

PROCEDURE – Metropolitan Council Underutilized Business (MCUB) Program

Section/Number: 3-4-6c	Total Pages: 3
Dept. Responsible: ODEO Office of Equal Opportunity	Effective Date: 5/7/12 1/21/2016
Special Note:	Last Revision Date:
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I. Policy

The Metropolitan Council recognizes its role as public policy makers in enacting policy that serve to eliminate the effects of illegal discrimination. The Council has previously approved several policies that clearly state its commitment to the prohibition of discrimination in employment and the provision of public services. This policy conveys the Council's commitment to create and support programs that result in the inclusion of women-owned, minority-owned and other small disadvantaged businesses in ~~all of~~ its procurement and contracting activities.

The Council will, in accordance with authority granted by federal regulations, and state statute, ~~and local laws and ordinances,~~ act affirmatively to create a "level playing field" for woman-owned, minority-owned and other small disadvantaged business enterprises to achieve the goal of equal opportunity.

~~To help ensure equal opportunity, t~~The ~~Metropolitan~~ Council will utilize small disadvantaged businesses owned and controlled by socially and economically disadvantaged individuals in the procurement of goods and services, and the award of contracts. The Council will set inclusion goals on construction contracts and on contracts for consultant, professional, or technical services that feature subcontract opportunities. Where feasible, the Council will encourage its grant recipients to engage in efforts to solicit and include small disadvantaged businesses and to report to the Council the results of these efforts. The Council will set benchmarks to track and measure its efforts to include small disadvantaged businesses across its divisions. ~~The Council will operate a Metropolitan Council Underutilized Business (MCUB) Program which will promote the use of MCUBs in Council procurements and set aspirational goals on select Council design and construction contracts. Contracts eligible for MCUB goals must; not have any federal funding, must have an anticipated total value exceeding \$100,000, must have subcontracting opportunities, and must have work scopes that can be performed by Council MCUBs.~~

II. Procedure

Definitions

Disadvantaged Business Enterprise (DBE): A for-profit, small business concern that is at least 51 percent owned and controlled on a daily basis by one or more individuals who are both socially and economically disadvantaged.

Metropolitan Council Underutilized Businesses (MCUBs) - Businesses certified by the Minnesota Department of Administration as a Targeted Group Business (TGB); or DBE certified businesses based in Minnesota;



or Minnesota Veteran-owned businesses certified by the Department of Veteran Affairs, or by the Minnesota Department of Administration.

Targeted Group Business (TGB): A for-profit small business concern that is at least 51 percent owned and controlled on a daily basis by a woman, racial minority, or person with a substantial physical disability. TGBs are certified by the State of Minnesota Department of Administration.

Background and reasons for procedure clarification

The purpose of this procedure is to ~~provide clarification on~~clarify the Council's policy of including minority-owned, women-owned, and other small disadvantaged businesses in ~~all of its~~ procurement ~~and contracting~~ opportunities.

On June 6th, 2011 the Council received a mandate from Governor Mark Dayton requesting Minnesota agencies to expand procurement opportunities for minority-owned and other small businesses. This mandate followed a 2009 disparity study which identified disparities in Council procurement activities.

The Council's Office of ~~Diversity and~~ Equal Opportunity (ODEO) developed ~~a the~~ Metropolitan Council Underutilized Business (MCUB) program that builds upon the success of the federal ~~Disadvantaged Business Enterprise (DBE)~~ program and designed with Council procurement activities in mind.

Metropolitan Council Underutilized Business (MCUB) Program

~~The Council's MCUB program is tailored for Council activities and existing ODEO procedures. The Council MCUB program was approved by Council's Executive Team in December 2011. A response letter to Governor Dayton's office was sent by Chair Susan Haigh outlining the Council's MCUB program.~~

To further the Council's efforts of eliminating the effects of illegal discrimination, the Council has updated its policy and this procedure to encourage the inclusion of small disadvantaged businesses in additional Council procurement activities, and in activities supported by grants from Council funds.

MCUB Program Components

The Council's ~~Targeted Group Business~~MCUB program is a multi-phased initiative intended to reduce barriers for ~~targeted group businesses~~small disadvantaged businesses doing business with the Council. ~~The first phase of the MCUB Program will begin in 2012 and evaluated/ updated on an annual basis.~~

1. Outreach / Education

ODEO will develop a series of outreach and educational events in order to increase awareness of the MCUB program and MCUB firms. ODEO planned outreach events include MCUB vendor fairs held at the Council, presentations at government fairs and events, and a marketing campaign. Educational events will include seminars for MCUB firms on how to do business with the Council. Council staff will receive training and resources designed to raise awareness and provide information on MCUB firms and the goods and services they provide.

