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City Officials
Mayor & City Council

Jeff MacIntosh
Northwest Ward

Denise D. Adams
Mayor Pro Tempore
North Ward

Morticia “Tee-Tee” Parmon
Northeast Ward

Robert C. Clark
West Ward

Allen Joines
Mayor

Annette Scippio
East Ward

Dan Besse
Southwest Ward

John C. Larson
South Ward

James Taylor, Jr.
Southeast Ward
As Assistant Director of the Office of Business Inclusion & Advancement, I am pleased to present the 2018-19 Minority/Women-Owned Business Enterprise Program annual report. The M/WBE program is dedicated to providing minority- and women-owned firms equal opportunity to participate in all aspects of City contracting/purchasing programs. Thank you to the Mayor and City Council for their continuous support of our program and its initiatives.

During fiscal year 2018-19, overall city procurement activity totaled $193.1 million. Of this amount, $23.3 million was spent with minority and women-owned firms, which was an increase from the previous year.

Other M/WBE Program highlights for the FY 18-19 include:

• Completion of the city of Winston Salem’s first disparity study, used to determine if there were any disparities between the utilization of minority or women business enterprises (M/WBEs) compared to the availability of M/WBEs.

• Used the Vendor Listing database to be proactive in soliciting bids from M/WBE businesses for upcoming projects, 240 M/WBE vendors were added to the city of Winston-Salem Vendor Listing database.

• Assisting local M/WBE firms through workshops and seminars covering a range of topics. These included hands-on assistance with completing Statewide Uniform Certification (SWUC) as a Historically Underutilized Business (HUB), networking events for minority and woman-owned businesses to learn about opportunities to do business with the city and local contractors, and creating accurate estimates for profitable projects.

Lastly, my hope is that this report reflects the efforts of our program in constantly improving diversity and inclusion in city contracting and purchasing programs.

Sincerely,

Tiesha Hinton, Assistant Director
Office of Business Inclusion and Advancement
PROGRAM OVERVIEW

Since 1983, it has been the policy of the city of Winston-Salem to provide minorities and women an equal opportunity to participate in all aspects of City contracting and purchasing programs, including but not limited to, participation in procurement contracts for commodities and services as well as for contracts relating to construction, repair work and/or leasing activities.

It is further the policy of the city of Winston-Salem to prohibit discrimination against any person or business in pursuit of these opportunities on the basis of race, color, sex, religion or national origin and to conduct its contracting and purchasing programs so as to prevent such discrimination.

Through the Minority/Women-owned Business Enterprise Program, the city of Winston-Salem – in concert with other local, state and federal agencies, and with the assistance of minority groups and agencies – works to seek and identify qualified minority and women business enterprises and offer them the opportunity to participate as providers of goods and services to the city.

The M/WBE program is administered by the Minority/Women-owned Business Enterprise Division of the Office of Business Inclusion & Advancement. The division organizes workshops and seminars for minority- and women-owned businesses. In addition, the division works to ensure that minorities and women have the opportunity to do business with the city, including contracts for:

- Commodities
- Construction and repairs
- Leasing and maintenance activities.
- General, professional, and other services.
- All purchasing by departments or divisions that is classified as discretionary spending.

The division provides staff support for the M/WBE Advisory Committee in setting and monitoring participation goals for construction projects.

The M/WBE Division also maintains a database of M/WBE vendors as a resource for city departments and divisions and for the general public. The database allows the city to be proactive in soliciting bids from M/WBE businesses for upcoming projects. During 2018-19, 240 M/WBE vendors were added to the database.

M/WBE ADVISORY COMMITTEE

The M/WBE Advisory Committee was established by a resolution adopted by the City Council on Nov. 10, 1987. The committee is responsible for reviewing the city’s M/WBE program, for evaluating the good-faith effort of contractors to meet the city’s goals for M/WBE participation in city projects, and for making appropriate recommendations to City Council.

The committee’s 11 members are appointed by City Council upon the recommendation of the Mayor. Members may serve no more than two consecutive terms. The committee meets two Tuesdays before the first Monday of each month.

Kevin Byers, Chairperson
Kellie Easton, Vice Chairperson

Jordan Gwyn
Cornelius Graves
Carolyn Milliron

Ethel Whitt
Lalique Metz
David Dalholt

Steven Hemric
Jonathan Gerstmyer
The Minority/Women-owned Business Enterprise Division is one of three main responsibilities of the Office of Business Inclusion & Advancement. BIA is also responsible for the city’s business development, reintegration and youth development programs.

