

# Cook County Annual Business Diversity Report

## FY2019



**Toni Preckwinkle, President**

Cook County Board of Commissioners

**Commissioner Stanley Moore, Chairman**

Committee on Contract Compliance

**Edward H. Olivieri, Director**

Office of Contract Compliance

# Agenda

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**Introduction**

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**Data Analysis**

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**Action Items**

# Office of Contract Compliance

Our mission is to ensure the full and equitable participation of minority and women-owned businesses (MBE/WBE) in the procurement process as both prime and sub-contractors for Cook County Government and Cook County Health (CCH).

## Certification

Certify Minority-, Women-, Veteran-, Service-Disabled Veteran and Persons with Disability-Owned Business Enterprises

## Compliance

Set contract goals  
Evaluate waiver requests  
Track and monitor contracts for compliance on the committed level of M/WBE participation

## Outreach

Inform the business community about the M/WBE program;  
Encourage certification; Support County vendors to increase minority and women-owned business inclusion on County contracts

## Transparency

Only municipal government that reports all M/WBE payment numbers annually; All Diversity Reports since 2013 are available on OCC website



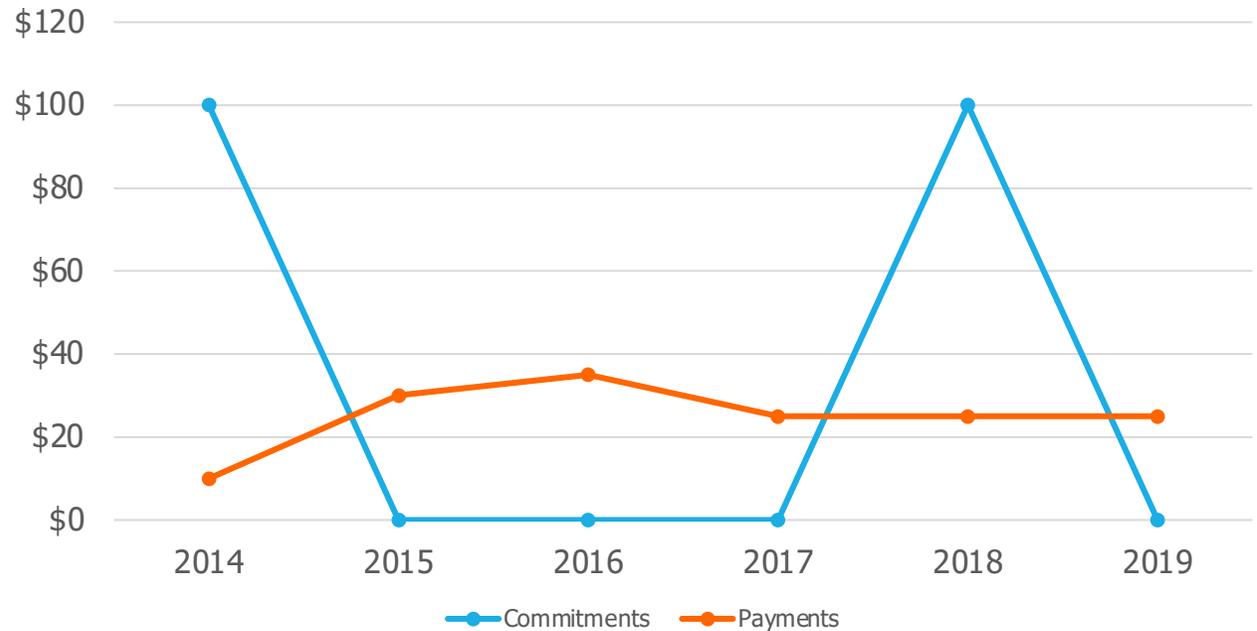
# Methodology

From Commitments to Payments



- Payments and commitments track differently each year
- Payments are hard dollars, so they better reflect the M/WBE vendor experience

## Hypothetical Commitments vs Payments



	2014	2015	2016	2017	2018	2019
Commitments	\$100	\$0	\$0	\$0	\$100	\$0
Payments	\$10	\$30	\$35	\$25	\$25	\$25