2. Efforts to include MCUB Firms in Council Procurements

OEO will use a variety of strategies to include MCUBs in Council procurements. These strategies include placing numeric MCUB goals on procurements for construction services, consultant, and professional and technical services that meet the criteria described below and requiring that prime contractors and consultants engage in good faith efforts to meet those goals. The Council will also require its staff to make efforts to solicit and include MCUB firms in procurements where numeric MCUB goals and good faith efforts to meet those goals are not applied.

MCUB Goals on Contracts

OEO will place aspirational MCUB goals on contracts that meet the prescribed criteria. Contracts eligible for MCUB goals must; not have any federal funding, must have an anticipated total value exceeding \$100,000, must have subcontracting opportunities, and must have work scopes that can be performed by Council MCUBs.

The Council has not collected bidder information on non-federally funded construction and design contracts. The absence of this data does not allow the Council MCUB program to set blanket goals as is currently done for DBE contracts. Until data is collected, contracts which meet the MCUB criteria will be assigned contract specific goals. MCUB goals will be calculated based on the relative availability of MCUBs and work scopes present on each contract. This contract specific goal calculation methodology is an approved method by USDOT and is currently used by the Metropolitan Airports Commission for their MCUB program.

2.3. Administration of MCUB Contracts Procurements

The Office of Equal Opportunity will The administration of the various aspects of MCUB contracts program implementation including; pre-bid and pre-proposal guidance, evaluation of bids/proposals, and contract monitoring and contract close-out, will be administered by OEO staff. The mechanics of the contract administration will mirror be based on the following DBE program regulations: 26.39 (fostering small business participation, excluding the DOT approval requirement), 26.53 (a – j) (good faith efforts procedures), 26.55 (counting participation towards inclusion goals), and Appendix A – GFE (good faith efforts guidance). MCUB projects will also follow the procedures and work instructions established by the Office of Equal Opportunity, the procedures and work instructions established by the Council's DBE program.

3. Definition of a Metropolitan Council MCUB

Firms eligible to participate in the Council MCUB program include businesses certified by the Minnesota Department of Administration as a women or minority owned Targeted Group Business (TGB), DBE certified businesses based in Minnesota, and Minnesota Veteran owned businesses certified by the Department of Veteran Affairs.

MCUB Inclusion Strategies & Applicability

1. Procurements for Construction, Consultant, Professional, and Technical Services

- a. Strategy for Inclusion: When feasible, OEO will set project specific MCUB goals for construction, consultant, professional, and technical services, and will require good faith efforts to meet these goals.
- b. Eligibility: MCUB goals and good faith efforts requirements apply to prime contractors and consultants on procurements that:
 - i. Are non-federally funded;
 - ii. Have an anticipated total value exceeding \$100,000;

- iii. Include reasonable subcontracting opportunities; and
 - iv. Involve work scopes that can be performed by MCUBs
 - c. Roles: OEO will oversee good faith efforts to comply with the MCUB program during the bid or proposal review phase, will monitor compliance during the life of these projects, and will report on MCUB achievements.
- 2. Goods and Services (\$25,001 and above)
 - a. Strategy for Inclusion: Council staff will make efforts to solicit and include MCUB firms in procurement process.
 - b. Eligibility: Procurement of goods or services that:
 - i. Are non-federally funded;
 - ii. Have an anticipated total value above \$25,001; and
 - iii. Involves scopes of work that can be performed by Council MCUBs
 - c. Roles: Staff from the Contracts and Procurement Office will make efforts to solicit and include MCUB firms in procurement process. OEO will oversee and track these business inclusion efforts.
- 3. Grant Awards
 - a. Strategy for Inclusion: The Council will encourage grantees to solicit and include MCUB firms in activities supported by grants from Council funds.
 - b. Eligibility: Activities supported by Council grants that:
 - i. Are non-federally funded; and
 - ii. Involve work scopes that can be performed by Council MCUBs
 - c. Roles: OEO will encourage grantees to include MCUB firms in their procurement processes and to identify appropriate subcontracting opportunities for MCUB firms. OEO will request annual reports from grantees identifying their progress in including MCUB firms in grant-funded activities.

Links:

Revision/Review Tracking

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	42	

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I. Policy

The Metropolitan Council recognizes its role as public policy makers in enacting policy that serve to eliminate the effects of illegal discrimination. The Council has previously approved several policies that clearly state its commitment to the prohibition of discrimination in employment and the provision of public services. This policy conveys the Council's commitment to create and support programs that result in the inclusion of women-owned, minority-owned and other small disadvantaged businesses in its procurement and contracting activities.

The Council will, in accordance with authority granted by federal regulations, and state statute, act affirmatively to create a "level playing field" for woman-owned, minority-owned and other small disadvantaged business enterprises to achieve the goal of equal opportunity.

