
MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE PROGRAM 2020 ANNUAL REPORT



FOR YEAR ENDED DECEMBER 31, 2020



ST. LOUIS COUNTY, MISSOURI



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Letter from the Director



The Minority and Women-Owned Business Enterprise (M/WBE) Program is dedicated to enhancing opportunities for small, disadvantaged, and minority and women business enterprises in St. Louis County. We are dedicated to administering a stellar program for St. Louis County and a standout in the region as well as assisting those companies in developing a relationship with St. Louis County. While the COVID-19 pandemic has severely

hampered most of our planned training sessions for 2020, we continued outreach efforts to the M/WBE and Disadvantaged Business Enterprise (DBE) contracting community. We also organized networking sessions with M/WBE trucking contractors and held internal training for St. Louis County staff. We also utilized videoconferencing to continue building key relationships with regional stakeholders.

We are currently working on comprehensive rules for administering the M/WBE program and continue to work one-on-one with user departments and within the Division of Procurement prior to release of projects for bid in order to do more concentrated outreach to M/WBE and DBE contractors. We also worked closely within the Division of Procurement staff to register certified DBEs, MBEs and WBEs as County vendors.

Since December 2019, we have utilized the Diversity Management Reporting System (DMRS), B2Gnow. This mandatory reporting system is accessible to all prime contractors, subcontractors and County designated user groups. The system generates automated communications between contractors and the County regarding compliance issues. It also allows submission of monthly utilization reports online, tracks contractors' progress (or lack thereof) towards meeting DBE and M/WBE participation goals, offers subcontractors/subconsultants the ability to verify and concur payments from their smart phones, laptops, iPad, etc., provides free online system training classes and connects to the current certification directories for Minority and Women-Owned Business Enterprises certified by the City of St. Louis – St. Louis Lambert International Airport and Disadvantaged Business Enterprises certified by the Missouri Regional Certification Committee (MRCC). Additionally, it allows the M/WBE Program to monitor participation more efficiently and effectively, generates several reports in multiple

Letter From the Director Continued...

formats, addresses potential shortfalls in participation and provides the County with a report card on its progress.

We are committed to making the M/WBE Program just as successful as some of the more established programs in the region, and the B2Gnow system is just one tool we will continue to utilize to do so. We will work to foster more buy-in from the contracting world. All departments will work diligently on reporting enforcement, including ensuring that prime contractors are using the certified firms that they are contractually obligated to use and reporting payments within the timeframe that they are required.

The pandemic has also caused us to try to find other ways to offer much needed ongoing M/WBE Program training for staff and stakeholders. I am currently in the process of scheduling online training sessions in fostering small business programs, commercially useful function, counting M/WBE participation, contract compliance reporting, termination/substitution of M/WBE subcontractors, bonding, finance and insurance initiatives, capacity building for small M/WBE firms and prompt pay.

We will hire additional qualified team members to administer and monitor the program as it continues to grow. It is our commitment to ensure that the program maintains the highest level of integrity while fostering an inclusive and competent program.

We are making strides towards our goals for the program. The future for the M/WBE Program is bright. I believe that the program will thrive in 2021 and beyond.

A handwritten signature in black ink, appearing to read "Nathaniel Adams". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Director of Minority Business Development
and Compliance**

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MISSION & VISION

Our Mission

The Minority and Women-Owned Business Enterprise Program in St. Louis County is committed to promoting fair and open competition for Minority and Women-owned Business Enterprises (M/WBE) and enhancing their economic opportunities.



Our Vision

Our vision is consistent with our Mission – to promote fair and open competition and create a level playing field in St. Louis County in which small, disadvantaged, minority and women-owned business enterprises have an opportunity to participate on County contracts.

M/WBE PROGRAM

History

In 2016, St. Louis County initiated a Request for Proposals to solicit a disparity study to analyze participation of minority and women-owned businesses on County-funded projects. The study was awarded to Griffin & Strong P.C. and the firm undertook a nineteen-month disparity study that analyzed over 60,000 purchases and contracts awarded by the County between Fiscal Years 2012 through 2015.