# Methodology

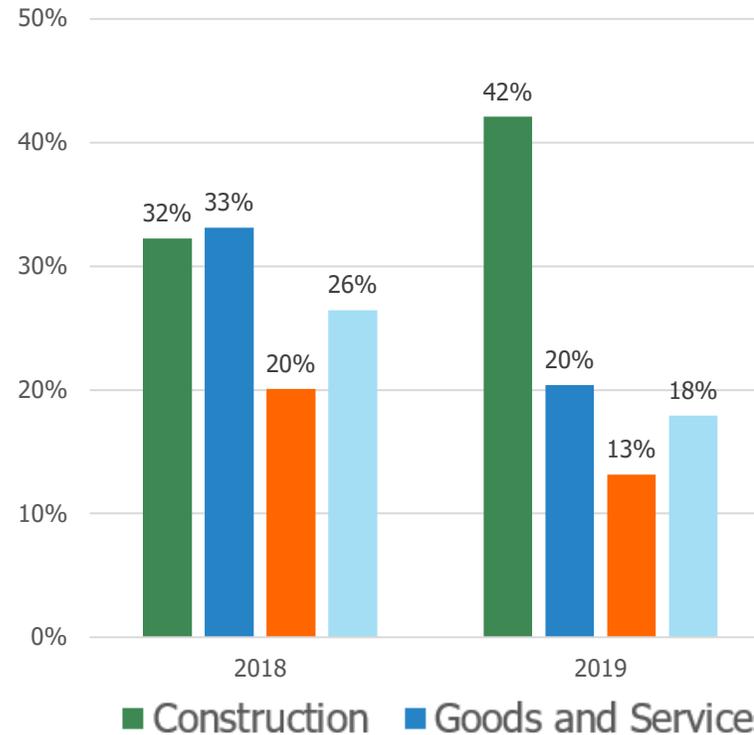
Outliers: Payments > \$10M



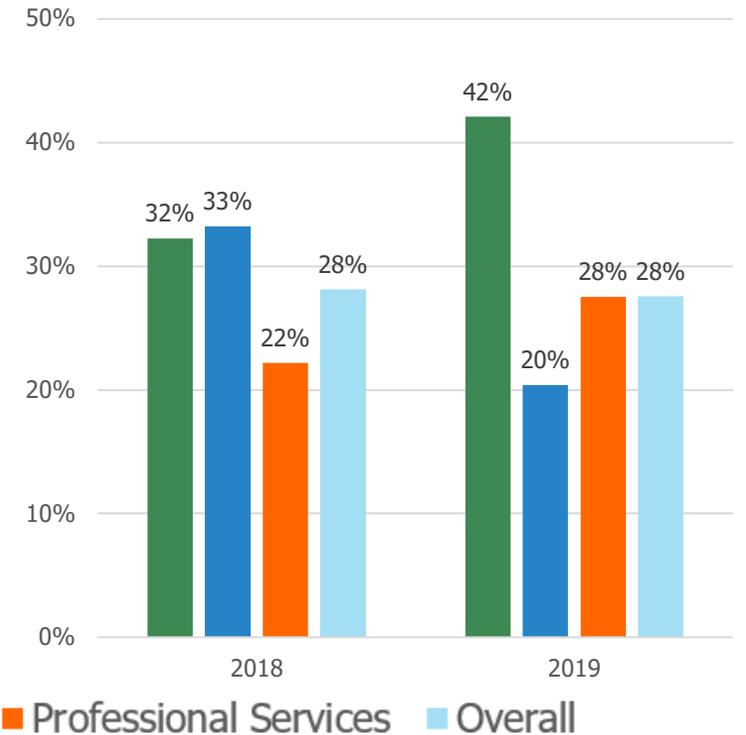
Unusually large contracts require different tactics with regards to M/WBE participation. They have therefore been removed from the analysis. Ex. BCBS contract.

## County Government Payments to M/WBEs by Contract Category

Full Dataset



Outliers Removed

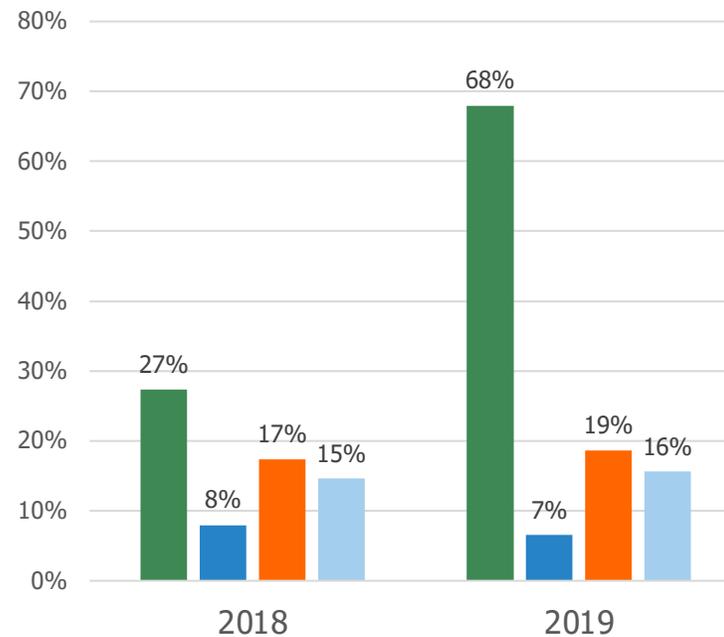




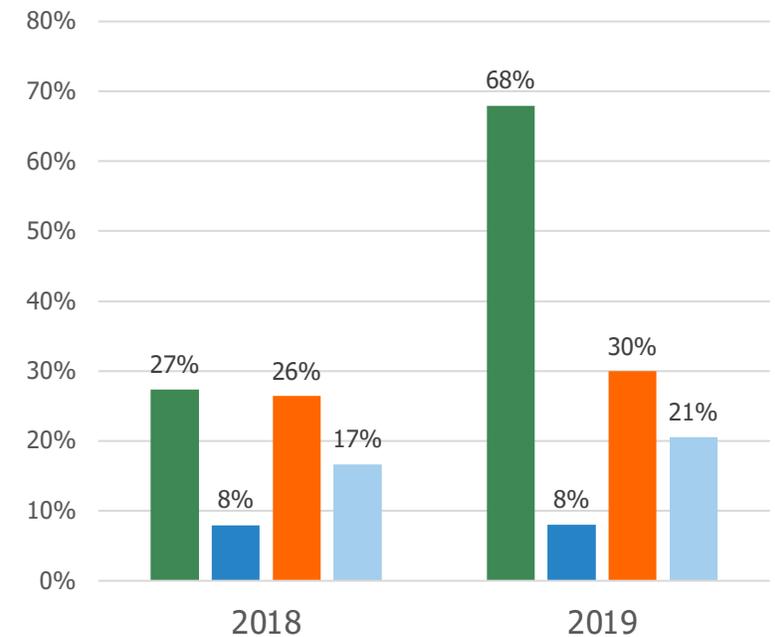
Unusually large contracts require different tactics with regards to M/WBE participation. They have therefore been removed from the analysis. Ex. CountyCare TPA contract.

