

Office of Superintendent of Schools  
Board Meeting of June 19, 2002

June 7, 2002

Office of Superintendent of Schools  
Paul R. Philip, Chief of Staff

**SUBJECT: MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT FOR THE FISCAL YEAR  
ENDED JUNE 30, 2001**

The School Board of Miami-Dade County, Florida has provided numerous economic opportunities to companies owned by minorities and women through the Business Development and Assistance (BD&A) Program. For the fiscal year that ended June 30, 2001, four-hundred-eleven (411) certified Minority/Women Business Enterprises (M/WBEs) provided the Board with \$121,694,350 in goods and services.

The accompanying report delineates the distribution of expenditures with M/WBEs. The Office of Management and Compliance Audits has reviewed the report, and concluded that the expenditure data has been properly compiled and reported. The M/WBE assistance levels will be transmitted under separate cover.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida receive and file the report: Minority/Women Business Enterprise Program Annual Expenditure Report for the Fiscal Year Ended June 30, 2001.

PRP:dgc

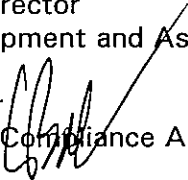
**MEMORANDUM**

GB 2001-02/#147

June 7, 2002

GB 995-1436

**TO:** Ms. Patricia A. Freeman, Director  
Division of Business Development and Assistance

**FROM:** George Balsa, Chief Auditor   
Office of Management and Compliance Audits

**SUBJECT:** **REVIEW OF M/WBE PROGRAM ANNUAL EXPENDITURE REPORT FOR THE 2000-2001 FISCAL YEAR**

We reviewed the attached Minority/Women Business Enterprise (M/WBE) Program Annual Expenditure Report for fiscal year 2000-2001 and the supporting documentation that was used to prepare the report. This review is not a detailed audit and has always been intended to provide limited assurances that the expenditure data was properly compiled and reported. We did not review the financial records of contractors (general contractors, consultants, vendors, ect.) that inform the Division of their expenditures to subcontractors, nor review how the M/WBE assistance levels are determined, which are submitted to the Board under separate cover.

Our review indicated that the Minority/Women Business Enterprise Program Annual Expenditure Report for the fiscal year 2000-2001 was adequately compiled. If you have any questions, please do not hesitate to contact this office.

GB:cf  
Attachment

cc: Mr. Paul R. Philip

**MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT  
For the Fiscal Year Ended June 30, 2001**

**ANNUAL EXPENDITURE OVERVIEW**

The School Board of Miami-Dade County, Florida established the Minority/Women Business Enterprise (M/WBE) Program in 1986. The M/WBE Program is administered by the Division of Business Development and Assistance (the Division), and its purpose is to expand contractual opportunities for minority and women -owned businesses. The Minority/Women Business Enterprise Program Annual Expenditure Report summarizes payments to African American, Hispanic and Women -owned businesses in the major industry categories of construction and procurement. For the purpose of developing this report, the expenditure baseline consists of all non-salaried expenses, excluding payments for utilities and contributions to the Florida Retirement System. The District's expenditure baseline totaled \$605.7 million for the fiscal year that ended June 30, 2001, which was an increase of \$69.7 million or 13 percent more than the previous reporting period. Approximately 411 M/WBEs, including subcontractors and subconsultants, received \$121.7 million or 20.1 percent of the expenditure baseline, for goods and services that they provided to the district. The \$121.7 million represents an increase in payments to M/WBEs of 3.5 percent over the previous reporting period.

The following table presents a comparison of M/WBE and baseline expenditures for the 2000-2001 fiscal year and those of the previous reporting period.

**Comparison of M/WBE to Total Baseline Expenditures**

	FY 2000-2001 Expenditures			FY 1999-2000 Expenditures		
	Total	M/WBE	%	Total	M/WBE	%
Construction	\$ 215,010,462	\$ 96,636,170	44.94%	\$ 207,463,493	\$ 96,879,292	46.70%
Procurement	390,706,081	25,058,180	6.41%	328,529,667	20,686,760	6.30%
	\$ 605,716,543	\$ 121,694,350	20.09%	\$ 535,993,160	\$ 117,566,052	21.93%

Overall, total expenditures in the areas of construction and procurement increased by 3.6 and 18.9 percent, respectively. There was an increase of 21.1 percent in payments to M/WBEs in the area of procurement, while there was virtually no change (.25 percent) in payments to M/WBEs in the area of construction. See Exhibit "A" for a breakdown of expenditures by major contracting area for each M/WBE category.