Findings from the disparity study showed underutilization of minority and women businesses in prime contracting and subcontracting roles on County-funded contracts and purchases in construction, architectural and engineering, professional services, other services, and goods. As a result, Griffin & Strong P.C. made multiple recommendations for use in the implementation of a program based on the findings in the disparity study.

Recommendations included: mandatory pre-bid meetings, outreach prior to bidding deadlines, partnering with existing M/WBE certifying agencies, providing one-stop shop business assistance, and aggressively supporting prompt pay.

The results of the disparity study led to the establishment of the Minority and Women-Owned Business Enterprise Program on May 8, 2018 by Ordinance No. 27,043 after unanimous passage by the members of County Council. The M/WBE Program is defined in St. Louis County Revised Ordinances (SLCRO) in Chapter 107 – Purchasing. Section 107.071 SLCRO outlines the Program's management, duties, funding, participation, incentives, program requirements, compliance, and more. The ordinance also sets subcontractor participation goals of 24% MBE and 9.5% WBE for construction contracts and 16% MBE and 15% WBE for architecture and engineering projects (A&E).



In its infancy when compared with surrounding state and federal programs such as MoDOT, Bi-State Development, and even the Metropolitan Sewer District, the M/WBE Program and the Procurement Division quickly committed to establishing M/WBE participation goals on construction and architecture and engineering contracts, establishing a 5% bid discount on M/WBE prime bids \$300,000 and under, and adding a 15% incentive credit for M/WBE certified proposers on professional services solicitations. While these features of the ordinance have been in effect since late 2018/early 2019, the M/WBE Program continues to make its mark through extensive outreach, offering countywide training and informational programs, assisting businesses with registering with the County procurement system, and affecting change within County departments in order to find and encourage opportunities for M/WBE participation.

CERTIFICATION

As defined in 107.071(2): “M/WBE shall mean minority and women-owned business enterprise that is certified under a business certification program by the State of Missouri, and/or St. Louis Airport Authority.” At the onset, both the MoDOT and St. Louis Lambert International Airport were designated as the certification programs for the M/WBE Program. MoDOT’s certification program, administered by the Missouri Regional Certification Committee, most closely aligned with the goals and initiatives and is integral to the success of M/WBE Programs statewide. The St. Louis Lambert International Airport certification program serves as a good local program for certification of some businesses in the St. Louis metropolitan area.



PURPOSE

The M/WBE Program seeks to attain its goals and objectives through a variety of mechanisms including outreach, education, technical assistance, compliance, and collaboration with community partners.



M/WBE PROGRAM STAFF

Nathaniel Adams, Director of Business Development & Contract Compliance

Nathaniel Adams was promoted to the Director of Business Development and Contract Compliance in February 2021 after spending 2020 as a Contract Compliance Specialist. He has spent nearly 40 years in D/M/WBE programs in both the public and private sectors. He began his career in 1981 with MOKAN and came to St. Louis County from the Illinois Department of Transportation (IDOT), after 25 years. Under Bureau Chiefs Carol Lyle and Beverly Peters, and Project Director Victor Wicks, Mr. Adams amassed a wealth of knowledge and experience in D/M/WBE programming.

He has worked as a field representative and a compliance monitor, as well as a supportive services consultant. Mr. Adams also served as the Project Director of IDOT's Supportive Services Program and the Bonding, Finance, and Insurance Program in IDOT districts 7, 8 and 9. He has assisted with drafting and implementing policies geared to assist D/M/WBE and small businesses with the growth of their firms. He has developed and taught training classes that are essential to capacity building for D/M/WBE firms.

Mr. Adams was born and raised in St. Louis and worked most of his young life in a family-owned minority business. He is very aware of the struggles and challenges of small D/M/WBE firms and is committed to making a difference.

