



DISPARITY STUDY

FACT SHEET

What is a Disparity Study?

A Disparity Study (“Study”) is an evaluation of the procurement and contracting practices of government agencies, particularly their use of minority and woman-owned business enterprises.

Who is sponsoring the Study?

The Washington Suburban Sanitary Commission (“WSSC”) is sponsoring the Study.

What is the purpose of the Study?

The purpose of this Study is to evaluate how well WSSC’s current procurement policies promote equal opportunity in the award of its contracts, evaluate the business market in this region, and determine if a statistical disparity exists in the awarding of WSSC contracts to woman-owned and minority firms relative to the availability of such firms in the market. The results will provide WSSC with a factual predicate for any future MBE program.

Why has WSSC decided to conduct the Study?

WSSC has decided to conduct a Study to accomplish the following:

- Identify best practices that will help WSSC build business programs to stimulate economic growth for local businesses
- Increase participation of minority and woman-owned business enterprises in WSSC’s contracts
- Promote a sound fiduciary relationship with local businesses
- Reinforce social responsibility toward the local business community

What is the motivation for conducting the Study?

On November 30, 2009, the Commissioners of the WSSC voted to extend the current interim MBE program until April 30, 2011. The action taken by the Commission demonstrates its commitment to promoting job creation and stimulating the economy by increasing contract opportunities for small and minority businesses. While this interim MBE program is in effect, WSSC will conduct a Study to establish its factual predicate for a long-term MBE program. The current interim MBE program has been in effect since July 1, 2007.

How does WSSC benefit from a Disparity Study?

There are many benefits of a Study. The three principal benefits for WSSC are:

- Identifying best practices to improve WSSC’s contracting process
- Increasing number of bidders for WSSC contracts
- Lowering WSSC’s procurement costs

What guidelines exist to help direct the Study?

The Study will be guided by the United States Supreme Court's 1989 decision in *City of Richmond v. Croson J.A. Croson Co.*, 488 U.S. 469 (1989) and its progeny.

What methodology will be used to conduct the Study?

The Study methodology is to conduct data and procurement policies assessments, determine relevant geographic market area, conduct data collection, perform availability and utilization analysis, compute disparity ratios, conduct anecdotal analysis, in depth interviews, evaluate race-gender neutral alternatives, and develop recommendations pursuant to study findings.

How will WSSC identify available businesses?

WSSC and WSSC's consultant will conduct a broad-based community outreach program and use a thorough data collection process. WSSC's contract records, certification lists, outreach meetings, and trade and professional association lists will help identify businesses that are available. In addition, the WSSC will utilize business lists from other governmental agencies.

What industries are being studied and what period is being studied?

The four industries being studied are construction, architecture and engineering, professional services, and goods and other services. The Study period is Fiscal Years 2004 through 2009

Who in WSSC is managing the Study?

WSSC's SLMBE Office is managing the Study. Towanda Livingston, Director, SLMBE Office is the project sponsor and Lynda Dorman is the Study project manager.

Who is conducting the Study?

Mason Tillman Associates, Ltd., a national expert in conducting disparity studies based in Oakland, California, is conducting the Study.

How can local business owners get involved?

Local business owners can get involved in many ways, such as the following:

- Attending one of two business community meetings scheduled for June 2010 to learn more about the Study.
- Completing a business survey
- Participating in a telephone interview to share their experiences
- Providing membership lists from local business associations

Who should business owners contact to get additional information?

Contact Mason Tillman Associates at (800) 793-4460 or by e-mail at wsscstudy@mtaltd.com.

Contact Washington Suburban Sanitary Commission, Small, Local and Minority Business Enterprise Office (301) 206-8800.