERVICES	\$ 49,859,273	99.60%	\$ 199,055	0.40%	\$ 50,058,328	100.00%
SUPPLIERS	\$ 14,427,176	100.00%	.	0.00%	\$ 14,427,176	100.00%
<b>Total</b>	<b>\$ 626,423,906</b>	<b>99.05%</b>	<b>\$ 6,018,667</b>	<b>0.95%</b>	<b>\$ 632,442,573</b>	<b>100.00%</b>

Figure 31 indicates the utilization of minority firms on prime contracts awarded between 2009-2012. Total awards were \$632,442,573; of this amount, non-minority contracts accounted for 99.05% of all contracts or \$626,423,906. The largest amount of contracts for non-minority firms occurred in professional services (\$509,184,505), but the highest percentage of contracts was in supplier sector (100%). Minority contracts accounted for .95% of all contracting from 2009-2012 or \$6,018,667. The highest utilization of minority firms occurred in professional services which amounted to 1.06% of all contracting or \$5,470,766 in that industry.

Figure 32. GENDER UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY BROAD INDUSTRY, 2009 - 2012

INDUSTRY	FEMALE		MALE		TOTAL SUM OF CONTRACTS	TOTAL % IN INDUSTRY
	SUM OF CONTRACTS	% IN INDUSTRY	SUM OF CONTRACTS	% IN INDUSTRY		
PROFESSIONAL SERVICES	\$ 6,443,751	1.25%	\$ 508,211,520	98.75%	\$ 514,655,271	100.00%
CONSTRUCTION	\$ 459,528	0.86%	\$ 52,842,270	99.14%	\$ 53,301,798	100.00%
GOODS AND OTHER SERVICES	\$ 5,193,573	10.38%	\$ 44,864,755	89.62%	\$ 50,058,328	100.00%
SUPPLIERS	\$ 19,982	0.14%	\$ 14,407,194	99.86%	\$ 14,427,176	100.00%
<b>Total</b>	<b>\$ 12,116,834</b>	<b>1.92%</b>	<b>\$ 620,325,739</b>	<b>98.08%</b>	<b>\$ 632,442,573</b>	<b>100.00%</b>

Figure 32 indicates the utilization of minority firms by prime contractors from 2009-2012 by broad industry category and gender status. Total contracting from 2009-2012 was \$632,442,573; of this amount, males accounted for 98.08% or \$620,325,739. The greatest amount of contracts for male occurred in professional services (\$508,211,520), but the highest

percentage of contracts was in supplier sector (99.86%). Female contracts accounted for 1.92% of all contracting from 2009-2012 or \$12,116,834. The greatest utilization of female firms occurred in professional services which amounted to 1.25% of all contracting or \$6,443,751.

Figure 33. MINORITY UTILIZATION: CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 12

DETAILED INDUSTRY CATEGORY	NON-MINORITY SUM OF CONTRACTS	NON-MINORITY % IN INDUSTRY	MINORITY SUM OF CONTRACTS	MINORITY % IN INDUSTRY
UTILITIES, AGRICULTURE, MINING	\$ 168,750	100.00%	.	0.000%
CONSTRUCTION: BUILDINGS	\$ 5,958,761	95.29%	\$ 294,534	4.710%
CONSTRUCTION: HEAVY AND CIVIL	\$ 44,569,819	99.88%	\$ 54,312	0.122%
CONSTRUCTION: SPECIALTY TRADES	\$ 2,424,372	100.00%	.	0.000%
MANUFACTURING: LIGHT AND CHEMICAL	\$ 2,554,574	100.00%	.	0.000%
MANUFACTURING: HEAVY AND METAL	\$ 3,024,127	100.00%	.	0.000%
MANUF. : COMPUTER AND ELECTRONICS	\$ 4,739,557	100.00%	.	0.000%
WHOLESALE AND RETAIL DISTRIBUTION	\$ 4,108,917	100.00%	.	0.000%
TRANSPORTATION AND WAREHOUSING	\$ 2,742,173	93.23%	\$ 199,055	6.768%
INFORMATION AND TELECOMMUNICATION	\$ 4,720,827	100.00%	.	0.000%
PROFESSIONAL, SCIENTIFIC AND TECH.	\$ 341,188,821	99.71%	\$ 1,000,545	0.292%
HEALTHCARE, SOCIAL SVCS AND MGT	\$ 163,274,858	97.34%	\$ 4,470,221	2.665%
REPAIR, PER. SVCS., ACCOMMODATION	\$ 46,948,350	100.00%	.	0.000%
<b>Total</b>	<b>\$ 626,423,906</b>	<b>99.05%</b>	<b>\$ 6,018,667</b>	<b>0.952%</b>

Figure 33 indicates the utilization of minority firms on prime contractors by detailed industry and minority status. Minority firms accounted for .95% of all contracting or \$6,018,667; of that amount the largest amount was received in healthcare, social services and management at \$4,470,221. The second largest amount received by minority firms was in professional, scientific and tech at \$1,000,544.



**Figure 34. GENDER UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 2012**

<u>DETAILED INDUSTRY CATEGORY</u>	<u>FEMALE SUM OF CONTRACTS</u>	<u>FEMALE % IN INDUSTRY</u>	<u>MALE SUM OF CONTRACTS</u>	<u>MALE % IN INDUSTRY</u>
UTILITIES, AGRICULTURE, MINING	\$ 168,750.00	100.00%	.	0.00%
CONSTRUCTION: BUILDINGS	\$ 332,370.00	5.32%	\$ 5,920,924.90	94.68%
CONSTRUCTION: HEAVY AND CIVIL	.	0.00%	\$ 44,624,131.07	100.00%
CONSTRUCTION: SPECIALTY TRADES	\$ 127,157.78	5.24%	\$ 2,297,213.99	94.76%
MANUFACTURING: LIGHT AND CHEMICAL	.	0.00%	\$ 2,554,574.41	100.00%
MANUFACTURING: HEAVY AND METAL	\$ 19,982.00	0.66%	\$ 3,004,145.06	99.34%
MANUF. : COMPUTER AND ELECTRONICS	.	0.00%	\$ 4,739,556.87	100.00%
WHOLESALE AND RETAIL DISTRIBUTION	.	0.00%	\$ 4,108,917.31	100.00%
TRANSPORTATION AND WAREHOUSING	.	0.00%	\$ 2,941,228.07	100.00%
TELECOMMUNICATION	\$ 358,748.87	7.60%	\$ 4,362,077.95	92.40%
PROFESSIONAL, SCIENTIFIC AND TECH.	\$ 1,425,387.20	0.42%	\$ 340,763,978.36	99.6%
HEALTHCARE, SOCIAL SVCS AND MGT	\$ 4,659,614.97	2.78%	\$ 163,085,463.84	97.2%
REPAIR, PER. SVCS., ACCOMMODATION	\$ 5,024,823.00	10.70%	\$ 41,923,527.33	89.3%
<b>Total</b>	<b>\$ 12,116,833.82</b>	<b>1.92%</b>	<b>\$ 620,325,739.16</b>	<b>98.1%</b>

Figure 34 indicates the utilization of prime contractors by detailed industry and gender status. Female firms accounted for 1.92% of all contracting or \$12,116,833; of that amount the greatest was received in repair, personal services and accommodation at \$5,024,823. The second largest amount was received by female firms in healthcare, social services, and management, \$4,659,614.

Figure 35. RACE AND ETHNIC UTILIZATION: ALL CUYAHOGA PRIME CONTRACTS BY DETAILED INDUSTRY, 2009 - 2012

DETAILED INDUSTRY CATEGORY	AFRICAN AMERICAN SUM OF CONTRACTS	AFRICAN AMERICAN % IN INDUSTRY	ASIAN SUM OF CONTRACTS	ASIAN % IN INDUSTRY	CAUCASIAN SUM OF CONTRACTS	CAUCASIAN % IN INDUSTRY
UTILITIES, AGRICULTURE, MINING	.	0.00%	.	0.00%	\$ 168,750	100%
CONSTRUCTION: BUILDINGS	\$ 44,534	0.71%	\$ 250,000	4.00%	\$ 5,958,761	95%
CONSTRUCTION: HEAVY AND CIVIL	\$ 54,312	0.12%	.	0.00%	\$ 44,569,819	100%
CONSTRUCTION: SPECIALTY TRADES	.	0.00%	.	0.00%	\$ 2,424,372	100%
MANUFACTURING: LIGHT AND CHEMICAL	.	0.00%	.	0.00%	\$ 2,554,574	100%
MANUFACTURING: HEAVY AND METAL	.	0.00%	.	0.00%	\$ 3,024,127	100%
MANUF. : COMPUTER AND ELECTRONICS	.	0.00%	.	0.00%	\$ 4,739,557	100%
WHOLESALE AND RETAIL DISTRIBUTION	.	0.00%	.	0.00%	\$ 4,108,917	100%
TRANSPORTATION AND WAREHOUSING	.	0.00%	\$ 199,055	6.77%	\$ 2,742,173	93%
TELECOMMUNICATION	.	0.00%	.	0.00%	\$ 4,720,827	100%
PROFESSIONAL, SCIENTIFIC AND TECH.	\$ 997,378	0.29%	\$ 3,167	0.0%	\$ 341,188,821	100%
HEALTHCARE, SOCIAL SVCS AND MGT	\$ 4,470,221	2.66%	.	0.0%	\$ 163,274,858	97%
REPAIR, PER. SVCS., ACCOMMODATION	.	0.00%	.	0.0%	\$ 46,948,350	100%
<b>Total</b>	<b>\$ 5,566,445</b>	<b>0.88%</b>	<b>\$ 452,222</b>	<b>0.1%</b>	<b>\$ 626,423,906</b>	<b>99%</b>

Figure 35 indicates the utilization of prime contractors by detailed industry and race and ethnic status. African American firms accounted for .88% of all contracts or \$5,566,445. The top two industries for African American firms were healthcare, social services, and management at \$4,470,221 and professional, scientific, and tech at \$997,378. Asian firms accounted for .1% of all contracts or \$452,222. The top two industries include construction: buildings at \$250,000 and transportation and warehousing at \$199,055.

Utilization of SBEs on Subcontracts

a. Profile of County SBE Aspirational Goals

Figure 36. VALUE OF COUNTY CONTRACTS THAT COULD BE MATCHED TO PROCUREMENT REQUISITIONS

INDUSTRY	CONTRACT AMOUNT
PROFESSIONAL SERVICES	\$ 136,840,865
CONSTRUCTION	\$ 13,077,319
GOODS AND OTHER SERVICES	\$ 16,152,764
SUPPLIERS	\$ 6,692,453
<b>Total</b>	<b>\$ 172,763,401</b>

Figure 36 records information on contract awards that could be matched to procurement requisitions. The matching allowed the research team to identify the aspirational subcontracting goals set by the county, prime contractor commitment to SBEs and the SBE award. Total contracts equaled \$172,763,401; of that \$136,840,865 was in professional services, \$16,152,764 was in goods and other services, \$13,077,319 was in construction, and \$6,692,453 was in suppliers.

Figure 37. DISTRIBUTION OF PROCUREMENT AWARDS WITH ASPIRATIONAL GOALS

CONTRACT STATUS	NUMBER	% OF TOTAL
NON-SBE GOAL BASED CONTRACT	266	86.08%
SBE GOAL BASED CONTRACT	43	13.92%
<b>Total</b>	<b>309</b>	<b>100.00%</b>

Figure 37 indicates the distribution of procurement awards by aspirational goal status. Of the 309 contracts, aspirational goals were not set on 86% or 266 contracts, while SBE goal were set on the remaining 14% or 43 contracts.

Figure 38. PROCUREMENT AWARDS BY ASPIRATIONAL GOAL STATUS AND BROAD INDUSTRY GROUP

INDUSTRY	NON-SBE GOAL BASED CONTRACT (NO.)	NON-SBE GOAL BASED CONTRACT % IN INDUSTRY	SBE GOAL BASED CONTRACT (NO.)	SBE GOAL BASED CONTRACT % IN INDUSTRY
PROFESSIONAL SERVICES	209	87.45%	30	12.6%
CONSTRUCTION	18	90.00%	2	10.0%
GOODS AND OTHER SERVICES	23	76.67%	7	23.3%
SUPPLIERS	16	80.00%	4	20.0%
<b>Total</b>	<b>266</b>	<b>86.08%</b>	<b>43</b>	<b>13.9%</b>

Figure 38 indicates aspirational goal status by broad industry group. Among SBE contracts that had aspirational goals professional services accounted for the most at 30, goods and other services accounted for the second most at 7 and suppliers the third most at 4.

**Figure 39. MEAN COUNTY SBE ASPIRATIONAL GOAL PERCENTAGE BY BOARD INDUSTRY GROUP**

<u>INDUSTRY</u>	<u>MEAN PERCENTAGE</u>
PROFESSIONAL SERVICES	2.0%
CONSTRUCTION	3.0%
GOODS AND OTHER SERVICES	5.0%
SUPPLIERS	3.5%
<b>Total</b>	<b>2.4%</b>

Figure 39 indicates the mean county SBE aspirational goal percent by industry. The highest percentage was in goods and other services at 5%, the second highest was in suppliers at 3.5% and the third highest was in construction at 3%. This table includes all prime contracts (including those with and without aspirational goals). Considering only contracts with goals, the value ranged from 5% to 30% and the mean was 17.4%. The median was 15%.

**Figure 40. VALUE OF COUNTY SBE ASPIRATIONAL GOALS**

<u>INDUSTRY</u>	<u>COUNTY ASPIRATIONAL GOAL AMOUNT (SUM)</u>
PROFESSIONAL SERVICES	\$ 2,635,498.00
CONSTRUCTION	\$ 591,529.00
GOODS AND OTHER SERVICES	\$ 2,232,046.00
SUPPLIERS	\$ 262,320.00
<b>Total</b>	<b>\$ 5,721,393.00</b>

Figure 40 indicates the total for all contracts with aspirational goals. All contracts with aspirational goals amount to \$5,721,393. Of that amount, professional services accounted for the most at \$2,635,498; goods and other services accounted for the second most at \$2,232,046 and construction accounted for the third most at \$591,529. These goals were set by the county.

Figure 41. COUNTY ASPIRATIONAL GOAL PERCENTAGE TO SBEs BY DETAILED INDUSTRY

<u>INDUSTRY</u>	<u>COUNTY ASPIRATIONAL GOAL PERCENT (AVG)</u>
UTILITIES, AGRICULTURE, MINING	8.0%
CONSTRUCTION: BUILDINGS	3.0%
CONSTRUCTION: HEAVY AND CIVIL	0.0%
CONSTRUCTION: SPECIALTY TRADES	4.0%
MANUFACTURING: LIGHT AND CHEMICAL	0.0%
MANUFACTURING: HEAVY AND METAL	0.0%
MANUF. : COMPUTER AND ELECTRONICS	5.0%
WHOLESALE AND RETAIL DISTRIBUTION	6.0%
TRANSPORTATION AND WAREHOUSING	5.0%
INFORMATION AND TELECOMMUNICATION	0.0%
PROFESSIONAL, SCIENTIFIC AND TECH.	4.0%
HEALTHCARE, SOCIAL SVCS AND MGT	1.0%
REPAIR, PER. SVCS., ACCOMMODATION	5.0%
<b>Total</b>	<b>2.0%</b>

Figure 41 indicates the distribution of Cuyahoga County’s aspirational goal percentage by detailed industry. Utilities, agriculture and mining accounted for the highest percent at 8%, wholesale and retail distribution account for the second highest at 6%, and manufacturing: computer and electronics and transportation and warehousing are tied for the third highest percent at 5%.

**b. Prime Contractor Commitment to SBE**

Figure 42. PRIME CONTRACTOR AWARD COMMITMENT TO SBEs BY DETAILED INDUSTRY

<u>INDUSTRY</u>	<u>PRIME COMMITMENT AMOUNT (SUM)</u>
UTILITIES, AGRICULTURE, MINING	
CONSTRUCTION: BUILDINGS	\$ 1,478,405.00
CONSTRUCTION: HEAVY AND CIVIL	
CONSTRUCTION: SPECIALTY TRADES	\$ 454,034.00
MANUFACTURING: LIGHT AND CHEMICAL	
MANUFACTURING: HEAVY AND METAL	
MANUF. : COMPUTER AND ELECTRONICS	\$ 28,000.00
WHOLESALE AND RETAIL DISTRIBUTION	\$ 366,729.00
TRANSPORTATION AND WAREHOUSING	\$ 58,087.00
INFORMATION AND TELECOMMUNICATION	
PROFESSIONAL, SCIENTIFIC AND TECH.	\$ 5,463,715.00
HEALTHCARE, SOCIAL SVCS AND MGT	\$ 1,519,990.00
REPAIR, PER. SVCS., ACCOMMODATION	\$ 1,439,513.00
<b>Total</b>	<b>\$ 10,808,475.00</b>

Figure 42 indicates the commitment that prime contractors made to SBEs. The total commitment equals \$10,808,475. Of the \$10 million, the largest commitment (\$5,463,715)

occurred in professional and scientific and technical services, the second was \$1,519,990 in healthcare, social services and management.

**Figure 43. VALUE OF PRIME CONTRACTORS' COMMITMENTS TO SBEs**

<u>INDUSTRY</u>	<u>PRIME COMMITMENT AMOUNT (SUM)</u>
PROFESSIONAL SERVICES	\$ 6,983,706.00
CONSTRUCTION	\$ 1,932,440.00
GOODS AND OTHER SERVICES	\$ 1,497,600.00
SUPPLIERS	\$ 394,729.00
<b>Total</b>	<b>\$ 10,808,475.00</b>

Figure 43 indicates the total dollar value of prime contractor's commitment to SBEs by broad industry category. The most was found in professional services at \$6,983,706. The second most was \$1,932,440 in construction, and the third most was \$1,497,600 in goods and other services.

**Figure 44. PRIME CONTRACTOR GOAL COMMITMENT TO SBEs BY DETAILED INDUSTRY**

<u>INDUSTRY</u>	<u>PRIME GOAL COMMITMENT PERCENT (AVG)</u>
UTILITIES, AGRICULTURE, MINING	0.0%
CONSTRUCTION: BUILDINGS	9.0%
CONSTRUCTION: HEAVY AND CIVIL	0.0%
CONSTRUCTION: SPECIALTY TRADES	4.0%
MANUFACTURING: LIGHT AND CHEMICAL	0.0%
MANUFACTURING: HEAVY AND METAL	0.0%
MANUF. : COMPUTER AND ELECTRONICS	15.0%
WHOLESALE AND RETAIL DISTRIBUTION	8.0%
TRANSPORTATION AND WAREHOUSING	5.0%
INFORMATION AND TELECOMMUNICATION	0.0%
PROFESSIONAL, SCIENTIFIC AND TECH.	4.0%
HEALTHCARE, SOCIAL SVCS AND MGT	1.0%
REPAIR, PER. SVCS., ACCOMMODATION	4.0%

Figure 44 indicates the average prime contractor goal commitment to SBEs by detailed industry. The highest average is in manufacturing: computer and electronics at 15%, the second highest is construction: buildings at 9% and the third highest is wholesale and retail distribution at 8%.

Figure 45. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP

INDUSTRY	CONTRACT AMOUNT (SUM)	CONTRACT NO.
PROFESSIONAL SERVICES	\$ 3,098,353	52
CONSTRUCTION	\$ 5,203,672	26
GOODS AND OTHER SERVICES	\$ 246,795	45
SUPPLIERS	\$ 1,226,836	6
<b>Total</b>	<b>\$ 9,775,656</b>	<b>129</b>

Figure 45 records the amount of SBE subcontract awarded by broad industry group. All awards amounted to \$9,775,656. Construction accounted for the largest awards at \$5,203,627 while professional services accounted for the second largest sum at \$3,098,353.

Figure 46. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND RACE/ETHNICITY

INDUSTRY	AFRICAN AMERICAN SUM OF SBE CONTRACTS	ASIAN SUM OF SBE CONTRACTS	CAUCASIAN SUM OF SBE CONTRACTS	HISPANIC SUM OF SBE CONTRACTS	NATIVE AMERICAN SUM OF SBE CONTRACTS
PROFESSIONAL SERVICES	\$ 1,143,972	\$ 20,092	\$ 1,934,289	.	.
CONSTRUCTION	\$ 998,930	.	\$ 3,240,262	\$ 964,480	.
GOODS AND OTHER SERVICES	\$ 56,581	.	\$ 190,214	.	.
SUPPLIERS	\$ 20,092	.	\$ 1,174,028	\$ 32,716	.
<b>Total</b>	<b>\$ 2,219,575</b>	<b>\$ 20,092</b>	<b>\$ 6,538,793</b>	<b>\$ 997,196</b>	<b>.</b>

Figure 46 indicates SBE subcontract awards by industry group and race and ethnicity. Caucasian firms were awarded the greatest sum of SBE subcontracts at \$6,538,793; African American firms accounted for the second largest sum at \$2,219,575 and Hispanic firms accounted for the third largest sum at \$997,196; the smallest was made to Asian firms at \$20,092; Native Americans firms received no SBE awards.

Figure 47. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND GENDER

INDUSTRY	MALE SUM OF SBE CONTRACTS	FEMALE SUM OF SBE CONTRACTS
PROFESSIONAL SERVICES	\$ 1,913,845	\$ 1,184,508
CONSTRUCTION	\$ 4,808,153	\$ 395,519
GOODS AND OTHER SERVICES	\$ 28,002	\$ 218,793
SUPPLIERS	\$ 539,176	\$ 687,660
<b>Total</b>	<b>\$ 7,289,176</b>	<b>\$ 2,486,480</b>

Figure 47 indicates SBE subcontract awards by industry group and gender status. Male SBE subcontract awards amounted to \$7,289,176. Of that the largest amount was awarded in

construction at \$4,808,153, the second largest was awarded in professional services at \$1,913,845. Female firms received for \$2,486,480 of all subcontracts. Of that amount, the largest was in professional services at \$1,184,508. The second largest amount was found in suppliers at \$687,660.

**Figure 48. SBE SUBCONTRACT AWARDS BY INDUSTRY GROUP AND SBE STATUS**

<u>INDUSTRY</u>	<u>NON-SBE AWARDEES SUM OF SBE CONTRACTS</u>	<u>SBE AWARDEES SUM OF SBE CONTRACTS</u>
PROFESSIONAL SERVICES	\$ 1,412,178	\$ 1,686,175
CONSTRUCTION	\$ 745,428	\$ 4,458,244
GOODS AND OTHER SERVICES	.	\$ 246,795
SUPPLIERS	\$ 20,092	\$ 1,206,744
<b>Total</b>	<b>\$ 2,177,698</b>	<b>\$ 7,597,958</b>

Finally, Figure 48 indicates SBE subcontract awards by industry group and SBE Certification Status. The results indicate that non-certified SBEs received \$2.2million of the \$9.8million awarded through the SBE program.



## The Disparity Index Analysis

The simple disparity index is measured as the utilization percentage divided by the availability percentage. A resulting value of .80 or less provides an inference of discrimination.

Disparities are also measured by standard deviation units. The objective of standard deviations is to determine whether or not the actual disparity in awards to minorities or women differs from what would be expected given their availability in the marketplace. To standardize the results, the difference between the actual awards and expected awards is converted to standard deviation units. If the resulting value is negative and its absolute value is two or greater, and inference of discrimination is provided. The outcome of the standard deviation analysis may not be reliable if the number of observations (i.e. number of awards to the group under consideration) is less than five.

A high-level summary of the disparity index analysis is provided in the tables below. There are three categories of results presented in the six tables. The first two tables summarize disparity indexes for SBE subcontracting activity of minorities and for women. The second two tables summarize disparity indexes for prime contracting activity of minorities and women. Finally, the third two tables summarize disparity indexes for prime contracting and subcontracting activity of minorities and women.

### Disparity Analysis of SBE Subcontracting

The two tables below provide the results of the simple disparity index. It is based on comparing the minority utilization percentage to the availability percentage for SBE subcontracting activity. The result provides an inference of discrimination. Specifically, the simple disparity index is .77 (availability was 42.9% and utilization was 33.1%). The same outcome was derived for women SBE subcontracting activity. Specifically, availability was 38.1% and utilization was 25.4% which produced a disparity index of .67. The standard deviation analysis does not yield the same result. Standard deviation is -.854 for minorities and -1.16 for women. However, it is important to note that some industry categories did not have a sufficient number of awards to minorities and women required for the standard deviation analysis.

**Subcontracting Disparity Indexes: Minority SBE Subcontracting Activity**

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
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PROFESSIONAL SVC	37.6%	42.0%	0.89	-0.17	*
CONSTRUCTION	37.7%	45.0%	0.84	-0.65	
GOODS & SERVICES	22.9%	53.8%	0.43		*
SUPPLIERS	4.3%	31.4%	0.14	-37.28	*
TOTAL OR AVERAGE	33.1%	42.9%	0.77	-0.85	

**Subcontracting Disparity Indexes: Women SBE Subcontracting Activity**

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	38.2%	42.9%	0.89	-0.16	
CONSTRUCTION	7.6%	29.5%	0.26	-8.61	*
GOODS & SERVICES	88.7%	50.0%	1.77	2.50	*
SUPPLIERS	56.1%	38.6%	1.45		*
TOTAL OR AVERAGE	25.4%	38.1%	0.67	-1.16	

**Subcontracting Disparity Indexes: African American SBE Subcontracting Activity**

INDUSTRY	African American Utilization percent	African American Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	36.9%	32.0%	1.16	0.23	*
CONSTRUCTION	19.2%	31.0%	0.62	-1.30	*
GOODS & SERVICES	22.9%	42.3%	0.54		*
SUPPLIERS	1.6%	30.0%	0.05		*
TOTAL OR AVERAGE	22.7%	32.3%	0.70	-0.96	

**Disparity Analysis of Prime Contracting**

The next two tables provide the results of the simple disparity index for prime contracting activity. It is based on comparing the minority utilization percentage to the availability percentage for prime contractors only. In this analysis, certified SBEs were not included in the pool of available prime contractors. The results provide a strong inference of discrimination. Specifically, the simple disparity index for minorities prime contractors was .67 (availability was 4.8% and utilization was .9%). The same outcome was true for women prime contractors.

Specifically, availability was 5.0% and utilization was 1.9%, which produced a disparity index of .38. The outcome of the standard deviation analysis replicated the results of the simple disparity index. In particular, the standard deviation for minorities was -5.87 and the standard deviation for women was -3.12. Again, some industry did not have observations.

**Prime Contracting Disparity Indexes: Minority Prime Contracting Activity**

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.1%	5.7%	0.19	-5.96	
CONSTRUCTION	.6%	5.9%	0.10	-16.89	*
GOODS & SERVICES	.4%	3.8%	0.10		*
SUPPLIERS	.0%	3.2%	0.00		
TOTAL OR AVERAGE	.9%	4.8%	0.20	-5.87	

**Prime Contracting Disparity Indexes: Women Prime Contracting Activity**

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.2%	5.2%	0.24	-4.68	
CONSTRUCTION	.8%	6.7%	0.11	-16.65	
GOODS & SERVICES	10.2%	2.6%	3.89	1.12	*
SUPPLIERS	.1%	4.4%	0.03		*
TOTAL OR AVERAGE	1.9%	5.0%	0.38	-3.12	

**Prime Contracting Disparity Indexes: African American Prime Contracting Activity**

INDUSTRY	African American Utilization percent	African American Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.2%	4.3%	0.25	-4.20	
CONSTRUCTION	.8%	4.8%	0.03	-107.04	*
GOODS & SERVICES	10.2%	3.0%	0.00		
SUPPLIERS	.1%	2.1%	0.00		
TOTAL OR AVERAGE	1.9%	3.6%	0.24	-4.22	

**Disparity Analysis of Prime and Subcontracting Combines**

The final two tables provide the results of the simple disparity index for prime contracting and subcontracting activity combined. The availability analysis includes firms that are prime contractors and certified SBEs. Similarly, the utilization analysis includes awards made to minorities and women at prime contractors and subcontractors. The results also provide a strong inference of discrimination. Specifically, the simple disparity index for minorities prime contracting and subcontracting activity combined was .16 (availability was 9.1% and utilization was 1.4%). The standard deviation for minorities was -9.07.