## Cook County Health Payments to M/WBEs by Contract Category

Full Dataset



Outliers Removed



■ Construction ■ Goods and Services ■ Professional Services ■ Overall

## Methodology

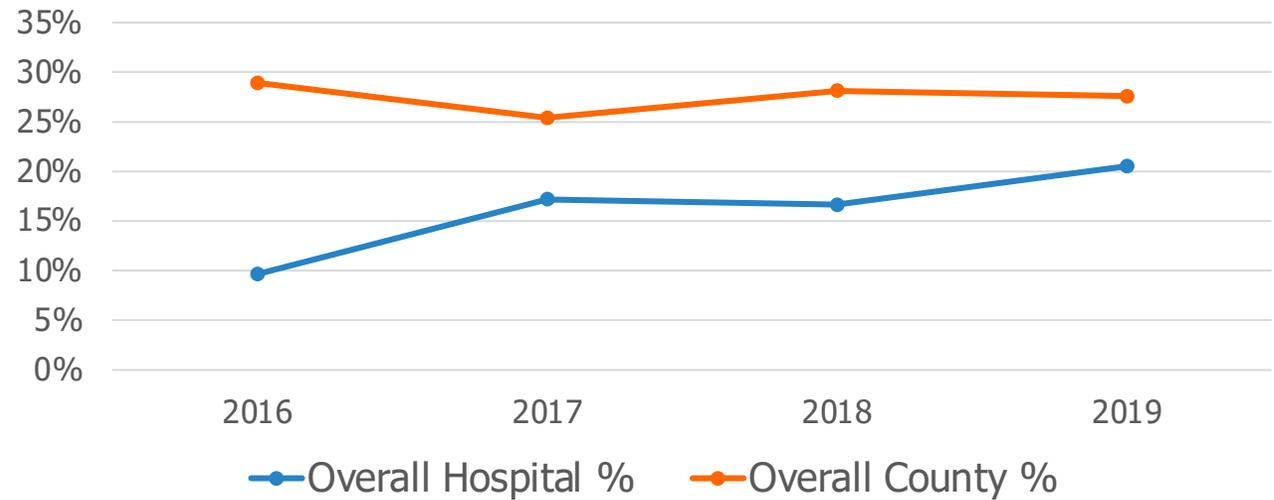
Outliers: Payments > \$12M



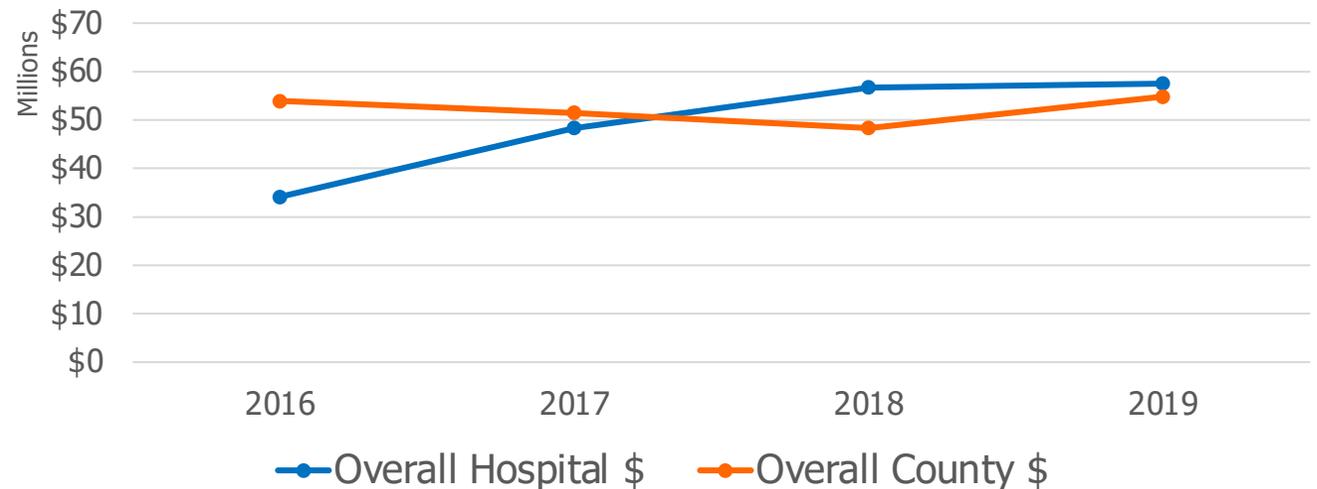
# M/WBE Summary

Overall Payments by Percentage and Dollar value to M/WBEs

## M/WBE Payment Percentage



## M/WBE Payment Dollars

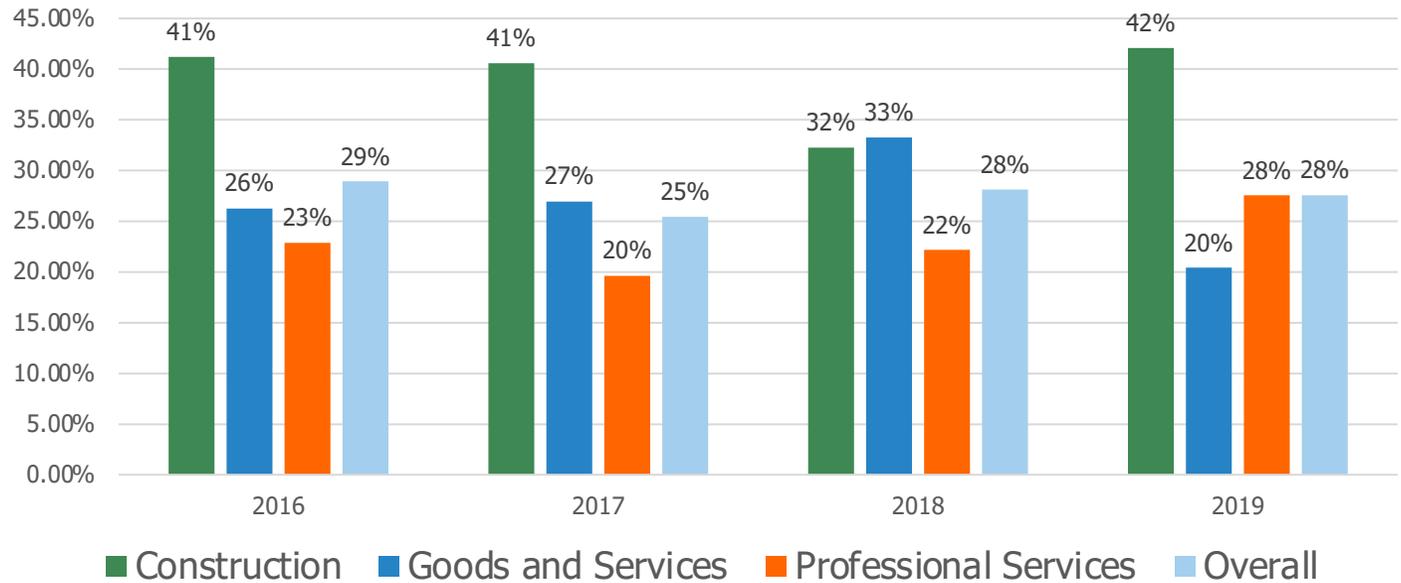




# Cook County Government

Contract Categories

## Cook County Government Payments to M/WBEs by Contract Category



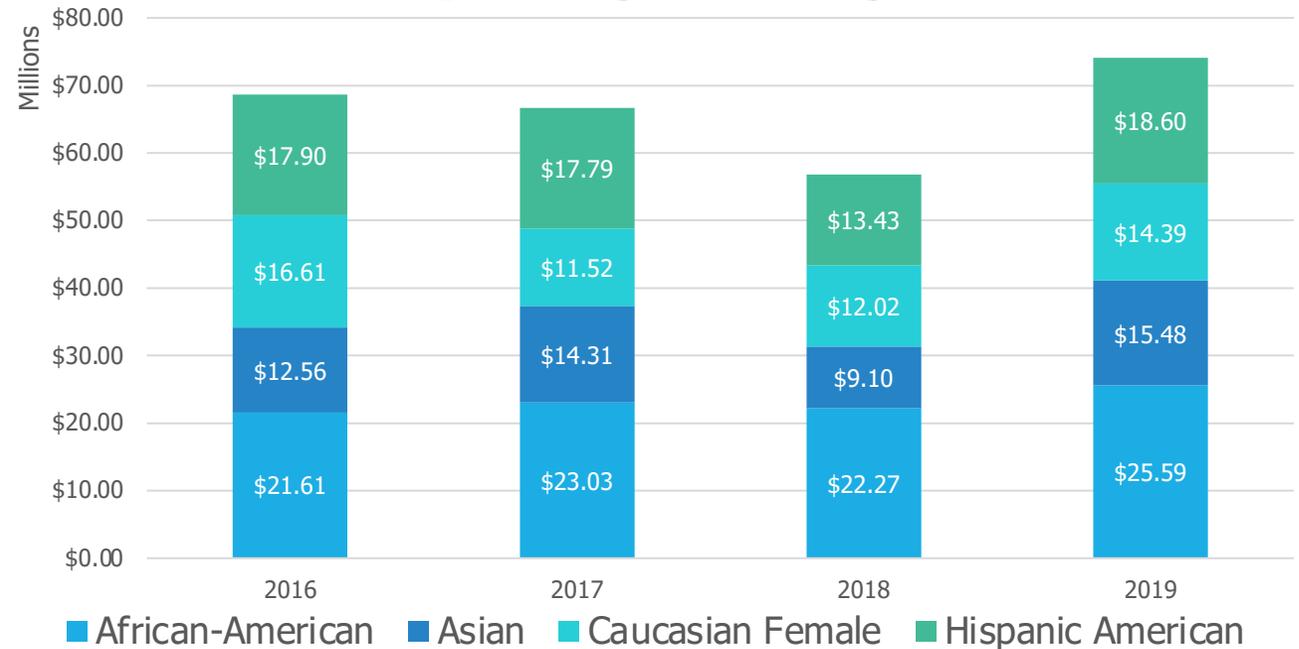
	2016	2017	2018	2019
<b>Construction</b>	41.24%	40.61%	32.26%	42.10%
<b>Goods and Services</b>	26.28%	26.96%	33.24%	20.42%
<b>Professional Services</b>	22.88%	19.63%	22.16%	27.53%
<b>Overall</b>	28.93%	25.41%	28.13%	27.57%



# Cook County Government

Certified Spend by Ethnicity

## Certified Cook County Government Spend by Ethnicity



	2016	2017	2018	2019
African-American	\$21,605,913	\$23,031,688	\$22,265,041	\$25,588,973
Asian	\$12,557,763	\$14,305,247	\$9,102,278	\$15,475,739
Caucasian Female	\$16,611,092	\$11,517,519	\$12,021,917	\$14,385,043
Hispanic American	\$17,899,381	\$17,786,047	\$13,425,928	\$18,596,328
<b>Overall</b>	<b>\$68,674,148</b>	<b>\$66,640,502</b>	<b>\$56,815,164</b>	<b>\$74,046,083</b>



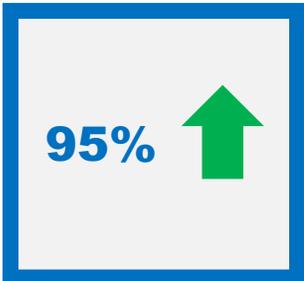
# Since 2016...



