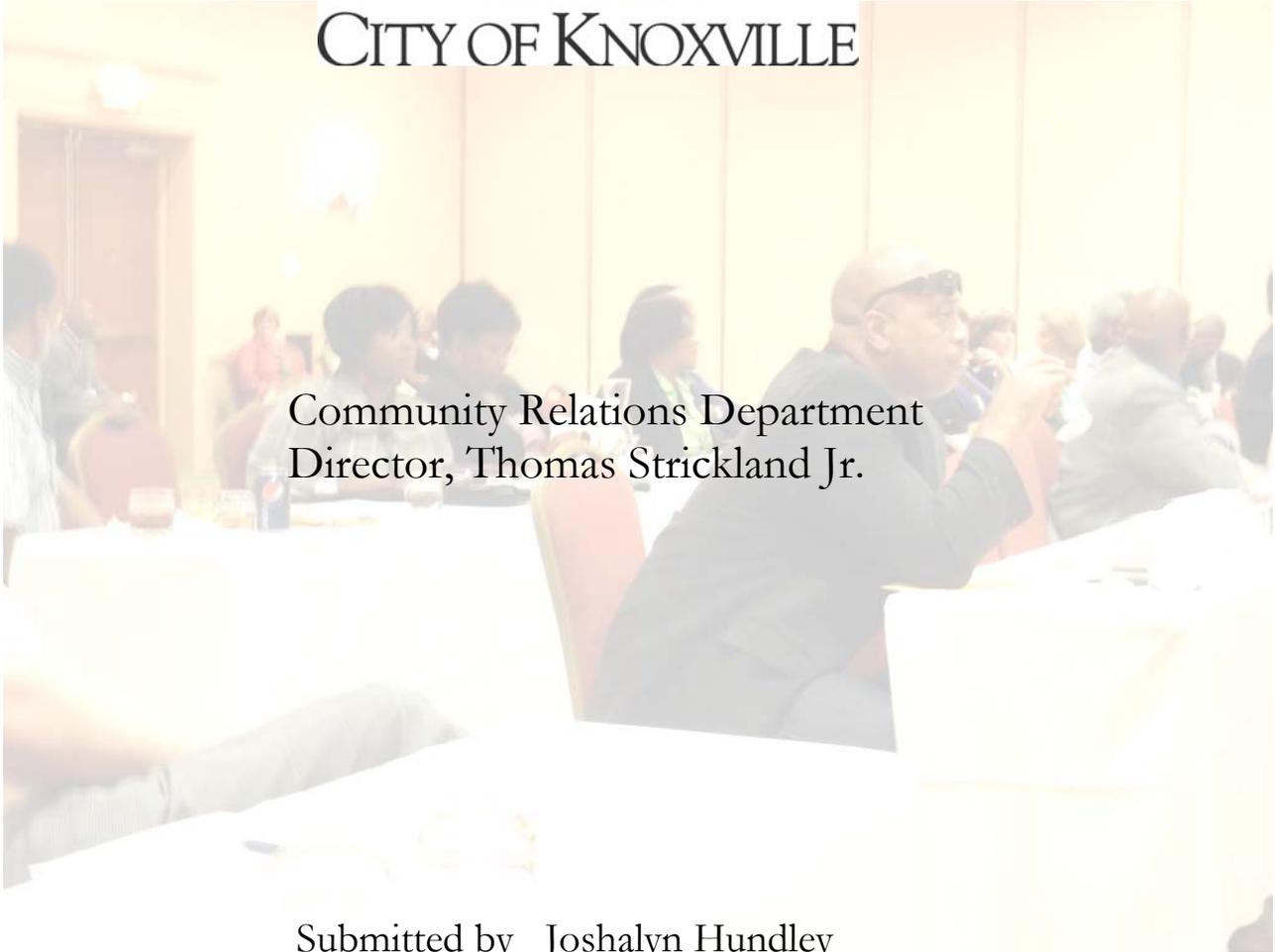




CITY OF KNOXVILLE



Community Relations Department
Director, Thomas Strickland Jr.