A similar outcome was found for women. Specifically, availability was 8.7% and utilization was 2.3%, which produced a disparity index of .26. The standard deviation was -5.46.

**Prime and Subcontracting Disparity Indexes: Minority Prime & Subcontracting Activity**

INDUSTRY	Minority Utilization percent	Minority Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.3%	8.8%	0.15	-7.20	
CONSTRUCTION	3.8%	14.8%	0.26	-8.70	
GOODS & SERVICES	.5%	10.5%	0.05	-50.20	*
SUPPLIERS	.4%	4.9%	0.07	-73.34	*
TOTAL OR AVERAGE	1.4%	9.1%	0.16	-9.07	

**Prime and Subcontracting Disparity Indexes: Women Prime & Subcontracting Activity**

INDUSTRY	Women Utilization percent	Women Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.5%	8.6%	0.17	-6.26	
CONSTRUCTION	1.4%	11.8%	0.12	-21.45	
GOODS & SERVICES	10.7%	9.1%	1.17	0.18	
SUPPLIERS	.4%	6.5%	0.06	-1.87	*
TOTAL OR AVERAGE	2.3%	8.7%	0.26	-5.46	

Prime and Subcontracting Disparity Indexes: African American Prime & Subcontracting Activity

INDUSTRY	African American Utilization percent	African American Availability Percent	Simple Disparity Index	Standard Deviation Units	Insufficient no. of Awards for Std. Dev.
PROFESSIONAL SVC	1.3%	6.7%	0.19	-5.18	
CONSTRUCTION	1.8%	10.8%	0.17	-8.99	
GOODS & SERVICES	.1%	8.3%	0.01		
SUPPLIERS	.1%	3.9%	0.04		
TOTAL OR AVERAGE	1.2%	6.9%	0.18	-6.70	

Minority and Women Business Revenue Capacity

The findings do not suggest the statistically significant disparities in prime contracting for minorities and women are the result of insufficient capacity. In particular, the research used the firm’s average revenue over three years as an indicator of the size of awards the firm is capable of performing. The research team created for categories of awards and correspondingly, for categories of revenues. The categories of awards were as follows: (1) contracts whose award value was less than \$50,000; (2) contracts that range from \$50,000 - \$99,999; (3) contracts whose value range from \$100,00 - \$499,999; and (4) contracts whose values were \$500,000 and greater.

Based on an evaluation of firm revenue, 44.1% of nonminority businesses were capable of performing contract of \$500,000 and greater; this is true for 17.6% of minority businesses and 54.9% of businesses owned by women. For contracts that range between \$100,000 and \$499,999, the results indicated that 27.4% of nonminority businesses Revenue within that range while 16.6% of minority businesses do and 25.6% of women owned businesses do. When business is a broken down by race and ethnic status, it is also clear that those businesses have sufficient capacity to engage in prime contracting.

Distribution of Prime Contracts by the Value of Awards in Comparison to the Distribution of Available Firms by Average Revenue

Category	Percent Distribution of Prime Contract by Award Amount	Percent Distribution of Non-minority Businesses by Revenue	Percent Distribution of Minority Businesses by Revenue	Percent Distribution of Women Businesses by Revenue
Less than \$50,000	49.0%	19.6%	3.6%	12.3%
\$50,000 - \$99,999	10.9%	8.9%	2.1%	7.2%
\$100,00 - \$499,999	22.8%	27.4%	16.6%	25.6%
\$500,000 and greater	17.3%	44.1%	17.6%	54.9%
No. of Contracts or Firms Observed	943	607	281	277

Distribution of Prime Contracts by the Value of Awards in Comparison to the Distribution of Available Firms by Average Revenue and Race and Ethnicity

Category	Percent Distribution of Prime Contract by Award Amount	Percent Distribution of African American Businesses by Revenue	Percent Distribution of Hispanic Businesses by Revenue	Percent Distribution of Asian Businesses by Revenue
Less than \$50,000	49.0%	23.3%	18.8%	.0%
\$50,000 - \$99,999	10.9%	10.0%	9.4%	3.1%
\$100,00 - \$499,999	22.8%	29.0%	18.8%	21.9%
\$500,000 and greater	17.3%	37.6%	53.1%	75.0%
No. of Contracts or Firms Observed	943	210	32	32

### Regression Analysis of Disparity

The research team also conducted a regression analysis used to regression analysis to determine whether or not the statistical evidence suggested an inference of discrimination. The regression equation was designed to explain the average revenue of 727 firms that were available to Cuyahoga County. Average three-year revenue was depicted variable and it was converted to a natural logarithm. The regression analysis controlled for the four broad industry categories in which firms operated; the gender of the firm's owner; whether or not the firm was SBE certified; whether or not the firm was owned by African-American, other minority group member or white American; the length of time the firm was in operation; and a logistic probability variable that corrected the results for truncation bias related to average revenue.

The results indicated that, controlling for other factors firms owned by women experienced 42% lower revenue than did firms owned by men, and the results were statistically significant. Firms owned by blacks experience revenues that were 98% lower in comparison to firms owned by whites and those results were also statistically significant. The number of observations on firms owned by none black minorities were too few to draw a definitive conclusion in the regression equation. These regression results were supported by similar regression results on firms that operated in the general market area. In particular, an analysis of discrimination in the private market found statistically significant disparities in firm revenue for firms owned by African-Americans and Native Americans.

Figure 49. REGRESSION ANALYSIS AND OUTPUT

7. Regression Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.563a	0.317	0.308	1.6891

8. Regression ANOVA						
Model		Sum of Squares	Df.	Mean Square	F	Sig.
1	Regression	961.012	9	106.779	37.426	.000a
	Residual	2074.174	727	2.853		
	Total	3035.186	736			

9. Regression Coefficients							
VARIABLES IN THE MODEL (NOTE: Dependent variable = 3 year Average Annual Revenue in Natural Log)			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
	(Constant)	*	13.825	0.359		38.491	0
	PROFESSIONAL_SERVICE		-0.713	0.237	-0.159	-3.009	0.003
	CONSTRUCTION		0.194	0.233	0.044	0.83	0.407
	OTHER_GOODS_SERVICES	*	-0.582	0.322	-0.116	-1.804	0.072
	GENDER	*	-0.417	0.209	-0.096	-1.993	0.047
	SBE_CERTIFIED	*	-0.908	0.358	-0.22	-2.538	0.011
	BLACK	*	-0.984	0.402	-0.21	-2.45	0.015
	OTHER_MINORITY	*	0.021	0.328	0.003	0.065	0.948
	YEARS_OF OPERATION(2013)	*	0.029	0.004	0.264	6.933	0
	Predicted probability		5.265	4.952	0.118	1.063	0.288



### Private Market Analysis of Discrimination

A component of the data analysis required the research team to conduct an assessment of the experiences of firms in Cuyahoga's private market. The objective is to determine whether or not one could infer, from an investigation of the evidence, that businesses owned by minorities and women encounter discriminatory treatment in the private market which has affected their performance and growth. The analysis included observations on 9692 representative businesses that are qualified, willing and able to engage in government contracting and are located in the State of Ohio. Of the total number of businesses, 24% (2304) were located in the Cleveland Metropolitan Area.

Results of the descriptive statistics indicated that all categories of minorities (with the exception of subcontinent Asian Americans) and women experienced statistically significant disparities in the private market of Cleveland SMSA and Ohio. The metric used for measuring business performance is average annual revenue for 2012. The results of the descriptive statistics give rise to an inference of discrimination regarding those groups.

The regression analysis specified validated the findings of the descriptive statistics. In particular, it found that after holding constant factors such as use of operation, employment size of business, industry of operation, legal form of business organization, and geographic location of business, the annual average revenue of firms owned by Black Americans was lower than that owned by nonminorities by 81.7%. For Native Americans, annual revenue was lower than that of nonminority spot 59.7%. Regression results for businesses owned by women also indicated that on average women businesses generated 13.8% lower revenue after controlling for other factors.

### Demographic and Business Profile of the County

To execute the analysis of discrimination in the Cuyahoga County private market sector, EuQuant used a unique data set that had a representative sample of businesses which are **qualified, willing and able** to engage in government contracting in the Cuyahoga County market area and the state of Ohio. The data set is proprietary and derived in part from information assembled for research engagement for the US Small Business Administration and ongoing research assistance provided to the U.S. Senate Committee on Small Business and Entrepreneurship. Data was compiled in 2013 and revenue figures are for 2012.

Through these ongoing engagements, EuQuant has assembled a nationally representative database of government contractors. The database includes all small businesses that are

registered with the federal government's Section 8 (A) Business Development Program, the Small Disadvantaged Business Program, the Economically Disadvantaged Women Owned Business Program, the Veteran Owned Business Program, the Disabled Veteran Owned Business Program, the HUBZone business program and State Departments of Transportation. The database also includes other minority and nonminority businesses that are registered with the federal government but do not participate in one of those programs.

Included in the database were 9692 businesses located in the Ohio market area. Of the total number of businesses, 24% (2304) were located in the Cleveland Metropolitan Area. Private market analysis was conducted on businesses in the Cleveland SMSA as well as other businesses in the State of Ohio Market Area. These attributes of businesses in both geographic areas were almost identical.

Using the NAICS designations the businesses were organized into 23 different industries. The industries included agriculture mining and utilities; building construction, heavy construction contracting and specialty trades construction; textile and food manufacturing, paper and printing, chemicals and nine metals manufacturing, metals and machinery, computer and electronic, and vehicle parts manufacturing; wholesale trade; retail trade; transportation and warehousing; publishing; information technology publishing, telecom and data and information services; finance, insurance and real estate; leasing services; professional, engineering and scientific services; educational services; health care and social services; accommodation and food services; and a personal services.

Figure 50 illustrates the industry distribution of businesses in Cleveland SMSA and the rest of Ohio was almost identical. Specifically, in both geographic locations about 20% of the businesses operated in professional, legal engineering and scientific services; 13% were in metal and machinery manufacturing; 7% were in specialty trade contracting; 7% were and wholesale trades; and 6% were in building construction. Figure 51 indicates that minorities comprised 11.8% of all businesses in Cleveland SMSA and 12.0% of the businesses in the state of Ohio.

Among minority groups, blacks had the highest representation comprising 8.1% of businesses in Cleveland SMSA and 6.8% of businesses in the rest of Ohio, figure 52. The next 5% was Subcontinent Asian Americans, who comprised 1.1% and a 1.6% respectively of the businesses in Cleveland SMSA and the rest of Ohio. Businesses owned by Asian and Pacific Island Americans comprised 1.2% and 1.7% respectively of those located in the two geographic areas; while Hispanic Americans comprised 1.0% and 1.2% respectively of the businesses in the two areas. Finally, Native Americans represented .3% and .8% respectively of businesses in the geographic regions.

The data set contained observations on 1907 women-owned businesses in Cleveland SMSA and 1481 businesses owned by women located in the rest of Ohio. Overall, 19.7% of all businesses were owned by women (18.5% within Cleveland SMSA and 20.0% within the rest of Ohio), Figure 53.

**Figure 50. DISTRIBUTION OF BUSINESSES BY LOCATION AND DETAILED INDUSTRY IN CLEVELAND SMSA AND REST OF OHIO**

<u>INDUSTRY DISTRIBUTION</u>	<u>REST OF OHIO (NO.)</u>	<u>REST OF OHIO (%)</u>	<u>CLEVELAND SMSA (NO.)</u>	<u>CLEVELAND SMSA (%)</u>	<u>TOTAL (NO.)</u>	<u>TOTAL (%)</u>
AGRICULTURE MINING AND UTILITIES	165	2.20%	29	1.30%	194	2.00%
CONSTRUCTION: BUILDINGS	465	6.30%	140	6.10%	605	6.20%
CONSTRUCTION: HEAVY	287	3.90%	69	3.00%	356	3.70%
CONSTRUCTION: SPECIALTY	509	6.90%	134	5.80%	643	6.60%
MANUFACTURING: TEXTILE, LEATHER, FOOD	153	2.10%	51	2.20%	204	2.10%
MANUFACTURING: PAPER, PRINTING AND RELATED	210	2.80%	48	2.10%	258	2.70%
MANUFACTURING: CHEMICAL, NONMETALLICs	304	4.10%	112	4.90%	416	4.30%
MANUFACTURING: METAL AND MACHINERY	934	12.60%	364	15.80%	1298	13.40%
MANUFACTURING: COMPUTER AND ELECTRONIC	300	4.10%	134	5.80%	434	4.50%
MANUFACTURING: MOTOR VEHICLES & PARTS	239	3.20%	88	3.80%	327	3.40%
WHOLESALE TRADE	534	7.20%	203	8.80%	737	7.60%
RETAIL TRADES	307	4.20%	72	3.10%	379	3.90%
TRANSPORTATION AND WAREHOUSING	231	3.10%	52	2.30%	283	2.90%
PUBLISHING; NEWSPAPERS AND PERIODICALS	28	0.40%	6	0.30%	34	0.40%
INFORMATION: INTERNET PUBLISHING AND PRODUCING	121	1.60%	20	0.90%	141	1.50%
TELECOM, DATA AND INFORMATION SERVICES	113	1.50%	29	1.30%	142	1.50%
FINANCIAL, INSURANCE, REAL ESTATE SERVICES	330	4.50%	101	4.40%	431	4.40%
LEASING SERVICES	34	0.50%	11	0.50%	45	0.50%
EDUCATIONAL SERVICES						
HEALTHCARE AND SOCIAL SERVICES	217	2.90%	60	2.60%	277	2.90%
ACCOMMODATION AND FOOD	161	2.20%	35	1.50%	196	2.00%
PERSONAL SERVICES	132	1.80%	43	1.90%	175	1.80%
<b>Total</b>	<b>7388</b>	<b>100.00%</b>	<b>2304</b>	<b>100.00%</b>	<b>9692</b>	<b>100.00%</b>

Figure 51. MINORITY STATUS OF GOVERNMENT CONTRACTS IN CLEELAND SMSA & REST OF OHIO

<u>MINORITY STATUS</u>	<u>REST OF OHIO (NO.)</u>	<u>REST OF OHIO (%)</u>	<u>CLEVELAND SMSA (NO.)</u>	<u>CLEVELAND SMSA (%)</u>	<u>TOTAL (NO.)</u>	<u>TOTAL (%)</u>
NON-MINORITY	6501	88.00%	2032	88.20%	8533	88.00%
MINORITY	887	12.00%	272	11.80%	1159	12.00%
<b>Total</b>	<b>7388</b>	<b>100.00%</b>	<b>2304</b>	<b>100.00%</b>	<b>9692</b>	<b>100.00%</b>

Figure 52. MARKET AVAILABILITY BY RACE & ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO

<u>RACE/ETHNICITY OF BUSINESS OWNER</u>	<u>REST OF OHIO (NO.)</u>	<u>REST OF OHIO (%)</u>	<u>CLEVELAND SMSA (NO.)</u>	<u>CLEVELAND SMSA (%)</u>	<u>TOTAL (NO.)</u>	<u>TOTAL (%)</u>
NON-MINORITY	6501	88.00%	2032	88.20%	8533	88.00%
NATIVE AMERICAN	58	0.80%	8	0.30%	66	0.70%
ASIAN PACIFIC AMERICAN	122	1.70%	2700.00%	1.20%	14900.00%	1.50%
BLACK AMERICAN	502	6.80%	18700.00%	8.10%	68900.00%	7.10%
SUBCONTINENT ASIAN AMERICAN	115	1.60%	2600.00%	1.10%	14100.00%	1.50%
HISPANIC AMERICAN	90	1.20%	24	1.00%	114	1.20%
<b>Total</b>	<b>7388</b>	<b>100.00%</b>	<b>2304</b>	<b>100.00%</b>	<b>9692</b>	<b>100.00%</b>

Figure 53. GENDER STATUS OF GOVERNMENT CONTRACTS IN CLEVELAND SMSA & REST OF OHIO

MINORITY STATUS	LOCATION OF BUSINESS					
	REST OF OHIO		CLEVELAND SMSA		TOTAL	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
MALE	5907	80.0%	1878	81.5%	7785	80.3%
FEMALE	1481	20.0%	426	18.5%	1907	19.7%
<b>Total</b>	<b>7388</b>	<b>100.0%</b>	<b>2304</b>	<b>100.0%</b>	<b>9692</b>	<b>100.0%</b>

**Detailed Findings Based on Descriptive Statistics**

The descriptive statistical analysis indicated that all categories of minorities (with the exception of subcontinent Asian Americans) and women, experience statistically significant disparities in the private sector market of Cuyahoga County. This gives rise to an inference of discrimination regarding those groups. Results for average annual revenue, share of total revenue, availability of businesses and disparity index of businesses in the Cleveland SMSA by race and ethnic status are given below:

**Average Revenue by Race and ethnic status, Cleveland SMSA (see Figure 54)**

- Average revenue of nonminority firms, \$5,100,863
- Average revenue affirms owned by Native Americans, \$2,170,049
- Average revenue affirms owned by Asian and Pacific Islander Americans, \$2,219,405
- Average revenue affirms owned by Black Americans, \$1,659,582
- Average revenue affirms owned by Asian subcontinent Americans, \$7,124,135
- Average revenue affirms owned by Hispanic Americans, \$1,757,820

**Share of total Revenue by Race and ethnic categories, Cleveland SMSA (see Figure 54)**

- Nonminority firms, 94.4%
- Native Americans, .2%
- Asian and Pacific Islander Americans, .5%
- Black Americans, 2.8%
- Asian subcontinent Americans, 1.7%
- Hispanic Americans, .4%

**Figure 54. AVERAGE REVENUE & SHARE OF TOTAL REVENUE BY RACE AND ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO**

RACE/ETHNICITY OF BUSINESS OWNER	LOCATION OF BUSINESS					
	REST OF OHIO		CLEVELAND SMSA		TOTAL	
	Ave Rev	PERCENT	Ave Rev	NUMBER	Ave Rev	NUMBER
NON-MINORITY	5,120,363	93.3%	5,100,863	94.4%	5,115,720	93.5%
NATIVE AMERICAN	2,077,642	.3%	2,170,049	.2%	2,088,843	.3%
ASIAN PACIFIC AMERICAN	4,830,860	1.7%	2,219,405	.5%	4,357,644	1.4%
BLACK AMERICAN	1,750,378	2.5%	1,659,582	2.8%	1,725,735	2.5%
SUBCONTINENT ASIAN AMERICAN	3,727,011	1.2%	7,124,135	1.7%	4,353,431	1.3%
HISPANIC AMERICAN	4,321,607	1.1%	1,757,820	.4%	3,781,862	.9%
<b>Total</b>	<b>4,831,293</b>	<b>100.0%</b>	<b>4,765,623</b>	<b>100.0%</b>	<b>4,815,682</b>	<b>100.0%</b>

**Share of Available firms by Race and ethnic categories, Cleveland SMSA (see Figure 55)**

- Nonminority firms, 88.0%
- Native Americans, .7%
- Asian and Pacific Islander Americans, 1.5%
- Black Americans, 7.1%
- Asian subcontinent Americans, 1.5%
- Hispanic Americans, 1.2%

**Simple disparity index, Cleveland SMSA (see Figure 55)**

- Nonminority firms, 1.07
- Native Americans, .67\*
- Asian and Pacific Islander Americans, .42\*
- Black Americans, .35\*
- Asian subcontinent Americans, 1.55
- Hispanic Americans, .40\*

**Figure 55. REVENUE SHARE, AVAILABILITY AND SIMPLE DISPARITY INDEX BY RACE AND ETHNIC STATUS OF GOVERNMENT CONTRACTORS IN CLEVELAND SMSA & REST OF OHIO**

RACE/ETHNICITY OF BUSINESS OWNER	REST OF OHIO Revenue & Availability		CLEVELAND Revenue & Availability		SIMPLE DISPARITY INDEX	
	% REV	% AVAIL	% REV	% AVAIL	REST OHIO	CLEVELAND
	NON-MINORITY	93.3%	88.0%	94.4%	88.2%	1.06
NATIVE AMERICAN	0.3%	0.8%	0.2%	0.3%	0.38	0.67
ASIAN PACIFIC AMERICAN	1.7%	1.7%	0.5%	1.2%	1.00	0.42
BLACK AMERICAN	2.5%	6.8%	2.8%	8.1%	0.37	0.35
SUBCONTINENT ASIAN AMERICAN	1.2%	1.6%	1.7%	1.1%	0.75	1.55
HISPANIC AMERICAN	1.1%	1.2%	0.4%	1.0%	0.92	0.40
Total	100.0%	100.0%	100.0%	100.0%	1.00	1.00

**Findings Based on Regression Analysis (See Figures Below)**

However, to examine the results in more detail we used to regression analysis. Regression analysis allows researchers to examine differences in firm performance (as measured by annual revenue) after holding other relevant factors. The relevant factors included the following: the legal form of business organization (proprietorship, partnership, S corporation, limited liability corporation or C corporation); number of employees in the organization, the years of operation as of 2013, the market area of operation (Cleveland SMSA and the rest of Ohio), certification status (DOT certified, SBA 8(a) certified), and industry of operation.

The regression analysis specified in Figures 55-57 validated the findings of the descriptive statistics. In particular, it found that after holding constant the numerous factors specified above, the annual average revenue of firms owned by Black Americans was lower than that owned by nonminority by 81.7%. For Native Americans, annual revenue was lower than that of nonminority spot 59.7%.

A second regression indicated that for businesses owned by women indicated that on average women businesses generated 13.8% lower revenue after controlling for other factors.

The regression results for other ethnic groups, namely Asian and Hispanics indicated the differences were not statistically significant. However, the lack of significant could have been attributable to the relatively small number of observations.

Figure 56. REGRESSION MODEL SUMMARY

Regression Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.827 <sup>a</sup>	.684	.683	1.2456371

Figure 57. REGRESSION ANOVA

Regression ANOVA						
Model		Sum of Squares	Df.	Mean Square	F	Sig.
1	Regression	31177.955	29	1075.102	692.894	.000 <sup>a</sup>
	Residual	14402.060	9282	1.552		
	<b>Total</b>	<b>45580.015</b>	<b>9311</b>			

Figure 58. REGRESSION COEFFICIENTS

Regression Coefficients						
VARIABLES IN THE MODEL (NOTE: Dependent variable = 3 year Average Annual Revenue in Natural Log)		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
CONSTANT	*	10.692	.076		141.103	.001
LEGAL FORM OF ORGANIZATION						
• PROPRIETORSHIP (REF. CAT.)						
• PARTNERSHIP & LLP	*	.804	.067	.089	11.989	.001
• S CORPORATION	*	.947	.051	.186	18.572	.001
• LIMITER LIABILITY CORP	*	.585	.052	.102	11.165	.001
• C CORP	*	.890	.050	.197	17.698	.001
NO. EMPLOYEES (IN NATURAL LOG)	*	1.032	.011	.690	96.173	.001
YEARS OPERATING AS OF 2013	*	.005	.001	.048	6.965	.001
MARKET AREA						
• REST OF OHIO (REF. CAT.)						
• CLEVELAND SMSA	*	.085	.030	.016	2.784	.005
CERTIFICATION STATUS						
• DOT CERTIFIED VS NOT	*	.148	.071	.013	2.088	.037
• SBA 8(A) CERTIFIED VS NOT	*	.484	.113	.027	4.301	.001
RACE/ETHNICITY OF OWNER						



• NON-MINORITY (REF. CAT.)						
• BLACK AMERICAN	*	-.817	.054	-.095	-15.088	.001
• HISPANIC AMERICAN		-.026	.123	-.001	-.210	.834
• NATIVE AMERICAN	*	-.597	.158	-.022	-3.784	.001
• ASIAN AMERICAN		-.054	.077	-.004	-.695	.487
<b>INDUSTRY OF OPERATION</b>						
• FIRE (REF. CAT)						
• CONSTRUCTION: BLDG	*	.211	.083	.023	2.532	.011
• CONSTRUCTION: HEAVY		.015	.093	.001	.155	.876
• CONSTRUCTION: SPECIALTY	*	-.131	.082	-.015	-1.608	.108
• MANUF: TEXTILE & CHEMICAL		.065	.078	.009	.832	.405
• MANUF: METALS & PARTS		-.083	.073	-.014	-1.144	.253
• MANUF: ELECTRONICS, COMPUTERS		-.097	.089	-.009	-1.099	.272
• WHOLESALE	*	.399	.080	.049	5.010	.001
• RETAIL		.072	.091	.006	.786	.432
• TRANSPORT & WAREHOUSING	*	-.320	.099	-.025	-3.237	.001
• INFORMATION, INTERNET	*	-.297	.124	-.016	-2.392	.017
• TELECOM & DATASVCS	*	-.329	.123	-.018	-2.663	.008
• PROFESSIONAL & ENG.	*	-.476	.071	-.088	-6.751	.001
• EDUCATIONAL SVCS	*	-.963	.134	-.048	-7.170	.001
• HEALTH & SOCIAL SVCS	*	-.771	.100	-.059	-7.724	.001
• ACCOMMODATION & FOOD	*	-.870	.111	-.056	-7.806	.001
• PERSONAL SVCS	*	-.418	.115	-.026	-3.644	.000

## Appendix 1: Detailed Calculations for the Disparity Indexes

DISPARITY INDEXES: SBE SUBCONTRACTING BY MINORITY STATUS											
	UTILIZATION	AVAILABILITY	MINORITY	MINORITY	MINORITY	MINORITY	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	\$ 1,164,064	37.6%	92	42.0%	0.89		-0.17		3
CONSTRUCTION	\$ 5,203,672	200	\$ 1,963,410	37.7%	90	45.0%	0.84		-0.65		5
GOODS AND SERVICES	\$ 246,795	52	\$ 56,581	22.9%	28	53.8%	0.43				1
SUPPLIERS	\$ 1,226,836	70	\$ 52,808	4.3%	22	31.4%	0.14		-37.28		2
Total	\$ 9,775,656	541	\$ 3,236,863	33.1%	232	42.9%	0.77		-0.85		11
DISPARITY INDEXES: SBE SUBCONTRACTING BY GENDER STATUS											
	UTILIZATION	AVAILABILITY	WOMEN	WOMEN	WOMEN	WOMEN	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	\$ 1,184,508	38.2%	94	42.9%	0.89		-0.16		5
CONSTRUCTION	\$ 5,203,672	200	\$ 395,519	7.6%	59	29.5%	0.26		-8.61		2
GOODS AND SERVICES	\$ 246,795	52	\$ 218,793	88.7%	26	50.0%	1.77		2.50		3
SUPPLIERS	\$ 1,226,836	70	\$ 687,660	56.1%	27	38.6%	1.45				1
Total	\$ 9,775,656	541	\$ 2,486,480	25.4%	206	38.1%	0.67		-1.16		11
DISPARITY INDEXES: SBE SUBCONTRACTING BY AFRICAN AMERICANS											
	UTILIZATION	AVAILABILITY	BLACKS	BLACKS	BLACKS	BLACKS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	\$ 1,143,972	36.9%	70	32.0%	1.16		0.23		2
CONSTRUCTION	\$ 5,203,672	200	\$ 998,930	19.2%	62	31.0%	0.62		-1.30		3
GOODS AND SERVICES	\$ 246,795	52	\$ 56,581	22.9%	22	42.3%	0.54				1
SUPPLIERS	\$ 1,226,836	70	\$ 20,092	1.6%	21	30.0%	0.05				1
Total	\$ 9,775,656	541	\$ 2,219,575	22.7%	175	32.3%	0.70		-0.96		7