The Business Development Division monitors and promotes business and economic development opportunities throughout the city utilizing a series of related programs to provide concentrated assistance to targeted areas and groups. The division focuses on enhancing the quality of life by attracting, creating, and retaining jobs; augmenting the tax base; and assisting small and minority-owned businesses.

The Reintegration and Youth Development section administers the city’s Successful Outcomes After Release (SOAR) and YouthBuild programs. SOAR provides recently released offenders an opportunity to gain work experience and develop skills and work habits to find full-time employment. YouthBuild Winston-Salem offers eligible high school drop-outs, between 16 and 24, the opportunity to get paid while they earn their GED and receive training and assistance after they complete the program to find a job or continue their education.
The city of Winston-Salem is committed to providing minorities and women an equal opportunity to participate in all aspects of city contracting and purchasing programs. To provide an objective look at its efforts, the city solicited for a consultant to conduct a disparity study to determine if there were any disparities between the utilization of minority, or women business enterprises (M/WBEs) compared to the availability of M/WBEs. The goals of the study were to:

• Examine what, if any, barriers may be adversely affecting the participation of M/WBEs in contracts issued by the city.

• Identify the availability of M/WBEs that are ready, willing, and able to do business with the city in the relevant market area(s), based on both business presence and headquarters.

• Analyze the contracting and procurement data of the city to determine its respective utilization of M/WBEs

• Determine the extent to which any identified disparities in the utilization of available M/WBEs by the city are attributable to discrimination

• Recommend programs to remedy the effects of any discrimination identified, and to reduce or eliminate any other marketplace barriers that adversely affect the contract participation of such M/WBEs

• Identify best practices for the policy recommendations on remediating any identified disparities, as well as effective tools for developing MWBE capacity.

In March 2019 the city retained MGT of America Consulting LLC, a Tampa-based research/management consulting firm that has conducted more than 214 disparity and disparity-related studies. The study period will include procurement activity from July 1, 2013, through June 30, 2018 (FY2014 – FY2018). MGT will examine the procurement activity within the following business categories:

• Construction Services
• Professional Services
• Other Services
• Goods and Supplies
During Fiscal Year 2018-19 the M/WBE Division organized or participated in 25 public-outreach events. Significant events included:

**IS YOUR GOOD FAITH EFFORT GOOD ENOUGH?**

The M/WBE Division organized two workshops for engineers, designers, consultants and other suppliers of professional and general services, held on May 21, 2018, and March 28, 2019. The workshops discussed the standards for judging M/WBE subcontracting efforts and explained changes in policies and procedures to help put contractors in the best position to win contracts and to gain M/WBE participation. About 38 attended.

**HUB CERTIFICATION DAY**

HUB Certification Day is an annual event that provides free hands-on assistance with completing state certification as a Historically Underutilized Business (HUB). This year’s event was held March 21, 2019. It was promoted in The Chronicle and on the city’s social media accounts and drew 19 participants.

**WINSTON-SALEM M/WBE MIXER**

The M/WBE Division held its fourth annual M/WBE Mixer on May 7, 2019, at the Enterprise Center at S.G. Atkins CDC. The mixer is a networking event for minority and woman-owned businesses to learn about opportunities to do business with the city and local contractors. The event is organized and hosted by the division in partnership with the Winston-Salem Black Chamber of Commerce, the Winston Salem Chamber of Commerce and Forsyth Technical Community College Small Business Center. About 225 attended.

**BIDDING & ESTIMATING 102**

Bidding & Estimating 102 was a continuation of information presented in Bidding & Estimating 101 workshop. Nathan Long, the owner of Phase 1 Consulting LLC, was the presenting speaker and covered such topics as proposal plan & specification review, creating accurate estimates for profitable projects, and tracking job costs and forecasting for profitable projects. The two-night workshop was held on September 25-26, 2018, at the Jocelyn V. Johnson Municipal Services Center and drew 14 participants.

**5TH ANNUAL TRIAD MINORITY BUSINESS EXPO**

The M/WBE Division staffed a booth at the 5th Annual Triad Minority Business Expo held on Aug. 25, 2018, at the Benton Convention Center. The expo is organized by Maximum Enterprises Inc.
SUMMARY OF FISCAL YEAR 2018-19 M/WBE SPENDING SUMMARY

The city of Winston Salem regularly tracks M/WBE spending in four categories: Construction & Repair; Subcontracting Activity; Procurement Card Spending; and Goods and Services.

