

# FLORIDA ADVISORY COUNCIL on SMALL AND MINORITY BUSINESS DEVELOPMENT



## Annual Report 2008-2009



**Governor Charlie Crist - State of Florida**

## EXECUTIVE SUMMARY

Activities, recommendations, and accomplishments of The Florida Advisory Council on Small and Minority Business Development (established by Florida Statute 287.0947) are detailed in this Annual Report which covers the time frame of January 1st through December 31, 2009.

Monthly teleconferencing meetings were held that included Council members, the Office of Supplier Diversity (OSD) Staff, invited guests and members of the public. Minutes of these meetings were recorded and are available on the OSD website. Given the state of the economy and the infusion of Federal Stimulus monies, a major focus throughout the year was strategic actions for creating opportunities and equity in the distribution of stimulus dollars to minority and small businesses. Action items for committee chairs included assisting in the facilitation of distributing information regarding how to access stimulus dollars and creating awareness among university presidents about the state's equity in contracting initiative. Vacancies within the Council have been filled this year with appointments broadening the base of industries and professions.

The Council will continue to work with the OSD Executive Director and OSD staff to facilitate and support the achievement of the 2010 OSD Plan which is personified by the acronym of TEAM, which stands for: Technology, Economic Development, Accountability, and Matchmaking.

## PURPOSE

The purpose, powers and duties of Florida Advisory Council on Small and Minority Business Development (also noted in this Report as Council) include but are not limited to research and review the role of small and minority businesses in the state's economy so as to advise and assist the Secretary of Department and Management Services (DMS) in carrying out the Secretary's duties regarding the economic development of minority and small businesses.

The Council agreed the following recommendations for 2009 should increase minority and small business participation with leadership support and commitment through four stakeholder categories. The stakeholder categories are: Agency, Governor, Legislative, and OSD. The results/status of each recommendation is listed by stakeholder.

# STAKEHOLDERS

## AGENCY

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

**Status/Results** – This language will refer to key websites and will continue as a 2010 recommendation.

2. 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.

**Status/Results** – A tracking system is in place to account for expenditures to ascertain outcomes.

3. Maximize the use of state term contracts and alternative contract source contracts issued by government agencies.

**Status/Results** – Piggybacking of contracts has been encouraged and will be progressively utilized more to maximize contracts to minority/women/service-disabled veteran businesses.

4. Simplify and/or provide learning tools for vendors with MyFloridaMarketPlace registration

**Status/Results** – This was accomplished by the OSD in 2009.

5. Develop a minority/ women/ and service-disabled veteran business enterprise spending plan for large contacts (>\$1M).

**Status/Results** – This is in progress and will continue as a 2010 recommendation.

6. Establish agency 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 (DBE) participation.

**Status/Results** – This is in progress and will continue as a 2010 recommendation.

## GOVERNOR

1. Reassign the Office of Supplier Diversity to the Executive Office of the Governor which is considered best practice.

**Status/Results** – Reassignment did not occur and is pending further discussion in light of the current state structure.

2. Monitor PRIDE contracts to certify that products/services rendered, sold or otherwise bided on are manufactured or provided by inmates and that side products/services meet comparable performance specifications, and comparable price and quality requirements in accordance with Section 946.515 FS.

**Status/Results** – This is in progress with reports to be completed.

3. Pairing minority/women/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 Economic Development, Inc. and external entities such as Enterprise Florida.

**Status/Results** – Business outreach meetings were held throughout the State of Florida to disseminate information regarding the Florida Stimulus Package that included three meetings covering regional sections of the State with Council representatives in attendance.

4. Include minority/women/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 relationships with the State of Florida to follow reporting requirements of all Executive Agencies as set for the by the OSD.

## **LEGISLATIVE**

1. Revise Section 287.0945 to provide funding for a disparity study or a Small Businesses Participation Study by the OSD.

**Status-Results** – This was assigned to the Council’s newly established Disparity Study Committee. The Committee’s name was subsequently changed to Supplier Diversity Assessment Committee, which met via teleconferencing and devised a Request for Information (RFI) that was approved by the Council. The RFI will be reviewed by the OSD General Counsel for legal sufficiency before distribution. Seeking feedback through the RFI process does not guarantee that a study will ensue as funding requirements may preclude this from occurring.