# Phase 4: Cuyahoga DDCA Final Report | 2014

DISPARITY INDEXES: SBE SUBCONTRACTING BY HISPANIC AMERICANS											
	UTILIZATION	AVAILABILITY	HISPANICS	HISPANICS	HISPANICS	HISPANICS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	.	.0%	7	3.2%	0.00				
CONSTRUCTION	\$ 5,203,672	200	\$ 964,480	18.5%	17	8.5%	2.18		1.80		2
GOODS AND SERVICES	\$ 246,795	52	.	.0%	4	7.7%	0.00				
SUPPLIERS	\$ 1,226,836	70	\$ 32,716	2.7%	1	1.4%	1.87				1
Total	\$ 9,775,656	541	\$ 997,196	10.2%	29	5.4%	1.90		1.01		3
DISPARITY INDEXES: SBE SUBCONTRACTING BY ASIAN AMERICANS											
	UTILIZATION	AVAILABILITY	ASIANS	ASIANS	ASIANS	ASIANS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	\$ 20,092	.6%	15	6.8%	0.09				1
CONSTRUCTION	\$ 5,203,672	200	.	.0%	10	5.0%	0.00				
GOODS AND SERVICES	\$ 246,795	52	.	.0%	2	3.8%	0.00				
SUPPLIERS	\$ 1,226,836	70	.	.0%		.0%					
Total	\$ 9,775,656	541	\$ 20,092	.2%	27	5.0%	0.04				1
DISPARITY INDEXES: SBE SUBCONTRACTING BY NATIVE AMERICANS											
	UTILIZATION	AVAILABILITY	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	SBE TOTAL	SBE TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 3,098,353	219	\$ -	.0%		.0%					
CONSTRUCTION	\$ 5,203,672	200	\$ -	.0%	1	.5%					
GOODS AND SERVICES	\$ 246,795	52	\$ -	.0%		.0%					
SUPPLIERS	\$ 1,226,836	70	\$ -	.0%		.0%					
Total	\$ 9,775,656	541	\$ -	.0%	1	.2%					

# Phase 4: Cuyahoga DDCA Final Report | 2014

DISPARITY INDEXES: PRIME CONTRACTING BY MINORITY STATUS											
	UTILIZATION	AVAILABILITY	MINORITY	MINORITY	MINORITY	MINORITY	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ 5,470,766	1.1%	75	5.7%	0.19		-5.96		7
CONSTRUCTION	\$ 60,329,082	645	\$ 348,846	.6%	38	5.9%	0.10		-16.89		4
GOODS AND SERVICES	\$ 50,754,642	266	\$ 199,055	.4%	10	3.8%	0.10				1
SUPPLIERS	\$ 14,427,176	1070	.	.0%	34	3.2%	0.00				
Total	\$ 641,127,905	3298	\$ 6,018,667	.9%	157	4.8%	0.20		-5.87		12
DISPARITY INDEXES: PRIME CONTRACTING BY GENDER STATUS											
	UTILIZATION	AVAILABILITY	WOMEN	WOMEN	WOMEN	WOMEN	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ 6,443,751	1.2%	68	5.2%	0.24		-4.68		20
CONSTRUCTION	\$ 60,329,082	645	\$ 459,528	.8%	43	6.7%	0.11		-16.65		6
GOODS AND SERVICES	\$ 50,754,642	266	\$ 5,193,573	10.2%	7	2.6%	3.89		1.12		2
SUPPLIERS	\$ 14,427,176	1070	\$ 19,982	.1%	47	4.4%	0.03				1
Total	\$ 641,127,905	3298	\$12,116,834	1.9%	165	5.0%	0.38		-3.12		29
DISPARITY INDEXES: PRIME CONTRACTING BY AFRICAN AMERICANS											
	UTILIZATION	AVAILABILITY	BLACKS	BLACKS	BLACKS	BLACKS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ 5,467,599	1.1%	56	4.3%	0.25		-4.20		6
CONSTRUCTION	\$ 60,329,082	645	\$ 98,846	.2%	31	4.8%	0.03		-107.04		3
GOODS AND SERVICES	\$ 50,754,642	266	.	.0%	8	3.0%	0.00				
SUPPLIERS	\$ 14,427,176	1070	.	.0%	23	2.1%	0.00				
Total	\$ 641,127,905	3298	\$ 5,566,445	.9%	118	3.6%	0.24		-4.22		9



# Phase 4: Cuyahoga DDCA Final Report | 2014

DISPARITY INDEXES: PRIME CONTRACTING BY HISPANIC AMERICANS											
	UTILIZATION	AVAILABILITY	HISPANICS	HISPANICS	HISPANICS	HISPANICS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ -	.0%	4	.3%	0.00				
CONSTRUCTION	\$ 60,329,082	645	\$ -	.0%	2	.3%	0.00				
GOODS AND SERVICES	\$ 50,754,642	266	\$ -	.0%	1	.4%	0.00				
SUPPLIERS	\$ 14,427,176	1070	\$ -	.0%	2	.2%	0.00				
Total	\$ 641,127,905	3298	\$ -	.0%	9	.3%	0.00				
DISPARITY INDEXES: PRIME CONTRACTING BY ASIAN AMERICANS											
	UTILIZATION	AVAILABILITY	ASIANS	ASIANS	ASIANS	ASIANS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ 3,167	.0%	13	1.0%	0.00				1
CONSTRUCTION	\$ 60,329,082	645	\$ 250,000	.4%	4	.6%	0.67				1
GOODS AND SERVICES	\$ 50,754,642	266	\$ 199,055	.4%	1	.4%	1.04				1
SUPPLIERS	\$ 14,427,176	1070	.	.%	6	.6%					
Total	\$ 641,127,905	3298	\$ 452,222	.1%	24	.7%	0.10		-22.86		3
DISPARITY INDEXES: PRIME CONTRACTING BY NATIVE AMERICANS											
	UTILIZATION	AVAILABILITY	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	PRIME TOTAL	TOT. UTIL.	% UTILIZATION	TOT. AVAIL.	% AVAIL.	INDEX		DEVIATION		TOT. NO.
PROFESSIONAL SERVICES	\$ 515,617,005	1317	\$ -	.0%	2	.2%	0.00				
CONSTRUCTION	\$ 60,329,082	645	\$ -	.0%	1	.2%	0.00				
GOODS AND SERVICES	\$ 50,754,642	266	\$ -	.0%		.0%					
SUPPLIERS	\$ 14,427,176	1070	\$ -	.0%	3	.3%	0.00				
Total	\$ 641,127,905	3298	\$ -	.0%	6	.2%	0.00				

# Phase 4: Cuyahoga DDCA Final Report | 2014

DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY MINORITY STATUS											
	UTILIZATION	AVAILABILITY	MINORITY	MINORITY	MINORITY	MINORITY	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	TOTAL	TOTAL	TOT. UTIL.	% TOT UTIL	TOT. AVAIL	% TOT AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ 6,634,830	1.3%	167	8.8%	0.15		-7.20		10
CONSTRUCTION	\$ 60,329,082	864	\$ 2,312,256	3.8%	128	14.8%	0.26		-8.70		9
GOODS AND SERVICES	\$ 50,754,642	363	\$ 255,636	.5%	38	10.5%	0.05		-50.20		2
SUPPLIERS	\$ 14,427,176	1142	\$ 52,808	.4%	56	4.9%	0.07		-73.34		2
Total	\$ 641,127,905	4259	\$ 9,255,530	1.4%	389	9.1%	0.16		-9.07		23
DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY GENDER STATUS											
	UTILIZATION	AVAILABILITY	WOMEN	WOMEN	WOMEN	WOMEN	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	TOTAL	TOT. UTIL	% UTILIZATION	TOT. AVAIL	% AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ 7,628,259	1.5%	162	8.6%	0.17		-6.26		25
CONSTRUCTION	\$ 60,329,082	864	\$ 855,047	1.4%	102	11.8%	0.12		-21.45		8
GOODS AND SERVICES	\$ 50,754,642	363	\$ 5,412,366	10.7%	33	9.1%	1.17		0.18		5
SUPPLIERS	\$ 14,427,176	1142	\$ 52,808	.4%	74	6.5%	0.06		-1.87		2
Total	\$ 641,127,905	4259	\$14,603,314	2.3%	371	8.7%	0.26		-5.46		40
DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY AFRICAN AMERICANS											
	UTILIZATION	AVAILABILITY	BLACKS	BLACKS	BLACKS	BLACKS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	TOTAL	TOTAL UTIL	% UTILIZATION	TOT. AVAIL	% AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ 6,611,571	1.3%	126	6.7%	0.19		-5.18		8
CONSTRUCTION	\$ 60,329,082	864	\$ 1,097,776	1.8%	93	10.8%	0.17		-8.99		6
GOODS AND SERVICES	\$ 50,754,642	363	\$ 56,581	.1%	30	8.3%	0.01				1
SUPPLIERS	\$ 14,427,176	1142	\$ 20,092	.1%	44	3.9%	0.04				1
Total	\$ 641,127,905	4259	\$ 7,786,020	1.2%	293	6.9%	0.18		-6.70		16

# Phase 4: Cuyahoga DDCA Final Report | 2014

DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY HISPANIC AMERICANS											
	UTILIZATION	AVAILABILITY	HISPANICS	HISPANICS	HISPANICS	HISPANICS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	TOTAL	TOT. UTIL	% UTILIZATION	TOT. AVAIL	% AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ -	.0%	11	.6%	0.00				
CONSTRUCTION	\$ 60,329,082	864	\$ 964,480	1.6%	19	2.2%	0.73		-1.25		2
GOODS AND SERVICES	\$ 50,754,642	363	\$ -	.0%	5	1.4%	0.00				
SUPPLIERS	\$ 14,427,176	1142	\$ 32,716	.2%	3	.3%	0.86				1
Total	\$ 641,127,905	4259	\$ 997,196	.2%	38	.9%	0.17		-10.09		3
DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY ASIAN AMERICANS											
	UTILIZATION	AVAILABILITY	ASIANS	ASIANS	ASIANS	ASIANS	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	TOTAL	TOT. UTIL	% UTILIZATION	TOT. AVAIL	% AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ 23,259	.0%	28	1.5%	0.00		-636.33		2
CONSTRUCTION	\$ 60,329,082	864	\$ 250,000	.4%	14	1.6%	0.26				1
GOODS AND SERVICES	\$ 50,754,642	363	\$ 199,055	.4%	3	.8%	0.47				1
SUPPLIERS	\$ 14,427,176	1142	\$ -	.0%	6	.5%					
Total	\$ 641,127,905	4259	\$ 472,314	.1%	51	1.2%	0.06		-33.32		4
DISPARITY INDEXES: PRIME AND SUBCONTRACTING BY NATIVE AMERICANS											
	UTILIZATION	AVAILABILITY	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	NATIVE AMS.	DISPARITY	SIG	STANDARD	SIG	AWARDS
INDUSTRY	PRIME TOTAL	TOTAL	TOT. UTIL	% UTILIZATION	TOT. AVAIL	% AVAIL.	INDEX		DEVIATION		TOT. NO
PROFESSIONAL SERVICES	\$ 515,617,005	1890	\$ -	.0%	2	.1%	0.00				
CONSTRUCTION	\$ 60,329,082	864	\$ -	.0%	2	.2%	0.00				
GOODS AND SERVICES	\$ 50,754,642	363	\$ -	.0%		.0%					
SUPPLIERS	\$ 14,427,176	1142	\$ -	.0%	3	.3%	0.00				
Total	\$ 641,127,905	4259	\$ -	.0%	7	.2%	0.00				



Ohio\_2014

Hello. My name is \_\_\_\_\_, and I am calling (from Oppenheim Research) on behalf of a study being done for Cuyahoga County government. We are conducting a survey to determine the business climate in Cuyahoga County. Is this \_\_\_\_\_ && (Company's name)? IF YES, CONTINUE. Have I reached (VERIFY TELEPHONE NUMBER)? \_\_\_\_\_? IF YES, CONTINUE

IF NO, TERMINATE

May I speak with the \_\_\_\_\_ (owner/CEO/manager) please?

IF OWNER IS PUT ON THE LINE: CONTINUE WITH INTRODUCTION

IF TRANSFERRED TO ANOTHER PARTY (CEO, MANAGER, ETC):

Are you able to answer questions concerning ownership? IF YES, CONTINUE

IF NO, SCHEDULE A CALL BACK WHEN THE OWNER OR CEO MAY BE AVAILABLE

AND LEAVE TELEPHONE NUMBER. IF NOBODY IS AVAILABLE TO ANSWER QUESTIONS:

SCHEDULE CALL BACK DATE AND TIME

Under contract with Cuyahoga County government we are contacting area businesses to get their opinions about the business climate in Cuyahoga County. Your company's name and phone number has been provided to us by Cuyahoga County to help them learn more about local businesses so they can better respond to local business needs. Your opinions are important to us, and will help Cuyahoga County to develop better business practices.

This call may be monitored to evaluate my performance.

Questionnaire # \_\_\_\_\_ (1-4)

Q.1 To begin, which ONE of the following is your company's primary line of business?

READ LIST

[REQUIRE ANSWER]

- (5)
- Construction (general contractor) – Specify .. 1
- Personal Services –Specify: ..... 2
- Other Services-Specify ..... 3
- Goods- Specify ..... 4
- No Response ..... 5

[S - IF THE ANSWER IS 2, THEN SKIP TO QUESTION 3]

[S - IF THE ANSWER IS 3, THEN SKIP TO QUESTION 4]

[S - IF THE ANSWER IS 4, THEN SKIP TO QUESTION 5]

[S - IF THE ANSWER IS 5, THEN SKIP TO QUESTION 6]

Q.2 Construction (general contractor)

[REQUIRE ANSWER]

(6-155)

[A - IF THE ANSWER TO QUESTION 1 IS NOT 2, THEN SKIP TO QUESTION 6]

**Q.3 Professional Services**

[REQUIRE ANSWER]

\_\_\_\_\_ (156-305)

[A - IF THE ANSWER TO QUESTION 1 IS NOT 3, THEN SKIP TO QUESTION 6]

**Q.4 Other Services**

[REQUIRE ANSWER]

\_\_\_\_\_ (306-455)

[A - IF THE ANSWER TO QUESTION 1 IS NOT 4, THEN SKIP TO QUESTION 6]

**Q.5 Goods- Specify**

[REQUIRE ANSWER]

\_\_\_\_\_ (456-605)

**Q.6 In what year was your company established?  
9999-No Response (Don't Know)**

[REQUIRE ANSWER]

\_\_\_\_\_ (606-609)

**Q.7 Is your company a sole proprietor, partnership, corporation or other?**

[REQUIRE ANSWER]

\_\_\_\_\_ (610)  
Sole proprietor ..... 1

Corporation .....	2
Limited Liability Corporation ..	3
Partnership .....	4
Limited Liability Partnership ..	5
Non-Profit Organization .....	6
No Response .....	7
Other .....	8

Q.8 Excluding yourself, (if owner), on average, how many employees does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

9999999= No Response (Don't Know) 7 digits

[REQUIRE ANSWER]

\_\_\_\_\_ (611-617)

Q.9 Excluding yourself, (if owner), on average, how many minority employees does your company keep on the payroll, including full-time and part-time staff? (Minority Employees)

9999999= No Response (Don't Know) 7 digits

[REQUIRE ANSWER]

\_\_\_\_\_ (618-624)

Q.10 Excluding yourself, (if owner), on average, how many women employees does your company keep on the payroll, including full-time and part-time staff? (Women Employees)

9999999=No Response (Don't Know) 7 digits

[REQUIRE ANSWER]

\_\_\_\_\_ (625-631)

Q.11 Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party?  
Would you say:

**NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.**

**READ LIST**

[REQUIRE ANSWER]

(632)  
Black American ..... 1  
Asian Pacific ..... 2  
Hispanic American ... 3  
Native american ..... 4  
Subcontinent Asian .. 5  
No Response ..... 6  
Other ..... 7

[A - IF THE ANSWER TO QUESTION 11 IS NOT 7, THEN SKIP TO QUESTION 13]

Q.12 Other:

[REQUIRE ANSWER]

\_\_\_\_\_ (633-707)

Q.13 Is more than 50 percent of your company owned and controlled by a woman or women?

[REQUIRE ANSWER]

(708)  
Yes ..... 1  
No ..... 2  
No Response .. 3

Q.14 What is the highest level of education completed by the owner of your company? Would you say:

**READ LIST**

[REQUIRE ANSWER]

	(709)
Some High School .....	1
High School graduate .....	2
Some College .....	3
College Graduate .....	4
Post Graduate Degree .....	5
Trade or Technical Certificate ..	6
No Response .....	7

Q.15 How many years of experience in your company's business line does the primary owner of your firm have?

[REQUIRE ANSWER]

\_\_\_\_\_ (710-713)

Q.16 Which of the following categories best approximates your company's gross revenues for calendar year 2012?

**READ LIST**

[REQUIRE ANSWER]

	(714-715)
\$50,000 or less .....	1
\$50,001 - \$100,000 .....	2
\$100,001 - \$300,000 .....	3
\$300,001 - \$500,000 .....	4
\$500,001 - \$1,000,000 .....	5
\$1,000,001 - \$3,000,000 .....	6
\$3,000,001 - \$5,000,000 .....	7
\$5,000,001 to \$10,000,000 ..	8
over \$10 million .....	9
No Response .....	10

Q.17 Which of the following categories best approximates your company's public sector gross (government) revenues for calendar year 2012?

[REQUIRE ANSWER]

(716-717)

\$50,000 or less .....	1
\$50,001 - \$100,000 .....	2
\$100,001 - \$300,000 .....	3
\$300,001 - \$500,000 .....	4
\$500,001 - \$1,000,000 .....	5
\$1,000,001 - \$3,000,000 .....	6
\$3,000,001 - \$5,000,000 .....	7
\$5,000,001 to \$10,000,000 ..	8
over \$10,000,000 .....	9
No Response .....	10

Q.18 Are you required to have bonding for the type of work your company bids?

[REQUIRE ANSWER]

(718)

Yes .	1
No ...	2
DK ...	3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 21]

Q.19 What is your current aggregate bonding limit?

[REQUIRE ANSWER]

(719)

Below \$100,000 .....	1
\$100,001 to \$500,000 .....	2
\$500,001 to \$1,000,000 .....	3
\$1,000,001 to \$1,500,000 ..	4
Over \$1,500,000 .....	5
No Applicable .....	6

Q.20 What is your current single project bonding limit?

[REQUIRE ANSWER]

- (720)
- Below \$100,000 ..... 1
  - \$100,001 to \$500,000 ..... 2
  - \$500,001 to \$1,000,000 ..... 3
  - \$1,000,001 to \$1,500,000 .. 4
  - Over \$1,500,000 ..... 5
  - No Applicable ..... 6

Q.21 READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

[REQUIRE ANSWER]

	None	1-10	11-25	26-50	51-100	Over 100	DK/NA
Cuyahoga County Public Projects	1	2	3	4	5	6	7 (721)
Private Sector Projects	1	2	3	4	5	6	7 (722)
Other Public Sector (non-County Projects)	1	2	3	4	5	6	7 (723)

Q.22 Since July 1, 2009, has your company performed any work as a prime contractor for:

[REQUIRE ANSWER]

	Yes	No	DK/NA
Cuyahoga County Public Projects	1	2	3 (724)
Private Sector Projects	1	2	3 (725)
Other Public Sector (non-County projects)	1	2	3 (726)

Q.23 Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

[REQUIRE ANSWER] [READ ONLY ANSWERS CORRESPONDING TO SUB-QUESTIONS ANSWERED 1 IN QUESTION 22]

	Yes	No	DK/NA
Cuyahoga County Public Projects	1	2	3 (727)
Private Sector Projects	1	2	3 (728)
Other Public Sector (non-County Projects)	1	2	3 (729)

Q.24 How frequently do you use minority or women-owned subcontractors or subconsultants on:

[REQUIRE ANSWER] [READ ONLY ANSWERS CORRESPONDING TO SUB-QUESTIONS ANSWERED 1 IN QUESTION 22]

	Very Often	Often	Seldom	Never	DK/NA
Cuyahoga County Public Projects	1	2	3	4	5 (730)
Private Sector Projects	1	2	3	4	5 (731)
Other Public Sector (non-County Projects)	1	2	3	4	5 (732)

[A - IF THE ANSWER TO SUB-QUESTION 1 OF QUESTION 22 IS NOT 1, THEN SKIP TO QUESTION 26]  
 [A - IF THE ANSWER TO SUB-QUESTION 2 OF QUESTION 22 IS NOT 1, THEN SKIP TO QUESTION 26]  
 [A - IF THE ANSWER TO SUB-QUESTION 3 OF QUESTION 22 IS NOT 1, THEN SKIP TO QUESTION 26]



Q.25 How would you rate your experience with sub-contractors or sub-consultants owned by:

[REQUIRE ANSWER]

	Excellent	Good	Fair	Poor	DK/NA
Minorities	1	2	3	4	5 (733)
Women	1	2	3	4	5 (734)
Non-Minority Men	1	2	3	4	5 (735)

Q.26 Does your company bid or perform as a sub-contractor in:

[REQUIRE ANSWER]

	Yes	No	DK/NA
Cuyahoga County Public Projects	1	2	3 (736)
Private Sector Projects	1	2	3 (737)
Other Public Sector (non-County Projects)	1	2	3 (738)

Q.27 Have you ever served as a sub-contractor on a Cuyahoga County project?

[REQUIRE ANSWER]

(739)  
 Yes . 1  
 No ... 2  
 DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 30]

Q.28 How often have you served as a sub-contractor on a Cuyahoga County project?

[REQUIRE ANSWER]

(740)  
 1-10 ..... 1  
 11-25 ..... 2  
 26-50 ..... 3  
 51-100 ..... 4  
 Over 100 . 5  
 DK ..... 6

Q.29 Have you been invited to participate in public contracts with the same prime contractors that you may have worked with in the public sector?

[REQUIRE ANSWER]

(741)  
 Yes . 1  
 No ... 2  
 DK ... 3

Q.30 Since 2009, how many times has your company done the following in the public sector and private sector?

[REQUIRE ANSWER]

	None	1-10	11-25	26-50	51-100	Over 100	DK/NA
Regularly bid with other public agencies, but not with Cuyahoga Co.?	1	2	3	4	5	6	7 (742)
Asked to be a subcontractor by a prime contract	1	2	3	4	5	6	7 (743)

or or prime consulta nt?							
Hired as a subcont ractor by a prime	1	2	3	4	5	6	7 (744)

Q.31 What is the amount of time that it typically takes to receive payment for your services on Cuyahoga County projects?

[REQUIRE ANSWER]

(745)  
Less than 30 days .. 1  
30-60 days ..... 2  
60-90 days ..... 3  
90-120 days ..... 4  
Over 120 days ..... 5  
DK/NA ..... 6

Q.32 How would you rate the quality of interaction with Cuyahoga County on contract opportunities on a scale of 1 to 7, where 1 is Extremely Satisfied and 7 is Extremely Dissatisfied?

[REQUIRE ANSWER]

(746)  
Extremely Satisfied ..... 1  
Satisfied ..... 2  
Somewhat Satisfied ..... 3  
Neutral ..... 4  
Somewhat Dissatisfied .. 5  
Dissatisfied ..... 6  
Extremely Dissatisfied ... 7  
DK/NA ..... 8

Q.33 Is there anything that can be done to improve this interaction?

IF YES: What?

[REQUIRE ANSWER]

---

(747-946)

Q.34 I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

[REQUIRE ANSWER]

	Yes	NO	DK/NA
a. Pre-qualification requirements?	1	2	3 (947)
b. Performance bond requirements?	1	2	3 (948)
c. Bid bond requirements	1	2	3 (949)
d. Financing?	1	2	3 (950)
e. Insurance requirements?	1	2	3 (951)
f. Bid specifications?	1	2	3 (952)
g. Limited time given to prepare bid package or quote?	1	2	3 (953)
h. Limited knowledge of purchasing / contracting policies and procedures?	1	2	3 (954)
i. Lack of experience?	1	2	3 (955)
j. Lack of personnel?	1	2	3 (956)
k. Contract too large?	1	2	3 (957)
l. Contract too expensive to bid?	1	2	3 (958)
m. Informal networks?	1	2	3 (959)
n. Selection process?	1	2	3 (960)
o. Competing with large companies?	1	2	3 (961)

Q.35 Is your company a certified business?

[REQUIRE ANSWER]

(962)  
 Yes ..... 1  
 No ..... 2  
 DK/NA .. 3

[S - IF THE ANSWER IS 2, THEN SKIP TO QUESTION 37]  
 [S - IF THE ANSWER IS 3, THEN SKIP TO QUESTION 38]

Q.36 What is your certification?

[REQUIRE ANSWER]

	Yes	No	DK/NA
MBE (Minority Business Enterprise)	1	2	3 (963)
WBE (Women Business Enterprise)	1	2	3 (964)
DBE (Disabled Business Enterprise)	1	2	3 (965)
SBE (Small Business Enterprise)	1	2	3 (966)

[A - IF THE ANSWER TO QUESTION 35 IS 1, THEN SKIP TO QUESTION 38]

[A - IF THE ANSWER TO SUB-QUESTION 2 OF QUESTION 36 IS 1, THEN SKIP TO QUESTION 39]

[A - IF THE ANSWER TO SUB-QUESTION 3 OF QUESTION 36 IS 1, THEN SKIP TO QUESTION 39]

[A - IF THE ANSWER TO SUB-QUESTION 4 OF QUESTION 36 IS 1, THEN SKIP TO QUESTION 39]

Q.37 Why is your company not certified?

[REQUIRE ANSWER]

(967-1066)

Q.38 Do you believe that there is favoritism or disparate treatment in the certification process?

[REQUIRE ANSWER]

(1067)

Yes . 1

No ... 2

DK ... 3

Q.39 Are you certified with one of the following agencies?

[REQUIRE ANSWER]

	Yes	No	DK/NA
City of Cleveland	1	2	3 (1068)
Cuyahoga County	1	2	3 (1069)
Federal Small Business Administration	1	2	3 (1070)
State of Ohio	1	2	3 (1071)
Other	1	2	3 (1072)

Q.40 Have you ever served as:

[REQUIRE ANSWER]

	Yes	No	DK/Na
Prime Contractor in the private sector?	1	2	3 (1073)
Subcontractor in the private sector?	1	2	3 (1074)

Q.41 Do you feel as though you have experienced discriminatory behavior from the private sector (non-government) in the past?

[REQUIRE ANSWER]

(1075)  
 Yes . 1  
 No ... 2  
 DK ... 3

Q.42 Have you applied for a commercial (business) bank loan between 2009 and 2012?

[REQUIRE ANSWER]

(1076)  
 Yes . 1  
 No ... 2  
 DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 47]

Q.43 How many times have you applied for a commercial (business) bank loan between 2009 and 2012?

[REQUIRE ANSWER]

(1077)  
1-10 ..... 1  
11-25 ..... 2  
26-50 ..... 3  
51-100 ..... 4  
Over 100 . 5  
DK/NA ..... 6

Q.44 How many times have you been approved for a commercial (business) bank loan between 2009 and 2012?

[REQUIRE ANSWER]

(1078)  
None ..... 1  
1-10 ..... 2  
11-25 ..... 3  
26-50 ..... 4  
51-100 ..... 5  
Over 100 . 6  
DK/NA ..... 7

[S - IF THE ANSWER IS 1, THEN SKIP TO QUESTION 46]

Q.45 What has been the highest amount of a commercial loan you have received between 2009 and 2012?

[REQUIRE ANSWER]

(1079-1080)  
\$50,000 or less ..... 1  
\$50,001 - \$100,000 ..... 2  
\$100,001 - \$300,000 ..... 3  
\$300,001 - \$500,000 ..... 4  
\$500,001 - \$1,000,000 ..... 5  
\$1,000,001 - \$3,000,000 ..... 6  
\$3,000,001 - \$5,000,000 ..... 7  
\$5,000,001 to \$10,000,000 .. 8  
over \$10,000,000 ..... 9  
No Response ..... 10



Q.46 How many times have you been denied a commercial (business) bank loan between 2009 and 2012?

[REQUIRE ANSWER]

(1081)  
 None ..... 1  
 1-10 ..... 2  
 11-25 ..... 3  
 26-50 ..... 4  
 51-100 ..... 5  
 Over 100 . 6  
 DK/NA ..... 7

Q.47 How many times have you sought venture capital between 2009 and 2012?