Shonte Harmon-Young, Contract Compliance Specialist

Shonte Harmon-Young served throughout 2020 as a Contract Compliance Specialist with the Program before moving on to become Councilwoman Shalonda Webb's legislative assistant in January 2021. After six years working in St. Louis County's Transportation Materials Testing Laboratory, Shonte provided the invaluable service of determining M/WBE participation on bids and proposals as well as providing project compliance for County construction and construction-related professional services contracts.

2021

The M/WBE Program ordinance provides for a total of six positions, and work is underway in 2021 to fill three vacant Contract Compliance Specialists, a Contract Compliance Manager, and an Administrative Assistant.

GOALS and OBJECTIVES

The goals and objectives of the M/WBE Program are consistent with the M/WBE Program ordinance yet reflect the opportunity to exceed the ambitions of the program.



- ❖ Build a culture of inclusiveness in St. Louis County contracting and procurement.
- ❖ Develop a Minority and Women-owned Business Enterprise Program that maximizes participation by a diverse group of contractors.
- ❖ Increase the number of certified minority and woman-owned businesses in St. Louis County.

- ❖ Increase the number of minority and woman-owned businesses participating in County solicitations in all aspects of business, including commodities and supplies, construction, professional services, and general services.
- ❖ Meet and surpass the MBE and WBE participation goals established by St. Louis County ordinance.
- ❖ Meet all applicable state, federal, and local diversity requirements and guidelines.
- ❖ Build a sustainable community of minority and woman-owned businesses in St. Louis County.



COMMUNITY

Business Advisory Council

The M/WBE Program Ordinance 107.071(7)(a) establishes the Business Advisory Council (BAC). This ten-member Advisory Council is appointed to advise and make recommendations in the following areas:

1. Effectiveness of the M/WBE Program
2. Increasing access to contracting opportunities for M/WBEs
3. Reviewing and advancing initiatives that impact M/WBE participation
4. Enhancing the notification process regarding prospective contract opportunities
5. Reviewing staff program recommendations for effectiveness and impact on M/WBEs

During 2020, the County Executive, with approval by the County Council, appointed the following representatives to serve on the Business Advisory Council (term length in years):

Janice Harris, St. Louis County Human Relations Commission (1)
Dottie Koch, National Association of Women in Construction (3)
Sonette Magnus, Associated General Contractors of Missouri (2)
Kelly Reid Jackson, St. Louis Council of Construction Consumers (2)
Michael Newton, Coalition of Black Trade Unionists (3)
Ronny Griffin, National Association for the Advancement of Colored People (3)
Ngyuen Violette, Asian American Chamber of Commerce (2)
John Stiffler, St. Louis Building and Construction Trade Council (3)
Yaphett El-Amin, MOKAN St. Louis Minority Contractors Association (1)
Gabriela Ramirez-Arellano, Hispanic Chamber of Commerce (2)

Partnerships

The M/WBE Program works with a variety of community partners. These advantageous partnerships provide opportunities to review upcoming projects, examine diversity and inclusion best practices, increase efforts to maximize participation, examine area-wide industry standards and updates, support training endeavors, and receive certification updates.



OUTREACH and TRAINING

The M/WBE Program is committed to providing an extensive training and educational curriculum for the M/WBE community, stakeholders, and community partners. 2020 was a year of challenges for the world and St. Louis County was no exception. While a number of events were planned for the year, including the County's well-received Vendor Fair, the pandemic reduced the number of events that could be held. The M/WBE Program was able to provide training on Commercially Useful Function, B2Gnow training for contractors, and a Trucking Symposium in 2020.

Throughout the remainder of the year, Program staff was able to take advantage of numerous virtual training programs, including virtual town hall discussions on the impact of COVID-19, MODOT civil rights compliance training, and B2Gnow training and symposia.

Outreach moved into the virtual space and bid openings and pre-bid meetings were held via Webex and Zoom. The M/WBE Program continues to provide a wealth of information regarding goal participation, utilization plans, good faith efforts, and required documentation at pre-bid meetings.