**CONSTRUCTION EXPENDITURE HIGHLIGHTS**

Minority and women -owned firms received \$96.7 million, or 44.9 percent of the expenditures for construction and construction related services. As stated above, expenditures with M/WBEs decreased by \$243,122, or .25 percent. Specifically,

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For the Fiscal Year Ended June 30, 2001**

payments to Hispanic-owned businesses totaled \$66.4 million, payments to African American-owned businesses totaled \$13.7 million and payments to Women-owned businesses totaled \$16.6 million. See Exhibit "B" for a breakdown of payments to all women-owned firms for each major contracting area.

Architectural and Engineering (A/E) Services Expenditure Highlights

Minority and women -owned firms received \$9.9 million, or 50.4 percent of the District's payments for architectural and engineering services. Hispanic-owned businesses were paid \$6.1 million. African American-owned businesses were paid \$1.3 million and Women-owned businesses received \$2.5 million. Assistance has not been provided to any minority group in the area of Architectural and Engineering (A/E) Services for the past 7 years. Architectural and engineering services expenditures are included in payments that are reported for construction, unless indicated, otherwise.

PROCUREMENT EXPENDITURE HIGHLIGHTS

Payments to minority and women -owned firms totaled \$25 million, or 6.4 percent of the District's total expenditure for procurement related goods and services. Payments to M/WBEs increased by \$4.4 million, or 21.1 percent. Hispanic-owned businesses were paid \$13.3 million. African American-owned businesses were paid \$6.3 million and Women-owned businesses received \$5.5 million. See Exhibit "B" for a breakdown of expenditures to all women-owned firms for each major contracting area.

CONCLUSION

During the 2000-2001 fiscal year, there was a slight decrease in payments to M/WBEs for construction services and a 21.1 percent increase for goods and services. Payments to African American and Women -owned businesses increased, while payments to Hispanic-owned businesses decreased, as compared to the previous year. Since the inception of the M/WBE Program, the District has paid more than \$1.8 billion for goods and services that were provided by certified minority and women -owned businesses. See Exhibit "C" for a cumulative breakdown of payments to M/WBEs. The vast majority of M/WBEs that provide goods and services to the District are small businesses, that are located in the tri-county area of Miami-Dade, Broward and Palm Beach, Florida.

**MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT  
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GLOSSARY OF TERMS

- African American - unless otherwise specified, includes African American women.
- Expenditure base - the District's total expenditures, minus payments for utilities and contributions to the Florida Retirement System.
- Hispanic - unless otherwise specified, includes Hispanic women.
- Minority - a person who is a citizen or lawful permanent resident of the United States, and who is classified as follows:
- an African American, a person having origins in any of the Black racial groups of Africa;
  - a Hispanic, a person of Spanish or Portuguese culture, including, but not limited to, persons with origins in Mexico, South America, Central America, or the Caribbean Islands, regardless of race; or
  - a Woman.
- Prime contractor  
/Consultant - a business entity that directly provides goods and services to the District.
- Sub contractor  
/Consultant - a business that indirectly provides goods and or services to the District through a prime contractor/consultant.
- Women - unless otherwise specified, refers to a non-Hispanic White women.

MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT  
For the Fiscal Year ended June 30, 2001  
(with comparative totals for the Fiscal Year ended June 30, 2000)

**Program Expenditures by Contracting Areas**

**Exhibit A**

	Primes	Subs	Totals	
			2001	2000
<b>CONTRACTORS*</b>				
African American	\$ 5,072,417	\$ 7,330,350	\$ 12,402,767	\$ 8,802,800
Hispanic	48,689,967	11,578,366	60,268,333	69,142,207
Women**	12,245,053	1,824,061	14,069,114	11,403,300
Total	\$ 66,007,437	\$ 20,732,777	\$ 86,740,214	\$ 89,348,307
<b>A/E</b>				
African American	1,267,954	2,075	\$ 1,270,029	\$ 1,233,296
Hispanic	5,981,735	126,594	6,108,329	4,388,641
Women**	2,515,598	2,000	2,517,598	1,909,048
Total	\$ 9,765,287	\$ 130,669	\$ 9,895,956	\$ 7,530,985
<b>PROCUREMENT</b>				
African American	\$ 6,309,800	\$ 2,411	\$ 6,312,211	\$ 6,256,847
Hispanic	13,088,779	180,935	13,269,714	11,243,264
Women**	5,468,305	7,950	5,476,255	3,186,649
Total	\$ 24,866,884	\$ 191,296	\$ 25,058,180	\$ 20,686,760
<b>ALL CATEGORIES</b>				
African American	\$ 12,650,171	\$ 7,334,836	\$ 19,985,007	\$ 16,292,943
Hispanic	67,760,481	11,885,895	79,646,376	84,774,112
Women**	20,228,956	1,834,011	22,062,967	16,498,997
Total	\$ 100,639,608	\$ 21,054,742	\$ 121,694,350	\$ 117,566,052

\* Contractors do not include A/E.

