

#### 1. What is a Disparity Study?

A: The study determines whether an agency, either in the past or currently, engages in exclusionary practices in the solicitation and award of contracts to minority-, and women-owned business enterprises (M/WBEs). Disparity studies are commissioned by an agency to determine if there is disparity between the availability of firms in a market area and the utilization of those firms by an agency.

#### 2. What is the purpose of a disparity study? Why is it necessary?

A: The study is necessitated in part by the 1989 U.S. Supreme Court's decision in the case of *City of Richmond v. J.A. Croson.* The court decision imposed legal requirements on jurisdictions to establish a "compelling interest" to support the establishment of a minority and women business program. The results of this study will determine if a compelling interest exists for the establishment of an M/WBE program.

### 3. What information/data does the Disparity Consultant review in making its analysis (e.g. anecdotal, contracts, etc.)?

- A: Data analyzed for the District, where available, includes:
  - Expenditures of contracts awarded to construction and construction and design-related professional services firms;
  - Subcontract dollars awarded by prime contractors and lead professional consultants on District contracts;
  - Anecdotal data retrieved from focus groups, public hearings, surveys, and interviews;
  - Construction permits;
  - Current or past policies, procedures, and programs that govern the procurement of contracts;

#### 4. What factors are considered in determining whether disparity exists?

A: Disparity is calculated in the form of an index. The disparity index is a ratio of the percentage of utilization and the percentage of availability of M/WBE firms. If the disparity index is 100, the utilization of M/WBE is leveled with the availability of M/WBEs in the market area. If the index is less than 80, it indicates that M/WBEs are significantly underutilized by an agency based on availability. Indices between 80 and 100 - which is close to full participation-indicates underutilization though not significant.



### 5. What minority groups are being analyzed as part of the disparity study?

#### A: The groups included in the study are:

- Anglo/Caucasian/White
- Black or African American
- Asian
- Hispanic or Latino
- American Indian/Alaskan Native
- Native Hawaiian/Other
- Pacific Islander Group

#### 6. What is the study period being analyzed as part of the disparity study?

- A. Phase 1 Construction & Construction Related Professional Services:
  - a. Fiscal Years July 1, 2006 through June 30, 2012
- B. Phase 2 Procurement (Goods/Supplies) & Professional and Other Services:b. Fiscal Years July 1, 2008 through June 30, 2012

# 7. Is the disparity study limited to specific industries (e.g. construction, procurement, etc.)?

A: The disparity study is being conducted in two phases. See item 7 above.

#### 8. When can we expect to see the results of the disparity study?

A: The Disparity consultants anticipate that Phase I of the Study will be completed by July 2013.

## 9. I am a vendor and I haven't heard from the Disparity Consultant, who are they contacting and how is this determined?

A: The Consultants will be contacting firms to participate in focus groups, interviews, surveys, and public hearings. Firms are randomly selected to participate in the interviews, focus groups, and surveys. Because every firm will not be contacted, firms are encouraged to participate in the public hearing to provide their experience in doing business or attempting to do business with the District or its primes.

## 10. What is the difference between a public hearing and a public forum? How do these differ from the information you will collect at a focus group?

A: Both the public hearing and the public forum are open to the public and are conducted to share information about the District's Disparity Study. The difference is that the public hearing will document anecdotal testimony (via



court stenographer) from firms and/or individuals that have done business, or are interested in doing business directly with the District or indirectly through its prime contractors/lead professional consultants. The public forum does not document testimony but affords the opportunity for firms/individuals to ask questions pertaining to the disparity study.

Focus groups are small groups that facilitate discussions with randomly selected firms that have done business, or are interested in doing business with the District.

Data collected during the focus groups and the public hearings is equally important. The focus groups allows for further discussion on topics such as doing business for the District, its primes, the private sector, barriers to doing business, etc.