2. Enact legislation which encourages benchmarks for, mandates outreach and supports inclusivity for minority/women /service-disabled veteran business enterprise participation on all contracting opportunities and state contracting opportunities including subcontracting.

**Status/Results** – This is pending further action and will continue as a 2010 recommendation.

3. Create a small business program within the OSD along with programs supporting service-disabled veteran and minority-owned firms.

**Status/Results** – This is pending further discussion and funding and will continue as a 2010 recommendation.

4. Increase the “no-quote” requirement on small purchases (currently \$2,500).

**Status/Results** – This is pending further action and will continue as a 2010 recommendation.

5. Increase surety bond waiver requirements on larger contracts.

**Status/Results** – This is pending further discussion and will continue as a 2010 recommendation.

6. Reassign the OSD to the Executive Office of the Governor which is best practice.

**Status/Results** — Reassignment did not occur and is pending further discussion.

7. Create legislation that provides concrete benefits for certified minority/women/service-disabled veteran business enterprises, such as expedited payments of invoices for small contracts.

8. Remove bond requirements for specification challenges.

**Status/Results** – This is pending further discussion and will continue as a 2010 recommendation.

9. Revise Section 946.515 FS to mandate DMS to 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.

**Status/Results** – This is in progress with reports to be completed and will continue to be monitored.

10. Revise insurance requirements to reflect true project value.

**Status/Results** – This is pending further and will continue as a 2010 recommendation.

11. Revise Section 287.0945 FS to add language pertinent to the pairing of minority/women/service-disabled veteran business enterprises along with economic development incentive dollars for major firms seeking to conduct business with the State of Florida or support provided by the Office of Trade, Tourism and Economic Development and external entities such as Enterprise Florida, Inc.

**Status/Results** – Business outreach meetings were held throughout the State of Florida to disseminate information regarding the Florida Stimulus Package that included three meetings covering regional sections of the State with Council representatives in attendance.

12. Create legislation that provides exemptions under current Florida security rules to allow small business entrepreneurs to raise capital to develop or strengthen their businesses similar to the State of New York and South Carolina, including advertising the same to the public.

## **OFFICE OF SUPPLIER DIVERSITY**

1. Encourage the Secretary of the Department of Management Services to approve recommendations to fill current Council vacancies as submitted to the Executive Director of OSD to enable the Council to function at capacity.

**Status/Results** – Vacancies were filled in 2009. As of December 2009, sixteen (16) of seventeen (17) positions are occupied and a press release was issued regarding returning and new appointees.

2. In conjunction to the above, add an Attorney to the Advisory Council.

**Status/Results** – This is in progress and recruitment of an Attorney will continue as a 2010 recommendation.

3. Continue to conduct Council meetings to discuss issues relevant to our initiative inviting members of agencies, legislative members and the public to attend.

**Status/Results** – Agency members, public and legislative members have participated throughout the year at the monthly Council meetings (see minutes of those meetings and discussions).

4. Conduct fact-finding or information gathering sessions at state universities regarding procurement and contracting.

**Statue/Results** – Universities periodically provide data and related information to OSD and this information will be made available to the Council. OSD also met with presidents of several of the state universities to acquaint them with the work of OSD. The Council will seek to meet with appropriate university and college vice presidents in charge of administration and finance to enhance awareness of and note benefits to the State with respect to fostering equity in procurement and contracting with small businesses including minority/women/service-disabled veteran businesses.

## SIGNIFICANT EVENTS AND ACHIEVEMENTS

### THE COUNCIL

In order to benchmark best practices, improve performance and attain progressive achievements towards the development of small and minority/women/service-disabled veteran owned businesses, the Council established a committee structure to conduct its work. The accomplishments of these Committees are detailed in the reports submitted by each Committee Chair and are on line for viewing. The Committees are:

- Bylaws Committee
- Research and Emerging Trends Committee
- Supplier Diversity Assessment Committee

### OFFICE OF SUPPLIER DIVERSITY

The most notable achievements of OSD that were fully supported by the Council are:

- State certification was increased from one year to two years through legislative action.
- Stimulus outreach meetings were conducted throughout the State of Florida in which Council members participated in and provided marketing support.