Businesses are always encouraged to register with the County's Vendor Self Service. If a business designates the commodity codes that it provides during registration, the County's e-Procurement system will notify businesses when a solicitation is posted that has those requirements. M/WBE Program staff also perform outreach regarding upcoming non-construction professional service Request for Proposals and the Division of Procurement notifies community partners each time an Invitation for Bid is posted.



Welcome to Vendor Self Service

stlouisco.munisselfservice.com/vendors/default.aspx

PRIME AWARDS

A successful M/WBE program is measured in its ability to level the playing field for underrepresented firms in the industry. St. Louis County's M/WBE Ordinance sets subcontractor participation goals. Tracking percentage of subcontractor participation is only one indicator of whether the playing field is level. Another indicator is the award of contracts to minority and women-owned firms as prime contractors or consultants. Below are the projects awarded to MBEs and WBEs as primes in 2020.

It should be noted that the M/WBE Program ordinance establishes subcontract participation goals stating "[t]he construction subcontract goal is the goal that shall be met by the utilization of minority and women-owned construction subcontractors." Performance by prime contractors and consultants is not considered when calculating MBE and WBE participation. Therefore, the projects below are not included in the overall participation information found in the remainder of this report.

MBE PRIME AWARDS

TOTAL \$1,083,876

X-L Contracting, Inc

2020 CRS Collector Overlay Program Area A
\$709,829

Pangea, Inc.

Ohlendorf Sewer Project
\$129,471

Anderson & Sons Contracting, LLC

*Abatement and Exterior Trim Restoration
at Jarville House – Queeny Park*
\$148,885

Interface Construction Corporation

Infill Project
\$63,266

Sioux Passage Automatic Gate Replacement
\$32,425

WBE PRIME AWARDS

TOTAL \$1,341,534

Barton Electric

Field Lighting at Creve Coeur Soccer Complex
\$541,000

Bethalto Glass, Inc.

*Emergency Installation of Plastic
Sheeting & Glass*
\$287,000

Raineri Construction, LLC

*Emergency Wall Repair – South County Health
Center*
\$86,260
Creve Coeur Dripping Springs Comfort Station
\$427,274

HOW TO READ THIS REPORT

Timeline

The following pages outline minority and women-owned business enterprise subcontractor participation. In order to calculate figures, the M/WBE Program reports on construction and architectural and engineering (A&E) professional service projects that were awarded in 2020. This report does not include information on projects that were awarded in prior years, and it does not take into consideration the lifecycle of a project, but rather reports activity from January 1 to December 31 on 2020 awarded projects.

Participation

St. Louis County measures subcontractor participation when payment to subcontractors and subconsultants is rendered. This action is reported to the County when the prime contractor or consultant uploads canceled checks or canceled lien waivers to the Diversity Management Reporting System (DMRS). Incorrect reporting or lack of reporting negatively affects the calculation of participation. The following data is pulled from DMRS and may not represent actual payments made to subcontractors/subconsultants.

Payments made to minority or women-owned prime contractors/consultants does not count towards MBE or WBE participation. The M/WBE ordinance established that the

“construction subcontract goal shall be twenty-four (24) percent for minority-owned business enterprises and nine and one-half (9.5) percent for women-owned business enterprises available for construction, and sixteen (16) percent for minority-owned business enterprises and fifteen (15) percent for women owned business enterprises for architecture and engineering projects...”

It further states that the “subcontract goal is the goal that shall be met by utilization of minority and women-owned construction subcontractors.”

Disadvantaged Business Enterprise Program (DBE)

St. Louis County does not have a DBE program. As a sub-recipient of federal funds from the United States Department of Transportation, through the Missouri Department of Transportation (MoDOT), many of the County's road projects contain DBE goals. DBE participation on these projects is administered by MoDOT with the M/WBE Program assisting with compliance through site and contractor visits. The M/WBE Program reports all compliance issues to the County's Department of Transportation and Public Works and MoDOT. Data regarding payments and participation for federally-funded road projects are recorded and reported by MoDOT.