Payments to firms owned by African-American Women



Payments to firms owned by Asian Women



Payments to Hispanic-owned firms in Professional Services

## Cook County Government

Highlights





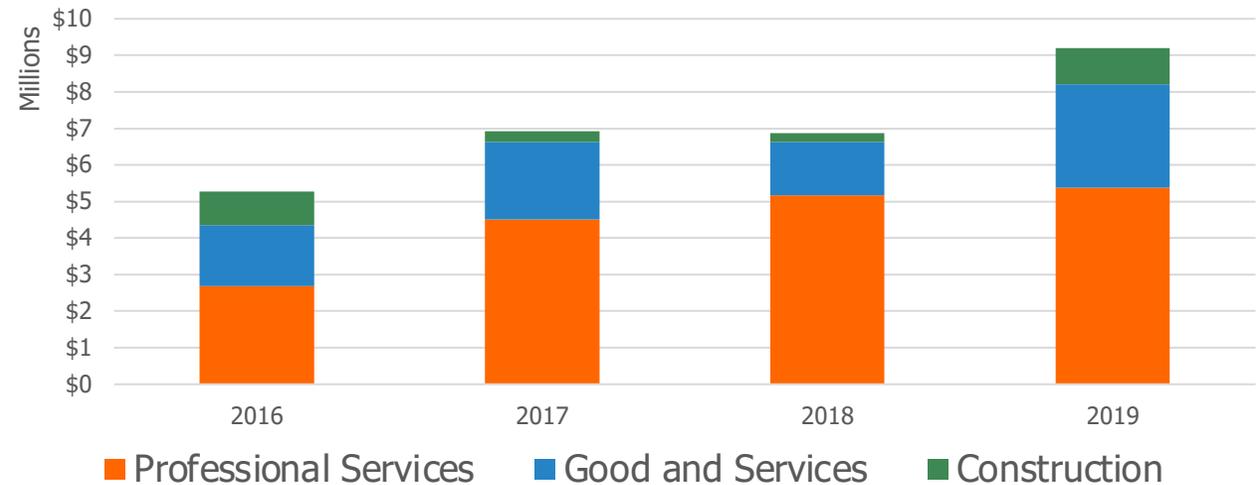
# Cook County Government

## Highlights

75% 

Payment to firms owned by African-American Women (since 2016)

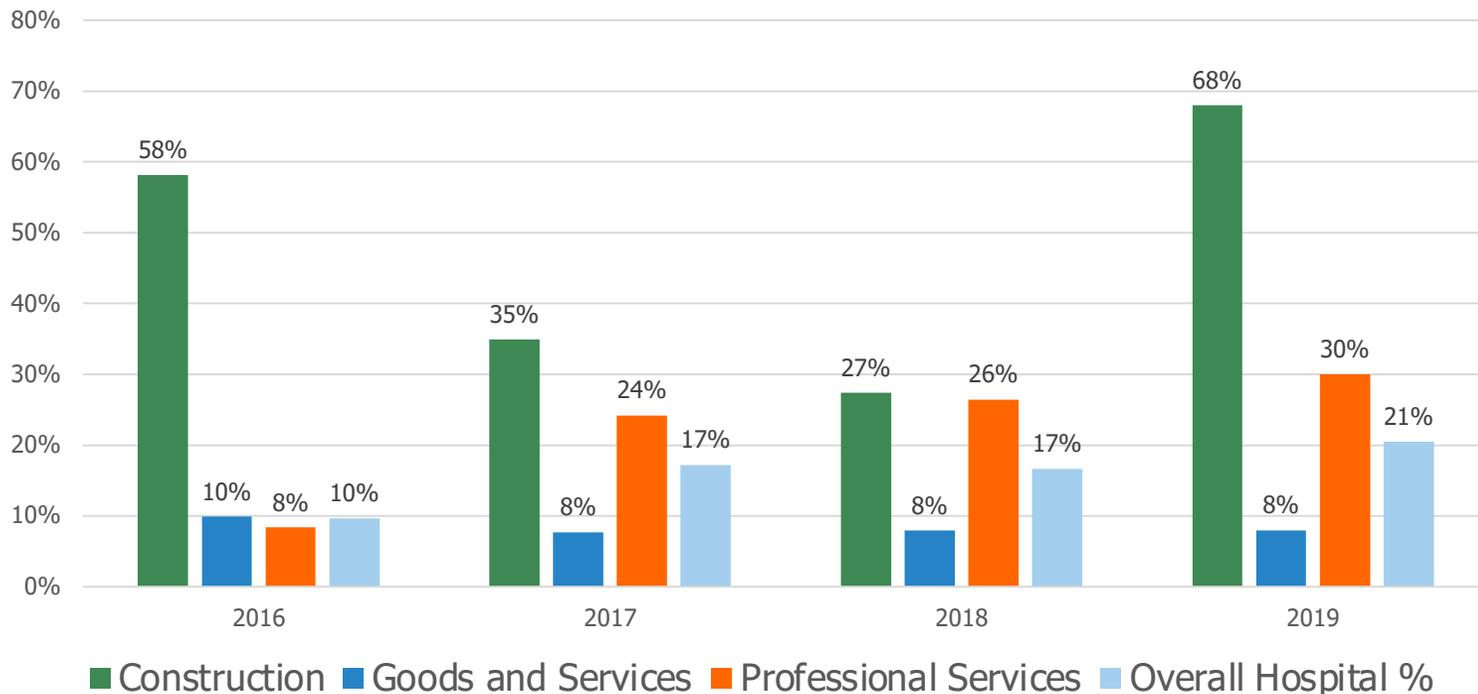
### Cook County Government Payments to African-American Woman-Owned Firms



African American Women Payments	2016	2017	2018	2019
Construction	\$927,245	\$292,698	\$240,638	\$990,657
Good and Services	\$1,660,454	\$2,126,612	\$1,462,037	\$2,830,399
Professional Services	\$2,690,992	\$4,506,224	\$5,169,437	\$5,384,510
<b>Total</b>	<b>\$5,278,691</b>	<b>\$6,925,534</b>	<b>\$6,872,112</b>	<b>\$9,205,566</b>