To help ensure equal opportunity, the Council will utilize small disadvantaged businesses in the procurement of goods and services, and the award of contracts. The Council will set inclusion goals on construction contracts and on contracts for consultant, professional, or technical services that feature subcontract opportunities. Where feasible, the Council will encourage its grant recipients to engage in efforts to solicit and include small disadvantaged businesses and to report to the Council the results of these efforts. The Council will set benchmarks to track and measure its efforts to include small disadvantaged businesses across its divisions.

II. Procedure

Definitions

Disadvantaged Business Enterprise (DBE): A for-profit, small business concern that is at least 51 percent owned and controlled on a daily basis by one or more individuals who are both socially and economically disadvantaged.

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Background

The purpose of this procedure is to clarify the Council's policy of including minority-owned, women-owned, and other small disadvantaged businesses in its procurement opportunities.

On June 6th, 2011 the Council received a mandate from Governor Mark Dayton requesting Minnesota agencies to expand procurement opportunities for minority-owned and other small businesses. This mandate followed a 2009 disparity study which identified disparities in Council procurement activities.

The Council's Office of Equal Opportunity (OEO) developed the Metropolitan Council Underutilized Business (MCUB) program that builds upon the success of the federal Disadvantaged Business Enterprise (DBE) program and designed with Council procurement activities in mind. The Council MCUB program was approved by Council's Executive Team in December 2011.

To further the Council's efforts of eliminating the effects of illegal discrimination, the Council has updated its policy and this procedure to encourage the inclusion of small disadvantaged businesses in additional Council procurement activities, and in activities supported by grants from Council funds.

MCUB Program Components

The Council's MCUB program is a multi-phased initiative intended to reduce barriers for small disadvantaged businesses doing business with the Council.

1. Outreach / Education

OEO will develop a series of outreach and educational events in order to increase awareness of the MCUB program and MCUB firms. OEO planned outreach events include MCUB vendor fairs held at the Council, presentations at government fairs and events, and a marketing campaign. Educational events will include seminars for MCUB firms on how to do business with the Council. Council staff will receive training and resources designed to raise awareness and provide information on MCUB firms and the goods and services they provide.

2. Efforts to include MCUB Firms in Council Procurements

OEO will use a variety of strategies to include MCUBs in Council procurements. These strategies include placing numeric MCUB goals on procurements for construction services, consultant, and professional and technical services that meet the criteria described below and requiring that prime contractors and consultants engage in good faith efforts to meet those goals. The Council will also require its staff to make efforts to solicit and include MCUB firms in procurements where numeric MCUB goals and good faith efforts to meet those goals are not applied.

3. Administration of MCUB Procurements

The Office of Equal Opportunity will administer the various aspects of MCUB program implementation including pre-bid and pre-proposal guidance, evaluation of bids/proposals, and contract monitoring and close-out. The mechanics of contract administration will be based on the following DBE program regulations: 26.39 (fostering small business participation, excluding the DOT approval requirement), 26.53 (a – j) (good faith efforts procedures), 26.55 (counting participation towards inclusion goals), and Appendix A – GFE

(good faith efforts guidance). MCUB projects will also follow the procedures and work instructions established by the Office of Equal Opportunity.

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 - a. Strategy for Inclusion: When feasible, OEO will set project specific MCUB goals for construction, consultant, professional, and technical services, and will require good faith efforts to meet these goals.
 - b. Eligibility: MCUB goals and good faith efforts requirements apply to prime contractors and consultants on procurements that:
 - i. Are non-federally funded;
 - ii. Have an anticipated total value exceeding \$100,000;
 - iii. Include reasonable subcontracting opportunities; and
 - iv. Involve work scopes that can be performed by MCUBs
 - c. Roles: OEO will oversee good faith efforts to comply with the MCUB program during the bid or proposal review phase, will monitor compliance during the life of these projects, and will report on MCUB achievements.

2. Goods and Services (\$25,001 and above)
 - a. Strategy for Inclusion: Council staff will make efforts to solicit and include MCUB firms in procurement process.
 - b. Eligibility: Procurement of goods or services that:
 - i. Are non-federally funded;
 - ii. Have an anticipated total value above \$25,001; and
 - iii. Involves scopes of work that can be performed by Council MCUBs
 - c. Roles: Staff from the Contracts and Procurement Office will make efforts to solicit and include MCUB firms in procurement process. OEO will oversee and track these business inclusion efforts.

3. Grant Awards
 - a. Strategy for Inclusion: The Council will encourage grantees to solicit and include MCUB firms in activities supported by grants from Council funds.
 - b. Eligibility: Activities supported by Council grants that:
 - i. Are non-federally funded; and
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