Submitted by Joshalyn Hundley
Title VI/Equal Business Opportunity Program Coordinator

FY 2011



Overview

This report on annual purchases and contracts reflects more detailed program information and attempts to highlight the Equal Business Opportunity Program Accomplishments and Initiatives, as well as, reviews, compares and contrasts the Component Units efforts in these areas (Knoxville Utility Board, Knoxville Community Development Corporation, and the Metropolitan Knoxville Airport Authority). The component units have a comprehensive report behind their

Mission

"A Broader Vision and a Greater Opportunity"

Positive business relationships properly nurtured produces diverse capable, competitive and successful businesses which in turn will expand the economic base of the City of Knoxville and the greater Knoxville community. To achieve this end, the city has endeavored to develop principles and recommendations for implementation of measures and programs designed to nurture and expand small businesses inclusive of minority firms and women-owned firms

History

The City of Knoxville's Equal Business Opportunity Program (EBOP) was created on September 11, 1999 by Executive Order. It is an outreach program targeted to increase minority, women and small businesses' participation in the City's procurement process. Procurement includes construction, professional, goods and services.

The Equal Business Opportunity Program's Implementation Plan consists of:

- The creation of a Minorities, Women, Small Business Program
- A Certification Component
- Numerical Goals
- Outreach
- Technical Assistance

In accordance with the Executive Order the Community Relations Department Title VI Coordinator is directed to make an annual report inclusive of a plan of action to the Mayor and Council regarding City procurement and contracts awarded to minority owned, woman owned and small businesses.

Presented herein is the report for Fiscal Year 2010/11. Behind the City of Knoxville tab is the Purchasing departments summary of findings and proposed actions facilitated by Purchasing. The remaining tabs reference the respective entities comprehensive plan.

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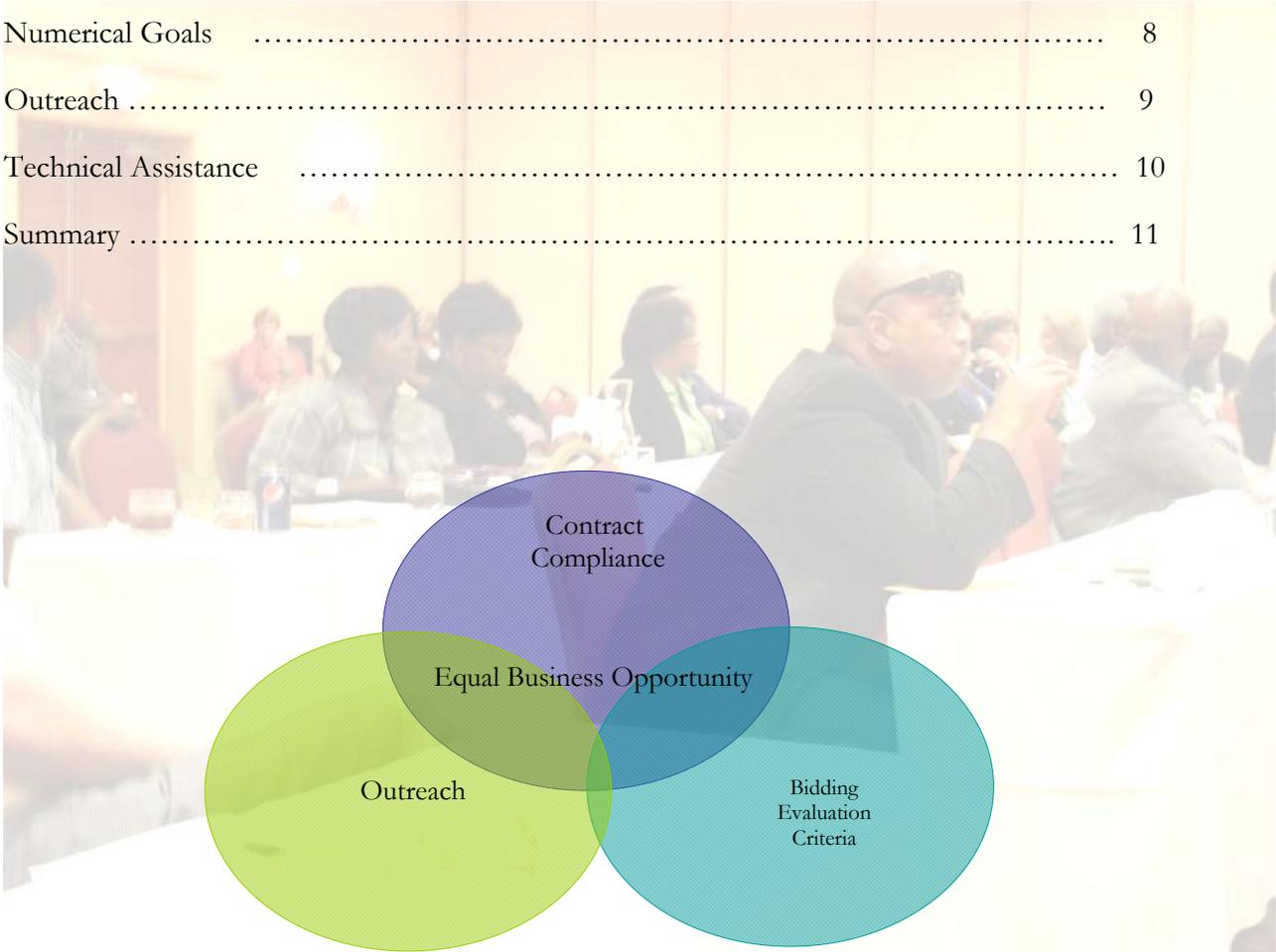
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EQUAL BUSINESS OPPORTUNITY PROGRAM ADVISORY COMMITTEE