## M/WBE Spend by Contract Category



# Cook County Health

## Contract Categories

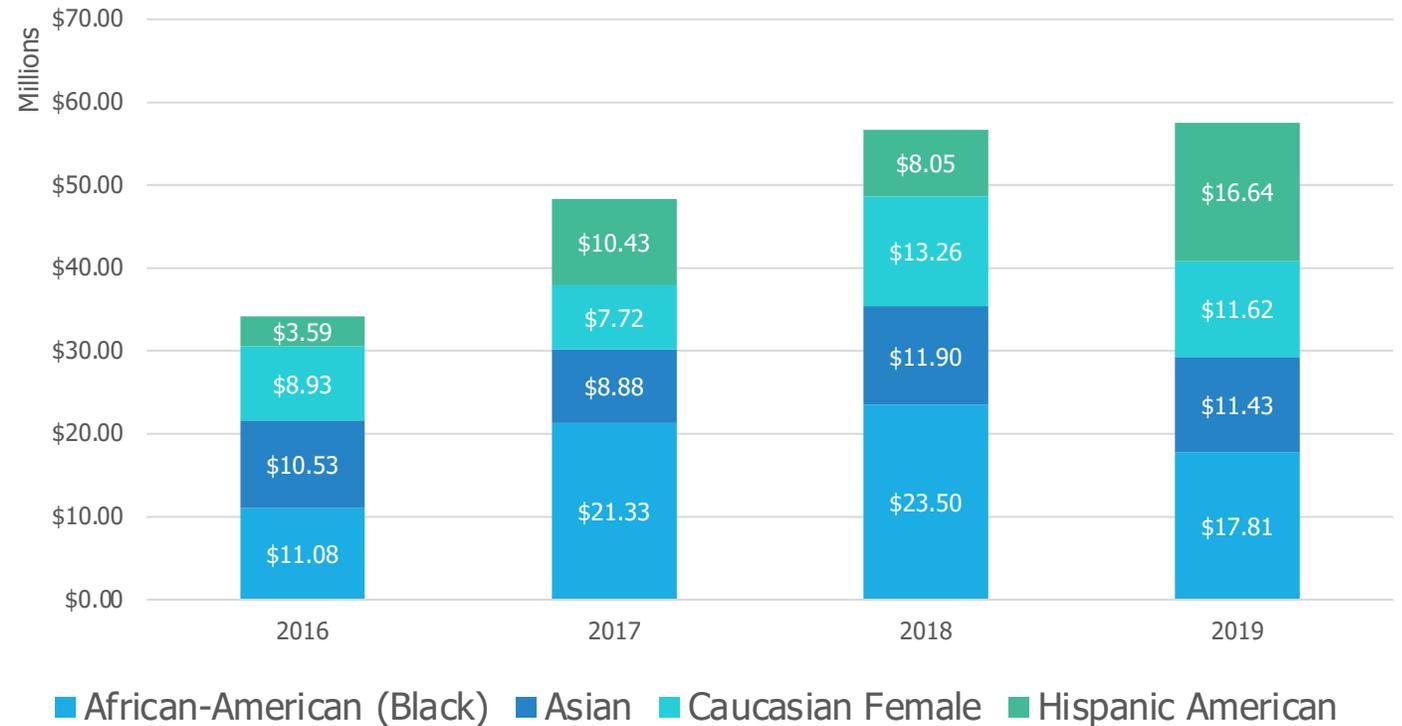
	2016	2017	2018	2019
Construction	58.13%	34.89%	27.39%	67.96%
Goods and Services	9.91%	7.70%	7.94%	7.98%
Professional Services	8.39%	24.18%	26.42%	29.97%
Overall %	9.65%	17.20%	16.66%	20.53%



# Cook County Health

## Certified Payments by Ethnicity

### Certified CCH Payments by Ethnicity



	2016	2017	2018	2019
<b>African-American</b>	\$11,081,210	\$21,328,209	\$23,503,111	\$17,813,654
<b>Asian</b>	\$10,534,742	\$8,875,886	\$11,900,143	\$11,428,204
<b>Caucasian Female</b>	\$8,926,536	\$7,719,855	\$13,256,710	\$11,624,231
<b>Hispanic American</b>	\$3,593,122	\$10,426,765	\$8,050,981	\$16,643,608
<b>Total</b>	\$34,135,610	\$48,350,715	\$56,710,945	\$57,509,697



