

METRO NASHVILLE

DISPARITY STUDY REPORT | JUNE 2023



DEPARTMENT of FINANCE
DIVISION OF PURCHASES

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I. INTRODUCTION

A. Scope of Work

In 2022, the Metropolitan Government of Nashville and Davidson County (“Metro Nashville” or “Metro”) contracted with Griffin & Strong, P.C. (“GSPC”) to conduct a Disparity Study to determine the effectiveness of the current policies related to local, minority, and women owned businesses and to recommend modifications and adjustments, if necessary, to Metro Nashville’s policies that comply with the law.

Governmental entities across the country authorize Disparity Studies in response to City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989) and subsequent cases in order to determine whether there is a compelling interest for the creation or continuation of remedial procurement programs, based upon race, gender, and ethnicity. For the legal requirements of Croson and its progeny to be satisfied for any race or gender-based activities, GSPC must determine whether Metro Nashville has been a passive or active participant in any identified discrimination.

Toward achievement of these ends, GSPC has analyzed the prime contractor contracting and subcontracting activities for Metro Nashville’s purchases in the Industry Categories of Construction, Architecture & Engineering (“A&E”), Professional Services, Other Services, and Goods during the five (5) year Study Period July 1, 2017 - June 30, 2022 (FY2018-FY2022) (“Study Period”).

B. Objectives

The principal questions of this Study were:

1. Is there a statistically significant disparity within the relevant geographic markets between the percentage of certified Minority- and Women-owned businesses willing and able to provide goods or services to Metro Nashville in each of the categories of contracts and the percentage of dollars spent by Metro Nashville or Metro Nashville contractors with such firms?
2. If a statistically significant disparity exists, have factors other than race and gender been ruled out as the cause of the disparity?
3. Can the disparity be adequately remedied with race- and gender-neutral remedies?
4. If race- and gender-neutral remedies are not sufficient, does the evidence from the Study legally support race- and/or gender-conscious remedial program elements?
5. Are the proposed remedies narrowly tailored to the findings of the Study?

C. Technical Approach

In conducting this Study and preparing its recommendations, GSPC followed a carefully designed work plan that allowed Study team members to fully analyze Availability, Utilization, and Disparity with regard to participation. The final work plan consisted of, but was not limited to, the following major tasks related to both federal and state-funded projects:

- Establishing data parameters and finalizing a work plan;
- Legal analysis;
- Reviewing policy and procurement processes;
- Collecting electronic data, inputting manual data, organizing and cleaning data, and filling any data gaps;
- Conducting geographic and product market area analyses;
- Conducting Utilization analyses;
- Determining the Availability of qualified firms;
- Analyzing the Utilization and Availability data for disparity and statistical significance;
- Conducting private sector analysis including credit and self-employment analysis;
- Collecting and analyzing anecdotal evidence;
- Establishing findings of fact regarding the existence and nature of marketplace discrimination and/or other barriers to minority and women owned business participation in Metro Nashville contracts; and
- Preparing a final report that identifies and assesses the efficacy of various race- and gender-neutral and narrowly tailored race- and gender-based remedies if indicated by the findings.

D. Report Organization

This report is organized into the following sections, which provide the results of GSPC's analytical findings and offer recommendations for Metro Nashville. In addition to this introductory chapter, this report includes:

- Chapter II, which presents the Executive Summary of Findings and Recommendations;
- Chapter III, which is an overview of the legal framework and basis for the Study;
- Chapter IV, which provides a review of Metro Nashville's purchasing policies, practices, and programs;
- Chapter V, which presents the methodology used in the collection of statistical data from Metro Nashville and the analyses of the data regarding relative MWBE Availability and Utilization analyses, and includes a discussion on levels of disparity for Metro Nashville's prime contractors and subcontractors;
- Chapter VI, which analyzes whether present or ongoing effects of past discrimination are affecting Metro Nashville's marketplace; and
- Chapter VII outlines the qualitative analyses: the analysis of anecdotal data collected from the online survey, anecdotal interviews, focus groups and public meetings.

II. EXECUTIVE SUMMARY OF FINDINGS AND RECOMMENDATIONS

This chapter presents the findings and recommendations resulting from the Study for the Metropolitan Government of Nashville and Davidson County (hereafter the “Metro Nashville”) related to Construction, Architecture & Engineering (“A&E”) Professional Services, Other Services, and Goods during the five (5) year Study Period July 1, 2017 - June 30, 2022 (FY2018-FY2022).