Alan Jones
Metropolitan Knoxville Airport Authority

Gwen Winfrey
City of Knoxville, Community Development

Terry McKee
Knoxville's Community Development Corporation

Sherry Bennett
City of Knoxville, Purchasing

Boyce Evans
City of Knoxville, Purchasing

David Smith
Associated General Contractors
(Johnson & Galyon, Inc)

Angel Rich
Associated Women & Construction
(Rich Construction)

Frances Hall
Hall Communication, Inc.

Marva Martin
Community Volunteer

Jim York
City of Knoxville, Finance

John Sibley
The Literacy Imperative



EQUAL BUSINESS OPPORTUNITY PROGRAM

ANNUAL REPORT

In accordance with the Executive Order dated September 11, 1999, the Equal Business Opportunity Program is an outreach program targeted to increase minority, women and small business “participation in the City’s procurement process. The areas of procurement to be tracked are construction, professional, goods and services. The Equal Business Opportunity Program was created to insure that the City of Knoxville meets its compliance responsibility the primary role of this program is to collect and compile statistical data of minority participation in contracting and procurement directly and indirectly and offer a plan of action to meet the 10% goal.

The goals and objectives are:

- To increase participation by minorities, women and small business in the City of Knoxville, KCDC and KAT contracting, procurement and professional services contracts.
- To provide a concise method for increasing minority, women and small business participation
- To establish numerical goals/benchmarks for increased participation of minority and women enterprises (M/WBEs)
- To increase capacity of minority women and small business enterprises (M/W/SBE)

The Equal Business Opportunity Program’s implementation plan has five components and other duties:

- Creation of a Minority , Women, Small Business Program
- Certification Component
- Numerical Goals
- Outreach
- Technical Assistance