[REQUIRE ANSWER]

(1082)  
 None ..... 1  
 1-10 ..... 2  
 11-25 ..... 3  
 26-50 ..... 4  
 51-100 ..... 5  
 Over 100 . 6  
 DK/NA ..... 7

Q.48 Since 2009, has your company applied for any of the following?

[REQUIRE ANSWER]

	Yes	No	DK/NA
Business start-up loan?	1	2	3 (1083)
Operating capital loan?	1	2	3 (1084)
Equipment loan?	1	2	3 (1085)
Commercial/Professional liability insurance?	1	2	3 (1086)

Q.49 Since 2009, has your company been approved for any of the following?

[REQUIRE ANSWER] [READ ONLY ANSWERS CORRESPONDING TO SUB-QUESTIONS ANSWERED 1 IN QUESTION 48]

	Yes	No	DK/NA
Business start-up loan?	1	2	3 (1087)
Operating capital loan?	1	2	3 (1088)
Equipment loan?	1	2	3 (1089)
Commercial/Professional liability insurance?	1	2	3 (1090)

Q.50 Since 2009, has your company been denied for any of the following?

Yes=1

No=2

DK=3

[REQUIRE ANSWER] [READ ONLY ANSWERS CORRESPONDING TO SUB-QUESTIONS ANSWERED 1 IN QUESTION 48]

	Yes	No	DK/NA
Business start-up loan?	1	2	3 (1091)
Operating capital loan?	1	2	3 (1092)
Equipment loan?	1	2	3 (1093)
Commercial/Professional liability insurance?	1	2	3 (1094)

Q.51 Of the items your company was denied for, what was the denial reason?

**READ CHOICES**

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

[REQUIRE ANSWER] [READ ONLY ANSWERS CORRESPONDING TO SUB-QUESTIONS ANSWERED 1 IN QUESTION 50]

	ID	IBH	C	RE	G	ACH	O	DK/NA
Business start-up loan?	1	2	3	4	5	6	7	8 (1095)
Operating capital loan?	1	2	3	4	5	6	7	8 (1096)
Equipment loan?	1	2	3	4	5	6	7	8 (1097)
Commercial/Professional liability insurance?	1	2	3	4	5	6	7	8 (1098)

Q.52 Please indicate your agreement or disagreement with the following statement: “Some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as sub-contractors”.

[REQUIRE ANSWER]

- (1099)
- Strongly Agree ..... 1
- Agree ..... 2
- Neither Agree or Disagree .. 3
- Disagree ..... 4

Strongly Disagree ..... 5  
DK ..... 6

Q.53 Since 2009, has your company experienced discriminatory behavior from Cuyahoga County?

[REQUIRE ANSWER]

(1100)  
Yes . 1  
No ... 2  
DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 72]

Q.54 Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to race, ethnicity, or disability of the owner?

[REQUIRE ANSWER]

(1101)  
Yes . 1  
No ... 2  
DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 60]

Q.55 On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this racial, ethnic, or disability discriminatory behavior from the County:

READ

[REQUIRE ANSWER]

(1102)  
Never ..... 1  
Seldom ..... 2  
Often ..... 3  
Very Often .. 4

DK ..... 5

Q.56 How was the discrimination expressed to you: (READ LIST)

[REQUIRE ANSWER]

(1103)

- Verbal comment from the County ..... 1
- Written statement from the County ..... 2
- Action taken against company from the County .. 3
- DK ..... 4
- Other ..... 5

[A - IF THE ANSWER TO QUESTION 56 IS NOT 5, THEN SKIP TO QUESTION 58]

Q.57 Other Response:

[REQUIRE ANSWER]

(1104-1203)

Q.58 When did discrimination occur: (READ LIST)

[REQUIRE ANSWER]

(1204)

- During bidding process (before the contract award) .. 1
- After contract awarded ..... 2
- DK ..... 3
- Other ..... 4

[A - IF THE ANSWER TO QUESTION 58 IS NOT 4, THEN SKIP TO QUESTION 60]

Q.59 Other Response:

[REQUIRE ANSWER]

---

(1205-1304)

Q.60 Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the gender of the owner?

[REQUIRE ANSWER]

(1305)  
Yes . 1  
No ... 2  
DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 66]

Q.61 On a scale of 1 to 4 where 4 represents "Very Often" and 1 represents "Never", do you believe that you have experienced this gender discriminatory behavior from the County:

READ

[REQUIRE ANSWER]

(1306)  
Never ..... 1  
Seldom ..... 2  
Often ..... 3  
Very Often .. 4  
DK ..... 5

Q.62 How was the discrimination expressed to you: (READ LIST)

[REQUIRE ANSWER]

- (1307)
- Verbal comment from the County ..... 1
- Written statement from the County ..... 2
- Action taken against company from the County .. 3
- DK ..... 4
- Other ..... 5

[A - IF THE ANSWER TO QUESTION 62 IS NOT 5, THEN SKIP TO QUESTION 64]

Q.63 Other Response

[REQUIRE ANSWER]

\_\_\_\_\_ (1308-1407)

Q.64 When did discrimination occur: (READ LIST)

[REQUIRE ANSWER]

- (1408)
- During bidding process (before the contract award) .. 1
- After contract awarded ..... 2
- DK ..... 3
- Other ..... 4

[A - IF THE ANSWER TO QUESTION 64 IS NOT 4, THEN SKIP TO QUESTION 66]

Q.65 Other Response

[REQUIRE ANSWER]

\_\_\_\_\_ (1409-1508)

Q.66 Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the time in business?

[REQUIRE ANSWER]

(1509)  
Yes . 1  
No ... 2  
DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 72]

Q.67 On a scale of 1 to 4 where 4 represents "Very Often" and 1 represents "Never", do you believe that you have experienced this time in business discriminatory behavior from the County:

READ

[REQUIRE ANSWER]

(1510)  
Never ..... 1  
Seldom ..... 2  
Often ..... 3  
Very Often .. 4  
DK ..... 5

Q.68 How was the discrimination expressed to you: (READ LIST)

[REQUIRE ANSWER]

(1511)  
Verbal comment from the County ..... 1  
Written statement from the County ..... 2  
Action taken against company from the County .. 3  
DK ..... 4  
Other ..... 5

[A - IF THE ANSWER TO QUESTION 68 IS NOT 5, THEN SKIP TO QUESTION 70]



Q.69 Other Response:

[REQUIRE ANSWER]

(1512-1611)

Q.70 When did discrimination occur: (READ LIST)

[REQUIRE ANSWER]

(1612)

- During bidding process (before the contract award) .. 1
- After contract awarded ..... 2
- DK ..... 3
- Other ..... 4

[A - IF THE ANSWER TO QUESTION 70 IS NOT 4, THEN SKIP TO QUESTION 72]

Q.71 Other Response:

[REQUIRE ANSWER]

(1613-1712)

Q.72 Please indicate your level of agreement or disagreement, on a scale of 1 to 5, where 1 is Strongly Agree and 5 is Strongly Disagree.

There is an informal network of prime and sub-contractors in Cuyahoga County.

[REQUIRE ANSWER]

(1713)

- Strongly Agree ..... 1
- Agree ..... 2
- Neither ..... 3
- Disagree ..... 4
- Strongly Disagree .. 5
- DK ..... 6

Q.73 Exclusion from this network has kept my company from bidding or has interfered with our ability to contract in the public (government) or private sector.

[REQUIRE ANSWER]

(1714)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.74 Although exclusion from this informal network adversely affects a majority of small businesses, the adverse impact is probably felt the greatest among women and minority-owned businesses.

[REQUIRE ANSWER]

(1715)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.75 Double standards in qualification and performance make it more difficult for minority and/or women-owned, businesses to win bids or contracts.

[REQUIRE ANSWER]

(1716)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.76 Sometimes, a prime contractor will include a minority and women-owned sub-contractor on a bid to meet the “good faith effort” requirement, then drop the company as a sub-contractor after winning the award.

[REQUIRE ANSWER]

(1717)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.77 In general, minority and/or women-owned businesses tend to be viewed by the general public as less competent than non-minority male businesses.

[REQUIRE ANSWER]

(1718)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.78 Some non-minority (male) prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses.

[REQUIRE ANSWER]

(1719)  
Strongly Agree ..... 1  
Agree ..... 2  
Neither ..... 3  
Disagree ..... 4  
Strongly Disagree .. 5  
DK ..... 6

Q.79 Is there anything that we have not covered that you feel will be helpful to this study or do you have any additional comments that you feel will be helpful to this study?

[REQUIRE ANSWER]

(1720)  
Yes . 1  
No ... 2  
DK ... 3

[S - IF THE ANSWER IS NOT 1, THEN SKIP TO QUESTION 81]

Q.80 What are your comments?

[REQUIRE ANSWER]

\_\_\_\_\_ (1721-2020)

Q.81 What is your title?

[REQUIRE ANSWER]

(2021)  
Owner/CEO/President ..... 1  
Manager/Financial Officer .. 2  
Other ..... 3

Q.82 May I have your name or initials just in case we have any further questions?

[REQUIRE ANSWER]

\_\_\_\_\_ (2022-2046)

Q.83 That completes the survey. On behalf of the research team we thank you for your participation and valuable comments.

Q.84 Code Industry Code from Top

	(2047)
Construction .....	1
Goods .....	2
Other Services .....	3
Professional Services ..	4
No Code .....	5

Q.85 Telephone Number

\_\_\_\_\_ (2048-2063)

Q.86 Ref Name

\_\_\_\_\_ (2064-2073)

Q.87 Ref #

\_\_\_\_\_ (2074-2083)

Q.88 Industry Name

\_\_\_\_\_ (2084-2113)

Q.89 Contact Name

\_\_\_\_\_ (2114-2143)

Q.90 Company Name

\_\_\_\_\_ (2144-2193)

Q.91 Address

\_\_\_\_\_ (2194-2233)

Q.92 City

\_\_\_\_\_ (2234-2263)

Q.93 County

\_\_\_\_\_ (2264-2293)

Q.94 State

\_\_\_\_\_ (2294-2295)

Q.95 MFD

\_\_\_ (2296)

Q.96 MCG VID

\_\_\_\_\_ (2297-2306)

Q.97 CVRS VID

\_\_\_\_\_ (2307-2316)

Q.98 NIGP

\_\_\_\_\_ (2317-2321)

Q.99 Interviewer

\_\_\_\_\_ (2322-2325)

Q.100 Date

\_\_\_\_\_ (2326-2334)

Q.101 Time

\_\_\_\_\_ (2335-2340)

Q.102 Duration

\_\_\_\_\_ (2341-2346)

Q.103 Call Result

\_\_\_\_\_ (2347-2348)





**CUYAHOGA COUNTY  
DISPARITY STUDY  
TELEPHONE SURVEY  
OPPENHEIM RESEARCH**

**CROSS-TABULATED BY RACE .....1**  
**CROSS-TABULATED BY GENDER.....111**

## Ohio-Cuyahoga County Final X-tab by Race/Minority June 16, 2014

Table 1: To begin, which ONE of the following is your company's primary line of business?  
READ LIST

		Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:							
		NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.							
		READ LIST							
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Professional Services (general contractor) – Specify	98 32.0%	64 27.4%	20 44.4%	3 50.0%	2 28.6%	0 0.0%	2 50.0%	2 66.7%	5 71.4%
Construction –Specify:	56 18.3%	36 15.4%	14 31.1%	1 16.7%	4 57.1%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Goods and Services-Specify	73 23.9%	59 25.2%	8 17.8%	2 33.3%	0 0.0%	0 0.0%	2 50.0%	1 33.3%	1 14.3%
Supplier- Specify	79 25.8%	75 32.1%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 7: Is your company a sole proprietor, partnership, corporation or other?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Tot al	Cau casi an	Bla ck Am eric an	Asi an Pac ific	His pan ic Am eric an	Nati ve Am eric an	Sub con tine nt Asi an	No Res pon se	Oth er
Unweighted Base	306	234	45	6	7	0	4	3	7
Sole proprietor	45 14.7%	30 12.8%	12 26.7%	1 7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Corporation	186 60.8%	154 65.8%	16 35.6%	3 50.0%	4 57.1%	0 0.0%	4 100.0%	3 100.0%	2 28.6%
Limited Liability Corporation	46 15.0%	32 13.7%	11 24.4%	1 7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Partnership	5 1.6%	4 1.7%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Limited Liability Partnership	2 0.7%	1 0.4%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Non-Profit Organization	11 3.6%	5 2.1%	3 6.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
No Response	1 0.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Other	10 3.3%	8 3.4%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

Table 11: Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:

**NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.**

**READ LIST**

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Caucasian	234 76.5%	234 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Black American	45 14.7%	0 0.0%	45 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Asian Pacific	6 2.0%	0 0.0%	0 0.0%	6 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Hispanic American	7 2.3%	0 0.0%	0 0.0%	0 0.0%	7 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Subcontinent Asian	4 1.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	4 100.0%	0 0.0%	0 0.0%
No Response	3 1.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	3 100.0%	0 0.0%
Other	7 2.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	7 100.0%

Table 13: Is more than 50 percent of your company owned and controlled by a woman or women?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	101 33.0%	76 32.5%	16 35.6%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	2 66.7%	2 28.6%
No	199 65.0%	153 65.4%	29 64.4%	3 50.0%	5 71.4%	0 0.0%	4 100.0%	1 33.3%	4 57.1%
No Response	6 2.0%	5 2.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

Table 14: What is the highest level of education completed by the owner of your company? Would you say:

**READ LIST**

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subs. cont. Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Some High School	4 1.3%	3 1.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
High School graduate	26 8.5%	20 8.5%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	0 0.0%
Some College	52 17.0%	37 15.8%	12 26.7%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
College Graduate	134 43.8%	110 47.0%	14 31.1%	1 16.7%	6 85.7%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
Post Graduate Degree	73 23.9%	50 21.4%	13 28.9%	5 83.3%	0 0.0%	0 0.0%	3 75.0%	1 33.3%	1 14.3%
Trade or Technical Certificate	4 1.3%	3 1.3%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	13 4.2%	11 4.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 16: Which of the following categories best approximates your company's gross revenues for calendar year 2012?

**READ LIST**

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subs. continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
\$50,000 or less	28 9.2%	14 6.0%	12 26.7%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
\$50,001 - \$100,000	16 5.3%	11 4.7%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
\$100,001 - \$300,000	23 7.6%	14 6.0%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
\$300,001 - \$500,000	28 9.2%	20 8.6%	7 15.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
\$500,001 - \$1,000,000	37 12.2%	29 12.5%	7 15.6%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$1,000,001 - \$3,000,000	57 18.8%	47 20.3%	4 8.9%	2 40.0%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	1 14.3%
\$3,000,001 - \$5,000,000	20 6.6%	15 6.5%	3 6.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%
\$5,000,001 to \$10,000,000	17 5.6%	13 5.6%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
over \$10 million	35 11.6%	32 13.8%	0 0.0%	1 20.0%	0 0.0%	0 0.0%	0 0.0%	2 66.7%	0 0.0%
No Response/DK	42 13.9%	37 15.9%	2 4.4%	2 40.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	3	2	0	1	0	0	0	0	0

Table 17: Which of the following categories best approximates your company's public sector gross (government) revenues for calendar year 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
\$50,000 or less	104 34.3%	71 30.6%	23 51.1%	2 40.0%	3 42.9%	0 0.0%	0 0.0%	1 33.3%	4 57.1%
\$50,001 - \$100,000	25 8.3%	21 9.1%	3 6.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
\$100,001 - \$300,000	26 8.6%	21 9.1%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
\$300,001 - \$500,000	19 6.3%	14 6.0%	4 8.9%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$500,001 - \$1,000,000	20 6.6%	13 5.6%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%
\$1,000,001 - \$3,000,000	12 4.0%	11 4.7%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$3,000,001 - \$5,000,000	12 4.0%	12 5.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$5,000,001 to \$10,000,000	16 5.3%	12 5.2%	2 4.4%	1 20.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
over \$10,000,000	7 2.3%	6 2.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
No Response/DK	62 20.5%	51 22.0%	4 8.9%	2 40.0%	2 28.6%	0 0.0%	2 50.0%	1 33.3%	0 0.0%
No Response	3	2	0	1	0	0	0	0	0



Table 18: Are you required to have bonding for the type of work your company bids?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	98 32.0%	72 30.8%	21 46.7%	1 16.7%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	201 65.7%	156 66.7%	23 51.1%	5 83.3%	5 71.4%	0 0.0%	3 75.0%	3 100.0%	6 85.7%
DK	7 2.3%	6 2.6%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 19: What is your current aggregate bonding limit?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Below \$100,000	12 12.4%	8 11.3%	3 14.3%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$100,001 to \$500,000	15 15.5%	7 9.9%	7 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
\$500,001 to \$1,000,000	17 17.5%	12 16.9%	5 23.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$1,000,001 to \$1,500,000	14 14.4%	12 16.9%	1 4.8%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%
Over \$1,500,000	37 38.1%	30 42.3%	5 23.8%	1 100.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Applicable/DK	2 2.1%	2 2.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	209	163	24	5	5	0	3	3	6

Table 20: What is your current single project bonding limit?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Below \$100,000	12 12.4%	7 9.9%	4 19.0%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$100,001 to \$500,000	15 15.5%	9 12.7%	5 23.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
\$500,001 to \$1,000,000	15 15.5%	12 16.9%	3 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$1,000,001 to \$1,500,000	11 11.3%	9 12.7%	1 4.8%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%
Over \$1,500,000	23 23.7%	17 23.9%	4 19.0%	1 100.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Applicable/DK	21 21.6%	17 23.9%	4 19.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	209	163	24	5	5	0	3	3	6

Cuyahoga County Frequencies

Table 21.1: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Cuyahoga County Public Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	123 40.2%	87 37.2%	25 55.6%	2 33%	4 57.1%	0 0%	2 50%	0 0%	3 42.9%
1-10	121 39.5%	94 40.2%	17 37.8%	2 33%	2 28.6%	0 0%	1 25%	2 66.7%	3 42.9%
11-25	16 5.2%	16 6.8%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
26-50	3 1.0%	2 0.9%	0 0%	1 16.7%	0 0%	0 0%	0 0%	0 0%	0 0%
51-100	3 1.0%	3 1.3%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Over 100	14 4.6%	9 3.8%	2 4.4%	1 16.7%	0 0%	0 0%	1 25%	1 33.3%	0 0%
DK/NA	26 8.5%	23 9.8%	1 2.2%	0 0%	1 14.3%	0 0%	0 0%	0 0%	1 14.3%

Table 21.2: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Private Sector Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	93 30.4%	71 30.3%	13 28.9%	1 16.7%	3 42.9%	0 0.0%	1 25.0%	1 33.3%	3 42.9%
1-10	55 18.0%	35 15.0%	17 37.8%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
11-25	26 8.5%	19 8.1%	4 8.9%	2 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
26-50	11 3.6%	6 2.6%	3 6.7%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	14 4.6%	13 5.6%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Over 100	79 25.8%	67 28.6%	6 13.3%	2 33.3%	1 14.3%	0 0.0%	1 25.0%	2 66.7%	0 0.0%
DK/NA	28 9.2%	23 9.8%	1 2.2%	0 0.0%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	1 14.3%

Cuyahoga County Frequencies

Table 21.3: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Other Public Sector (non-County Projects)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	104 34.0%	80 34.2%	15 33.3%	0 0.0%	3 42.9%	0 0.0%	2 50.0%	0 0.0%	4 57.1%
1-10	72 23.5%	49 20.9%	18 40.0%	2 33.3%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
11-25	23 7.5%	16 6.8%	5 11.1%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
26-50	18 5.9%	15 6.4%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	11 3.6%	9 3.8%	2 2.2%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Over 100	46 15.0%	39 16.7%	2 4.4%	2 33.3%	0 0.0%	0 0.0%	1 25.0%	2 66.7%	0 0.0%
DK/NA	32 10.5%	26 11.1%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Cuyahoga County Frequencies

Table 22.1: Since July 1, 2009, has your company performed any work as a prime contractor for:

Cuyahoga County Public Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	93 30.4%	78 33.3%	8 17.8%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	2 66.7%	3 42.9%
No	188 61.4%	135 57.7%	35 77.8%	6 100.0%	6 85.7%	0 0.0%	3 75.0%	0 0.0%	3 42.9%
DK/NA	25 8.2%	21 9.0%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Cuyahoga County Frequencies

Table 22.2: Since July 1, 2009, has your company performed any work as a prime contractor for:

Private Sector Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	156 51.0%	117 50.0%	27 60.0%	3 0%	3 42.9%	0 0%	3 75.0%	1 33.3%	2 28.6%
No	126 41.2%	97 41.5%	16 35.6%	3 0%	4 57.1%	0 0%	1 25.0%	1 33.3%	4 57.1%
DK/NA	24 7.8%	20 8.5%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%



Cuyahoga County Frequencies

Table 22.3: Since July 1, 2009, has your company performed any work as a prime contractor for:

Other Public Sector (non-County projects)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	131 42.8%	103 44.0%	19 42.2%	3 50.0%	1 14.3%	0 0.0%	2 50.0%	1 33.3%	2 28.6%
No	146 47.7%	109 46.6%	23 51.1%	2 33.3%	5 71.4%	0 0.0%	2 50.0%	1 33.3%	4 57.1%
DK/NA	29 9.5%	22 9.4%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Cuyahoga County Frequencies

Table 23.1: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Cuyahoga County Public Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	36 38.7%	28 35.9%	4 50.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	1 50.0%	2 66.7%
No	52 55.9%	46 59.0%	4 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%	1 33.3%
DK/NA	5 5.4%	4 5.1%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	213	156	37	6	6	0	3	1	4

Cuyahoga County Frequencies

Table 23.2: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Private Sector Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	74 47.4%	52 44.4%	13 48.1%	3 100.0%	3 100.0%	0 0.0%	3 100.0%	0 0.0%	0 0.0%
No	78 50.0%	61 52.1%	14 51.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	2 100.0%
DK/NA	4 2.6%	4 3.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	150	117	18	3	4	0	1	2	5

Cuyahoga County Frequencies

Table 23.3: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Other Public Sector (non-County Projects)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	63 48.1%	47 45.6%	9 47.4%	3 100.0%	1 100.0%	0 0.0%	2 100.0%	0 0.0%	1 50.0%
No	64 48.9%	52 50.5%	10 52.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	1 50.0%
DK/NA	4 3.1%	4 3.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	175	131	26	3	6	0	2	2	5

Cuyahoga County Frequencies

Table 24.1: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Cuyahoga County Public Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3	7	
Very Often	21 22.6%	16 20.5%	2 5.0%	0 0.0%	0 0.0%	0 0.0%	1 10.0%	1 50.0%	1 33.3%	1 3.3%
Often	10 10.8%	8 10.3%	2 5.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Seldom	11 11.8%	9 11.5%	0 0.0%	0 0.0%	1 10.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%
Never	26 28.0%	24 30.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%	1 33.3%	1 3.3%
DK/NA	25 26.9%	21 26.9%	4 10.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	213	156	37	6	6	0	3	1	4	

Cuyahoga County Frequencies

Table 24.2: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Private Sector Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3		7
Very Often	21 13.5%	10 8.5%	8 29.6%	0 0.0%	0 0.0%	0 0.0%	2 66.7%	0 0.0%	0 0.0%	1 50.0%
Often	26 16.7%	17 14.5%	7 25.9%	1 33.3%	0 0.0%	0 0.0%	1 33.3%	0 0.0%	0 0.0%	0 0.0%
Seldom	27 17.3%	20 17.1%	3 11.1%	1 33.3%	3 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Never	40 25.6%	34 29.1%	4 14.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	1 50.0%	1 50.0%
DK/NA	42 26.9%	36 30.8%	5 18.5%	1 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	150	117	18	3	4	0	1	2		5

Cuyahoga County Frequencies

Table 24.3: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Other Public Sector (non-County Projects)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3	7	
Very Often	19 14.5%	12 11.7%	6 31.6%	0 0.0%	0 0.0%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%
Often	24 18.3%	17 16.5%	5 26.3%	1 33.3%	0 0.0%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%
Seldom	21 16.0%	18 17.5%	2 10.5%	1 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Never	33 25.2%	27 26.2%	3 15.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	2 100.0%	0 0.0%
DK/NA	34 26.0%	29 28.2%	3 15.8%	1 33.3%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	175	131	26	3	6	0	2	2	5	

Table 25.1: How would you rate your experience with sub-contractors or sub-consultants owned by:

Minorities

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3	7	
Excellent	16 24.6%	11 19.6%	2 50.0%	0 0.0%	1 100.0%	0 0.0%	1 100.0%	0 0.0%	1 50.0%	1 50.0%
Good	17 26.2%	15 26.8%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%	1 50.0%
Fair	4 6.2%	4 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Poor	3 4.6%	3 5.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	25 38.5%	23 41.1%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	1 50.0%	0 0.0%
No Response	241	178	41	6	6	0	3	2	5	



Table 25.2: How would you rate your experience with sub-contractors or sub-consultants owned by:

Women

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3	7	
Excellent	18 27.7%	12 21.4%	2 50.0%	0 0.0%	1 100.0%	0 0.0%	1 100.0%	0 0.0%	2 100.0%	
Good	16 24.6%	15 26.8%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	
Fair	2 3.1%	2 3.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	
Poor	1 1.5%	1 1.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	
DK/NA	28 43.1%	26 46.4%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	
No Response	241	178	41	6	6	0	3	2	5	

Table 25.3: How would you rate your experience with sub-contractors or sub-consultants owned by:

Non-Minority Men

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:									
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other	
Unweighted Base	306	234	45	6	7	0	4	3	7	
Excellent	16 24.6%	12 21.4%	2 50.0%	0 0.0%	1 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%
Good	21 32.3%	19 33.9%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%	1 100.0%
Fair	2 3.1%	2 3.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Poor	1 1.5%	1 1.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	25 38.5%	22 39.3%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	1 50.0%	1 100.0%
No Response	241	178	41	6	6	0	3	2	5	

Cuyahoga County Frequencies

Table 26.1: Does your company bid or perform as a sub-contractor in:

Cuyahoga County Public Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	67 21.9%	47 20.1%	12 26.7%	2 33%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	3 42.9%
No	206 67.3%	162 69.2%	28 62.2%	4 66.7%	3 42.9%	0 0.0%	4 100.0%	2 66.7%	3 42.9%
DK/NA	33 10.8%	25 10.7%	5 11.1%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 26.2: Does your company bid or perform as a sub-contractor in:

Private Sector Projects

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	101 33.0%	70 29.9%	19 42.2%	4 66.7%	4 57.1%	0 0.0%	1 25.0%	0 0.0%	3 42.9%
No	173 56.5%	140 59.8%	21 46.7%	2 33.3%	2 28.6%	0 0.0%	3 75.0%	2 66.7%	3 42.9%
DK/NA	32 10.5%	24 10.3%	5 11.1%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 26.3: Does your company bid or perform as a sub-contractor in:

Other Public Sector (non-County Projects)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	87 28.4%	61 26.1%	16 35.6%	4 66.7%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	3 42.9%
No	187 61.1%	149 63.7%	24 53.3%	2 33.3%	3 42.9%	0 0.0%	4 100.0%	2 66.7%	3 42.9%
DK/NA	32 10.5%	24 10.3%	5 11.1%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 27: Have you ever served as a sub-contractor on a Cuyahoga County project?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	64 20.9%	45 19.2%	14 31.1%	2 33.3%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	237 77.5%	186 79.5%	30 66.7%	4 66.7%	5 71.4%	0 0.0%	3 75.0%	3 100.0%	6 85.7%
DK	5 1.6%	3 1.3%	1 2.2%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 28: How often have you served as a sub-contractor on a Cuyahoga County project?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
1-10	50 78.1%	33 73.3%	13 92.9%	2 100.0%	1 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%
11-25	7 10.9%	7 15.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
26-50	2 3.1%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	1 1.6%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Over 100	1 1.6%	0 0.0%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK	3 4.7%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
No Response	242	189	31	4	6	0	3	3	6

Table 29: Have you been invited to participate in public contracts with the same prime contractors that you may have worked with in the public sector?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	45 70.3%	32 71.1%	11 78.6%	1 0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	14 21.9%	12 26.7%	2 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK	5 7.8%	1 2.2%	1 7.1%	1 50.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	1 100.0%
No Response	242	189	31	4	6	0	3	3	6



Table 30.1: Since 2009, how many times has your company done the following in the public sector and private sector?