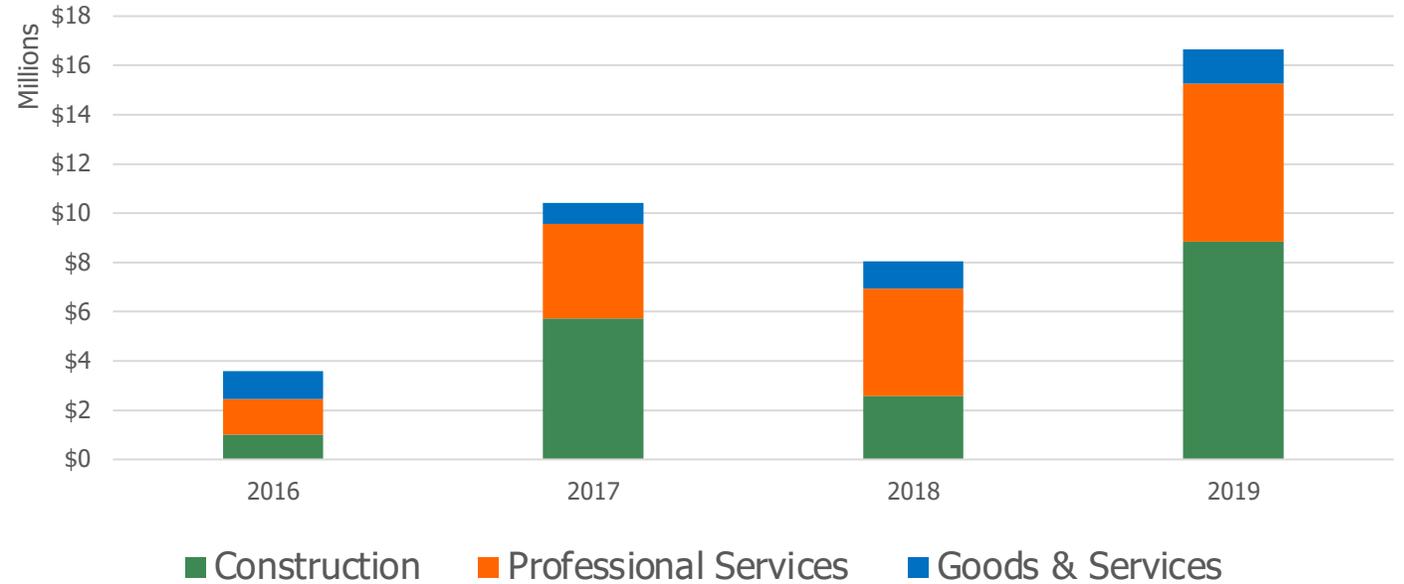
# Cook County Health

## Highlights

**350%** 

Payments to Hispanic owned firms at the hospital since 2016

### Hispanic M/WBE Payments at CCH



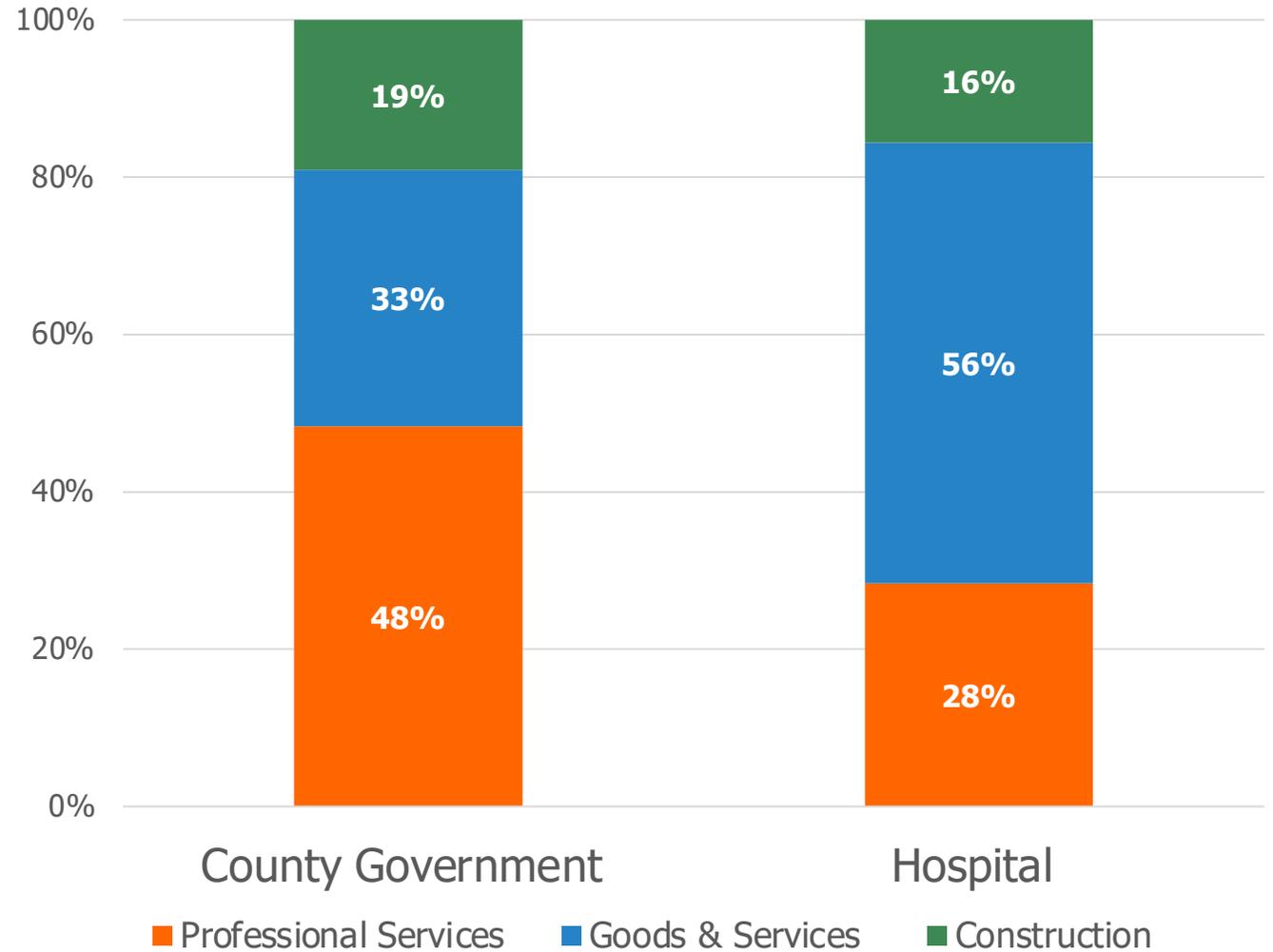
Hispanic Hospital Payments by Contract Category	2016	2017	2018	2019
Construction	\$1,001,151	\$5,715,886	\$2,571,256	\$8,852,352
Goods & Services	\$1,141,459	\$848,872	\$1,110,041	\$1,376,027
Professional Services	\$1,450,513	\$3,862,008	\$4,369,684	\$6,415,229
<b>Total</b>	<b>\$3,593,122</b>	<b>\$10,426,765</b>	<b>\$8,050,981</b>	<b>\$16,643,608</b>