QUICK FACTS*

\$6,878,436

Total reported payments made to prime contractors in 2020

\$1,672,464

Reported payments made to MBE subcontractors on construction services

\$274,820

Reported payments made to WBE subcontractors on construction services

MBE: 24.3%

WBE: 4.0%

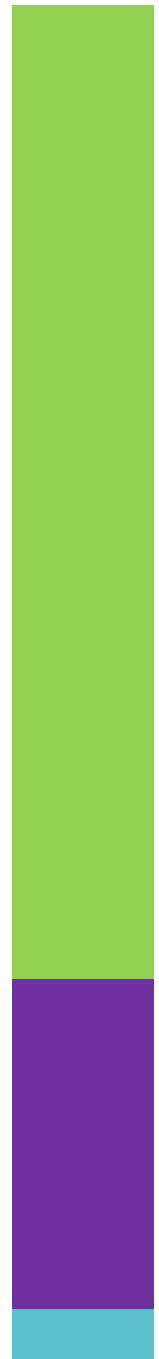
*Amounts in pages 13 – 20 represent projects awarded in 2020 and reflect payments reported in the Diversity Management Reporting System (DMRS). Amounts not verified through DMRS are not included.

CONSTRUCTION CONTRACTING PARTICIPATION

Prime Contractor &
Non-M/WBE Subcontractor
Reported Payments **71.7%**

MBE Subcontractor
Reported Payments **24.3%**

WBE Subcontractor
Reported Payments **4.0%**



ARCHITECTURAL & ENGINEERING (A&E) CONTRACTING PARTICIPATION



QUICK FACTS*

\$252,656

Total reported payments made to prime consultants working on A&E projects in 2020

\$14,020

Reported payments made to MBE subconsultants on A&E projects

\$14,025

Reported payments made to WBE subconsultants on A&E projects

MBE: 5.5%

WBE: 5.6%

*Amounts in pages 13 – 20 represent projects awarded in 2020 and reflect payments reported in the Diversity Management Reporting System (DMRS). Amounts not verified through DMRS are not included.

Saint Louis **COUNTY**

TRANSPORTATION

The mission of the St. Louis County Department of Transportation is to promote the health, safety and well-being of County residents by providing an exceptional transportation system that supports multi-modes and promotes regional growth and opportunity.

The department maintains 3,168 lane miles of roadway, consisting of 960 miles of arterial roads and 2,208 miles of collector and subdivision roads. The department also maintains 1,300 miles of sidewalk, 664 signals, 250,000 traffic signs, 60 miles of guardrail, 50,000 drive approaches, 184 vehicular bridges, and 975 culverts and other structures. During the period of January 1, 2020 through December 31, 2020, Transportation awarded a total of seven (7) contracts totaling \$8,958,909. Of those, five (5) were construction services contracts and two (2) were A&E contracts.

As the subrecipient of federal funds, the Transportation Department oversees additional road projects that include DBE participation. MBE and WBE participation under the federal DBE program is not administered by the M/WBE Program and is not included in this report.

Construction Services

5 Construction services prime awards totaling \$8,707,673

Payments reported through year-end to primes in construction services: \$5,743,204

Total payments reported through year-end to M/WBE subcontractors: \$1,559,865 (27.2%)

- Payments to MBE subcontractors totaled \$1,425,075 (24.8%)
- Payments to WBE subcontractors totaled \$134,790 (2.3%)

A&E Services

2 A&E prime awards totaling \$251,236

Payments reported through year-end to primes in A&E: \$93,315

Total payments reported through year-end to M/WBE subconsultants: \$0 (0%)



Public Works maintains County-owned or leased facilities totaling approximately 3.4 million square feet, is responsible for the maintenance of over 3,600 County-owned vehicles, trucks and miscellaneous equipment, and two parking garages. Additionally, the department enforces codes for residential and commercial construction, property maintenance, re-occupancy, land disturbance and zoning for unincorporated St. Louis County and 81 municipalities. From January 1, 2020 to December 31, 2020, Public Works awarded twelve (12) contracts during the reporting period. Of those, ten (10) construction services contracts, and two (2) were A&E contracts.