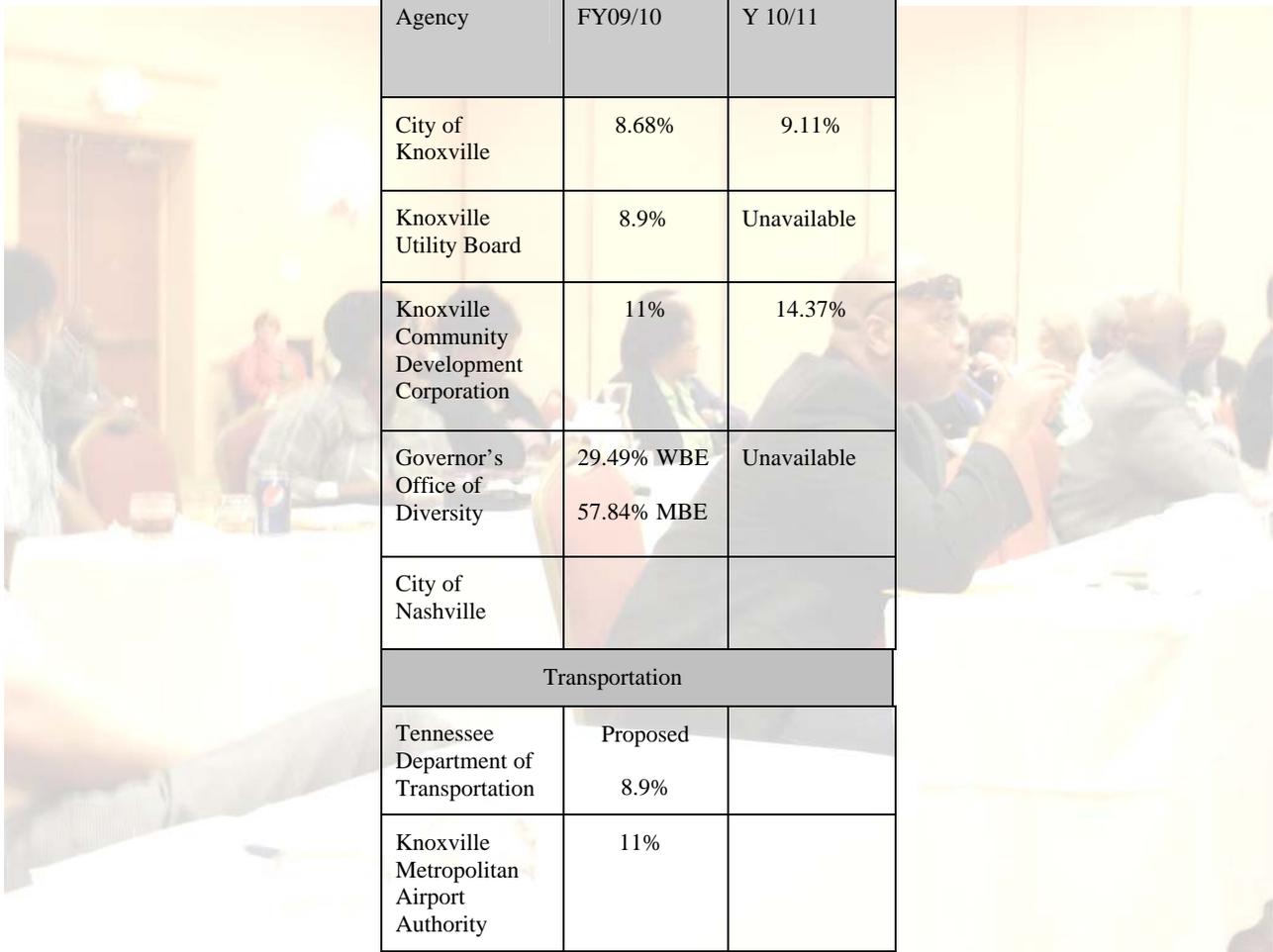
Open inter-department dialogue is crucial to the implementation of the EBOP. The inclusion of the Coordinator in discussions and processes such as:

- Evaluation Committees
- Goal Setting and
- Any changes that affect City contractors is vital to ensuring that the proposed changes or new procedures do not indirectly or directly oppose the goals and objectives of the Title VI Civil Rights Acts of 1964 and the EBOP. Information from these discussions/processes strengthens the level of comprehensive monitoring, which will shake up the “status quo” ultimately increasing our minority participation.

In attempt to offer the City the most innovative “best practices” and effective measures to increasing minority and women participation, the EBOP is constantly researching measures that foster economic parity for minority and women owned firms to propel our local economy.

Below is a chart of how the City’s non-mandated efforts match-up with several agencies including the agencies with mandated implementation policy.

Comparison of the City , Component Units and other Agencies



Name of Agency	MOB/WOB FY09/10	MOB/WOBF Y 10/11
City of Knoxville	8.68%	9.11%
Knoxville Utility Board	8.9%	Unavailable
Knoxville Community Development Corporation	11%	14.37%
Governor’s Office of Diversity	29.49% WBE 57.84% MBE	Unavailable
City of Nashville		
Transportation		
Tennessee Department of Transportation	Proposed 8.9%	
Knoxville Metropolitan Airport Authority	11%	

Table 1 *Information received from agencies website, program manager or annual report *