\*\* Women do not include expenditures with African American or Hispanic women

**MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT**  
For the Fiscal Year ended June 30, 2001  
(with comparative totals for the Fiscal Year ended June 30, 2000)

**Program Expenditures to All Women**

**Exhibit B**

	Primes	Subs	Totals	
			2001	2000
<b>CONTRACTORS *</b>				
African American	\$ 129,785	\$ 464,997	\$ 594,782	\$ 136,093
Hispanic	5,257,654	7,911,259	13,168,913	13,448,701
Women**	12,245,053	1,824,061	14,069,114	11,403,300
Total	\$ 17,632,492	\$ 10,200,317	\$ 27,832,809	\$ 24,988,094
<b>A/E</b>				
African American	\$ -	\$ -	\$ -	\$ -
Hispanic	2,507,971	40,753	2,548,724	1,094,097
Women**	2,515,598	2,000	2,517,598	1,909,048
Total	\$ 5,023,569	\$ 42,753	\$ 5,066,322	\$ 3,003,145
<b>PROCUREMENT</b>				
African American	\$ 1,017,181	\$ -	\$ 1,017,181	\$ 1,579,200
Hispanic	6,282,576	39,721	6,322,297	5,549,412
Women**	5,468,305	7,950	5,476,255	3,186,649
Total	\$ 12,768,062	\$ 47,671	\$ 12,815,733	\$ 10,315,261
<b>ALL CATEGORIES</b>				
African Americans	\$ 1,146,966	\$ 464,997	\$ 1,611,963	\$ 1,715,293
Hispanic	\$ 14,048,201	7,991,733	\$ 22,039,934	20,092,210
Women**	\$ 20,228,956	1,834,011	22,062,967	16,498,997
Total	\$ 35,424,123	\$ 10,290,741	\$ 45,714,864	\$ 38,306,500

\* Contractors do not include A/E.

\*\* Women do not include expenditures with African American or Hispanic women

**MINORITY/WOMEN BUSINESS ENTERPRISE PROGRAM  
ANNUAL EXPENDITURE REPORT  
For the Fiscal Year ended June 30, 2001**

**Cumulative Program Expenditures**

**Exhibit C**

**Construction**

Fiscal Year	African				Total	Non Minority	Total Expenditures	% of Total
	American	Hispanic	Women	Other				
86-87	\$ 14,440,808	\$ 7,775,422	\$ 479,879	\$ -	\$ 22,696,109	\$ 72,467,944	\$ 95,164,053	23.85%
87-88	15,903,205	19,666,429	300,119	-	35,869,753	74,728,969	110,598,722	32.43%
88-89	19,795,549	29,446,646	2,755,353	179,161	52,176,709	104,590,536	156,767,245	33.28%
89-90	17,862,586	37,166,867	4,408,270	57,198	59,494,921	137,951,074	197,445,995	30.13%
90-91	15,239,739	62,480,267	6,770,659	86,019	84,576,684	145,460,062	230,036,746	36.77%
91-92	21,755,285	64,555,501	9,803,289	507,522	96,621,597	135,803,128	232,424,725	41.57%
92-93	17,381,182	47,972,465	8,362,258	158,434	73,874,339	51,805,057	125,679,396	58.78%
93-94	16,192,056	62,700,089	11,409,855	291,966	90,593,966	131,443,915	222,037,881	40.80%
94-95	55,822,373	98,508,098	14,619,430	477,209	169,427,110	96,828,152	266,255,262	63.63%
95-96	64,481,526	121,287,935	17,427,746	263,921	203,461,128	119,925,832	323,386,960	62.92%
96-97	47,602,857	102,288,364	11,620,478	66,622	161,578,321	131,394,074	292,972,395	55.15%
97-98	25,850,649	86,720,234	12,941,923	32,986	125,545,792	85,625,628	211,171,420	59.45%
98-99	18,416,073	70,585,885	10,948,457	25,240	99,975,655	68,333,881	168,309,536	59.40%
99-00	10,036,096	73,530,848	13,312,348	-	96,879,292	110,584,201	207,463,493	46.70%
00-01	13,672,796	66,376,662	16,586,712	-	96,636,170	118,374,292	215,010,462	44.94%
<b>Totals</b>	<b>\$ 374,452,780</b>	<b>\$ 951,061,712</b>	<b>\$ 141,746,776</b>	<b>\$ 2,146,278</b>	<b>\$ 1,469,407,546</b>	<b>\$ 1,585,316,745</b>	<b>\$ 3,054,724,291</b>	<b>48.10%</b>
% to Total	12.26%	31.13%	4.64%	0.07%	48.10%	51.90%	100.00%	