Following the last study, Metro Nashville has put into place the recommendations from the previous Disparity Study in 2018. Clearly, there have been big improvements in utilization of MWBE subcontractors. A number of recommendations focus on increasing participation of MWBE prime contractors to remediate the remaining disparities.

GSPC found that Metro Nashville has a factual basis for establishing race- and gender-conscious program elements in addition to race- and gender-neutral efforts. A regression analysis found that disparities by race, ethnicity, or gender status of the firm owners remained after controlling for capacity and other race and gender-neutral factors. Anecdotal and policy findings support the statistical and regression analyses.

A. FINDINGS

1. Legal Findings

FINDING 1: LEGAL

Consistent with the “narrow tailoring” requirements of the strict scrutiny analysis discussed at length in the Legal Chapter, the Metropolitan Government of Nashville & Davidson County continues to implement both race and gender-neutral measures and race and gender-conscious measures to try to increase utilization of MWBE firms. The present Study shows, however, that those efforts have not been effective in resolving or significantly reducing the identified disparities.¹ Accordingly, Metro Nashville has a basis to continue the use of race and gender-conscious policies toward that goal and to perhaps introduce more robust remedial measures for prime contracting.²

Moreover, the use of a regression analysis and consideration of the contracting environment in the private sector as part of this Study has demonstrated that factors *other than* MWBE status cannot fully account for the statistical disparities found. Stated otherwise, MWBE status continues to have an adverse impact on a firm’s ability to secure contracting opportunities with Metro Nashville, further supporting more robust remedial efforts for prime contracting.

¹ See generally City of Richmond v. J. A. Croson Company, 488 U.S. 469, 507-508; 109 S. Ct. 706 (1989) (discussing factual predicate for race and/or gender conscious remedies or policies).

² Id.

Lastly, having obtained statistical and anecdotal evidence of disparities that are race, ethnicity, and gender specific, Metro Nashville can ensure that the remedies considered because of this Study can be limited to minority groups for which statistically significant underutilization and an inference of discrimination has been sufficiently identified.³

2. Policy Findings

FINDING 2: PROFESSIONAL SERVICES

Metro Nashville uses qualifications-based procurement for Architecture & Engineering (A&E) contracts and a small number of professional services contracts. Metro Nashville stopped using Master Engineering Services Agreements (MESA) for procurement of engineering services in 2020.

Metro Water Services has also used Indefinite Delivery/Indefinite Quantity (ID/IQ) procurement for some design services. In this process a preselected list is procured and then a Request for Quotations (RFQ) is submitted to these lists as tasks arise. Metro Water Services has also rotated vendors from a preselected list for certain design services. NDOT also qualifies firms for a scope of services and then issues task orders against that scope of services. Multiple firms or a single firm may win an award for a particular scope of services.

FINDING 3: CONSTRUCTION

Staff interviews indicated that Metro Nashville General Services, which handles buildings and renovations for some Metro facilities, has primarily used design-build for construction projects. Metro Nashville, Parks and Recreation, and Metro Water Services have used Construction Manager at Risk (CMAR). MBE/WBE/SBE/SDV goals are placed on CMAR projects.

FINDING 4: BONDING AND INSURANCE

Tennessee state law requires payment bonds of twenty-five percent of the contract price on all contracts in excess of \$100,000 for Metro contracts. About 10% of WBE and 17.6% of MBE survey respondents reported performance bonds as a barrier. About 6.6% of WBE and 11.5% of MBE survey respondents reported insurance as a barrier.

³ *Id.*; see also *H.B. Rowe Company, Inc. v. W. Lindo Tippet*, 615 F.3d 233, 256-58 (4th Cir. 2010) (finding strong basis in evidence for remedial action for African American and Native American firms, but no similar basis for inclusion of other minority groups (including women-owned businesses) in the remedial policy).

FINDING 5: PROMPT PAYMENT

Metro Nashville complies with the Tennessee Prompt Payment Act. One of the required reports for the Metro Nashville Procurement Standards Board is government performance on prompt payment. About 37.9% of all survey respondents said that they received payments as primes more than 30 days after submitting an invoice. This includes 12.2% of survey respondents that received their payments more than 60 days after submitting an invoice.

In addition, with regard to subcontractor payments, 56.1% of all survey respondents reported being paid more than 30 days after submitting an invoice to prime contractors. This includes 23.2% of survey respondents who received payments after 60 days of submitting an invoice.