Unit	MOB FY10	MOB FY11
City	2.35%	2.23%
KUB	2.9%	unavailable
Metropolitan Knoxville Airport Authority	4%	
Knoxville Community Development Corporation	3.3%	1.77

Table 2 information received from agencies website, program manager or annual report*

CERTIFICATION

The purpose of the Certification Process is to identify minorities, women and small businesses and to establish capacity and capability. The Minority/Women/Small Business certification process is necessary for evaluating the participation of these firms in city contracting activity and for calculating the percentage of awards annually to M/W/SB. It validates the businesses information listed on their vendor form. Currently:

- We have 17 certified businesses in the Certified Directory. As of 2008 the EBOP has maintained a directory of businesses that has completed the City of Knoxville's certification process. This directory is accessible via the EBOP web page.
- Along with their pertinent information a one page business resume and references are viewable.
- The City strongly encouraged vendors to become certified at every opportunity with other agencies such as SBA, Women Owned Business Enterprise, and "Uniformed" Certification programs from state/federal entities.

Focus Area for FY12:

- Create an user friendly Interactive Vendor Directory - placing the existing purchasing vendor listing online via intranet and internet for all the departments to view as well as future contractors searching for subcontractors to view will foster visibility for the businesses. The directory designing possibilities should allow the businesses access to their basic information for updating (email addresses, telephone no., contact person, etc..). These features will place the basic updating responsibility on the businesses; and eliminate the need to distribute a list to respective departments.
- Update vendor listing - first by requesting all vendors that have designated themselves minority or women owned to provide verification of such designation. A list of acceptable proof would be provided. Once received the business would be encouraged to become certified through either SBA, Governors Office of Diversity, Uniformed Certification, National Women in Business Certification, etc.. Or complete the City's certification process.
- Seek avenues to track awarded contracts to non-certified minority and women owned business participation

NUMERICAL GOALS

The City has targeted numerical goals for businesses owned by minorities and women. The goals are 10 percent of the total dollars for construction, goods and services and professional services. Collection of data to evaluate our efforts is steadily being refined. The Purchasing Department and the EBOP are diligently working to reach the 10% goals.

The City of Knoxville conducted 9.11% of its business with minority- and women-owned firms for FY 11 for a total value of \$5.89M. This is 0.89% short of the 10% goal which equates to roughly \$574K in value. We spent approximately \$14.6M on small businesses nationwide, which equates to 22.5% of the City 's total business expenditures and 8.6% of the County's expenditures.

The focus area for FY 12 is to increase the amount of business conducted with minority-owned firms. To yield more positive results in this area the City is decisively engaged in a contract with a consulting firm to help determine why the City does not receive more bids from the minority-owned business community and to develop an action plan to rectify that situation. (*Comprehensive report behind City of Knoxville Tab*).

The City's challenges are to develop a strategy to increase small, minority and women owned businesses:

- that does not violate the Equal Protection Clause of the Fourteenth Amendment to the United States Constitution as well as various provisions of the Tennessee Constitution
- that takes affirmative actions in dismantling all contractual elements in local industries (construction etc..) that are perceived as systematic exclusionary practices
- that maximize usage of our locally owned small businesses

As a result, the EBOP has taken the following steps in that direction :

Achievements:

- The EBOP Coordinator established a goal setting committee – Setting mandated goals on TDOT projects has provided experience in identifying commercially use full functions, potential subcontractors and possible areas of subcontracting. The committee consists of construction staff, Title VI Coordinator and a project manager.
- Instrumental in the creation of Departmental Goals – has been established for FY 2012, by the Purchasing Department and the department heads. Tracking and evaluating this method of measurement should increase the departments knowledge and challenge them to do more business with minority and women owned businesses
- Advocated for a comprehensive review of our procurements procedures from internal and external perspective, which led to the hiring of a consultant and the development of an action plan to increase minority bidding and contracting.

Focus Area for 2012:

- Research and advocate for incentives or activities for employees and departments that are making strides or have surpassed their departmental goals. "Small Business Award"
- Research and advocate for more tools to monitor prime/subcontractor compliance
- Research and advocate for policies and procedures that will assist in fostering minority and women participation

OUTREACH

Mentor Protégé

The City measures the success of the mentor/protégé relationship with the following gauges:

- Protégé's will demonstrate continuous improvement from quarter-to-quarter and year-to-year in their capital, capacity and other key indicators.
- Protégés will show a higher than industry average survival rate

In our first session we had three businesses to participate in 2002 and in 2010 we served two .