## COUNCIL GOALS AND RECOMMENDATIONS CARRIED FORWARD FOR 2010

1. Full membership of the Council (appointment of all 17 seats) which includes an appointment of an attorney to the Advisory Council. Continue to encourage the Secretary to approve recommendations as submitted by the Executive Director of OSD.
2. Create and identify strategic alliances and partners to participate in the monthly Council meetings.
3. Continue to conduct meetings to discuss issues relevant to small and minority/women/service-disabled veteran businesses and fact-finding or information gathering sessions at State Universities regarding procurement and contracting.
4. Participate in a training/workshop retreat to review the mission/purpose of the Council roles and responsibilities and briefings on the Sunshine Law and all other governing regulations/laws.
5. Increase the face-to-face meetings of Council members from one (1) to two (2) in 2010 with a location that is easily accessible for members and encourage funding described in Florida Statute 287.094, S.112.061.

6. 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.
7. Develop a minority/women, and service-disabled veteran business enterprise spending plan for large contracts (>\$1M).
8. Include minority/women/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.
9. Require state-funded school districts (Department of Education) due to their fiduciary relationships with the State of Florida to follow reporting requirements of all Executive Agencies as set for the by the OSD.
10. Establish agency benchmarks for minority/women/service-disabled veteran business enterprises for architects and engineers based on a small business participation study and to ensure that agencies that receive Federal funding follow Federal guidelines for disadvantaged business enterprise (DBE) participation.
11. Research and recommend small business programs for implementation within OSD in support of small/minority/women/service-disabled veteran business owners.
12. Review and seek approval of the recommendation to increase the amount of the “no-quote” requirement on small purchases that currently stands at \$2,500.
13. Review and seek approval of the recommendation to increase the surety bond waiver requirements on larger contracts.
14. Review and determine the next steps for approval of the recommendation to reassign the OSD to the Executive Office of the Governor.
15. Review for consideration the recommendation to create legislation that provides concrete benefits for certified minority/women/service-disabled veteran business enterprises such as expedited payments of invoices for small contracts.
16. Review and determine the next steps for approval of the removal of bond requirements for specification challenges.
17. Review and determine the next steps for approval of the recommendation to revise insurance requirements to reflect the true project value.
18. Seek the revision of Section 946.515 FS to mandate DMS to monitor PRIDE contracts to certify 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.
19. Seek the creation of legislation that provides exemptions under current Florida security rules to allow small business entrepreneurs to raise capital to start, develop or strengthen their businesses similar to the State of New York and South Carolina including advertising the same to the public.



## COUNCIL MEMBERS *(listing of each member)*

CHAIR – Malik Ali, President/CEO, Florida Minority Supplier Development Council

VICE CHAIR – Alyce V. Zahniser, President, Zahniser and Associates, Inc.

Ben Harris, Director, Minority Business Enterprise Office, City of Tallahassee

Tony Lesesne, Vice President, In Focus Magazine

Keevin D. Williams, Senior Manager, Space Florida Corporation

LaRae P. Floyd, Manager, Supplier Diversity, Broward Health

Jodi Bailey, Assistant Purchasing Director, Florida Department of Health

Jerry Cartwright, Director, Florida Small Business Development Center

Franklin U. Cross, Jr., City of Tampa Minority Business Development Office

Paula Duncan, Interim President, Florida Black Business Investment Board

Cheryl Gonzalez, Director, Equity and Compliance, Florida Gulf Coast University

Thomas Huggins III , President, Ariel Business Group

Cliff Li, CEO, CommerNet, Inc.

Andrew Magazine, Territory Development Manager, Business Solutions Division, Office Depot

Alison K. Jimenez, Dynamic Securities Analytics, Inc.

Carlos Rodriguez, President, Maverick Constructors