During fiscal year 2018-19, M/WBE participation in fiscal 2018-19 represented 12 percent of all city spending, up from 11 percent the previous fiscal year.

Overall spending with M/WBE firms totaled $23.3 million, a decrease of $2.8 million over the previous fiscal year, due to an overall decrease of $42.6 million in city spending from the previous fiscal year. Of the total M/WBE spending, $11.3 million was spent with minority-owned businesses and $12 million was spent with women-owned businesses.
FISCAL YEAR 2018-19 SUBCONTRACTING ACTIVITY

Subcontracting activity accounts for all formal-range construction projects that were closed out during the fiscal year and reported to the N.C. Historically Underutilized Businesses Office.

During fiscal year 2018-19, all city subcontracting activity totaled $47 million. Subcontracting with M/WBE firms totaled $11.7 million, a decrease of $2.3 million over the previous fiscal year. Of this amount, $5.8 million was spent with minority-owned businesses and $5.9 million was spent with women-owned businesses.

Subcontracting activity with M/WBE businesses in fiscal 2018-2019 equaled 24.8 percent of all city subcontracting. This was up by 7.7 percent from the previous fiscal year.

### M/WBE Subcontracting Activity by Fiscal Year

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Spending</th>
<th>MBE</th>
<th>MBE %</th>
<th>WBE</th>
<th>WBE %</th>
<th>Total M/WBE</th>
<th>M/WBE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>$23,465,856</td>
<td>$1,353,856</td>
<td>5.77%</td>
<td>$2,831,509</td>
<td>12.07%</td>
<td>$4,185,365</td>
<td>17.84%</td>
</tr>
<tr>
<td>2013-14</td>
<td>$5,366,383</td>
<td>$454,426</td>
<td>8.47%</td>
<td>$310,955</td>
<td>5.79%</td>
<td>$765,381</td>
<td>14.26%</td>
</tr>
<tr>
<td>2014-15</td>
<td>$57,871,137</td>
<td>$3,255,122</td>
<td>5.62%</td>
<td>$3,279,593</td>
<td>5.67%</td>
<td>$6,534,715</td>
<td>11.29%</td>
</tr>
<tr>
<td>2015-16</td>
<td>$33,495,687</td>
<td>$1,135,709</td>
<td>3.44%</td>
<td>$1,949,311</td>
<td>14.48%</td>
<td>$3,085,020</td>
<td>22.92%</td>
</tr>
<tr>
<td>2016-17</td>
<td>$58,250,075</td>
<td>$4,647,258</td>
<td>7.96%</td>
<td>$7,047,289</td>
<td>12.10%</td>
<td>$11,694,547</td>
<td>20.08%</td>
</tr>
<tr>
<td>2017-18</td>
<td>$81,941,243</td>
<td>$6,670,559</td>
<td>8.15%</td>
<td>$7,356,416</td>
<td>8.99%</td>
<td>$14,035,975</td>
<td>17.13%</td>
</tr>
<tr>
<td>2018-19</td>
<td>$47,027,236</td>
<td>$5,773,266</td>
<td>12.27%</td>
<td>$5,884,872</td>
<td>12.52%</td>
<td>$11,658,138</td>
<td>24.79%</td>
</tr>
</tbody>
</table>
FISCAL YEAR 2018-19
PROCUREMENT CARD ACTIVITY

Procurement card activity includes all purchases made by departments of $5,000 or less and which do not go through the formal or informal bidding process.

During fiscal year 2018-19, all city procurement card activity totaled $3.6 million. Procurement card spending with M/WBE firms totaled $192,303, an increase of $59,124 compared with the previous fiscal year. Of this amount, $65,437 was spent with minority-owned businesses and $126,866 was spent with women-owned businesses.

Procurement card spending with M/WBE businesses in fiscal 2018-19 equaled 5.39 percent of all city procurement card spending. This was up by 1.58 percent the previous fiscal year.