Achievements:

- This year we had one women owned business to complete the program. We started out with two and the second protégé (MOB) workload increased and he was unable to complete the program. In an effort to meet the needs of our businesses, our partnership with SCORE/Mentor , led to the creation of an Advisory Board within their chapter to assist firms in their overall strategy and operations.

The Protégé sent us a lengthy evaluation response as to her experience with SCORE but the statement below sums it up:

“Our meetings were productive in broadening our outlook and we appreciate their expertise and input.”

Events/other Outreach Achievements

- Sought and obtained a sponsor for our Annual “City Bidding Opportunities” networking breakfast that was held at the Foundry World’s Fairsite approximately 175 attended.
- The City of Knoxville Equal Business Opportunity Program Coordinator is one of the founding members of “Diversity Champions” – “Where everyone is embraced and empowered to excel”. This initiative is an effort to emphasize that inclusion matters in East Tennessee by asking difficult question of our major firms, industries and compiling data for an annual report.
- Continued to participate in the growth of the Hispanic Chamber
- Founding member of the East Knoxville Professional Business Association and continue to assist the EKPBA as needed
- Continue maintaining the EBOP FACEBOOK page

Focus Are FY 2012:

- Research and advocate accordingly for a “ Small Business-Best Practice ‘ event . This event would assemble all (The Housing and Airport Authority, Transportation) who has embraced the responsibility of tracking and monitoring DBE participation. Convening to share their methods of operations, lack of minority bidding, tracking, monitoring, compliance etc.... and to collectively send the message that inclusion matters in Tennessee.
- Research avenues to attract small businesses to the Mentor/Protégé program.
- Research and implement additional effective utilization methods for the EBOP committee.

- Research and implement measures that enhance our website presence

TECHNICAL ASSISTANCE

Since 2007 the EBOP has hosted a series of technical assistance workshops under the name of “ City of Knoxville –Annual Small Business Conference”. Our breakfast sponsor for the FY11conference was (WBEC) Women’s Business Enterprise Council South This years conference had 76 attendees. Our agenda consisted of presentations from the following:

- WBEC- Business Development Coordinator – Kathryn Mahoney
“What is WBEC South?”
- COK- Purchasing Agent & Small Business Specialist – Boyce Evans/Sherry Bennett
“City of Knoxville Bidding Opportunities/How to do Business with the City”
- IRS – Communications, Liaison & Disclosure SB/SE Mid-South Area – Alison Broady
“Learn about IRS Small Business Resources”
- TBSDC- Internet Business Specialist – Mercedes Campbell
“Hear about a NEW RESOURCE being offered at the TSBDC”
- COK- Project Specialist- Gwen Winfrey
“Section 3” HUD Funding Project Opportunities
- PSCC- Purchasing Director- John Clark
“Bidding Opportunities with Pellissippi State Community College & The Tennessee Board of Regents”



2011 Small Business Conference Attendees

Date	Location	Minority	Non-Minority	Women	Small Business
March 3,2011	PSTCC	6	38	18	43

Table 3 ~ data collected from online registration documents

The summary of evaluations:

Evaluation Summary	Poor	Fair	Average	Excellent
Use fullness of Information			17%	83%
Presenters Capabilities		.04%	20%	76%
Even Logistics			28%	72%
The Conference’s Overall Value		.03%	38%	59%
Quality of Meal- n/a(27%)	.03%		36%	34%

Table 4 ~ collected from the completed annual small business conference 2011 summary

Focus Area:

- Continue developing beneficial relationships that promotes the provision of technical assistance to the Small Business Community.
- Continue hosting the Small Business Conferences possible topics insurance and bidding & estimating Explore the possibility of hosting technical assistance workshops that are industry specific i.e. construction or professional services.