Regularly bid with other public agencies, but not with Cuyahoga Co.?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	107 35.0%	81 34.6%	19 42.2%	1 16.7%	3 42.9%	0 0.0%	3 75.0%	0 0.0%	0 0.0%
1-10	74 24.2%	57 24.4%	12 26.7%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
11-25	26 8.5%	17 7.3%	6 13.3%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
26-50	10 3.3%	7 3.0%	1 2.2%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	15 4.9%	12 5.1%	1 2.2%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Over 100	43 14.1%	37 15.8%	4 8.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 66.7%	0 0.0%
DK/NA	31 10.1%	23 9.8%	2 4.4%	2 33.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	3 42.9%

Table 30.2: Since 2009, how many times has your company done the following in the public sector and private sector?

Asked to be a subcontractor by a prime contractor or prime consultant?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	155 50.7%	129 55.1%	17 37.8%	1 16.7%	2 28.6%	0 0.0%	3 75.0%	1 33.3%	2 28.6%
1-10	74 24.2%	48 20.5%	16 35.6%	4 66.7%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
11-25	13 4.2%	8 3.4%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
26-50	10 3.3%	8 3.4%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	5 1.6%	4 1.7%	0 0.0%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Over 100	16 5.2%	11 4.7%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	33 10.8%	26 11.1%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	2 66.7%	2 28.6%

Table 30.3: Since 2009, how many times has your company done the following in the public sector and private sector?

Hired as a subcontractor by a prime

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontractor Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	168 54.9%	133 56.8%	23 51.1%	2 33.3%	3 42.9%	0 0.0%	3 75.0%	1 33.3%	3 42.9%
1-10	56 18.3%	38 16.2%	10 22.2%	3 50.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
11-25	17 5.6%	10 4.3%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
26-50	8 2.6%	7 3.0%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
51-100	6 2.0%	6 2.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Over 100	16 5.2%	12 5.1%	3 6.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	35 11.4%	28 12.0%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	2 66.7%	2 28.6%

Table 31: What is the amount of time that it typically takes to receive payment for your services on Cuyahoga County projects?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Less than 30 days	43 14.1%	30 12.8%	10 22.2%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%
30-60 days	92 30.1%	74 31.6%	8 17.8%	2 3.3%	2 28.6%	0 0.0%	1 25.0%	1 33.3%	4 57.1%
60-90 days	35 11.4%	29 12.4%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	0 0.0%
90-120 days	6 2.0%	6 2.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Over 120 days	7 2.3%	6 2.6%	0 0.0%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	123 40.2%	89 38.0%	22 48.9%	4 66.7%	3 42.9%	0 0.0%	3 75.0%	0 0.0%	2 28.6%

Table 32: How would you rate the quality of interaction with Cuyahoga County on contract opportunities on a scale of 1 to 7, where 1 is Extremely Satisfied and 7 is Extremely Dissatisfied?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Extremely Satisfied	30 9.8%	25 10.7%	4 8.9%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Satisfied	61 19.9%	51 21.8%	8 17.8%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Somewhat Satisfied	35 11.4%	28 12.0%	3 6.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	2 66.7%	1 14.3%
Neutral	47 15.4%	37 15.8%	7 15.6%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Somewhat Dissatisfied	25 8.2%	18 7.7%	6 13.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Dissatisfied	25 8.2%	18 7.7%	5 11.1%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	0 0.0%
Extremely Dissatisfied	26 8.5%	17 7.3%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
DK/NA	57 18.6%	40 17.1%	6 13.3%	3 50.0%	3 42.9%	0 0.0%	3 75.0%	0 0.0%	2 28.6%

Table 34.1: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

a. Pre-qualification requirements?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	44 14.4%	28 12.0%	10 22.2%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	3 42.9%
NO	211 69.0%	163 69.7%	33 73.3%	5 83.3%	4 57.1%	0 0.0%	1 25.0%	3 100.0%	2 28.6%
DK/NA	51 16.7%	43 18.4%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Cuyahoga County Frequencies

Table 34.2: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

b. Performance bond requirements?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	42 13.7%	27 11.5%	12 26.7%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
NO	215 70.3%	167 71.4%	30 66.7%	5 83.3%	4 57.1%	0 0.0%	2 50.0%	3 100.0%	4 57.1%
DK/NA	49 16.0%	40 17.1%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Cuyahoga County Frequencies

Table 34.3: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

c. Bid bond requirements

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	45 14.7%	30 12.8%	11 24.4%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
NO	211 69.0%	162 69.2%	32 71.1%	5 83.3%	4 57.1%	0 0.0%	2 50.0%	3 100.0%	3 42.9%
DK/NA	50 16.3%	42 17.9%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%



Cuyahoga County Frequencies

Table 34.4: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

d. Financing?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	43 14.1%	17 7.3%	21 46.7%	0 0.0%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
NO	217 70.9%	179 76.5%	21 46.7%	5 83.3%	3 42.9%	0 0.0%	2 50.0%	3 100.0%	4 57.1%
DK/NA	46 15.0%	38 16.2%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	1 14.3%

Cuyahoga County Frequencies

Table 34.5: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

e. Insurance requirements?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.  READ LIST								
	Total	Caucasian	Black American	Asi Pacific	Hisp an American	Nati ve American	Sub con tine nt Asian	No Res pon se	Oth er
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	24 7.8%	16 6.8%	6 13.3%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
NO	238 77.8%	181 77.4%	37 82.2%	5 83.3%	4 57.1%	0 0.0%	2 50.0%	3 100.0%	6 85.7%
DK/NA	44 14.4%	37 15.8%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	1 14.3%

Cuyahoga County Frequencies

Table 34.6: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

f. Bid specifications?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.  READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	60 19.6%	44 18.8%	12 26.7%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	3 42.9%
NO	198 64.7%	151 64.5%	30 66.7%	5 83.3%	6 85.7%	0 0.0%	1 25.0%	3 100.0%	2 28.6%
DK/NA	48 15.7%	39 16.7%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Cuyahoga County Frequencies

Table 34.7: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

g. Limited time given to prepare bid package or quote?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	65 21.2%	40 17.1%	21 46.7%	1 16.7%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
NO	198 64.7%	160 68.4%	22 48.9%	4 66.7%	5 71.4%	0 0.0%	1 25.0%	3 100.0%	3 42.9%
DK/NA	43 14.1%	34 14.5%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	3 42.9%

Cuyahoga County Frequencies

Table 34.8: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

h. Limited knowledge of purchasing / contracting policies and procedures?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:  NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.  READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	56 18.3%	37 15.8%	16 35.6%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%
NO	201 65.7%	157 67.1%	27 60.0%	4 66.7%	6 85.7%	0 0.0%	2 50.0%	2 66.7%	3 42.9%
DK/NA	49 16.0%	40 17.1%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	3 42.9%

Cuyahoga County Frequencies

Table 34.9: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

i. Lack of experience?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	33 10.8%	21 9.0%	9 20.0%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
NO	231 75.5%	179 76.5%	33 73.3%	4 66.7%	5 71.4%	0 0.0%	2 50.0%	3 100.0%	5 71.4%
DK/NA	42 13.7%	34 14.5%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	1 14.3%

Cuyahoga County Frequencies

Table 34.10: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1

No=2

DK=3

j. Lack of personnel?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	28 9.2%	19 8.1%	8 17.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
NO	237 77.5%	182 77.8%	35 77.8%	5 83.3%	6 85.7%	0 0.0%	2 50.0%	3 100.0%	4 57.1%
DK/NA	41 13.4%	33 14.1%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Cuyahoga County Frequencies

Table 34.11: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

k. Contract too large?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.  READ LIST								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	51 16.7%	32 13.7%	17 37.8%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
NO	211 69.0%	168 71.8%	25 55.6%	5 83.3%	5 71.4%	0 0.0%	2 50.0%	3 100.0%	3 42.9%
DK/NA	44 14.4%	34 14.5%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	3 42.9%



Cuyahoga County Frequencies

Table 34.12: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1

No=2

DK=3

I. Contract too expensive to bid?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	57 18.6%	36 15.4%	18 40.0%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
NO	202 66.0%	160 68.4%	25 55.6%	5 83.3%	4 57.1%	0 0.0%	2 50.0%	3 100.0%	3 42.9%
DK/NA	47 15.4%	38 16.2%	2 4.4%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	3 42.9%

Cuyahoga County Frequencies

Table 34.13: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1

No=2

DK=3

m. Informal networks?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	65 21.2%	43 18.4%	15 33.3%	1 16.7%	3 42.9%	0 0.0%	1 25.0%	1 33.3%	1 14.3%
NO	189 61.8%	151 64.5%	25 55.6%	4 66.7%	3 42.9%	0 0.0%	1 25.0%	2 66.7%	3 42.9%
DK/NA	52 17.0%	40 17.1%	5 11.1%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	3 42.9%

Cuyahoga County Frequencies

Table 34.14: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

n. Selection process?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.  READ LIST								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	62 20.3%	40 17.1%	14 31.1%	1 16.7%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	3 42.9%
NO	185 60.5%	147 62.8%	25 55.6%	4 66.7%	3 42.9%	0 0.0%	1 25.0%	3 100.0%	2 28.6%
DK/NA	59 19.3%	47 20.1%	6 13.3%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Cuyahoga County Frequencies

Table 34.15: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

o. Competing with large companies?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asi Pacific	Hispanic American	Native American	Sub continent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	88 28.8%	52 22.2%	26 57.8%	2 33%	4 57.1%	0 0.0%	0 0.0%	0 0.0%	4 57.1%
NO	169 55.2%	142 60.7%	16 35.6%	3 50.0%	2 28.6%	0 0.0%	2 50.0%	3 100.0%	1 14.3%
DK/NA	49 16.0%	40 17.1%	3 6.7%	1 16.7%	1 14.3%	0 0.0%	2 50.0%	0 0.0%	2 28.6%

Table 35: Is your company a certified business?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	176 57.5%	128 54.7%	34 75.6%	4 67%	4 57.1%	0 0.0%	4 100.0%	0 0.0%	2 28.6%
No	122 39.9%	100 42.7%	11 24.4%	2 33%	3 42.9%	0 0.0%	0 0.0%	2 66.7%	4 57.1%
DK/NA	8 2.6%	6 2.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 36.1: What is your certification?

MBE (Minority Business Enterprise)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	46 26.1%	5 3.9%	29 85.3%	3 75.0%	4 100.0%	0 0.0%	4 100.0%	0 0.0%	1 50.0%
No	126 71.6%	119 93.0%	5 14.7%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%
DK/NA	4 2.3%	4 3.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	130	106	11	2	3	0	0	3	5

Table 36.2: What is your certification?

WBE (Women Business Enterprise)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	50 28.4%	39 30.5%	7 20.6%	2 50.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	1 50.0%
No	123 69.9%	86 67.2%	27 79.4%	2 50.0%	3 75.0%	0 0.0%	4 100.0%	0 0.0%	1 50.0%
DK/NA	3 1.7%	3 2.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	130	106	11	2	3	0	0	3	5

Table 36.3: What is your certification?

DBE (Disabled Business Enterprise)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	9 5.1%	3 2.3%	6 17.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	164 93.2%	122 95.3%	28 82.4%	4 100.0%	4 100.0%	0 0.0%	4 100.0%	0 0.0%	2 100.0%
DK/NA	3 1.7%	3 2.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	130	106	11	2	3	0	0	3	5



Table 36.4: What is your certification?

SBE (Small Business Enterprise)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	124 70.5%	96 75.0%	20 58.8%	2 0%	3 75.0%	0 0%	1 25.0%	0 0%	2 100.0%
No	48 27.3%	29 22.7%	14 41.2%	2 50.0%	0 0%	0 0%	3 75.0%	0 0%	0 0%
DK/NA	4 2.3%	3 2.3%	0 0%	0 0%	1 25.0%	0 0%	0 0%	0 0%	0 0%
No Response	130	106	11	2	3	0	0	3	5

Table 38: Do you believe that there is favoritism or disparate treatment in the certification process?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	51 16.7%	39 16.7%	8 17.8%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	194 63.6%	144 61.8%	33 73.3%	6 100.0%	3 42.9%	0 0.0%	3 75.0%	2 66.7%	3 42.9%
DK	60 19.7%	50 21.5%	4 8.9%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	3 42.9%
No Response	1	1	0	0	0	0	0	0	0

Table 39.1: Are you certified with one of the following agencies?

City of Cleveland

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	149 48.7%	110 47.0%	27 60.0%	3 50.0%	4 57.1%	0 0.0%	3 75.0%	0 0.0%	2 28.6%
No	132 43.1%	104 44.4%	17 37.8%	2 33.3%	3 42.9%	0 0.0%	0 0.0%	2 66.7%	4 57.1%
DK/NA	25 8.2%	20 8.5%	1 2.2%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	1 33.3%	1 14.3%

Cuyahoga County Frequencies

Table 39.2: Are you certified with one of the following agencies?

Cuyahoga County

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	158 51.6%	123 52.6%	23 51.1%	2 33%	4 57.1%	0 0.0%	3 75.0%	0 0.0%	3 42.9%
No	124 40.5%	94 40.2%	21 46.7%	2 33%	3 42.9%	0 0.0%	0 0.0%	2 66.7%	2 28.6%
DK/NA	24 7.8%	17 7.3%	1 2.2%	2 33%	0 0.0%	0 0.0%	1 25.0%	1 33.3%	2 28.6%

Table 39.3: Are you certified with one of the following agencies?

Federal Small Business Administration

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	77 25.2%	53 22.6%	16 35.6%	4 66.7%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	199 65.0%	155 66.2%	28 62.2%	2 33.3%	4 57.1%	0 0.0%	3 75.0%	2 66.7%	5 71.4%
DK/NA	30 9.8%	26 11.1%	1 2.2%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 39.4: Are you certified with one of the following agencies?

State of Ohio

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	127 41.5%	88 37.6%	26 57.8%	5 83.3%	3 42.9%	0 0.0%	4 100.0%	0 0.0%	1 14.3%
No	156 51.0%	125 53.4%	19 42.2%	1 16.7%	4 57.1%	0 0.0%	0 0.0%	2 66.7%	5 71.4%
DK/NA	23 7.5%	21 9.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 39.5: Are you certified with one of the following agencies?

Other

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	54 17.6%	38 16.2%	10 22.2%	2 33.3%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
No	228 74.5%	177 75.6%	34 75.6%	3 50.0%	3 42.9%	0 0.0%	3 75.0%	2 66.7%	6 85.7%
DK/NA	24 7.8%	19 8.1%	1 2.2%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Cuyahoga County Frequencies

Table 40.1: Have you ever served as:

Prime Contractor in the private sector?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	156 51.0%	119 50.9%	24 53.3%	5 83.3%	2 28.6%	0 0.0%	3 75.0%	2 66.7%	1 14.3%
No	128 41.8%	98 41.9%	20 44.4%	1 16.7%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	5 71.4%
DK/Na	22 7.2%	17 7.3%	1 2.2%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	1 14.3%



Cuyahoga County Frequencies

Table 40.2: Have you ever served as:

Sub-contractor in the private sector?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	114 37.3%	80 34.2%	23 51.1%	5 83.3%	4 57.1%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
No	169 55.2%	138 59.0%	20 44.4%	0 0.0%	1 14.3%	0 0.0%	3 75.0%	2 66.7%	5 71.4%
DK/Na	23 7.5%	16 6.8%	2 4.4%	1 16.7%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	1 14.3%

Table 41: Do you feel as though you have experienced discriminatory behavior from the private sector (non-government) in the past?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	50 16.3%	26 11.1%	20 44.4%	0 0.0%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
No	249 81.4%	205 87.6%	22 48.9%	6 100.0%	3 42.9%	0 0.0%	4 100.0%	3 100.0%	6 85.7%
DK	7 2.3%	3 1.3%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 42: Have you applied for a commercial (business) bank loan between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	90 29.4%	64 27.4%	19 42.2%	2 33%	4 57.1%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
No	196 64.1%	151 64.5%	26 57.8%	4 66.7%	3 42.9%	0 0.0%	3 75.0%	3 100.0%	6 85.7%
DK	20 6.5%	19 8.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%

Table 43: How many times have you applied for a commercial (business) bank loan between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
1-10	83 92.2%	58 90.6%	19 100.0%	2 100.0%	3 75.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
11-25	1 1.1%	1 1.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	6 6.7%	5 7.8%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	216	170	26	4	3	0	4	3	6

Table 44: How many times have you been approved for a commercial (business) bank loan between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	19 21.1%	5 7.8%	13 68.4%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
1-10	65 72.2%	54 84.4%	6 31.6%	1 50.0%	3 75.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
11-25	1 1.1%	1 1.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	5 5.6%	4 6.3%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	216	170	26	4	3	0	4	3	6

Table 45: What has been the highest amount of a commercial loan you have received between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
\$50,000 or less	11 15.5%	9 15.3%	1 16.7%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$50,001 - \$100,000	8 11.3%	7 11.9%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$100,001 - \$300,000	15 21.1%	11 18.6%	2 33.3%	1 10.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$300,001 - \$500,000	5 7.0%	4 6.8%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$500,001 - \$1,000,000	7 9.9%	7 11.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$1,000,001 - \$3,000,000	6 8.5%	5 8.5%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
\$5,000,001 to \$10,000,000	1 1.4%	1 1.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
over \$10,000,000	4 5.6%	3 5.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
No Response/DK	14 19.7%	12 20.3%	1 16.7%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	235	175	39	5	3	0	4	3	6

Table 46: How many times have you been denied a commercial (business) bank loan between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	59 65.6%	50 78.1%	3 15.8%	2 100.0%	3 75.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
1-10	26 28.9%	10 15.6%	16 84.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	5 5.6%	4 6.3%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	216	170	26	4	3	0	4	3	6

Table 47: How many times have you sought venture capital between 2009 and 2012?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
None	249 81.4%	195 83.3%	32 71.1%	5 83.3%	6 85.7%	0 0.0%	4 100.0%	1 33.3%	6 85.7%
1-10	27 8.8%	17 7.3%	9 20.0%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
11-25	2 0.7%	0 0.0%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	28 9.2%	22 9.4%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	2 66.7%	1 14.3%



Table 48.1: Since 2009, has your company applied for any of the following?

Business start-up loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	8 2.6%	4 1.7%	3 6.7%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
No	277 90.5%	212 90.6%	42 93.3%	4 66.7%	6 85.7%	0 0.0%	3 75.0%	3 100.0%	7 100.0%
DK/NA	21 6.9%	18 7.7%	0 0.0%	2 33.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 48.2: Since 2009, has your company applied for any of the following?

Operating capital loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	42 13.7%	27 11.5%	14 31.1%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	240 78.4%	187 79.9%	31 68.9%	3 50.0%	6 85.7%	0 0.0%	3 75.0%	3 100.0%	7 100.0%
DK/NA	24 7.8%	20 8.5%	0 0.0%	2 33.3%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%

Table 48.3: Since 2009, has your company applied for any of the following?

Equipment loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	49 16.0%	38 16.2%	9 20.0%	0 0.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	236 77.1%	177 75.6%	36 80.0%	5 83.3%	4 57.1%	0 0.0%	4 100.0%	3 100.0%	7 100.0%
DK/NA	21 6.9%	19 8.1%	0 0.0%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 48.4: Since 2009, has your company applied for any of the following?

Commercial/Professional liability insurance?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	152 49.7%	114 48.7%	22 48.9%	4 66.7%	2 28.6%	0 0.0%	3 75.0%	2 66.7%	5 71.4%
No	132 43.1%	101 43.2%	23 51.1%	1 16.7%	4 57.1%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
DK/NA	22 7.2%	19 8.1%	0 0.0%	1 16.7%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%

Table 49.1: Since 2009, has your company been approved for any of the following?

Business start-up loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	3 37.5%	1 25.0%	1 33.3%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%
No	5 62.5%	3 75.0%	2 66.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	298	230	42	6	7	0	3	3	7

Table 49.2: Since 2009, has your company been approved for any of the following?

Operating capital loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	29 69.0%	21 77.8%	8 57.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	13 31.0%	6 22.2%	6 42.9%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	264	207	31	5	7	0	4	3	7

Table 49.3: Since 2009, has your company been approved for any of the following?

Equipment loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	41 83.7%	34 89.5%	5 55.6%	0 0.0%	2 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	7 14.3%	3 7.9%	4 44.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 2.0%	1 2.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	257	196	36	6	5	0	4	3	7

Table 49.4: Since 2009, has your company been approved for any of the following?

Commercial/Professional liability insurance?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	150 98.7%	114 100.0%	21 95.5%	3 75.0%	2 100.0%	0 0.0%	3 100.0%	2 100.0%	5 100.0%
No	2 1.3%	0 0.0%	1 4.5%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	154	120	23	2	5	0	1	1	2



Cuyahoga County Frequencies

Table 50.1: Since 2009, has your company been denied for any of the following?

Yes=1  
 No=2  
 DK=3

Business start-up loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Cau casi an	Blac k Am eric an	Asi an Pac ific	His pan ic Am eric an	Nati ve Am eric an	Sub con tine nt Asi an	No Res pon se	Oth er
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	5 62.5%	3 75.0%	2 66.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	3 37.5%	1 25.0%	1 33.3%	0 0.0%	0 0.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%
No Response	298	230	42	6	7	0	3	3	7

Cuyahoga County Frequencies

Table 50.2: Since 2009, has your company been denied for any of the following?

Yes=1  
 No=2  
 DK=3

Operating capital loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Cau casi an	Bla ck Am eric an	Asi an Pac ific	His pan ic Am eric an	Nati ve Am eric an	Sub con tine nt Asi an	No Res pon se	Oth er
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	16 38. 1%	5 18. 5%	10 71. 4%	1 100. 0%	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %
No	26 61. 9%	22 81. 5%	4 28. 6%	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %
No Response	264	207	31	5	7	0	4	3	7

Cuyahoga County Frequencies

Table 50.3: Since 2009, has your company been denied for any of the following?

Yes=1  
 No=2  
 DK=3

Equipment loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	8 16.3%	4 10.5%	4 44.4%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	39 79.6%	32 84.2%	5 55.6%	0 0.0%	2 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	2 4.1%	2 5.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	257	196	36	6	5	0	4	3	7

Cuyahoga County Frequencies

Table 50.4: Since 2009, has your company been denied for any of the following?

Yes=1  
 No=2  
 DK=3

Commercial/Professional liability insurance?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	1 0.7 %	0 0.0 %	1 4.5 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %
No	149 98.0 %	112 98.2 %	21 95.5 %	4 100.0 %	2 100.0 %	0 0.0 %	3 100.0 %	2 100.0 %	5 100.0 %
DK/NA	2 1.3 %	2 1.8 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %
No Response	154	120	23	2	5	0	1	1	2

Table 51.1: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Business start-up loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
ID	1 20.0%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
IBH	2 40.0%	2 66.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
O	1 20.0%	1 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 20.0%	0 0.0%	1 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	301	231	43	6	7	0	4	3	7

Table 51.2: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Operating capital loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
ID	1 6.3%	0 0.0%	1 10.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
IBH	1 6.3%	1 20.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
RE	1 6.3%	0 0.0%	1 10.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
ACH	8 50.0%	3 60.0%	5 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
O	2 12.5%	0 0.0%	1 10.0%	1 10.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	3 18.8%	1 20.0%	2 20.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	290	229	35	5	7	0	4	3	7

Table 51.3: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Equipment loan?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
IBH	1 12.5%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
RE	1 12.5%	0 0.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
ACH	3 37.5%	1 25.0%	2 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
O	2 25.0%	1 25.0%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 12.5%	1 25.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	298	230	41	6	7	0	4	3	7

Table 51.4: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Commercial/Professional liability insurance?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
C	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
No Response	305	234	44	6	7	0	4	3	7



Table 52: Please indicate your agreement or disagreement with the following statement: “Some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as sub-contractors”.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	33 10.8%	21 9.0%	8 17.8%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
Agree	60 19.6%	41 17.5%	13 28.9%	1 16.7%	1 14.3%	0 0.0%	1 25.0%	1 33.3%	2 28.6%
Neither Agree or Disagree	108 35.3%	87 37.2%	13 28.9%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
Disagree	52 17.0%	41 17.5%	4 8.9%	2 33.3%	1 14.3%	0 0.0%	2 50.0%	1 33.3%	1 14.3%
Strongly Disagree	7 2.3%	6 2.6%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK	46 15.0%	38 16.2%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

Cuyahoga County Frequencies

Table 53: Since 2009, has your company experienced discriminatory behavior from Cuyahoga County?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	24 7.8%	16 6.8%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
No	267 87.3%	208 88.9%	38 84.4%	4 66.7%	5 71.4%	0 0.0%	4 100.0%	3 100.0%	5 71.4%
DK/NA	15 4.9%	10 4.3%	1 2.2%	2 33.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

Table 54: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to race, ethnicity, or disability of the owner?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	14 56.0%	6 37.5%	7 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	11 44.0%	10 62.5%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
No Response	281	218	38	6	6	0	4	3	6

Cuyahoga County Frequencies

Table 55: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this racial, ethnic, or disability discriminatory behavior from the County:

READ

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Never	2 14.3%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Seldom	4 28.6%	1 16.7%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Often	3 21.4%	3 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Very Often	5 35.7%	1 16.7%	3 42.9%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	292	228	38	6	6	0	4	3	7

Table 56: How was the discrimination expressed to you: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Verbal comment from the County	1 7.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Written statement from the County	1 7.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Action taken against company from the County	7 53.8%	3 50.0%	3 50.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 7.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Other	3 23.1%	0 0.0%	3 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	293	228	39	6	6	0	4	3	7

Table 58: When did discrimination occur: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
During bidding process (before the contract award)	8 61.5%	5 83.3%	2 33.3%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
After contract awarded	1 7.7%	0 0.0%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 7.7%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Other	3 23.1%	0 0.0%	3 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	293	228	39	6	6	0	4	3	7

Table 60: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the gender of the owner?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	7 2.2%	7 43.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	17 70.8%	9 56.3%	6 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
No Response	282	218	39	6	6	0	4	3	6

Cuyahoga County Frequencies

Table 61: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this gender discriminatory behavior from the County:

READ

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Seldom	4 57.1%	4 57.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Often	2 28.6%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Very Often	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	299	227	45	6	7	0	4	3	7



Table 62: How was the discrimination expressed to you: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subsidiary Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Verbal comment from the County	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Written statement from the County	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Action taken against company from the County	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Other	3 42.9%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	299	227	45	6	7	0	4	3	7

Table 64: When did discrimination occur: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
During bidding process (before the contract award)	3 42.9%	3 42.9%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
After contract awarded	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
DK/NA	2 28.6%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
Other	1 14.3%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	299	227	45	6	7	0	4	3	7

Table 66: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the time in business?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asi Pacific	Hisp an American	Nati ve American	Sub con tine nt Asian	No Res pon se	Oth er
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	1 4.2%	0 0.0%	1 16.7%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No	23 95.8%	16 100.0%	5 83.3%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	1 100.0%
No Response	282	218	39	6	6	0	4	3	6

Cuyahoga County Frequencies

Table 67: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this time in business discriminatory behavior from the County:

READ

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Very Often	1 100 .0%	0 0.0 %	1 100 .0%	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %	0 0.0 %
No Response	305	234	44	6	7	0	4	3	7

Table 68: How was the discrimination expressed to you: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Action taken against company from the County	1 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	305	234	44	6	7	0	4	3	7

Table 70: When did discrimination occur: (READ LIST)

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.								
	READ LIST								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
During bidding process (before the contract award)	1 100.0%	0 0.0%	1 100.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
No Response	305	234	44	6	7	0	4	3	7

Cuyahoga County Frequencies

Table 72: Please indicate your level of agreement or disagreement, on a scale of 1 to 5, where 1 is Strongly Agree and 5 is Strongly Disagree.