### M/WBE Procurement Card Spending by Fiscal Year

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Spending</th>
<th>MBE</th>
<th>MBE %</th>
<th>WBE</th>
<th>WBE %</th>
<th>Total M/WBE</th>
<th>M/WBE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>$6,863,663</td>
<td>$40,886</td>
<td>0.60%</td>
<td>$219,355</td>
<td>3.20%</td>
<td>$260,240</td>
<td>3.79%</td>
</tr>
<tr>
<td>2013-14</td>
<td>$5,581,099</td>
<td>$86,251</td>
<td>1.55%</td>
<td>$105,276</td>
<td>1.89%</td>
<td>$191,527</td>
<td>3.43%</td>
</tr>
<tr>
<td>2014-15</td>
<td>$4,522,880</td>
<td>$51,833</td>
<td>1.15%</td>
<td>$118,200</td>
<td>2.61%</td>
<td>$170,033</td>
<td>3.76%</td>
</tr>
<tr>
<td>2015-16</td>
<td>$3,585,339</td>
<td>$56,941</td>
<td>1.59%</td>
<td>$413,332</td>
<td>11.53%</td>
<td>$470,273</td>
<td>13.12%</td>
</tr>
<tr>
<td>2016-17</td>
<td>$3,701,125</td>
<td>$46,744</td>
<td>1.26%</td>
<td>$103,214</td>
<td>2.79%</td>
<td>$149,958</td>
<td>4.05%</td>
</tr>
<tr>
<td>2017-18</td>
<td>$3,493,234</td>
<td>$46,613</td>
<td>1.33%</td>
<td>$166,476</td>
<td>2.48%</td>
<td>$133,089</td>
<td>3.81%</td>
</tr>
<tr>
<td>2018-19</td>
<td>$3,570,401</td>
<td>$65,437</td>
<td>1.83%</td>
<td>$126,866</td>
<td>3.56%</td>
<td>$192,303</td>
<td>5.39%</td>
</tr>
</tbody>
</table>

### M/WBE Procurement Card Spending as a Percentage of Total Procurement Card Spending by Fiscal Year

- 3.79% in 2012-13
- 3.43% in 2013-14
- 3.76% in 2014-15
- 4.05% in 2015-16
- 3.81% in 2016-17
- 5.39% in 2018-19

### FY 2018-19 Procurement Card Spending by Vendor Ownership

- MBE: $65,437 (1.83%)
- WBE: $126,866 (3.56%)
- Non-M/WBE: $3,378,145 (94.61%)
Construction and repair purchase orders includes all active city spending during the fiscal year on formal and informal projects.

During fiscal year 2018-19, all city construction and repair purchase orders totaled $58.6 million. Construction and repair purchase orders with M/WBE firms totaled $1.87 million, a decrease of $4.5 million over the previous fiscal year. Of this amount, $279,895 was spent with minority-owned businesses and $1.6 million was spent with women-owned businesses.

Purchase orders for construction and repairs placed with M/WBE businesses in fiscal 2018-19 equaled 3.24 percent of all city construction and repair purchase orders. This was down from 10 percent the previous fiscal year.

### M/WBE Construction & Repair Purchase Orders by Fiscal Year

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Spending</th>
<th>MBE</th>
<th>MBE %</th>
<th>WBE</th>
<th>WBE %</th>
<th>Total M/WBE</th>
<th>M/WBE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>30,910,361</td>
<td>1,623,703</td>
<td>5.25%</td>
<td>4,109,448</td>
<td>13.55%</td>
<td>518,151</td>
<td>18.81%</td>
</tr>
<tr>
<td>2013-14</td>
<td>22,979,007</td>
<td>1,156,153</td>
<td>5.03%</td>
<td>4,169,771</td>
<td>18.15%</td>
<td>5,325,924</td>
<td>23.18%</td>
</tr>
<tr>
<td>2014-15</td>
<td>116,068,338</td>
<td>1,298,878</td>
<td>1.12%</td>
<td>505,337</td>
<td>0.44%</td>
<td>1,804,215</td>
<td>1.55%</td>
</tr>
<tr>
<td>2015-16</td>
<td>108,962,855</td>
<td>4,044,907</td>
<td>3.71%</td>
<td>5,275,145</td>
<td>4.84%</td>
<td>9,320,052</td>
<td>8.55%</td>
</tr>
<tr>
<td>2016-17</td>
<td>70,485,700</td>
<td>1,754,096</td>
<td>2.49%</td>
<td>1,973,875</td>
<td>2.80%</td>
<td>3,727,971</td>
<td>5.29%</td>
</tr>
<tr>
<td>2017-18</td>
<td>48,236,766</td>
<td>704,087</td>
<td>1.58%</td>
<td>5,655,247</td>
<td>11.72%</td>
<td>6,419,334</td>
<td>13.31%</td>
</tr>
<tr>
<td>2018-19</td>
<td>58,576,843</td>
<td>279,895</td>
<td>4%</td>
<td>1,619,911</td>
<td>2.77%</td>
<td>1,899,806</td>
<td>3.24%</td>
</tr>
</tbody>
</table>