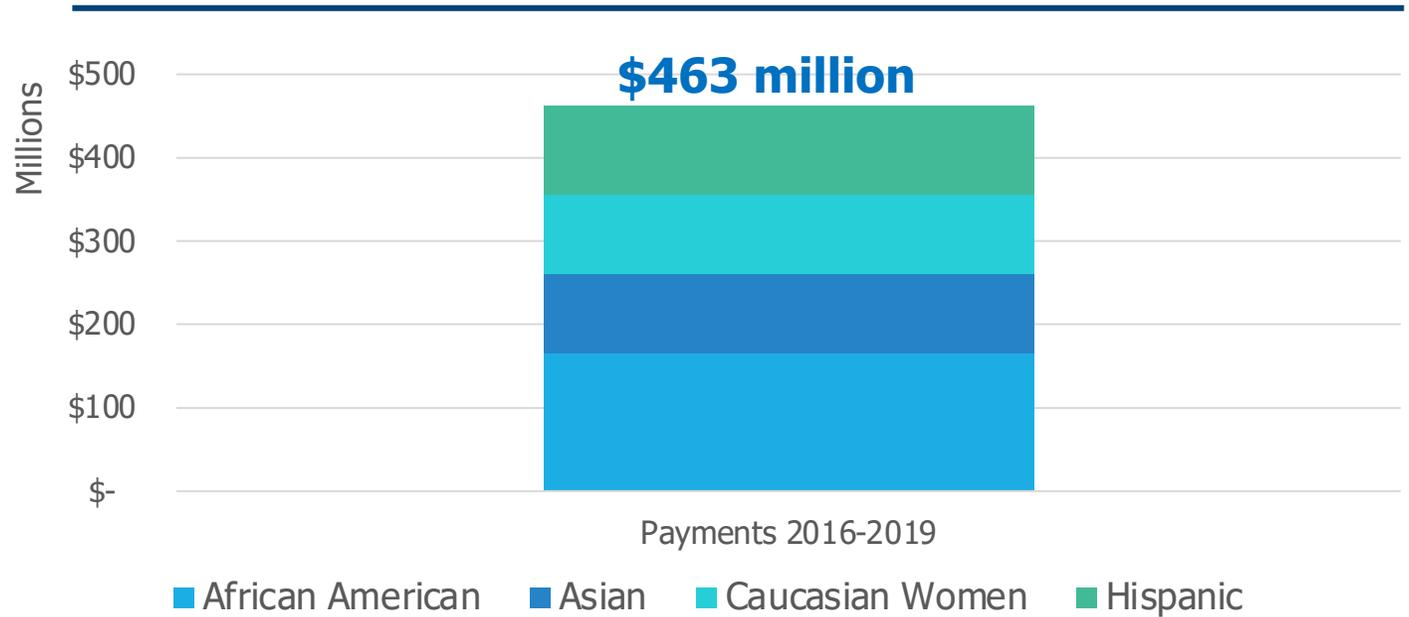
# Market Trends

Growing Opportunities in Professional Services

## Percent Spend by Contract Category (3 year average)



# Total Spend with M/WBE firms since 2016



M/WBE Firm Ethnicity	Payments 2016-2019
African American	\$166,217,799
Asian	\$94,180,002
Caucasian Women	\$96,062,903
Hispanic	\$106,422,160
<b>Total</b>	<b>\$462,882,864</b>

## Market Trends

Cook County continues to invest in M/WBE Businesses

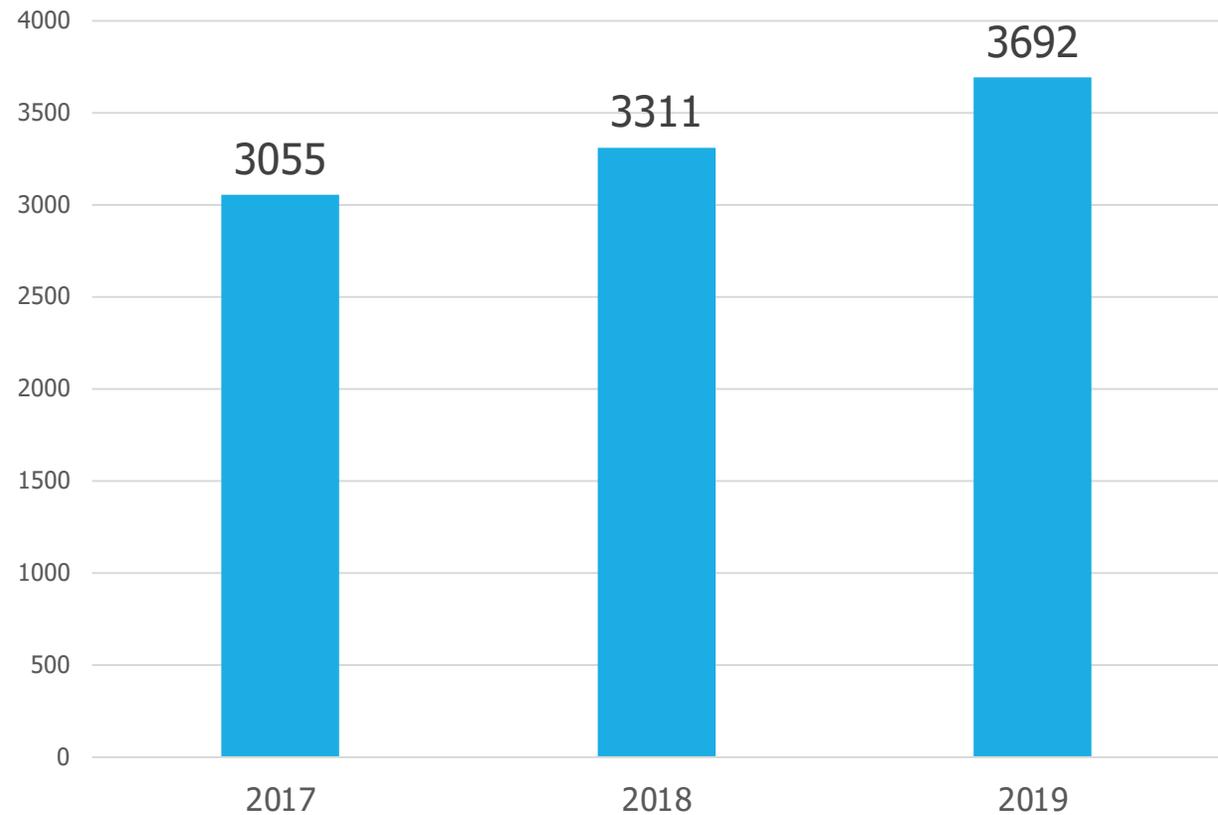


# Market Trends

Availability

## M/WBE Availability

Total Cook County and City of Chicago Certified M/WBEs by Fiscal Year





# Availability

**72.7%**

**Percent of zero goals due to a lack of M/WBE Availability**  
*(9 month average from FY2019)*

Goods & Services

500+ firms

Facilities  
Maintenance

82 firms

Plumbing  
Supplies

12 firms

Metcalf  
products

0 firms

## Market Trends

Availability of firms selling Metcalf plumbing products





## Action Items

Moving Forward

### Office of Contract Compliance

- Virtual Technical Assistance
- Develop a Target Market Strategy
- Host an annual Matchmaking Conference
- Conduct internal departmental contract review meetings



# Action Items

Moving Forward

## Board of Commissioners

- Refer Minority and Women-Owned businesses for certification, particularly in professional services
- Boost signal on M/WBE program through social media and community engagement
- Connect OCC with business organizations and chambers of commerce in your district