Construction Services

10 Construction services prime awards totaling \$1,766,465

Payments reported through year-end to primes in construction services: \$782,492

Total payments reported through year-end to M/WBE subcontractors: \$400,810 (51.2%)

- Payments to MBE subcontractors totaled \$187,832 (24.0%)
- Payments to WBE subcontractors totaled \$212,978 (27.2%)

A&E Services

2 A&E services prime awards totaling \$29,738

Payments reported through year-end to primes in A&E: \$28,091

Total payments reported through year-end to M/WBE subconsultants: \$0 (0%)



SPIRIT

Of St. Louis Airport

The Spirit of St. Louis Airport works to improve its facilities and promote the growth of aviation in the region as well as businesses in the surrounding community. From January 1, 2020 to December 31, 2020, Spirit Airport awarded two (2) construction services contracts.

Construction Services

2 Construction services prime awards totaling \$245,570.

Payments reported through year-end to primes in construction services: \$162,365

Total payments reported through year-end to M/WBE subcontractors: \$40,922 (25.2%)

- Payments to MBE subcontractors totaled \$29,125 (17.9%)
- Payments to WBE subcontractors totaled \$11,797 (7.3%)

A&E Services

0 A&E services awarded



Saint Louis **COUNTY** **PARKS**

The Department of Parks and Recreation has a total of 71 parks and cultural sites, 6 recreational complexes, and contains more than 144 miles of trails. During the period of January 1, 2020 through December 31, 2020, Parks awarded a total of twelve (12) contracts totaling \$2,745,915. Of these, nine (9) were construction services contracts , and three (3) were A&E contracts.

Construction Services

9 Construction services prime awards totaling \$1,851,915

Payments reported through year-end to primes in construction services: \$159,808

Total payments reported through year-end to M/WBE subcontractors: \$30,432 (19.0%)

- Payments to MBE subcontractors totaled \$30,432 (19.0%)
- Payments to WBE subcontractors totaled \$0 (0%)

A&E Services

3 A&E services prime awards totaling \$894,000

Payments reported through year-end to primes in A&E: \$131,250

Total payments reported through year-end to M/WBE subcontractors: \$28,045 (21.4%)

- Payments to MBE subconsultants totaled \$ 14,020 (10.7%)
- Payments to WBE subconsultants totaled \$ 14,025 (10.7%)

Goal Attainment

In its third reporting year, the M/WBE Program surpassed the MBE construction participation goal for the first time, with an overall MBE participation level of 24.3%. The program experienced a significant increase in MBE construction participation and WBE A&E participation over 2019. There was a decrease in WBE construction and MBE A&E participation.

The M/WBE Program continues to find avenues for opportunity and improvement. The difference between the St. Louis County participation goals and the actual goal attainment is defined as the “participation shortfall.” Overall, the County has a participation shortfall in construction for women and architectural and engineering services for minorities and women.

Areas of Opportunity

In order to reduce participation shortfall, it is imperative that contractors, subcontractors, and County staff work together. The following are areas that the M/WBE Program will be strongly focused on in 2021:

Good Faith Efforts – Pre-Award and Post-Award

It is incumbent upon bidders, proposers, and contract awardees to make “Good Faith Effort” (GFE) at time of bid/proposal submittal and throughout the life of a construction and A&E contract. Good Faith Effort is defined in 107.071 SLCRO as “all actions taken by a bidder or prime contractor consistent with the requirements, rules and procedures established by the DOP [Division of Purchasing] to engage M/WBEs toward meeting the goals for minority and women business enterprise utilization.”

Pre-Award GFE must be met when a bid/proposal does not provide the required percentage of participation. It is in the bidder’s best interest to *always* provide evidence of GFE, regardless of participation, in the event that the participation is evaluated and determined to be below requirements. Post-Award GFE must be met through the life of the contract when actual M/WBE participation is lacking and when change orders or subcontractor substitutions must be made.