### M/WBE Construction & Repair Purchase Orders as a Percentage of Total Construction & Repair Purchase Orders by Fiscal Year

- 2012-13: 23.18% MBE, 18.81% M/WBE
- 2013-14: 8.55% MBE, 23.18% M/WBE
- 2014-15: 1.55% MBE, 18.15% M/WBE
- 2015-16: 5.29% MBE, 8.55% M/WBE
- 2016-17: 3.24% MBE, 5.29% M/WBE
- 2017-18: 13.31% MBE, 13.31% M/WBE
- 2018-19: 3.24% MBE, 3.24% M/WBE

Non-M/WBE: 96.76%
FISCAL YEAR 2018-19 PURCHASING ORDERS FOR GOODS & SERVICES

Purchase orders for goods and services includes all city spending during the fiscal year for such items as bulk supplies and consulting services that exceed $5,000 in value.

During fiscal year 2018-19, all city purchase orders for goods and services totaled $83.9 million. Purchase orders for goods and services placed with M/WBE firms totaled $9.5 million, an increase of $4 million over the previous fiscal year. Of this amount, $5.2 million was spent with minority-owned businesses and $4.3 million was spent with women-owned businesses.

Purchase orders for goods and services placed with M/WBE businesses in fiscal 2018-19 equaled 11.37 percent of all city procurement card spending. This was up from 5.98 percent the previous fiscal year.
FISCAL YEAR 2018-19
SITE VISITS

The Office of Business Inclusion & Advancement M/WBE Division conducts periodic work-site inspections to ensure that general contractors are fulfilling their stated M/WBE participation targets. Site visits are conducted for all formal-range contracts, both with the city and with the City/County Utility Commission.

During fiscal year 2018-19 the office conducting a total of 26 site visits.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Quarter</td>
<td>10</td>
</tr>
<tr>
<td>2nd Quarter</td>
<td>7</td>
</tr>
<tr>
<td>3rd Quarter</td>
<td>3</td>
</tr>
<tr>
<td>4th Quarter</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26</strong></td>
</tr>
</tbody>
</table>

FISCAL YEAR 2018-19
NEW M/WBE VENDORS ON CITY DATABASE

The Office of Business Inclusion & Advancement M/WBE Division maintains a database of M/WBE vendors as a resource for city departments and divisions and for the public. The database allows the city to be proactive in soliciting bids from M/WBE businesses for upcoming projects.

During fiscal year 2018-19, 240 M/WBE vendors were added to the database.

<table>
<thead>
<tr>
<th>Month</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>5</td>
</tr>
<tr>
<td>August</td>
<td>2</td>
</tr>
<tr>
<td>September</td>
<td>60</td>
</tr>
<tr>
<td>October</td>
<td>20</td>
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<td>November</td>
<td>22</td>
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<td>December</td>
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<td>February</td>
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<td>March</td>
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<td>April</td>
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<tr>
<td>May</td>
<td>7</td>
</tr>
<tr>
<td>June</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>240</strong></td>
</tr>
</tbody>
</table>
**FISCAL YEAR 2018-19**

**M/WBE FIRMS ASSISTED**

The Office of Business Inclusion & Advancement
M/WBE Division works to build close relationships with
local minority and women-owned businesses by providing
technical assistance related to the State of NC Historically
Underutilized Business (HUB) certification, conflict resolution
support, bidding assistance, vendor listing assistance, and
small business development referrals.

During fiscal year 2018-19, the M/WBE division provided
technical assistance to 188 M/WBE vendors.

*Note: FY 16-17 outliers include January (150) and May (85).*

<table>
<thead>
<tr>
<th>Month</th>
<th>FY 16-17</th>
<th>FY 17-18</th>
<th>FY 18-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>15</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>August</td>
<td>40</td>
<td>12</td>
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<td>September</td>
<td>25</td>
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<td>October</td>
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<td>November</td>
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<tr>
<td>December</td>
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<td>March</td>
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<tr>
<td>April</td>
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</tr>
<tr>
<td>May</td>
<td>85</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>June</td>
<td>20</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>470</strong></td>
<td><strong>100</strong></td>
<td><strong>188</strong></td>
</tr>
</tbody>
</table>