There is an informal network of prime and sub-contractors in Cuyahoga County.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	71 23.2%	46 19.7%	19 42.2%	0 0.0%	4 57.1%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
Agree	63 20.6%	50 21.4%	9 20.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	3 42.9%
Neither	78 25.5%	59 25.2%	12 26.7%	3 50.0%	1 14.3%	0 0.0%	1 25.0%	1 33.3%	1 14.3%
Disagree	41 13.4%	34 14.5%	1 2.2%	2 33.3%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
Strongly Disagree	17 5.6%	15 6.4%	0 0.0%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	36 11.8%	30 12.8%	4 8.9%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%

Table 73: Exclusion from this network has kept my company from bidding or has interfered with our ability to contract in the public (government) or private sector.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	37 12.1%	21 9.0%	9 20.0%	0 0%	3 42.9%	0 0%	1 25.0%	0 0%	3 42.9%
Agree	35 11.4%	23 9.8%	11 24.4%	0 0%	1 14.3%	0 0%	0 0%	0 0%	0 0%
Neither	72 23.5%	60 25.6%	7 15.6%	3 50.0%	1 14.3%	0 0%	0 0%	1 33.3%	0 0%
Disagree	95 31.0%	72 30.8%	13 28.9%	3 50.0%	1 14.3%	0 0%	1 25.0%	2 66.7%	3 42.9%
Strongly Disagree	39 12.7%	35 15.0%	1 2.2%	0 0%	0 0%	0 0%	2 50.0%	0 0%	1 14.3%
DK	28 9.2%	23 9.8%	4 8.9%	0 0%	1 14.3%	0 0%	0 0%	0 0%	0 0%



Table 74: Although exclusion from this informal network adversely affects a majority of small businesses, the adverse impact is probably felt the greatest among women and minority-owned businesses.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	46 15.0%	25 10.7%	15 33.3%	0 0.0%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
Agree	51 16.7%	33 14.1%	15 33.3%	2 33.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Neither	92 30.1%	75 32.1%	8 17.8%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	2 66.7%	2 28.6%
Disagree	66 21.6%	59 25.2%	4 8.9%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Strongly Disagree	16 5.2%	14 6.0%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	35 11.4%	28 12.0%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	2 50.0%	1 33.3%	1 14.3%

Table 75: Double standards in qualification and performance make it more difficult for minority and/or women-owned, businesses to win bids or contracts.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	40 13.1%	20 8.5%	15 33.3%	0 0.0%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
Agree	36 11.8%	18 7.7%	15 33.3%	1 16.7%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	1 14.3%
Neither	74 24.2%	63 26.9%	3 6.7%	4 66.7%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	2 28.6%
Disagree	92 30.1%	77 32.9%	8 17.8%	1 16.7%	2 28.6%	0 0.0%	1 25.0%	2 66.7%	1 14.3%
Strongly Disagree	33 10.8%	29 12.4%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
DK	31 10.1%	27 11.5%	2 4.4%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	1 33.3%	0 0.0%

Table 76: Sometimes, a prime contractor will include a minority and women-owned sub-contractor on a bid to meet the “good faith effort” requirement, then drop the company as a sub-contractor after winning the award.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	42 13.7%	26 11.1%	12 26.7%	0 0.0%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Agree	48 15.7%	32 13.7%	11 24.4%	3 50.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
Neither	103 33.7%	83 35.5%	10 22.2%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	5 71.4%
Disagree	53 17.3%	46 19.7%	5 11.1%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	1 33.3%	0 0.0%
Strongly Disagree	14 4.6%	11 4.7%	1 2.2%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	46 15.0%	36 15.4%	6 13.3%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	2 66.7%	0 0.0%

Table 77: In general, minority and/or women-owned businesses tend to be viewed by the general public as less competent than non-minority male businesses.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	39 12.7%	20 8.5%	15 33.3%	0 0.0%	3 42.9%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Agree	62 20.3%	40 17.1%	16 35.6%	2 33.3%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	1 14.3%
Neither	81 26.5%	70 29.9%	3 6.7%	3 50.0%	2 28.6%	0 0.0%	0 0.0%	1 33.3%	2 28.6%
Disagree	86 28.1%	71 30.3%	8 17.8%	1 16.7%	0 0.0%	0 0.0%	1 25.0%	2 66.7%	3 42.9%
Strongly Disagree	25 8.2%	22 9.4%	2 4.4%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	13 4.2%	11 4.7%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 14.3%

Table 78: Some non-minority (male) prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses.

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Strongly Agree	43 14.1%	25 10.7%	13 28.9%	0 0.0%	3 42.9%	0 0.0%	2 50.0%	0 0.0%	0 0.0%
Agree	73 23.9%	52 22.2%	13 28.9%	2 33.3%	0 0.0%	0 0.0%	0 0.0%	1 33.3%	5 71.4%
Neither	91 29.7%	76 32.5%	7 15.6%	4 66.7%	2 28.6%	0 0.0%	0 0.0%	0 0.0%	2 28.6%
Disagree	45 14.7%	40 17.1%	3 6.7%	0 0.0%	1 14.3%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
Strongly Disagree	14 4.6%	12 5.1%	1 2.2%	0 0.0%	0 0.0%	0 0.0%	1 25.0%	0 0.0%	0 0.0%
DK	40 13.1%	29 12.4%	8 17.8%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	2 66.7%	0 0.0%

Table 79: Is there anything that we have not covered that you feel will be helpful to this study or do you have any additional comments that you feel will be helpful to this study?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Yes	76 24.8%	54 23.1%	14 31.1%	1 16.7%	2 28.6%	0 0.0%	1 25.0%	0 0.0%	4 57.1%
No	228 74.5%	179 76.5%	31 68.9%	5 83.3%	4 57.1%	0 0.0%	3 75.0%	3 100.0%	3 42.9%
DK	2 0.7%	1 0.4%	0 0.0%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

Table 81: What is your title?

	Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:								
	Total	Caucasian	Black American	Asian Pacific	Hispanic American	Native American	Subcontinent Asian	No Response	Other
Unweighted Base	306	234	45	6	7	0	4	3	7
Owner/CEO/President	206 67.3%	148 63.2%	38 84.4%	5 83.3%	6 85.7%	0 0.0%	2 50.0%	1 33.3%	6 85.7%
Manager/Financial Officer	80 26.1%	67 28.6%	7 15.6%	1 16.7%	0 0.0%	0 0.0%	2 50.0%	2 66.7%	1 14.3%
Other	20 6.5%	19 8.1%	0 0.0%	0 0.0%	1 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

## Ohio-Cuyahoga County Final X-tab Woman Owned June16, 2014

Table 1: To begin, which ONE of the following is your company's primary line of business?  
READ LIST

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Professional Services (general contractor) – Specify	98 32.0%	40 39.6%	56 28.1%	2 33.3%
Construction –Specify:	56 18.3%	14 13.9%	42 21.1%	0 0.0%
Goods and Services-Specify	73 23.9%	25 24.8%	46 23.1%	2 33.3%
Supplier- Specify	79 25.8%	22 21.8%	55 27.6%	2 33.3%

Table 7: Is your company a sole proprietor, partnership, corporation or other?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Sole proprietor	45 14.7%	16 15.8%	29 14.6%	0 0.0%
Corporation	186 60.8%	57 56.4%	126 63.3%	3 50.0%
Limited Liability Corporation	46 15.0%	17 16.8%	28 14.1%	1 16.7%
Partnership	5 1.6%	0 0.0%	5 2.5%	0 0.0%
Limited Liability Partnership	2 0.7%	1 1.0%	1 0.5%	0 0.0%
Non-Profit Organization	11 3.6%	3 3.0%	7 3.5%	1 16.7%
No Response	1 0.3%	1 1.0%	0 0.0%	0 0.0%
Other	10 3.3%	6 5.9%	3 1.5%	1 16.7%



Table 11: Which of the following categories would you consider to be the race or ethnic origin of the owner or controlling party? Would you say:

**NOTE: IF RESPONDENT HAS A BI-RACIAL OR MULTI-RACIAL BACKGROUND, HAVE THEM IDENTIFY THE CATEGORY TO WHICH THEY MOST CLOSELY IDENTIFY.**

**READ LIST**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Caucasian	234 76.5%	76 75.2%	153 76.9%	5 83.3%
Black American	45 14.7%	16 15.8%	29 14.6%	0 0.0%
Asian Pacific	6 2.0%	3 3.0%	3 1.5%	0 0.0%
Hispanic American	7 2.3%	2 2.0%	5 2.5%	0 0.0%
Subcontinent Asian	4 1.3%	0 0.0%	4 2.0%	0 0.0%
No Response	3 1.0%	2 2.0%	1 0.5%	0 0.0%
Other	7 2.3%	2 2.0%	4 2.0%	1 16.7%

Table 13: Is more than 50 percent of your company owned and controlled by a woman or women?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	101 33.0%	101 100.0%	0 0.0%	0 0.0%
No	199 65.0%	0 0.0%	199 100.0%	0 0.0%
No Response	6 2.0%	0 0.0%	0 0.0%	6 100.0%

Table 14: What is the highest level of education completed by the owner of your company? Would you say:

**READ LIST**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Some High School	4 1.3%	1 1.0%	3 1.5%	0 0.0%
High School graduate	26 8.5%	9 8.9%	17 8.5%	0 0.0%
Some College	52 17.0%	24 23.8%	28 14.1%	0 0.0%
College Graduate	134 43.8%	35 34.7%	97 48.7%	2 33.3%
Post Graduate Degree	73 23.9%	29 28.7%	41 20.6%	3 50.0%
Trade or Technical Certificate	4 1.3%	0 0.0%	4 2.0%	0 0.0%
No Response	13 4.2%	3 3.0%	9 4.5%	1 16.7%

Table 16: Which of the following categories best approximates your company's gross revenues for calendar year 2012?

**READ LIST**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
\$50,000 or less	28 9.2%	14 14.1%	14 7.1%	0 0.0%
\$50,001 - \$100,000	16 5.3%	9 9.1%	7 3.5%	0 0.0%
\$100,001 - \$300,000	23 7.6%	7 7.1%	16 8.1%	0 0.0%
\$300,001 - \$500,000	28 9.2%	12 12.1%	16 8.1%	0 0.0%
\$500,001 - \$1,000,000	37 12.2%	17 17.2%	20 10.1%	0 0.0%
\$1,000,001 - \$3,000,000	57 18.8%	15 15.2%	41 20.7%	1 16.7%
\$3,000,001 - \$5,000,000	20 6.6%	3 3.0%	17 8.6%	0 0.0%
\$5,000,001 to \$10,000,000	17 5.6%	3 3.0%	13 6.6%	1 16.7%
over \$10 million	35 11.6%	4 4.0%	29 14.6%	2 33.3%
No Response/DK	42 13.9%	15 15.2%	25 12.6%	2 33.3%
No Response	3	2	1	0

Table 17: Which of the following categories best approximates your company's public sector gross (government) revenues for calendar year 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
\$50,000 or less	104 34.3%	43 43.4%	61 30.8%	0 0.0%
\$50,001 - \$100,000	25 8.3%	8 8.1%	17 8.6%	0 0.0%
\$100,001 - \$300,000	26 8.6%	9 9.1%	17 8.6%	0 0.0%
\$300,001 - \$500,000	19 6.3%	8 8.1%	11 5.6%	0 0.0%
\$500,001 - \$1,000,000	20 6.6%	6 6.1%	12 6.1%	2 33.3%
\$1,000,001 - \$3,000,000	12 4.0%	3 3.0%	9 4.5%	0 0.0%
\$3,000,001 - \$5,000,000	12 4.0%	2 2.0%	10 5.1%	0 0.0%
\$5,000,001 to \$10,000,000	16 5.3%	1 1.0%	14 7.1%	1 16.7%
over \$10,000,000	7 2.3%	1 1.0%	5 2.5%	1 16.7%
No Response/DK	62 20.5%	18 18.2%	42 21.2%	2 33.3%
No Response	3	2	1	0

Table 18: Are you required to have bonding for the type of work your company bids?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	98 32.0%	35 34.7%	61 30.7%	2 33.3%
No	201 65.7%	64 63.4%	134 67.3%	3 50.0%
DK	7 2.3%	2 2.0%	4 2.0%	1 16.7%

Table 19: What is your current aggregate bonding limit?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Below \$100,000	12 12.4%	8 23.5%	4 6.6%	0 0.0%
\$100,001 to \$500,000	15 15.5%	8 23.5%	7 11.5%	0 0.0%
\$500,001 to \$1,000,000	17 17.5%	4 11.8%	12 19.7%	1 50.0%
\$1,000,001 to \$1,500,000	14 14.4%	7 20.6%	7 11.5%	0 0.0%
Over \$1,500,000	37 38.1%	7 20.6%	29 47.5%	1 50.0%
No Applicable/DK	2 2.1%	0 0.0%	2 3.3%	0 0.0%
No Response	209	67	138	4

Table 20: What is your current single project bonding limit?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Below \$100,000	12 12.4%	7 20.6%	5 8.2%	0 0.0%
\$100,001 to \$500,000	15 15.5%	4 11.8%	11 18.0%	0 0.0%
\$500,001 to \$1,000,000	15 15.5%	3 8.8%	11 18.0%	1 50.0%
\$1,000,001 to \$1,500,000	11 11.3%	6 17.6%	5 8.2%	0 0.0%
Over \$1,500,000	23 23.7%	4 11.8%	18 29.5%	1 50.0%
No Applicable/DK	21 21.6%	10 29.4%	11 18.0%	0 0.0%
No Response	209	67	138	4

Cuyahoga County Frequencies

Table 21.1: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Cuyahoga County Public Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	123 40.2%	38 37.6%	84 42.2%	1 16.7%
1-10	121 39.5%	42 41.6%	77 38.7%	2 33.3%
11-25	16 5.2%	6 5.9%	10 5.0%	0 0.0%
26-50	3 1.0%	1 1.0%	2 1.0%	0 0.0%
51-100	3 1.0%	2 2.0%	1 0.5%	0 0.0%
Over 100	14 4.6%	4 4.0%	9 4.5%	1 16.7%
DK/NA	26 8.5%	8 7.9%	16 8.0%	2 33.3%

Cuyahoga County Frequencies

Table 21.2: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Private Sector Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	93 30.4%	38 37.6%	54 27.1%	1 16.7%
1-10	55 18.0%	14 13.9%	41 20.6%	0 0.0%
11-25	26 8.5%	5 5.0%	21 10.6%	0 0.0%
26-50	11 3.6%	3 3.0%	8 4.0%	0 0.0%
51-100	14 4.6%	6 5.9%	8 4.0%	0 0.0%
Over 100	79 25.8%	27 26.7%	49 24.6%	3 50.0%
DK/NA	28 9.2%	8 7.9%	18 9.0%	2 33.3%

Cuyahoga County Frequencies

Table 21.3: READ THE FOLLOWING:

This study is to capture information over a four-year period from 2009 through 2012. The next set of questions I will ask refer to those time frames and concern your company's attempts to do business with Cuyahoga County, other public sector (government) entities, and private sector (non-government) entities.

Since July 1, 2009, how many times has your company submitted bids or proposals for projects as prime contractor on:

Other Public Sector (non-County Projects)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	104 34.0%	38 37.6%	65 32.7%	1 16.7%
1-10	72 23.5%	20 19.8%	52 26.1%	0 0.0%
11-25	23 7.5%	5 5.0%	17 8.5%	1 16.7%
26-50	18 5.9%	7 6.9%	11 5.5%	0 0.0%
51-100	11 3.6%	4 4.0%	6 3.0%	1 16.7%
Over 100	46 15.0%	16 15.8%	29 14.6%	1 16.7%
DK/NA	32 10.5%	11 10.9%	19 9.5%	2 33.3%

*Cuyahoga County Frequencies*

**Table 22.1: Since July 1, 2009, has your company performed any work as a prime contractor for:**

**Cuyahoga County Public Projects**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	93 30.4%	35 34.7%	57 28.6%	1 16.7%
No	188 61.4%	55 54.5%	129 64.8%	4 66.7%
DK/NA	25 8.2%	11 10.9%	13 6.5%	1 16.7%

**Table 22.2: Since July 1, 2009, has your company performed any work as a prime contractor for:**

**Private Sector Projects**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	156 51.0%	46 45.5%	107 53.8%	3 50.0%
No	126 41.2%	44 43.6%	80 40.2%	2 33.3%
DK/NA	24 7.8%	11 10.9%	12 6.0%	1 16.7%

**Table 22.3: Since July 1, 2009, has your company performed any work as a prime contractor for:**

**Other Public Sector (non-County projects)**

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	131 42.8%	40 39.6%	88 44.2%	3 50.0%
No	146 47.7%	47 46.5%	97 48.7%	2 33.3%
DK/NA	29 9.5%	14 13.9%	14 7.0%	1 16.7%



*Cuyahoga County Frequencies*

Table 23.1: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Cuyahoga County Public Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	36 38.7%	10 28.6%	26 45.6%	0 0.0%
No	52 55.9%	22 62.9%	29 50.9%	1 100.0%
DK/NA	5 5.4%	3 8.6%	2 3.5%	0 0.0%
No Response	213	66	142	5

Table 23.2: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Private Sector Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	74 47.4%	15 32.6%	58 54.2%	1 33.3%
No	78 50.0%	29 63.0%	48 44.9%	1 33.3%
DK/NA	4 2.6%	2 4.3%	1 0.9%	1 33.3%
No Response	150	55	92	3

Cuyahoga County Frequencies

Table 23.3: Since July 1, 2009, has your company used a subcontractor or sub-consultant on projects in:

Other Public Sector (non-County Projects)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	63 48.1%	14 35.0%	49 55.7%	0 0.0%
No	64 48.9%	24 60.0%	38 43.2%	2 66.7%
DK/NA	4 3.1%	2 5.0%	1 1.1%	1 33.3%
No Response	175	61	111	3

Table 24.1: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Cuyahoga County Public Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Very Often	21 22.6%	7 20.0%	14 24.6%	0 0.0%
Often	10 10.8%	3 8.6%	7 12.3%	0 0.0%
Seldom	11 11.8%	2 5.7%	9 15.8%	0 0.0%
Never	26 28.0%	10 28.6%	16 28.1%	0 0.0%
DK/NA	25 26.9%	13 37.1%	11 19.3%	1 100.0%
No Response	213	66	142	5

Cuyahoga County Frequencies

Table 24.2: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Private Sector Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Very Often	21 13.5%	10 21.7%	11 10.3%	0 0.0%
Often	26 16.7%	5 10.9%	20 18.7%	1 33.3%
Seldom	27 17.3%	4 8.7%	23 21.5%	0 0.0%
Never	40 25.6%	12 26.1%	28 26.2%	0 0.0%
DK/NA	42 26.9%	15 32.6%	25 23.4%	2 66.7%
No Response	150	55	92	3

Table 24.3: How frequently do you use minority or women-owned subcontractors or subconsultants on:

Other Public Sector (non-County Projects)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Very Often	19 14.5%	6 15.0%	13 14.8%	0 0.0%
Often	24 18.3%	5 12.5%	19 21.6%	0 0.0%
Seldom	21 16.0%	3 7.5%	18 20.5%	0 0.0%
Never	33 25.2%	12 30.0%	20 22.7%	1 33.3%
DK/NA	34 26.0%	14 35.0%	18 20.5%	2 66.7%
No Response	175	61	111	3

Table 25.1: How would you rate your experience with sub-contractors or sub-consultants owned by:

Minorities

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Excellent	16 24.6%	3 13.0%	13 31.7%	0 0.0%
Good	17 26.2%	6 26.1%	11 26.8%	0 0.0%
Fair	4 6.2%	2 8.7%	2 4.9%	0 0.0%
Poor	3 4.6%	1 4.3%	2 4.9%	0 0.0%
DK/NA	25 38.5%	11 47.8%	13 31.7%	1 100.0%
No Response	241	78	158	5

Table 25.2: How would you rate your experience with sub-contractors or sub-consultants owned by:

Women

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Excellent	18 27.7%	3 13.0%	15 36.6%	0 0.0%
Good	16 24.6%	5 21.7%	11 26.8%	0 0.0%
Fair	2 3.1%	1 4.3%	1 2.4%	0 0.0%
Poor	1 1.5%	0 0.0%	1 2.4%	0 0.0%
DK/NA	28 43.1%	14 60.9%	13 31.7%	1 100.0%
No Response	241	78	158	5

Cuyahoga County Frequencies

Table 25.3: How would you rate your experience with sub-contractors or sub-consultants owned by:

Non-Minority Men

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Excellent	16 24.6%	2 8.7%	14 34.1%	0 0.0%
Good	21 32.3%	10 43.5%	11 26.8%	0 0.0%
Fair	2 3.1%	0 0.0%	2 4.9%	0 0.0%
Poor	1 1.5%	0 0.0%	1 2.4%	0 0.0%
DK/NA	25 38.5%	11 47.8%	13 31.7%	1 100.0%
No Response	241	78	158	5

Table 26.1: Does your company bid or perform as a sub-contractor in:

Cuyahoga County Public Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	67 21.9%	18 17.8%	47 23.6%	2 33.3%
No	206 67.3%	68 67.3%	137 68.8%	1 16.7%
DK/NA	33 10.8%	15 14.9%	15 7.5%	3 50.0%

Table 26.2: Does your company bid or perform as a sub-contractor in:

Private Sector Projects

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	101 33.0%	28 27.7%	72 36.2%	1 16.7%
No	173 56.5%	59 58.4%	112 56.3%	2 33.3%
DK/NA	32 10.5%	14 13.9%	15 7.5%	3 50.0%

Table 26.3: Does your company bid or perform as a sub-contractor in:

Other Public Sector (non-County Projects)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	87 28.4%	21 20.8%	65 32.7%	1 16.7%
No	187 61.1%	66 65.3%	119 59.8%	2 33.3%
DK/NA	32 10.5%	14 13.9%	15 7.5%	3 50.0%

Table 27: Have you ever served as a sub-contractor on a Cuyahoga County project?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	64 20.9%	19 18.8%	44 22.1%	1 16.7%
No	237 77.5%	81 80.2%	152 76.4%	4 66.7%
DK	5 1.6%	1 1.0%	3 1.5%	1 16.7%

Table 28: How often have you served as a sub-contractor on a Cuyahoga County project?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
1-10	50 78.1%	18 94.7%	32 72.7%	0 0.0%
11-25	7 10.9%	1 5.3%	6 13.6%	0 0.0%
26-50	2 3.1%	0 0.0%	2 4.5%	0 0.0%
51-100	1 1.6%	0 0.0%	1 2.3%	0 0.0%
Over 100	1 1.6%	0 0.0%	1 2.3%	0 0.0%
DK	3 4.7%	0 0.0%	2 4.5%	1 100.0%
No Response	242	82	155	5

Table 29: Have you been invited to participate in public contracts with the same prime contractors that you may have worked with in the public sector?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	45 70.3%	12 63.2%	33 75.0%	0 0.0%
No	14 21.9%	5 26.3%	9 20.5%	0 0.0%
DK	5 7.8%	2 10.5%	2 4.5%	1 100.0%
No Response	242	82	155	5

Table 30.1: Since 2009, how many times has your company done the following in the public sector and private sector?

Regularly bid with other public agencies, but not with Cuyahoga Co.?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	107 35.0%	34 33.7%	73 36.7%	0 0.0%
1-10	74 24.2%	22 21.8%	52 26.1%	0 0.0%
11-25	26 8.5%	10 9.9%	15 7.5%	1 16.7%
26-50	10 3.3%	1 1.0%	9 4.5%	0 0.0%
51-100	15 4.9%	5 5.0%	9 4.5%	1 16.7%
Over 100	43 14.1%	16 15.8%	24 12.1%	3 50.0%
DK/NA	31 10.1%	13 12.9%	17 8.5%	1 16.7%

Table 30.2: Since 2009, how many times has your company done the following in the public sector and private sector?

Asked to be a subcontractor by a prime contractor or prime consultant?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	155 50.7%	56 55.4%	96 48.2%	3 50.0%
1-10	74 24.2%	20 19.8%	54 27.1%	0 0.0%
11-25	13 4.2%	6 5.9%	7 3.5%	0 0.0%
26-50	10 3.3%	3 3.0%	7 3.5%	0 0.0%
51-100	5 1.6%	1 1.0%	4 2.0%	0 0.0%
Over 100	16 5.2%	3 3.0%	13 6.5%	0 0.0%
DK/NA	33 10.8%	12 11.9%	18 9.0%	3 50.0%



Cuyahoga County Frequencies

Table 30.3: Since 2009, how many times has your company done the following in the public sector and private sector?

