

Florida Advisory Council on Small and Minority Business Development



2008 Annual Report

Governor Charlie Crist • State of Florida

Executive Summary:

The activities and accomplishments of the Florida Advisory Council on Small and Minority Business Development are contained herein pursuant to Chapter 287.0947 of the Florida Statutes. It covers the reporting period of January 1 through December 31, 2008.

Given the status of the economy, the decrease in government spending and increase in competition for state contracts, Council members relied upon their direct experiences and the experiences of their respective constituents to devise ways to improve procurement and contracting opportunities for small, minority, women, and now, service-disabled veteran business enterprises.

In keeping with its purpose, several recommendations were made to ensure inclusivity in the spending practices of state agencies and universities while ensuring benefits to all of its citizens. The end result is a strategic emphasis on equity and fairness in procurement and contracting that will be second to none in the nation.

Purpose:

The purpose of the Florida Advisory Council on Small and Minority Business Development is to advise and assist the Secretary of Department of Management Services in carrying out the Secretary's duties with respect to small and minority business and economic development. In keeping with this purpose, the Council worked closely with the Department of Management Services, Office of Supplier Diversity to address critical issues and challenges that face the small, minority and women-owned business enterprises of the State of Florida.

Significant progress was made during the calendar year. Through diligence of the Office of Supplier Diversity and anticipated legislation, two key objectives emerged to be addressed during 2009:

- State Certification Reciprocal Agreement with Local Entities
- Increasing State of Florida Certification

By consensus, the Council also agreed that the following recommendations for 2009 should increase small, minority and women business participation with leadership, support and commitment through four (4) stakeholder categories. They are Agency, Governor, Legislative and Office of Supplier Diversity. When reviewing the recommendations within each category, some overlay is expected due to the respective roles of the stakeholder category.

Agency:

The following recommendations may require changes in practice and minimum financial resources:

- Embed Spanish and Creole language into existing websites that direct individuals to foreign language interpreters on staff within state government offices to ensure effective communication and understanding of the information presented;

- Encourage agencies and universities to unbundle contracts or direct small purchases (generally under \$50,000) to minority, women, and service-disabled veteran business enterprises or local businesses;
- Maximize the use of state term contracts and alternative contract source contracts issued by other governmental agencies;
- Simplify and/or provide learning tools for vendors with MyFloridaMarketPlace registration;
- Develop a minority, women, and service-disabled veteran business spending enterprises plan for large contracts (>\$1M);
- Establish benchmarks for minority, women, and service-disabled veteran business enterprises for architects and engineers based on a small business participation study; and
- Ensure that agencies, that receive federal funding, follow federal guidelines for disadvantaged business enterprise participation.

Governor:

The following recommendations require gubernatorial action:

- Reassign the Office of Supplier Diversity to the Executive Office of the Governor, which is considered a best practice;
- Monitor PRIDE contracts to certify that products/services rendered, sold or otherwise bided on are manufactured or provided by inmates and that said products/services meet comparable performance specifications, and comparable price and quality requirements in accordance with Section 946.515 FS;
- Pairing minority, women, and service-disabled veteran business enterprises along with economic development incentive dollars for major firms seeking business with the State of Florida or support provided by the Office of Trade and Tourism and Enterprise Florida, Inc. and outsource entities such as Enterprise Florida;
- Include minority, women, and service-disabled veteran business enterprises participation efforts and progress reports as part of the annual performance evaluation and appraisal criteria for agency purchasing officials and leadership of said agencies/departments-; and
- Require state-funded school districts (Department of Education) due to their fiduciary relationship with the State of Florida to follow reporting requirements of all Executive Agencies as set forth by the Office of Supplier Diversity.

Legislative:

The following recommendations require legislative action:

- Provide funding for a disparity study or a Small Business Participation Study by the Office of Supplier Diversity;
- Enact legislation which encourages benchmarks for, mandates outreach and supports inclusivity for minority, women, and service-disabled veteran business enterprise participation on all contracting opportunities and state contracts including subcontracting;
- Create a small business program within the Office of Supplier Diversity along with programs supporting service-disabled veteran and minority-owned firms.
- Increase the “no-quote” requirement on small purchases (currently \$2,500);
- Increase surety bond waiver requirements on larger contracts;
- Reassign the Office of Supplier Diversity to the Executive Office of the Governor, which is a best practice;
- Create concrete benefits for certified minority, women, and service-disabled veteran business enterprises, such as expedited payments of invoices for small contracts;
- Provide funding for incentive awards to corporate supporters, purchasing agents and agency heads for outstanding minority, women, and service-disabled veteran business enterprises;
- Remove bond requirements for specification challenges;
- Monitor PRIDE contracts to certify that products/services rendered, sold or otherwise bidden on are manufactured or provided by inmates and that said products/services meet comparable performance specifications, and comparable price and quality requirements in accordance with Section 946.515 FS;
- Revise insurance requirements to reflect the true project value;
- Pairing minority, women, and service-disabled veteran business enterprises along with economic development incentive dollars for major firms seeking business with the State of Florida or support provided by the Office of Trade and Tourism and Enterprise Florida, Inc. and outsource entities such as Enterprise Florida; and
- Create exemptions under current Florida security rules to allow small business entrepreneurs to raise capital to start, develop or strengthen their businesses

similar to the states of New York and South Carolina, including advertising the same to the public.

Office of Supplier Diversity:

The following recommendations require action from the Office of Supplier Diversity:

- Increase focus on agency best practices at future regional and state MatchMaker events;
- Develop an efficient and streamlined process to enforce Florida residency status of business owners seeking state certification

Council Goals for 2009:

1. Encourage Secretary to approve recommendations to fill current Council vacancies, as submitted to the Executive Director of Office of Supplier Diversity to enable the Council to function at capacity;
2. In conjunction to the above, add an Attorney to the Advisory Council;
3. Continue to conduct meetings to discuss issues relevant to our initiative inviting members of agencies, legislative members and the public to attend; and
4. Conduct fact-finding or information gathering sessions at state universities regarding procurement and contracting.

Council Members:

- Chairman: Malik Ali, President of the Florida Minority Supplier Development Council
- Jodi Bailey, Florida Department of Health Procurement Office
- Franklin U. Cross, Jr., City of Tampa, Past President of the Florida Association of Minority Business Enterprise Officials
- Marvin DeJean, Senior Vice President of Media Strategies for POWERi Technologies
- LaRae P. Floyd, Diversity Manager, Broward Health
- Ben Harris, MBE/DBE Administrator, City of Tallahassee
- Laverne Kelly, President of KNA Services
- Tony Lesesne, Vice President of In Focus Magazine
- Cliff Li, President of CommerNet

- Cheryl Seals-Gonzalez, Director of Institutional Equity and Compliance, Florida Gulf Coast University
- Keevin D. Williams, President of the Florida Black Business Investment Board

Note: Staff support for the Council is supported by the Office of Supplier Diversity.