**Procurement**

Fiscal Year	African				Total	Non Minority	Total Expenditures	% of Total
	American	Hispanic	Women	Other				
86-87	\$ 557,293	\$ 2,525,565	\$ 2,639,436	\$ 50,974	\$ 5,773,268	\$ 162,402,218	\$ 168,175,486	3.43%
87-88	2,260,183	6,554,112	4,121,598	118,546	13,054,439	182,833,998	195,888,437	6.66%
88-89	2,707,564	7,985,050	5,165,703	123,715	15,982,032	204,161,533	220,143,565	7.26%
89-90	2,784,560	10,521,955	5,824,231	179,032	19,309,778	252,723,818	272,033,596	7.10%
90-91	2,642,622	12,775,442	9,132,078	80,020	24,630,162	262,305,951	286,936,113	8.58%
91-92	2,660,139	12,643,546	10,332,408	209,663	25,845,756	255,623,235	281,468,991	9.18%
92-93	3,601,821	15,605,828	5,112,321	30,694	24,350,664	219,702,788	244,053,452	9.98%
93-94	4,548,105	20,175,308	6,706,078	63,918	31,493,409	191,239,930	222,733,339	14.14%
94-95	5,321,167	20,222,468	5,737,781	78,839	31,360,255	244,068,531	275,428,786	11.39%
95-96	5,606,272	21,138,990	5,692,102	43,622	32,480,986	256,794,933	289,275,919	11.23%
96-97	7,999,345	23,127,193	5,780,613	25,495	36,932,646	282,097,612	319,030,258	11.58%
97-98	8,432,926	21,509,038	7,852,493	831	37,795,288	259,307,856	297,103,144	12.72%
98-99	7,702,916	17,836,402	10,469,066	469	36,008,853	291,422,353	327,431,206	11.00%
99-00	6,256,847	11,243,263	3,186,650	-	20,686,760	307,842,907	328,529,667	6.30%
00-01	6,312,211	13,269,714	5,476,255	-	25,058,180	365,647,901	390,706,081	6.41%
<b>Totals</b>	<b>\$ 69,393,971</b>	<b>\$ 217,133,874</b>	<b>\$ 93,228,813</b>	<b>\$ 1,005,818</b>	<b>\$ 380,762,476</b>	<b>\$ 3,738,175,564</b>	<b>\$ 4,118,938,040</b>	<b>9.24%</b>
% to Total	1.68%	5.27%	2.26%	0.02%	9.24%	90.76%	100.00%	

**Construction and Procurement**

Fiscal Years	African				Total	Non Minority	Total Expenditures	% of Total
	American	Hispanic	Women	Other				
86-87	\$ 14,998,101	\$ 10,300,987	\$ 3,119,315	\$ 50,974	\$ 28,469,377	\$ 234,870,162	\$ 263,339,539	10.81%
87-88	18,163,388	26,220,541	4,421,717	118,546	48,924,192	257,562,967	306,487,159	15.96%
88-89	22,503,113	37,431,696	7,921,056	302,876	68,158,741	308,752,069	376,910,810	18.08%
89-90	20,647,146	47,688,822	10,232,501	236,230	78,804,699	390,674,892	469,479,591	16.79%
90-91	17,882,361	75,255,709	15,902,737	166,039	109,206,846	407,766,013	516,972,859	21.12%
91-92	24,415,424	77,199,047	20,135,697	717,185	122,467,353	391,426,363	513,893,716	23.83%
92-93	20,983,003	63,578,293	13,474,579	189,128	98,225,003	271,507,845	369,732,848	26.57%
93-94	20,740,161	82,875,397	18,115,933	355,884	122,087,375	322,683,845	444,771,220	27.45%
94-95	61,143,540	118,730,566	20,357,211	556,048	200,787,365	340,896,683	541,684,048	37.07%
95-96	70,087,798	142,426,925	23,119,848	307,543	235,942,114	376,720,765	612,662,879	38.51%
96-97	55,602,202	125,415,557	17,401,091	92,117	198,510,967	413,491,686	612,002,653	32.44%
97-98	34,283,575	108,229,272	20,794,416	33,817	163,341,080	344,933,484	508,274,564	32.14%
98-99	26,118,989	88,422,287	21,417,523	25,709	135,984,508	359,756,234	495,740,742	27.43%
99-00	16,292,943	84,774,111	16,498,998	-	117,566,052	418,427,108	535,993,160	21.93%
00-01	19,985,007	79,646,376	22,062,967	-	121,694,350	484,022,193	605,716,543	20.09%
<b>Totals</b>	<b>\$ 443,846,751</b>	<b>\$ 1,168,195,586</b>	<b>\$ 234,975,589</b>	<b>\$ 3,152,096</b>	<b>\$ 1,850,170,022</b>	<b>\$ 5,323,492,309</b>	<b>\$ 7,173,662,331</b>	<b>25.79%</b>
% to Total	6.19%	16.28%	3.28%	0.04%	25.79%	74.21%	100.00%	