Hired as a subcontractor by a prime

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	168 54.9%	55 54.5%	110 55.3%	3 50.0%
1-10	56 18.3%	21 20.8%	35 17.6%	0 0.0%
11-25	17 5.6%	5 5.0%	12 6.0%	0 0.0%
26-50	8 2.6%	2 2.0%	6 3.0%	0 0.0%
51-100	6 2.0%	2 2.0%	4 2.0%	0 0.0%
Over 100	16 5.2%	3 3.0%	13 6.5%	0 0.0%
DK/NA	35 11.4%	13 12.9%	19 9.5%	3 50.0%

Table 31: What is the amount of time that it typically takes to receive payment for your services on Cuyahoga County projects?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Less than 30 days	43 14.1%	13 12.9%	30 15.1%	0 0.0%
30-60 days	92 30.1%	36 35.6%	54 27.1%	2 33.3%
60-90 days	35 11.4%	13 12.9%	22 11.1%	0 0.0%
90-120 days	6 2.0%	1 1.0%	5 2.5%	0 0.0%
Over 120 days	7 2.3%	1 1.0%	5 2.5%	1 16.7%
DK/NA	123 40.2%	37 36.6%	83 41.7%	3 50.0%

Table 32: How would you rate the quality of interaction with Cuyahoga County on contract opportunities on a scale of 1 to 7, where 1 is Extremely Satisfied and 7 is Extremely Dissatisfied?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Extremely Satisfied	30 9.8%	11 10.9%	17 8.5%	2 33.3%
Satisfied	61 19.9%	19 18.8%	42 21.1%	0 0.0%
Somewhat Satisfied	35 11.4%	9 8.9%	25 12.6%	1 16.7%
Neutral	47 15.4%	19 18.8%	27 13.6%	1 16.7%
Somewhat Dissatisfied	25 8.2%	10 9.9%	14 7.0%	1 16.7%
Dissatisfied	25 8.2%	10 9.9%	15 7.5%	0 0.0%
Extremely Dissatisfied	26 8.5%	6 5.9%	20 10.1%	0 0.0%
DK/NA	57 18.6%	17 16.8%	39 19.6%	1 16.7%

Table 34.1: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

a. Pre-qualification requirements?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	44 14.4%	14 13.9%	30 15.1%	0 0.0%
NO	211 69.0%	73 72.3%	135 67.8%	3 50.0%
DK/NA	51 16.7%	14 13.9%	34 17.1%	3 50.0%

Cuyahoga County Frequencies

Table 34.2: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

b. Performance bond requirements?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	42 13.7%	19 18.8%	23 11.6%	0 0.0%
NO	215 70.3%	68 67.3%	144 72.4%	3 50.0%
DK/NA	49 16.0%	14 13.9%	32 16.1%	3 50.0%

Table 34.3: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
 No=2  
 DK=3

c. Bid bond requirements

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	45 14.7%	22 21.8%	23 11.6%	0 0.0%
NO	211 69.0%	66 65.3%	142 71.4%	3 50.0%
DK/NA	50 16.3%	13 12.9%	34 17.1%	3 50.0%

Cuyahoga County Frequencies

Table 34.4: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

d. Financing?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	43 14.1%	16 15.8%	27 13.6%	0 0.0%
NO	217 70.9%	71 70.3%	142 71.4%	4 66.7%
DK/NA	46 15.0%	14 13.9%	30 15.1%	2 33.3%

Table 34.5: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

e. Insurance requirements?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	24 7.8%	14 13.9%	10 5.0%	0 0.0%
NO	238 77.8%	76 75.2%	158 79.4%	4 66.7%
DK/NA	44 14.4%	11 10.9%	31 15.6%	2 33.3%

Cuyahoga County Frequencies

Table 34.6: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

f. Bid specifications?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	60 19.6%	24 23.8%	34 17.1%	2 33.3%
NO	198 64.7%	65 64.4%	132 66.3%	1 16.7%
DK/NA	48 15.7%	12 11.9%	33 16.6%	3 50.0%

Table 34.7: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

g. Limited time given to prepare bid package or quote?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	65 21.2%	27 26.7%	37 18.6%	1 16.7%
NO	198 64.7%	63 62.4%	133 66.8%	2 33.3%
DK/NA	43 14.1%	11 10.9%	29 14.6%	3 50.0%

Cuyahoga County Frequencies

Table 34.8: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

h. Limited knowledge of purchasing / contracting policies and procedures?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	56 18.3%	19 18.8%	37 18.6%	0 0.0%
NO	201 65.7%	66 65.3%	132 66.3%	3 50.0%
DK/NA	49 16.0%	16 15.8%	30 15.1%	3 50.0%

Table 34.9: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

i. Lack of experience?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	33 10.8%	11 10.9%	22 11.1%	0 0.0%
NO	231 75.5%	77 76.2%	150 75.4%	4 66.7%
DK/NA	42 13.7%	13 12.9%	27 13.6%	2 33.3%

Cuyahoga County Frequencies

Table 34.10: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

j. Lack of personnel?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	28 9.2%	11 10.9%	16 8.0%	1 16.7%
NO	237 77.5%	79 78.2%	155 77.9%	3 50.0%
DK/NA	41 13.4%	11 10.9%	28 14.1%	2 33.3%

Table 34.11: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

k. Contract too large?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	51 16.7%	19 18.8%	32 16.1%	0 0.0%
NO	211 69.0%	69 68.3%	139 69.8%	3 50.0%
DK/NA	44 14.4%	13 12.9%	28 14.1%	3 50.0%

Cuyahoga County Frequencies

Table 34.12: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

I. Contract too expensive to bid?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	57 18.6%	18 17.8%	39 19.6%	0 0.0%
NO	202 66.0%	71 70.3%	128 64.3%	3 50.0%
DK/NA	47 15.4%	12 11.9%	32 16.1%	3 50.0%

Table 34.13: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

m. Informal networks?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	65 21.2%	25 24.8%	40 20.1%	0 0.0%
NO	189 61.8%	62 61.4%	124 62.3%	3 50.0%
DK/NA	52 17.0%	14 13.9%	35 17.6%	3 50.0%



Cuyahoga County Frequencies

Table 34.14: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

n. Selection process?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	62 20.3%	22 21.8%	39 19.6%	1 16.7%
NO	185 60.5%	60 59.4%	123 61.8%	2 33.3%
DK/NA	59 19.3%	19 18.8%	37 18.6%	3 50.0%

Table 34.15: I will now read you a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to obtaining work on projects for Cuyahoga County.

Yes=1  
No=2  
DK=3

o. Competing with large companies?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	88 28.8%	34 33.7%	54 27.1%	0 0.0%
NO	169 55.2%	54 53.5%	112 56.3%	3 50.0%
DK/NA	49 16.0%	13 12.9%	33 16.6%	3 50.0%

Table 35: Is your company a certified business?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	176 57.5%	67 66.3%	108 54.3%	1 16.7%
No	122 39.9%	33 32.7%	87 43.7%	2 33.3%
DK/NA	8 2.6%	1 1.0%	4 2.0%	3 50.0%

Table 36.1: What is your certification?

MBE (Minority Business Enterprise)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	46 26.1%	15 22.4%	31 28.7%	0 0.0%
No	126 71.6%	50 74.6%	76 70.4%	0 0.0%
DK/NA	4 2.3%	2 3.0%	1 0.9%	1 100.0%
No Response	130	34	91	5

Cuyahoga County Frequencies

Table 36.2: What is your certification?

WBE (Women Business Enterprise)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	50 28.4%	46 68.7%	4 3.7%	0 0.0%
No	123 69.9%	20 29.9%	103 95.4%	0 0.0%
DK/NA	3 1.7%	1 1.5%	1 0.9%	1 100.0%
No Response	130	34	91	5

Table 36.3: What is your certification?

DBE (Disabled Business Enterprise)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	9 5.1%	3 4.5%	6 5.6%	0 0.0%
No	164 93.2%	63 94.0%	101 93.5%	0 0.0%
DK/NA	3 1.7%	1 1.5%	1 0.9%	1 100.0%
No Response	130	34	91	5

Table 36.4: What is your certification?

SBE (Small Business Enterprise)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	124 70.5%	39 58.2%	85 78.7%	0 0.0%
No	48 27.3%	26 38.8%	22 20.4%	0 0.0%
DK/NA	4 2.3%	2 3.0%	1 0.9%	1 100.0%
No Response	130	34	91	5

Table 38: Do you believe that there is favoritism or disparate treatment in the certification process?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	51 16.7%	19 19.0%	32 16.1%	0 0.0%
No	194 63.6%	65 65.0%	128 64.3%	1 16.7%
DK	60 19.7%	16 16.0%	39 19.6%	5 83.3%
No Response	1	1	0	0

Table 39.1: Are you certified with one of the following agencies?

City of Cleveland

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	149 48.7%	52 51.5%	95 47.7%	2 33.3%
No	132 43.1%	41 40.6%	88 44.2%	3 50.0%
DK/NA	25 8.2%	8 7.9%	16 8.0%	1 16.7%

Cuyahoga County Frequencies

Table 39.2: Are you certified with one of the following agencies?

Cuyahoga County

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	158 51.6%	57 56.4%	99 49.7%	2 33.3%
No	124 40.5%	37 36.6%	84 42.2%	3 50.0%
DK/NA	24 7.8%	7 6.9%	16 8.0%	1 16.7%

Table 39.3: Are you certified with one of the following agencies?

Federal Small Business Administration

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	77 25.2%	24 23.8%	53 26.6%	0 0.0%
No	199 65.0%	68 67.3%	126 63.3%	5 83.3%
DK/NA	30 9.8%	9 8.9%	20 10.1%	1 16.7%

Table 39.4: Are you certified with one of the following agencies?

State of Ohio

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	127 41.5%	45 44.6%	80 40.2%	2 33.3%
No	156 51.0%	50 49.5%	103 51.8%	3 50.0%
DK/NA	23 7.5%	6 5.9%	16 8.0%	1 16.7%

Table 39.5: Are you certified with one of the following agencies?

Other

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	54 17.6%	21 20.8%	31 15.6%	2 33.3%
No	228 74.5%	73 72.3%	152 76.4%	3 50.0%
DK/NA	24 7.8%	7 6.9%	16 8.0%	1 16.7%

Table 40.1: Have you ever served as:

Prime Contractor in the private sector?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	156 51.0%	46 45.5%	108 54.3%	2 33.3%
No	128 41.8%	47 46.5%	79 39.7%	2 33.3%
DK/Na	22 7.2%	8 7.9%	12 6.0%	2 33.3%

Table 40.2: Have you ever served as:

Sub-contractor in the private sector?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	114 37.3%	31 30.7%	82 41.2%	1 16.7%
No	169 55.2%	60 59.4%	106 53.3%	3 50.0%
DK/Na	23 7.5%	10 9.9%	11 5.5%	2 33.3%

Table 41: Do you feel as though you have experienced discriminatory behavior from the private sector (non-government) in the past?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	50 16.3%	22 21.8%	28 14.1%	0 0.0%
No	249 81.4%	76 75.2%	168 84.4%	5 83.3%
DK	7 2.3%	3 3.0%	3 1.5%	1 16.7%

Table 42: Have you applied for a commercial (business) bank loan between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	90 29.4%	26 25.7%	63 31.7%	1 16.7%
No	196 64.1%	72 71.3%	120 60.3%	4 66.7%
DK	20 6.5%	3 3.0%	16 8.0%	1 16.7%

Table 43: How many times have you applied for a commercial (business) bank loan between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
1-10	83 92.2%	25 96.2%	58 92.1%	0 0.0%
11-25	1 1.1%	0 0.0%	1 1.6%	0 0.0%
DK/NA	6 6.7%	1 3.8%	4 6.3%	1 100.0%
No Response	216	75	136	5

Table 44: How many times have you been approved for a commercial (business) bank loan between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	19 21.1%	6 23.1%	13 20.6%	0 0.0%
1-10	65 72.2%	19 73.1%	46 73.0%	0 0.0%
11-25	1 1.1%	0 0.0%	1 1.6%	0 0.0%
DK/NA	5 5.6%	1 3.8%	3 4.8%	1 100.0%
No Response	216	75	136	5

Table 45: What has been the highest amount of a commercial loan you have received between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
\$50,000 or less	11 15.5%	4 20.0%	7 14.0%	0 0.0%
\$50,001 - \$100,000	8 11.3%	3 15.0%	5 10.0%	0 0.0%
\$100,001 - \$300,000	15 21.1%	6 30.0%	9 18.0%	0 0.0%
\$300,001 - \$500,000	5 7.0%	1 5.0%	4 8.0%	0 0.0%
\$500,001 - \$1,000,000	7 9.9%	2 10.0%	5 10.0%	0 0.0%
\$1,000,001 - \$3,000,000	6 8.5%	1 5.0%	5 10.0%	0 0.0%
\$5,000,001 to \$10,000,000	1 1.4%	0 0.0%	1 2.0%	0 0.0%
over \$10,000,000	4 5.6%	0 0.0%	4 8.0%	0 0.0%
No Response/DK	14 19.7%	3 15.0%	10 20.0%	1 100.0%
No Response	235	81	149	5



Table 46: How many times have you been denied a commercial (business) bank loan between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	59 65.6%	16 61.5%	43 68.3%	0 0.0%
1-10	26 28.9%	9 34.6%	17 27.0%	0 0.0%
DK/NA	5 5.6%	1 3.8%	3 4.8%	1 100.0%
No Response	216	75	136	5

Table 47: How many times have you sought venture capital between 2009 and 2012?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
None	249 81.4%	86 85.1%	161 80.9%	2 33.3%
1-10	27 8.8%	6 5.9%	21 10.6%	0 0.0%
11-25	2 0.7%	0 0.0%	2 1.0%	0 0.0%
DK/NA	28 9.2%	9 8.9%	15 7.5%	4 66.7%

Table 48.1: Since 2009, has your company applied for any of the following?

Business start-up loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	8 2.6%	3 3.0%	5 2.5%	0 0.0%
No	277 90.5%	91 90.1%	182 91.5%	4 66.7%
DK/NA	21 6.9%	7 6.9%	12 6.0%	2 33.3%

Table 48.2: Since 2009, has your company applied for any of the following?

Operating capital loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	42 13.7%	7 6.9%	35 17.6%	0 0.0%
No	240 78.4%	86 85.1%	150 75.4%	4 66.7%
DK/NA	24 7.8%	8 7.9%	14 7.0%	2 33.3%

Table 48.3: Since 2009, has your company applied for any of the following?

Equipment loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	49 16.0%	12 11.9%	37 18.6%	0 0.0%
No	236 77.1%	83 82.2%	149 74.9%	4 66.7%
DK/NA	21 6.9%	6 5.9%	13 6.5%	2 33.3%

Table 48.4: Since 2009, has your company applied for any of the following?

Commercial/Professional liability insurance?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	152 49.7%	49 48.5%	101 50.8%	2 33.3%
No	132 43.1%	46 45.5%	84 42.2%	2 33.3%
DK/NA	22 7.2%	6 5.9%	14 7.0%	2 33.3%

Table 49.1: Since 2009, has your company been approved for any of the following?

Business start-up loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	3 37.5%	1 33.3%	2 40.0%	0 0.0%
No	5 62.5%	2 66.7%	3 60.0%	0 0.0%
No Response	298	98	194	6

Table 49.2: Since 2009, has your company been approved for any of the following?

Operating capital loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	29 69.0%	4 57.1%	25 71.4%	0 0.0%
No	13 31.0%	3 42.9%	10 28.6%	0 0.0%
No Response	264	94	164	6

Table 49.3: Since 2009, has your company been approved for any of the following?

Equipment loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	41 83.7%	9 75.0%	32 86.5%	0 0.0%
No	7 14.3%	3 25.0%	4 10.8%	0 0.0%
DK/NA	1 2.0%	0 0.0%	1 2.7%	0 0.0%
No Response	257	89	162	6

Table 49.4: Since 2009, has your company been approved for any of the following?

Commercial/Professional liability insurance?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	150 98.7%	48 98.0%	100 99.0%	2 100.0%
No	2 1.3%	1 2.0%	1 1.0%	0 0.0%
No Response	154	52	98	4

Table 50.1: Since 2009, has your company been denied for any of the following?

Yes=1

No=2

DK=3

Business start-up loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	5 62.5%	2 66.7%	3 60.0%	0 0.0%
No	3 37.5%	1 33.3%	2 40.0%	0 0.0%
No Response	298	98	194	6

Table 50.2: Since 2009, has your company been denied for any of the following?

Yes=1

No=2

DK=3

Operating capital loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	16 38.1%	3 42.9%	13 37.1%	0 0.0%
No	26 61.9%	4 57.1%	22 62.9%	0 0.0%
No Response	264	94	164	6

Cuyahoga County Frequencies

Table 50.3: Since 2009, has your company been denied for any of the following?

Yes=1  
No=2  
DK=3

Equipment loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	8 16.3%	3 25.0%	5 13.5%	0 0.0%
No	39 79.6%	9 75.0%	30 81.1%	0 0.0%
DK/NA	2 4.1%	0 0.0%	2 5.4%	0 0.0%
No Response	257	89	162	6

Table 50.4: Since 2009, has your company been denied for any of the following?

Yes=1  
No=2  
DK=3

Commercial/Professional liability insurance?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	1 0.7%	1 2.0%	0 0.0%	0 0.0%
No	149 98.0%	48 98.0%	100 99.0%	1 50.0%
DK/NA	2 1.3%	0 0.0%	1 1.0%	1 50.0%
No Response	154	52	98	4

Cuyahoga County Frequencies

Table 51.1: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Business start-up loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
ID	1 20.0%	0 0.0%	1 33.3%	0 0.0%
IBH	2 40.0%	1 50.0%	1 33.3%	0 0.0%
O	1 20.0%	1 50.0%	0 0.0%	0 0.0%
DK/NA	1 20.0%	0 0.0%	1 33.3%	0 0.0%
No Response	301	99	196	6

Table 51.2: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Operating capital loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
ID	1 6.3%	0 0.0%	1 7.7%	0 0.0%
IBH	1 6.3%	0 0.0%	1 7.7%	0 0.0%
RE	1 6.3%	0 0.0%	1 7.7%	0 0.0%
ACH	8 50.0%	3 100.0%	5 38.5%	0 0.0%
O	2 12.5%	0 0.0%	2 15.4%	0 0.0%
DK/NA	3 18.8%	0 0.0%	3 23.1%	0 0.0%
No Response	290	98	186	6

Table 51.3: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Equipment loan?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
IBH	1 12.5%	0 0.0%	1 20.0%	0 0.0%
RE	1 12.5%	0 0.0%	1 20.0%	0 0.0%
ACH	3 37.5%	2 66.7%	1 20.0%	0 0.0%
O	2 25.0%	1 33.3%	1 20.0%	0 0.0%
DK/NA	1 12.5%	0 0.0%	1 20.0%	0 0.0%
No Response	298	98	194	6



Table 51.4: Of the items your company was denied for, what was the denial reason?

READ CHOICES

- Insufficient Documentation (ID) =1
- Insufficient Business History (IBH)=2
- Confusion about Process (C)=3
- Race or Ethnic Origin (RE)=4
- Gender of Owner (G)=5
- Adverse Credit History (ACH)=6
- Other (O)=7
- DK=8

Commercial/Professional liability insurance?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
C	1 100.0%	1 100.0%	0 0.0%	0 0.0%
No Response	305	100	199	6

Table 52: Please indicate your agreement or disagreement with the following statement: "Some nonminority prime contractors change their bidding procedures when they are not required to hire minority and women-owned businesses as sub-contractors".

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	33 10.8%	12 11.9%	20 10.1%	1 16.7%
Agree	60 19.6%	18 17.8%	42 21.1%	0 0.0%
Neither Agree or Disagree	108 35.3%	36 35.6%	70 35.2%	2 33.3%
Disagree	52 17.0%	13 12.9%	38 19.1%	1 16.7%
Strongly Disagree	7 2.3%	2 2.0%	5 2.5%	0 0.0%
DK	46 15.0%	20 19.8%	24 12.1%	2 33.3%

Cuyahoga County Frequencies

Table 53: Since 2009, has your company experienced discriminatory behavior from Cuyahoga County?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	24 7.8%	10 9.9%	13 6.5%	1 16.7%
No	267 87.3%	86 85.1%	176 88.4%	5 83.3%
DK/NA	15 4.9%	5 5.0%	10 5.0%	0 0.0%

Table 54: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to race, ethnicity, or disability of the owner?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	14 56.0%	5 45.5%	9 69.2%	0 0.0%
No	11 44.0%	6 54.5%	4 30.8%	1 100.0%
No Response	281	90	186	5

Table 55: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this racial, ethnic, or disability discriminatory behavior from the County:

READ

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Never	2 14.3%	0 0.0%	2 22.2%	0 0.0%
Seldom	4 28.6%	1 20.0%	3 33.3%	0 0.0%
Often	3 21.4%	2 40.0%	1 11.1%	0 0.0%
Very Often	5 35.7%	2 40.0%	3 33.3%	0 0.0%
No Response	292	96	190	6

Table 56: How was the discrimination expressed to you: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Verbal comment from the County	1 7.7%	1 25.0%	0 0.0%	0 0.0%
Written statement from the County	1 7.7%	0 0.0%	1 11.1%	0 0.0%
Action taken against company from the County	7 53.8%	2 50.0%	5 55.6%	0 0.0%
DK/NA	1 7.7%	0 0.0%	1 11.1%	0 0.0%
Other	3 23.1%	1 25.0%	2 22.2%	0 0.0%
No Response	293	97	190	6

Table 58: When did discrimination occur: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
During bidding process (before the contract award)	8 61.5%	2 50.0%	6 66.7%	0 0.0%
After contract awarded	1 7.7%	1 25.0%	0 0.0%	0 0.0%
DK/NA	1 7.7%	1 25.0%	0 0.0%	0 0.0%
Other	3 23.1%	0 0.0%	3 33.3%	0 0.0%
No Response	293	97	190	6

Table 60: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the gender of the owner?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	7 29.2%	3 30.0%	4 30.8%	0 0.0%
No	17 70.8%	7 70.0%	9 69.2%	1 100.0%
No Response	282	91	186	5

Cuyahoga County Frequencies

Table 61: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this gender discriminatory behavior from the County:

READ

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Seldom	4 57.1%	2 66.7%	2 50.0%	0 0.0%
Often	2 28.6%	1 33.3%	1 25.0%	0 0.0%
Very Often	1 14.3%	0 0.0%	1 25.0%	0 0.0%
No Response	299	98	195	6

Table 62: How was the discrimination expressed to you: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Verbal comment from the County	1 14.3%	1 33.3%	0 0.0%	0 0.0%
Written statement from the County	1 14.3%	0 0.0%	1 25.0%	0 0.0%
Action taken against company from the County	1 14.3%	0 0.0%	1 25.0%	0 0.0%
DK/NA	1 14.3%	0 0.0%	1 25.0%	0 0.0%
Other	3 42.9%	2 66.7%	1 25.0%	0 0.0%
No Response	299	98	195	6

Table 64: When did discrimination occur: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
During bidding process (before the contract award)	3 42.9%	0 0.0%	3 75.0%	0 0.0%
After contract awarded	1 14.3%	1 33.3%	0 0.0%	0 0.0%
DK/NA	2 28.6%	1 33.3%	1 25.0%	0 0.0%
Other	1 14.3%	1 33.3%	0 0.0%	0 0.0%
No Response	299	98	195	6

Table 66: Since 2009, have you experienced discriminatory behavior from Cuyahoga County due to the time in business?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	1 4.2%	0 0.0%	1 7.7%	0 0.0%
No	23 95.8%	10 100.0%	12 92.3%	1 100.0%
No Response	282	91	186	5

Table 67: On a scale of 1 to 4 where 4 represents “Very Often” and 1 represents “Never”, do you believe that you have experienced this time in business discriminatory behavior from the County:

READ

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Very Often	1 100.0%	0 0.0%	1 100.0%	0 0.0%
No Response	305	101	198	6

Table 68: How was the discrimination expressed to you: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Action taken against company from the County	1 100.0%	0 0.0%	1 100.0%	0 0.0%
No Response	305	101	198	6

Table 70: When did discrimination occur: (READ LIST)

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
During bidding process (before the contract award)	1 100.0%	0 0.0%	1 100.0%	0 0.0%
No Response	305	101	198	6

Table 72: Please indicate your level of agreement or disagreement, on a scale of 1 to 5, where 1 is Strongly Agree and 5 is Strongly Disagree.

There is an informal network of prime and sub-contractors in Cuyahoga County.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	71 23.2%	27 26.7%	42 21.1%	2 33.3%
Agree	63 20.6%	17 16.8%	46 23.1%	0 0.0%
Neither	78 25.5%	22 21.8%	55 27.6%	1 16.7%
Disagree	41 13.4%	17 16.8%	23 11.6%	1 16.7%
Strongly Disagree	17 5.6%	4 4.0%	13 6.5%	0 0.0%
DK	36 11.8%	14 13.9%	20 10.1%	2 33.3%

Table 73: Exclusion from this network has kept my company from bidding or has interfered with our ability to contract in the public (government) or private sector.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	37 12.1%	13 12.9%	23 11.6%	1 16.7%
Agree	35 11.4%	15 14.9%	20 10.1%	0 0.0%
Neither	72 23.5%	26 25.7%	46 23.1%	0 0.0%
Disagree	95 31.0%	25 24.8%	67 33.7%	3 50.0%
Strongly Disagree	39 12.7%	12 11.9%	27 13.6%	0 0.0%
DK	28 9.2%	10 9.9%	16 8.0%	2 33.3%

Table 74: Although exclusion from this informal network adversely affects a majority of small businesses, the adverse impact is probably felt the greatest among women and minority-owned businesses.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	46 15.0%	27 26.7%	19 9.5%	0 0.0%
Agree	51 16.7%	16 15.8%	35 17.6%	0 0.0%
Neither	92 30.1%	26 25.7%	65 32.7%	1 16.7%
Disagree	66 21.6%	18 17.8%	47 23.6%	1 16.7%
Strongly Disagree	16 5.2%	3 3.0%	11 5.5%	2 33.3%
DK	35 11.4%	11 10.9%	22 11.1%	2 33.3%

Table 75: Double standards in qualification and performance make it more difficult for minority and/or women-owned, businesses to win bids or contracts.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	40 13.1%	23 22.8%	16 8.0%	1 16.7%
Agree	36 11.8%	12 11.9%	24 12.1%	0 0.0%
Neither	74 24.2%	24 23.8%	49 24.6%	1 16.7%
Disagree	92 30.1%	27 26.7%	62 31.2%	3 50.0%
Strongly Disagree	33 10.8%	7 6.9%	25 12.6%	1 16.7%
DK	31 10.1%	8 7.9%	23 11.6%	0 0.0%

Table 76: Sometimes, a prime contractor will include a minority and women-owned sub-contractor on a bid to meet the “good faith effort” requirement, then drop the company as a sub-contractor after winning the award.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	42 13.7%	17 16.8%	23 11.6%	2 33.3%
Agree	48 15.7%	14 13.9%	34 17.1%	0 0.0%
Neither	103 33.7%	32 31.7%	70 35.2%	1 16.7%
Disagree	53 17.3%	19 18.8%	32 16.1%	2 33.3%
Strongly Disagree	14 4.6%	5 5.0%	9 4.5%	0 0.0%
DK	46 15.0%	14 13.9%	31 15.6%	1 16.7%



Table 77: In general, minority and/or women-owned businesses tend to be viewed by the general public as less competent than non-minority male businesses.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	39 12.7%	19 18.8%	20 10.1%	0 0.0%
Agree	62 20.3%	24 23.8%	37 18.6%	1 16.7%
Neither	81 26.5%	25 24.8%	54 27.1%	2 33.3%
Disagree	86 28.1%	26 25.7%	58 29.1%	2 33.3%
Strongly Disagree	25 8.2%	4 4.0%	20 10.1%	1 16.7%
DK	13 4.2%	3 3.0%	10 5.0%	0 0.0%

Table 78: Some non-minority (male) prime contractors change their bidding procedures when they are not required to hire minority and/or women-owned businesses.

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Strongly Agree	43 14.1%	14 13.9%	28 14.1%	1 16.7%
Agree	73 23.9%	23 22.8%	48 24.1%	2 33.3%
Neither	91 29.7%	31 30.7%	59 29.6%	1 16.7%
Disagree	45 14.7%	14 13.9%	29 14.6%	2 33.3%
Strongly Disagree	14 4.6%	3 3.0%	11 5.5%	0 0.0%
DK	40 13.1%	16 15.8%	24 12.1%	0 0.0%

Cuyahoga County Frequencies

Table 79: Is there anything that we have not covered that you feel will be helpful to this study or do you have any additional comments that you feel will be helpful to this study?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Yes	76 24.8%	28 27.7%	47 23.6%	1 16.7%
No	228 74.5%	72 71.3%	151 75.9%	5 83.3%
DK	2 0.7%	1 1.0%	1 0.5%	0 0.0%

Table 81: What is your title?

	Total	Is more than 50 percent of your company owned and controlled by a woman or women?		
		Yes	No	No Response
Unweighted Base	306	101	199	6
Owner/CEO/President	206 67.3%	80 79.2%	125 62.8%	1 16.7%
Manager/Financial Officer	80 26.1%	14 13.9%	63 31.7%	3 50.0%
Other	20 6.5%	7 6.9%	11 5.5%	2 33.3%

My name is José C. Feliciano, Chairman of the Hispanic Roundtable. I want to thank you for the opportunity to express the concerns of the Hispanic Roundtable regarding the frustrations, challenges, and, if not, outright denials of opportunities that Hispanic businesses, contractors, and subcontractors face in procuring contracts from Cuyahoga County.

Let me tell you little bit about the Hispanic Roundtable.

The Hispanic Roundtable is a civic organization of Hispanic leaders whose vision is to act as a catalyst to empower and obtain parity for the Hispanic Community. More specifically, our mission is to act as a catalyst to empower the Hispanic Community to become full partners in the economic, education, political, civic, and social life of Greater Cleveland.

One of our principal activities is to sponsor a community-wide convention, which we call the Convencion, where civic organizations, including every Hispanic organization in the area, is invited to participate and help set the agenda principally for the Hispanic community of the Greater Cleveland area.

Among the activities of the Roundtable is to sponsor a community convention, the last of which was held October 19, 2013 at St. Ignatius High School where some 3000 people were in attendance, as reported by *The Cleveland Plain Dealer* the following day. Convencion Hispana 2013 sponsored a job fair, college fair, career fair, community organizing workshops, and an immigration debate, in addition to passing community resolutions and hearing the keynote address of the then Mayor of San Antonio and now secretary of HUD, Julian Castro.

Let me provide you a number of documents for your review as you consider the important issue of Hispanic participation in County procurement projects.

First, I leave the program book for the most recent community convention, which outlines our issues and identifies the agenda items of our community. This program book will give you a sense of the vibrancy of the Hispanic community in the Greater Cleveland area and the effort the Hispanic community is making to improve this area for everyone. (Attachment A).