SUMMARY

The City relentlessly searches for solutions or the “silver bullet”, in all areas, and recognizes the impending need of continuous progression. The plan concentrates on the internal purchasing potential and the external perception of the City’s sincerity to inclusion. All of the focus points serve significant purposes to increasing small, minority and women owned business participation. With this in mind, the focal points for 2012 are:

- Research and advocate accordingly for a “ Small Business-Best Practice” event . This event would assemble all (The Housing and Airport Authority, Transportation) who have embraced the responsibility of tracking and monitoring DBE participation. Convening to share their methods of operations, outreach to increase minority bidding, tracking, monitoring, compliance etc.... and to collectively send the message that inclusion matters in Tennessee.
- Research avenues to attract small businesses to the Mentor/Protégé program.
- Research and implement additional effective utilization methods for the EBOP committee.
- Research and implement measures that enhance our website presence
- Thoroughly examine why the City does not receive more than 60 bids annually, on proposals, and qualifications from Minority Owned Businesses
- Develop an action plan to increase the amount of submissions the City receives from Minority Owned Businesses by 2013.
- Play an intricate role implementing the fourteen initiatives listed in the Purchasing Department’s report (*see City of Knoxville Tab*).
- Consistently research and revise policies and procedures that supports inclusion
- Research procedures that allow the City to be as transparent as the law permits in the bidding and awarding of projects and all reporting.
- Continue developing beneficial relationships that promotes the provision of technical assistance to the Small Business Community.
- Continue hosting the Small Business Conferences possible topics insurance and bidding & estimating~ explore the possibility of hosting technical assistance workshops that are industry specific i.e. construction or professional services
- Research and advocate for policies and procedures that will assist in fostering minority and women participation.
- Research and advocate for incentives, awards or activities for employees and departments that are making strides or have surpassed their departmental goals (“Small Business Award”).
- Research and advocate for more tools to monitor prime/subcontractor compliance

- Create an user friendly *Interactive Vendor Directory* – placing the existing purchasing vendor listing online via intranet and internet for all the departments to view as well as future contractors searching for subcontractors to view will foster visibility for the businesses. The directory designing possibilities should allow the businesses access to their basic information for updating (email addresses, telephone no., contact person, etc.). These features will place the basic updating responsibility on the businesses; and eliminate the need to distribute a list to respective departments.
- *Update vendor listing* – first by requesting all vendors that have designated themselves minority or women owned to provide verification of such designation. A list of acceptable proof would be provided. Once received the business would be encouraged to become certified through either SBA, Governors Office of Diversity, Uniformed Certification, National Women in Business Certification, etc.. Or complete the City’s certification process.
- Seek avenues to track awarded contracts to non-certified minority an women owned business participation

Achievements:

- The EBOP Coordinator and the Construction Manager are obtaining and tracking subcontractors –by requesting prime contractors to submit copies of all subcontracts.
- Researched the effectiveness of monitoring and enforcing Equal Employment Opportunity compliance on construction projects over \$250,000. Discovered that the EEO compliance is most effective accompanied with a local business enterprise ordinance. Nonetheless, it is a compliance tool that monitors employment practices of businesses that contract with a City.
- *Certified Directory* - certified five new businesses
- Establish a relationship Women Business Enterprise National Council (WBENC) with– the regional director Kathryn Mahoney . As a result the City has posted a link on our website and is accepting their certifications.
- Pre-Bid Sign –In sheet is now posted on City of Knoxville’s website
- The City of Knoxville Equal Business Opportunity Program Coordinator is one of the founding members of “Diversity Champions” – “Where everyone is embraced and empowered to excel”. This initiative is an effort to emphasize that inclusion matters in East Tennessee by asking difficult question of our major firms, industries and compiling data for an annual report.
- Since 2007 the EBOP has hosted a series of technical assistance workshops under the name of “Small Business Conference”. Our breakfast sponsor for the conference was (WBEC) Women’s Business Enterprise Council South. This years conference had 76 attendees
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- Instrumental in the creation of Departmental Goals – which have been established for FY 2012, by the Purchasing Department and the department heads. Tracking and evaluating this method of measurement should increase the departments knowledge and challenges them to do more business with minority and women owned businesses
- Advocated for a comprehensive review of our procurements procedures from internal and external perspective, which led to the hiring of a consultant and the development of an action plan to increase minority bidding and contracting.
- Continue maintaining the EBOP FACEBOOK page

The focus areas listed above overtime cultivates trust and trust fosters change internally and externally. Additionally, they emphasize the City's ethical commitment to inclusion; keeps the door open to our constituents; and influences positive change in our small business community.