FINDING 6: EQUAL BUSINESS OPPORTUNITY (EBO) PROGRAM

Nashville established a Procurement Non-discrimination Program in 2008. Following the 2018 Disparity Study, Metro Nashville Government implemented an EBO Program in 2019. The EBO program applies to Construction, Non-professional Services, and Professional Services. Metro Nashville had a commercial Non-discrimination policy prior to the 2018 Disparity Study and that policy remains in effect.

Table 1 below shows Metro Nashville's aspirational MBE and WBE Goals.

Table 1: Metro Nashville MBE, WBE Goals

Procurement Categories	MBE	WBE
Construction Contracts	13%	12%
Non-Professional Services Contracts:	23%	16%
Professional Services Contracts	24%	16%
Good Contracts	10%	11%

Source: Equal Business Opportunity Program
Annual Report FY21

FINDING 7: CERTIFICATION

The MWBE certification standard includes location in the Metropolitan Nashville Statistical Area. There are no size standards for MWBE certification except insofar as a certifying agency has a size standard, such as Tennessee DOT. Metro Nashville also recognizes LGBTBE and service-disabled veteran owned business certification.

The Nashville criteria for SBE requires that a firm exist as a legal business entity for a minimum of one year (twelve months of continuous business enterprise); perform independently and satisfactorily; and achieve a minimum of \$35,000 sales income during the previous tax year which can be supported by tax documentation. Size standards are based on industry.

FINDING 8: MWBE PROJECT GOALS AND GOOD FAITH EFFORTS

Contract goal setting data on 128 Metro Nashville projects from late 2021 through July of 2022 showed that about 38% of the projects had MBE and/or WBE/SBE/SDV goals. Most of the goals advertised were from 6% to 10%.

A 30% MBE/WBE/SBE/SDV goal was placed on the MLS soccer stadium which started before the beginning of the EBO program but continued during it. The Sports Authority is part of Metro Nashville. The Business Assistance Office (BAO) does not have the authority to apply programing to tax increment financing (TIF) or other economic development projects.

BAO evaluates good faith efforts. Good faith efforts are assessed on a pass/fail basis and not a point system. Five firms have failed to satisfy good faith efforts requirements over a total of four solicitations over the study period. These rejections of good faith efforts submissions did not generate any bid protests.

FINDING 9: SMALL BUSINESS RESERVE PROGRAM

Metro Nashville's Small Business Reserve (SBR) program was established in FY 2020. The SBR program limits its solicitation to projects no greater than \$250,000 in Construction, A&E, and Professional Services. In addition, participants in the SBR are expected to solicit MWBEs for subcontracting opportunities, where appropriate. The SBR Program was launched with 16 firms. There were five SBR projects in 2020-21, primarily in demolition and historical preservation.

FINDING 10: REPORTING MWBE/SBE UTILIZATION

Metro Nashville has used B2GNow for contract compliance since the beginning of the EBO. Vendors report subcontractor utilization to B2G monthly when they submit payment application. Subcontractors confirm the information.

MWBE spending is part of Metro Nashville's Annual Procurement Performance Reports. The reports include each covered group, prime and subcontracting.

FINDING 11: BUSINESS DEVELOPMENT EFFORTS

Metro Nashville is in the process of developing a mentor protégé program. The program has been funded and is expected to go live in 2023. The BAO has put on training seminars, including "Doing Business with Metro Nashville" workshops, and bonding seminars with US DOT. The BAO has hosted, attended, and participated in more than thirty outreach events, including business networking events, procurement fairs, and trade shows. The BAO also provides a transparent bid evaluation process by posting all award details online and breaking down the strengths and weaknesses of each proponent for each bidder.

Metro Nashville does not currently provide regular small business loans to firms. Metro Nashville partnered with Pathways Lending to provide small business loans to firms in low-income zip codes using American Recovery Plan funds.

FINDING 12: BUDGET AND STAFFING

Metro's Business Assistance Office (BAO) has a 2023 budget of \$1,511,500 with 12 FTEs, up from \$1,148,300 (and 12 FTEs) in FY 2022. BAO staff includes the director/finance manager, contract compliance supervisor/finance administrator, five contract compliance officers, a procurement data officer, a program support specialist, and a business development officer.

3. Quantitative Analysis Findings

FINDING 13: RELEVANT GEOGRAPHIC AND PRODUCT MARKETS

The Study compares the Availability and Utilization of firms in a common area, the Relevant Geographic Market, which is where the Study determines at least 75% of the agency's spending with vendors. The Geographic Relevant Market was the Nashville-Davidson-Murfreesboro-Franklin, TN MSA,⁴ based on the following percentages of spending.