Secondly, I leave you with a newspaper article from the Cleveland Plain Dealer dated October 19, 2013, reporting on our Convencion and observing that there were 3000 participants at the Convencion. (Attachment B). To be sure, those numbers speak to our presence in this community and the need to ensure fair participation in all aspects of civic and business life in the county.

I also leave you with an article from Kaleidoscope magazine outlining our Convencion. (Attachment C).

Let me begin by telling you a little bit about Hispanics in our community. In the City of Cleveland, as of 2010, the Hispanic population was approximately 40,000 residents, making up more than 10% of the residents of the city, and it is one of a few growth areas in the city. See [http://en.wikipedia.org/wiki/Demographics\\_of\\_Cleveland](http://en.wikipedia.org/wiki/Demographics_of_Cleveland)

As of 2010, the County has approximately 61,000 Hispanic residents, representing a 30% increase in Hispanics in this County since 2000. See <http://planning.co.cuyahoga.oh.us/census/2010latino.html>

Finally, the State of Ohio has over 350,000 Hispanics or approximately 3.1% of the population, also representing a rapidly growing segment of the population on a state-wide basis. See <http://en.wikipedia.org/wiki/Ohio#Demographics>

These numbers, to be sure, are greater as of 2014.

The Hispanic community is one of the few growth areas in the State of Ohio in terms of population. Every day we further understand that demographics is destiny.

I was not born in the continental United States. I was born in Puerto Rico. I, however, have been a resident of Ohio some 62 years. I grew up on the near West side of Cleveland about 2 miles from here. I have been a lawyer 38 years, and now practice from my office on E. 9th Street and Euclid, a stone's throw from here.

I have been blessed with the privilege to serve the Hispanic community in a variety of capacities since college. That is the basis for my sharing my observations.

I can tell you of numerous anecdotal situations where businesses and contractors have come to me personally and to the Hispanic Roundtable, decrying that they have been shut out of opportunities in Cuyahoga County. Their plea was so dire in the construction area that we helped create the Hispanic Contractors' Association to help address these needs. I urge you to speak to its president and founder, Mr. Gustavo Hoyas. I also attached an article in the Plain Dealer on April 29, 2011, where he expressed his concerns. (Attachment D).

I urge you to closely examine the history of Cuyahoga County in awarding contracts and subcontracts to Hispanics. While I do not have the exact numbers, I would venture to say, with great confidence, the numbers are miniscule and an embarrassment to this County.

I would suggest to you that these numbers are compelling evidence that there needs to be wider participation by Hispanics in this process. Even more specifically, I urge that your report find that a program is needed to eliminate the effects of past discrimination of Hispanics.

Allow me to make my penultimate point. In February of 2013, the City of Cleveland, along with eight stakeholders signed a Memorandum of Understanding (MOU), including the Hispanic Roundtable, the Cleveland Metropolitan School District, the Cleveland Building and Construction Trades Association, the Construction Employers Association, Cuyahoga Community College, the Greater Cleveland Partnership, Hardhatted Women, and the Urban League of Greater Cleveland, creating a Community Benefits Agreement (CBA). Cuyahoga County was not a signatory. As of September 2013 ten public and private institutions have endorsed the MOU, including Case Western Reserve University, the Cleveland Clinic, the Cleveland Metropolitan School District, the Cuyahoga Metropolitan Housing Authority, Dominion East Ohio, Geis Companies, Medical Centers Companies, the MetroHealth System,

the Northeast Ohio Regional Sewer District, and University Hospitals. My sincere hope is that the County either signs this Community Benefits Agreement or develops a robust Community Benefits Agreement of its own.

Finally, only last week the Cleveland Plain Dealer reported on September 12, 2014 that the State of Ohio recognized the opportunity disparity for minorities and set a goal of at least 20% for minority and disadvantaged businesses for the \$267 million Opportunity Corridor. More specifically, it set a goal of 1.5% or \$4 million for Hispanic owned companies.

Similarly, I think that the appropriate remedy for Cuyahoga County is to set a minimum of 1.5% of the County spend for Hispanic-owned companies.

Please forgive me for not personally attending the hearing, but I am currently on a long planned family vacation en La Isla del Encanto.

Please feel free to contact me with any questions or concerns about this statement or these issues.

Thank you very much.

Respectfully Submitted,

José C Feliciano  
Chairman Hispanic Roundtable  
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The foregoing testimony was presented on behalf of José C Feliciano, Chairman Hispanic Roundtable at the **Public Hearing on Monday, September 15th from 5pm to 7pm at the Cuyahoga County Council Chambers (2079 East 9th Street, 4th Floor)** on the occasion of the **CUYAHOGA COUNTY PUBLIC HEARING ON EQUAL ACCESS TO PROCUREMENT PROCESS**.

# San Antonio mayor Castro lauds local event

## His speech here aims to elevate education, achievement

JAMES DWYGEN  
jdwygen@plaind.com

Julian Castro, San Antonio's dynamic young mayor, applauded the Cleveland Hispanic Roundtable and the triennial Convención Hispana Saturday, and his audience responded in kind to his keynote address at the convention on the St. Ignatius High School campus.

More than 1,300 filled a school gymnasium, applauded throughout the address, and mobbed Castro afterwards. It took him at least an hour to leave the gym so he could get to the airport.

Castro did not come to politics. He came to promote education, ambition and achievement in the Hispanic community here and around the country.

Thus, the 39-year-old mayor, the Roundtable and the Convention that it puts on every three years have common priorities.

They share the objectives of encouraging greater engagement of the Hispanic community in business and politics, and making maximum use of educational resources as a means to these goals. Castro called San Antonio, with a population that is more than 60 percent Hispanic, "the new face of the American dream."

He said the Latino population is not only growing in places like Texas and California, but "it is growing in Arkansas, Iowa, North Carolina, South Carolina, Georgia and right here in Cleveland, Ohio."

San Antonio was proactive in underwriting a pre-kindergarten program, he said, because Texas is not among the states that are serious about underwriting quality education.

To fund the "Pre-K for SA" program, as it is called, San Antonio voters approved an eighth-of-a-cent tax increase, he said. The program's website said it aims to improve the educational trajectory of 22,400 4-year-olds over the next eight years.

He shared his own story as an example of how education and selflessness can build stronger communities. His grandmother came from



San Antonio Mayor Julian Castro greets conventiongoers after speaking at the Convención Hispana on Saturday at St. Ignatius High School. His remarks focused on the importance of education.

PHOTOGRAPHS BY LONNIE THOMPSON; TOP BY AIN DEANER

"Somewhere in the United States, there is a Hispanic president. We just don't know who she is yet. Or who he is."

**Jose Feliciano**, chairman, trustee of the Hispanic Roundtable Mexico to the United States when she was 6 years old. Because of her lack of education, he said, she spent her life working as a maid, a cook and a babysitter. She also hated politics.

She encouraged her daughter to go to college and that woman, mother of Julian and Joaquin Castro, encouraged her two boys to go to college. At the same time she dragged them to political events in spite of a disinterest they would only sated in adulthood.

They went on to Stanford in the early 1990s, despite the high tuition and the family's lack of wealth. Then they went to Harvard Law School and eventually

ally entered politics. The mayor's brother now represents the 20th Congressional District in Texas.

Castro said that we all stand on the shoulders of those who came before us. In addition, "always find a way to give back to someone else," he told his listeners, "lifting up the generation behind us."

"That's the work of the Hispanic Roundtable Panel," he said. Castro touted a San Antonio program geared to increasing high school graduation rates and college attendance, while offsetting deficiencies in the public school system.

His city's high schools have a student-to-guidance counselor

ratio of 420 to one. (In 2013, the average ratio in the U.S. was 471 to one.)

The solution is called CareerCollege, a one-stop shop for college advice and guidance. It also has a career-intervention program.

The mayor said there is no substitute for ambition and self-confidence. He said that at age 16, 16 or 17 "one of the most powerful things you can do is to believe in yourself."

He also advised that young people should "always reach for more than you think is possible."

Castro gained notoriety last year when he delivered the keynote address to the Democratic National Convention. He is the first Hispanic to give that address.

His speech today steered around politics and his ambitions. But Magda Gomez, president of the Hispanic Roundtable, echoed a belief that seems to be gaining traction. In introducing Castro, she said, "We believe he could be our first Hispanic president."

Jose Feliciano, chairman and trustee of the Roundtable, was more circumspect on the topic of the presidency when he spoke earlier in the day.

"There is a Hispanic president," he said. "Somewhere in the United States, there is a Hispanic president." We just don't know who she is yet," he said, pausing. "Or who he is."

During a press conference before his address, Castro was critical of the Republican Party and House Speaker John Boehner. He said Boehner tried to place the Tea Party supporters in his party by refusing to bring a bipartisan spending bill to a simple vote. Ultimately the speaker "did what he should have done in the first place and allowed a simple vote" that ended the government shutdown.

Castro said that if Boehner would just allow a simple vote on immigration reform, there are at least 17 or 18 Republicans who would vote for it, allowing passage.

The Roundtable launched the event in 1993. An estimated 3,000 attended this year.



Cleveland patrol officer Ana Mercado greets her friend Maria Chibvent at the Convención Hispana on Saturday. Mercado patrols the area where Cabrera works.

# Setting the agenda

Convencion Hispana lays out local Latino community's goals for next three years

By Nina Polien Light

**Convencion Hispana occurs more frequently than a presidential election. And, for the burgeoning local Hispanic community, it just may have a greater effect on their daily lives.**

"At Convencion we set our agenda and have workshops to train people on how to accomplish the objectives of the agenda and use our resolutions in the interim to broker with institutions in Cleveland," says Jose Feliciano, founder and chairman of the Hispanic Roundtable of Cleveland, which serves as a catalyst for education, empowerment and economic development within the local Hispanic community. "It gives us a sense of direction and literally guides our path for the future and helps to frame and support those who are helping us."

Held every three years, Convencion Hispana focuses on education, empowerment, health, and workforce/economic development. Each area is organized by a dedicated volunteer committee. The free, one-day event — held this year on October 19 at St. Ignatius High School — featured community booths, workshops, resolutions, a job fair, college fair, immigration debate, presentation on grassroots organizing and a keynote address by San Antonio Mayor Julian Castro.

"We're lucky to get him," Feliciano says. "He's the personification of Hispanic achievement in America today. He's speaking on, 'Where are we going?' Because of

(Hispanics') role here, it's really, 'Where is America going?'"

This year's convention includes 2,500 attendees and about 100 volunteers, led by co-chairs Elizabeth Hajar, Luis Cartagena and Diana Centeno-Gomez. Funds raised by the Hispanic Roundtable Community Programs, the programming arm of the Hispanic Roundtable, fully support the convention and its free breakfast and lunch. HRCP is chaired by Magda Gomez.

In addition to attracting the area's Hispanics, the group welcomed leaders they met during recent outreach efforts with other communities.

"We invited them to Convencion to see what we do, as a way of bridge-building and hopefully to work on issues together with the African-American community and the ethnic community," Feliciano says.

Organizing and empowering the Hispanic community becomes increasingly important as the population expands. According to Feliciano, Hispanics comprise nearly 40,000 or 10 percent of residents in the city of Cleveland. Some 73,000 Hispanics reside in Cuyahoga County and 375,000 Latinos call Ohio home.





San Antonio Mayor Julian Castro with Jose Feliciano, chairman, Hispanic Roundtable, and Magda Gomez, president, Hispanic Roundtable Community Programs.



Convencion attendees gather to hear Mayor Julian Castro's speech.

Between conventions, the Hispanic Roundtable and HRCP work tirelessly to implement resolutions passed at the convention. Initiatives that have come from past gatherings include the formation of the Esperanza scholarship fund, Hispanic Business Association, Hispanic Contractors Association, Hispanic Senior Citizens Programs and the Hispanic Domestic Violence Program.

Since the last Convencion Hispana, the Hispanic Roundtable has sponsored various community information meetings, including meet-the-candidate nights and issues forums. Feliciano, who is also a partner at BakerHostetler, says the group was the only organization to publicly support the change from county commissioners to a county executive leading Cuyahoga County. The organization regularly supports school levies and meets with Cleveland Metropolitan School District CEO Eric Gordon to work on increasing the system's graduation and college matriculation rates.

"If you ask anybody in this city, ask the mayor, we typically have 500 people for a candidates' night," Feliciano says. "Candidates fall over each other to get to our meetings."

The group has also led redistricting efforts and was successful in improving the representation of Hispanics in Ward 4 from 36 percent to 42 percent.

"We also led the issue on (creating) bilingual ballots," Feliciano says. "It's controversial, but from my perspective, it's necessary. The right to vote, in my judgment, is borderline sacred."

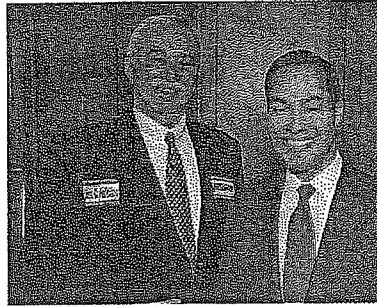
The organization also provided the Hispanic voice to the Community Benefits Agreement. The CBA is an initiative of Mayor Frank Jackson, Hispanic Roundtable, Urban League, Cuyahoga Community College, Cleveland Metropolitan School District, Hard Hatted Women, Construction Employers Association, Cleveland Building and Construction Trades Council, Greater Cleveland Partnership, owners, contractors and the trades. The CBA is designed to create economic opportunities for minorities, including Hispanics, in the contracting and trade industries.

Young Latino professionals hoping to get a stronger foot in the working world have benefited from three speed-networking events sponsored by the Hispanic Roundtable. Similar to the popular speed-dating concept, the latest gathering at the





The exhibit hall at St. Ignatius High School featured community booths, workshops, job and college fair, and health screenings.



Jose Feliciano, chairman, Hispanic Roundtable with San Antonio Mayor Julian Castro.



Jose Feliciano presents Andre Gonzalez with the Hispanic Roundtable Servant Leadership Award alongside (at podium) Luis Cartagena, co-chairman of the Convencion Hispana.

Federal Reserve Board attracted 20 Hispanics in the early stages of their career. They rotated among an equal number of prominent local business professionals, including then-Federal Reserve President and CEO Sandy Pianalto, Sherwin-Williams CEO Chris Connor and Eaton CEO Sandy Cutler. Each five-minute meeting allowed the younger folks to ask questions and develop relationships with corporate executives they might not have met otherwise.

“That’s an example of our mentoring program,” Feliciano says. “In turn, we expect young people to do something with Esperanza and to pass on the opportunities they’ve had to college students.”

Additionally, the Hispanic Roundtable has sponsored large, faith-based rallies and educated the community about immigration reform at a screening of the award-winning film “Harvest of Empire.”

“We try to identify and invite the most significant and important leaders of the community to participate in our Roundtable in the business, public service and nonprofit areas,” Feliciano says. “Then our key Hispanic leadership has community briefings with these key business and civic leaders, such as Mayor Jackson, governors (Ted) Strickland and (John) Kasich and CEOs Cutler and Connor.”

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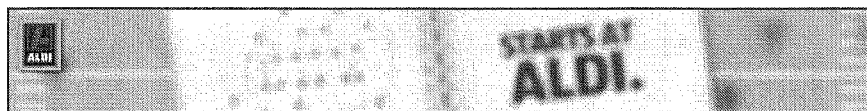
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# Hispanic contractors want more work on medical mart

Print ([http://blog.cleveland.com/cuyahoga-county/print.html?entry=/2011/04/hispanic\\_contractors\\_want\\_more\\_work\\_on\\_medical\\_mart.html](http://blog.cleveland.com/cuyahoga-county/print.html?entry=/2011/04/hispanic_contractors_want_more_work_on_medical_mart.html))  
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CLEVELAND, Ohio -- The Hispanic Contractors Association wants more opportunities to build Cuyahoga County's taxpayer-financed **medical mart and convention center**



The Plain Dealer

Hispanic contractors want a bigger piece of the \$465 million medical mart construction project.

(<http://www.cleveland.com/medicalmart/>).

Although small businesses have so far been awarded 37 percent of the work -- far exceeding the county's 25 percent requirement -- few Hispanic firms have been involved, association President Gus Hoyas said Thursday.

"We don't want to be guaranteed the outcomes," said Hoyas, whose group represents 37 companies. "We want to be given opportunities."

The county and its private partner, Chicago-based MMPI, are building an L-shaped convention center beneath Malls B and C. The center will connect to a four-story showplace for medical technology on the northeast corner of St. Clair Avenue and Ontario Street.

The \$465 million project is expected to open in 2013.

Already, five buildings have been demolished and nearly 85,000 cubic yards of debris have been trucked away. More than \$35 million has been paid out to MMPI, construction manager Turner Construction and a host of subcontractors.

According to MMPI, 32 companies have been hired as first-time subcontractors, in part because of a January outreach event. MMPI and Turner will host another **meeting May 18** (<http://www.minoritybiz.org/City/MEDMART1.pdf>) to prepare small business owners to bid on the project.

"We've been a very proactive owner on this project," said MMPI spokesman Dave Johnson. "We have really tried to establish a new and very inclusive way to do business in Cleveland."

## Cuyahoga County

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(74 comments)
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The county requires participation from small businesses, not specifically minority- or woman-owned businesses. **To qualify** (<http://opd.cuyahogacounty.us/en-US/SBE-certification.aspx>), firms must be located in Cuyahoga County, be in business for at least one year and have gross revenues less than \$28.5 million.

M. Rivera Construction was hired as a small business by Independence Excavating to help demolish the ballroom in the old, underground convention center.

"This is huge for us," said Hispanic owner Mark Rivera, lauding the process.

But Rivera's contract is not enough, Hoyas said.

Hoyas wants Hispanic firms to make up 10 to 15 percent of the small businesses on site and win about \$12 million of the work. He would like a MMPI to hire someone Hispanic on its medical mart management team. He wants Minority Business Solutions, which MMPI hired to handle outreach, to make a more concerted effort in the Hispanic community.

Rick Zamora, president of **Global Point Technologies** (<http://www.gptinc.com/>), a North Royalton cabling company, agreed, urging MMPI to "diversify your diversity."

Zamora said he has sat in on plenty of meetings but has not been awarded any electrical contracts.

"I think they're allowing some of the people who have been around, the good-old-boy network, to influence some decisions," he said. "We're fighting an uphill battle."

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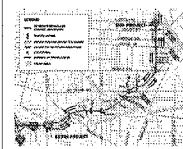
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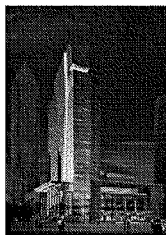
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## **POLICY MATTERS OHIO**

### **COMMUNITY BENEFIT AND OPPORTUNITY PROGRAM RECOMMENDATIONS FOR CUYAHOGA COUNTY**

Presented October 7, 2014

1. Health Impact Assessment, Mitigation and Design Requirements
2. Construction Careers Program
3. Responsible Contracting
4. Non-Construction Employer Requirements
5. Developer Requirements
6. Buy Local Program
7. Contracting Equity
8. Community Benefits Fund
9. Public Input and Oversight
10. Implementation
11. Definitions

**1) Health Impact Assessment, Mitigation and Design Requirements**

- A. *Health Impact Assessment and Mitigation Requirement.* Prior to approval of county-owned construction projects, require a health impact assessment be conducted to determine potential effects of the proposed project on the health of a population and the distribution of those effects within the population. The health impact assessment should take into account transportation access and pedestrian environment, air quality, as well as food access and affordable housing when appropriate. Any negative impact of project must be mitigated with a net positive setoff.
- B. *Design Requirements.* Project specifications produced by county architect or via professional service contract should be reviewed by the County Sustainability & Housing Department. Whenever appropriate, the final design should meet green building standards established by County Sustainability & Housing Department, include carbon mitigating green space and infrastructure, and maximize use of efficiency and renewable energy technologies.

**2) Construction Careers Program.** Promote quality construction and use of a skilled, local, and diverse workforce by requiring a project labor agreement (PLA) and targeted hiring policy on all multi-trade County-owned projects that have a total construction value of \$500,000 or more. All contractors are eligible to work on covered projects, so long as they agree to abide by requirements of the PLA and targeted hiring policy. The PLA and targeted hiring policy should include the following:

- a. A commitment to pay prevailing wages to all workers.
- b. Project-wide requirements that 40% of all worker hours be performed by workers residing in Cuyahoga County; and that 20% of all hours be performed by disadvantaged workers.
- c. Project-wide requirements that at least 20% of all work hours be completed by registered apprentices; and that half of the apprentice hours be performed by disadvantaged workers or graduates of any pre-apprentice training program recognized by the Ohio State Apprenticeship Council and designated by the County as serving primarily targeted populations and residents of low-income areas.
- d. Commitments by building trades unions: (i) to promptly resolve jurisdictional disputes; (ii) to refrain from strikes or other work stoppages; (iii) to refer targeted workers on a priority basis, when contractors need such workers in order to comply with local hire requirements; (iv) to coordinate with apprenticeship programs to help contractors satisfy requirements for use of targeted new apprentices.
- e. Requirements that developers, contractors, and subcontractors take specified steps to comply with various elements of the Construction Careers Program. Certified payroll reports will identify disadvantaged workers and document disadvantaged worker hours. Contractors who meet the numerical hiring requirements are automatically in compliance. Contractors and subs who do not meet the hiring requirement must document their effort to do so, including: written requests to hiring halls to refer local workers; documenting why those workers were not hired (if pertinent).

**3) Responsible Contracting.** Responsible contractor status is a best practice and industry standard for construction. All construction contractors and subcontractors on County-owned projects not covered by a PLA must document they are responsible contractors, with regard to expertise, quality of training, and conditions of employment. Contractors must show that:

- A. Workers are classified as employees and not misclassified as independent contractors;
- B. Workers are paid prevailing wages and the contractor has had no prevailing wage or wage/hour violations for the past 3 years;
- C. Workers receive 10 hour OSHA safety training; supervisory workers receive 30 hour safety training;
- D. The contractor agrees to participate in a targeted hiring program and submits a written plan for how compliance will be ensured, which may include contractor sponsorship of graduates from any pre-apprenticeship program registered with the Ohio State Apprenticeship Council as a mechanism for ensuring compliance.

Cuyahoga County will establish the documentation requirements and process and maintain the list of contractors deemed responsible.

- 4) **Non-Construction Employer Requirements.** Require non-construction employers that receive County non-construction contracts with a total value of \$500,000 or more to:
  - A. pay living wages; and
  - B. participate in a targeted hire program using Employment Connection as a first source for all hiring.
    - 1. Employers agree to a goal of 40% of all jobs filled by local workers; 20% by disadvantaged workers.
    - 2. The hiring process
      - a. For major new hire-up periods, employers work with EC to do a job fair; for three weeks, only applicants referred through EC will be considered for open positions. Employers will make every effort to hire workers through this referral.
      - b. For ongoing hiring, the employer gives EC applicants a 3-day lead time period. During that time, the employer only considers applicants referred through EC and makes every effort to hire them. After 3 days, any application may be considered.
- 5) **Developer Requirements.** Require developers of all development projects that receive \$500,000 or more in County funds (in the form of direct cash grants, tax incentives, financing assistance, land sales, and project-specific infrastructure enhancements, among other things) and recipients of more than \$500,000 in business attraction and retention subsidies to comply with provisions 1-3 above and 6-7 below. Tenants of development projects to comply with provision 4 above.
- 6) **Buy-Local Program.** Ensure that construction and non-construction employers receiving grants or contracts from the County with a total value of \$500,000 or more participate in a buy-local program modeled after Cuyahoga County's existing program.
- 7) **Contracting Equity.** Ensure the new disparity study being commissioned by Cuyahoga County is strongly implemented, with aggressive new measures to assure contracting equity for both minority- and female-owned businesses in County contracting.
- 8) **Community Benefits Fund.** Set aside ½ of 1 percent of all construction, service contract, and development incentive dollars budgeted by the county to support community benefit efforts. Use community benefit funds to increase staff and technical capacity in order to achieve the following:

- A. *Create a one-stop business assistance shop for small and disadvantaged business enterprises.*
1. Streamline certification process for small and disadvantaged businesses.
  2. Build a toolkit for contractors, local and disadvantaged businesses to help achieve goals of County's community benefits policy.
  3. Provide technical assistance, mentoring and networking opportunities for local and disadvantaged businesses to help them grow into successful businesses.
  4. Align business and workforce resources to support minority- and female-owned businesses and organizations, such as access to capital and bonding assistance.
  5. Promote and support socially responsible bidders, businesses and organizations contracting with the County. Create stamp of approval for socially responsible county businesses, provide marketing support to them, and create an online directory for consumers.
  6. Work with organizations in community to connect socially responsible businesses to carbon foot printing, buy-local, and live-near-your work programs.
- B. *Build career pathways out of poverty into construction careers.* Support pre-apprenticeship training programs to strengthen the workforce pipeline into construction trades for disadvantaged workers. Target public resources towards pre-apprenticeship training programs registered with the Ohio State Apprenticeship Council
1. Support related outreach and recruitment of targeted populations and the provision of soft skills.
  2. Identify and direct related county resources and WIA/WIOA funds to pre-apprentice students for stipends, bus passes, books and supplies for pre-apprentices during in-school training period.
  3. Provide matching dollars to employers for pre-apprentice students and graduates to gain paid on-the-job work experience.
  4. Support work to identify disadvantaged workers; refer good candidates to pre-apprentice programs; help pre-apprentice students and graduates identify union apprenticeship and job opportunities; and help pre-apprentices secure related work experience.
- C. *Ensure Meaningful Community Participation, Data Reporting, Learning from Best Practices.*
1. Provide for organizing capacity to achieve meaningful input on county-owned projects or private development projects awarded over \$500,000 in county funds.
  2. Acquire monitoring and compliance software system for long-term tracking of race, gender and residency status of employees in organizations and businesses contracting with the county or receiving over \$500,000 in county funds, and to support carbon foot printing effort. Promote use of common tools among cities within County, employers, labor and workforce system. Identify methods to track long-term career progress of disadvantaged residents and businesses, particularly the progress of disadvantaged workers in the trades.
  3. Prepare monthly reports and assessments, as well as an annual report, on progress. These reports should be public and posted on an easily accessible website, for the sake of transparency and to encourage outside analysis of trends.
  4. Document best practices

D. *Develop projections of workforce needs going forward, particularly for skill development purposes.* Help assess more clearly job implications from expenditure of public dollars for construction, service contracts and development incentives.

E. *Expand county buy-local program to support contractor requirements*

F. *Support local art.* A portion of the community benefits fund must go towards public art with the goal of promoting quality art and revitalizing neighborhoods

**9) Public Input and Oversight.** The County should create a Community Benefit Advisory Subcommittee to the County Equity Commission. The subcommittee should be made up of workforce labor, contractor, environmental, and community representatives, in addition to any public officials. The goal for the Subcommittee is to learn from experiences, improve, and study best practices. Advisory panel should meet monthly and review reports and metrics provided by County personnel in charge of implementing community benefits efforts and achieving goals. Subcommittee has the power to require contractors and other key parties to come forth in the case of non-compliance to help them understand reasons for noncompliance.

**10) Implementation.** Upon an employer's initial failure to satisfy community benefits requirements, that employer will be required to negotiate a corrective action plan. In cases of persistent noncompliance, sanctions may include liquidated damages, temporary debarment from County work, and other contractual remedies. The County will undertake an annual review of the community benefits policy and take appropriate action based on that review.

#### **11) Definitions**

A. *Disadvantaged Worker.* A disadvantaged worker is anyone who:

1. lives in a low-income area, identified as Cuyahoga County zip codes in which the percentage of families in poverty is more than two times the statewide percentage; or
2. has documented receipt of public assistance within the 12 months prior to being certified disadvantaged (TANF, CHIP, Food Share, CCSAP, WIA, EITC).

B. *Living Wage.* A living wage is defined as a wage high enough to lift a single-headed household of three out of poverty to at least 125 percent of the federal poverty level.