Attainment of GFE continues to be a significant area for improvement. The M/WBE Program provides guidance on obtaining GFE through documentation, pre-bid meetings, outreach, and open two-way communication.

Areas of Opportunity

Commercially Useful Function

Evaluation of M/WBE participation requires determining whether the subcontractor or subconsultant is performing a commercially useful function (CUF). An M/WBE performs a commercially useful function when it is responsible for execution for the work of the contract and is carrying out its responsibilities by performing, managing, and supervising the work involved. To perform a CUF, the M/WBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. The certified firm's role should be consistent with "normal industry practice." In addition, the M/WBE must maintain a regular workforce, perform at least 30% of the total cost of its contract with its own workforce and have equipment (leased or owned) to perform the work outlined in its contract.

Performance of a commercially useful function is evaluated pre-award as the M/WBE Program evaluates bids and proposals and makes its recommendations to award. CUF is also evaluated during the life of the contract through compliance monitoring and additional Good Faith Efforts. Failure to perform a commercially useful function will result in reduced M/WBE participation, and the potential for assessment of liquidated damages, as well as notification to the certifying agency for further review.

On federally funded projects, both MoDOT and the M/WBE Program evaluate CUF. In accordance with 49 CFR Part 26.87, MoDOT may initiate proceedings to determine DBE eligibility. In cases of fraud, both the prime contractor and the DBE may be criminally prosecuted.

Diversity Management Reporting System (DMRS)

The Diversity Management Reporting System (DMRS) is utilized by the M/WBE Program to manage contract participation. The online application – B2Gnow – records all payments to prime contractors and consultants. The system captures participation when a prime records payment to subcontractors/subconsultants. As mentioned previously, participation on a contract occurs when payment is made to M/WBE subcontractors. This event is recorded in the DMRS by prime contractors and confirmed by subcontractors. Without these steps, participation – as measured by the M/WBE Program – has not occurred. It is imperative that these steps are taken, and the M/WBE Program will be requiring compliance in the coming year.

Areas of Opportunity

Workforce Participation

One of the goals of the M/WBE ordinance is to “develop and maintain a highly skilled, employment ready workforce that supports and enhances the economic health of St. Louis County and local business communities.” - SLCRO 107.071(9)(a)

To do this, the ordinance establishes interim workforce participation goals for women and minorities working on public works and County incentivized projects of \$1 million and greater. Those goals are stated in contract labor hours and minorities shall perform twenty-five (25) percent of all labor hours and women shall perform seven (7) percent of all labor hours. In addition, a contract goal of twenty-three (23) percent of all labor hours are to be performed by persons who reside within the County.

Workforce goals are applicable to all project contractors, regardless of tier, and are assessed cumulatively for the project. Contractors are required to submit payroll records for each subcontractor as well as workforce data. Compliance is ensured through M/WBE Program staff site visits, reviewing of documentation, and monthly meetings with prime contractors. If issues arise, the M/WBE Program will work with contractors to address potential shortfalls.

In coordination with the Prevailing Wage Program, the Procurement Division has purchased LCPTracker, a software that works in conjunction with the Diversity Management Reporting System. In 2021, contractors will be able to report and upload documents online to demonstrate compliance with workforce participation goals.



Areas of Opportunity

Subcontractor Prompt Payment

Subcontractor/subconsultant prompt payment as outlined within Missouri State Statutes is payment to subcontractors that occurs within fifteen (15) days upon prime contractor payment. Cash flow is critical for the success of small minority and women-owned businesses and the lack of prompt payment can put M/WBE businesses' existence at stake.

Upon review, several projects in FY2020 did not comply with Section 34.057 RSMo. In the coming year, the M/WBE Program will utilize the DMRS to verify prompt payment and will take steps to require compliance. Failing to meet this requirement may result in the withholding of progress payments and/or in the assessment of liquidated damages.