- In Construction, 81.00%
- In A&E, 87.90%
- In Professional Services, 87.64%
- In Other Services, 77.85%
- In Goods, 75.77%
- **In Total: 79.27%**

Given that 79.27% of all Metro Nashville Government's spending was with firms located in this relevant market, GSPC determined that one consistent Relevant Geographic Market across all Industry Categories was appropriate.

⁴ The Nashville-Davidson-Murfreesboro-Franklin, TN MSA is made up of Davidson County, TN, Rutherford County, TN, Williamson County, TN, Sumner County, TN, Wilson County, TN, Maury County, TN, Robertson County, TN, Dickson County, TN, Cheatham County, TN, Macon County, TN, Smith County, TN, Cannon County, TN, Trousdale County, TN.

FINDING 14: AVAILABILITY

The measures of Availability utilized in this Study incorporate all the criteria of Availability required by County of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989).

- The firm does business within an industry group from which Metro Nashville Government makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with the government.
- The firm is located within a relevant geographical area such that it can do business with the Metro Government.

The firms used to calculate Availability came from the Master Vendor File in the Relevant Market Area. GSPC found that firms were available to provide goods and services to Metro Government as reflected in the following percentages by each race, ethnicity, and gender group (Table 2).

Table 2: Availability Estimates by Work Category

*In the Relevant Market
(Based upon the Master Vendor File)*

Metro Nashville Disparity Study

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods
African American	11.98%	6.60%	15.19%	15.91%	5.72%
Asian American	0.76%	1.39%	1.01%	0.98%	0.94%
Hispanic American	1.79%	1.39%	1.47%	1.85%	0.67%
Native American	0.76%	0.35%	0.55%	0.52%	0.67%
TOTAL MINORITY	15.28%	9.72%	18.23%	19.25%	7.99%
Non-Minority Women	12.52%	16.49%	11.69%	11.78%	11.00%
TOTAL MWBE	27.80%	26.22%	29.93%	31.03%	18.99%
Non-MWBE	72.20%	73.78%	70.07%	68.97%	81.01%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

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FINDING 15: MWBE PRIME UTILIZATION

As Table 3 below shows, Metro Nashville Government paid a total of \$1.42 billion in prime construction spending in the Relevant Market during the Study Period and \$49.0 million of this amount, or 3.44% was paid to MWBE firms as prime contractors. MWBEs were paid 17.17% of A&E Services, 0.59% of Professional Services, 2.18% of Other Services, and 3.94% of Goods. MWBEs won 3.40% of prime payments across all purchasing categories.

For Construction services, MBEs grew from \$6,610,118 in the 2018 Metro Nashville Disparity Study to \$18,732,411 in this Study of all subcontract dollars. WBEs grew from \$5,361,425 to \$52,591,857 of all subcontract dollars. For A&E services, MBEs grew from \$805,649 in the 2018 Metro Nashville Disparity Study to \$5,043,868 in this Study of all subcontract dollars. Additionally, WBEs grew from \$681,449 to \$8,266,216 of all subcontract dollars.

However, in the previous study, subcontractor dollars were based on a prime vendor survey. In this Study, the reporting of Non-MWBE subcontractor dollars were incomplete.

Table 3: Summary of Prime Utilization by Work Category
In the Relevant Market
(Based upon Payments FY 2018-2022)

Metro Nashville Disparity Study

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 2,942,481	\$ 2,003,309	\$ 884,236	\$ 42,903,392	\$ 351,261	\$ 49,084,679
Asian American	\$ 7,484,158	\$ 102,870	\$ -	\$ 19,607	\$ 12,801,818	\$ 20,408,453
Hispanic American	\$ 5,632,142	\$ -	\$ -	\$ 2,056,157	\$ 271,194	\$ 7,959,493
Native American	\$ 3,930,772	\$ -	\$ -	\$ 995	\$ -	\$ 3,931,767
TOTAL MINORITY	\$ 19,989,553	\$ 2,106,179	\$ 884,236	\$ 44,980,151	\$ 13,424,273	\$ 81,384,392
Non Minority Woman	\$ 29,023,079	\$ 42,727,102	\$ 957,389	\$ 12,472,403	\$ 18,683,836	\$ 103,863,809
TOTAL MWBE	\$ 49,012,632	\$ 44,833,281	\$ 1,841,625	\$ 57,452,554	\$ 32,108,109	\$ 185,248,201
TOTAL NON-MWBE	\$ 1,374,739,562	\$ 216,249,236	\$ 310,901,502	\$ 2,573,314,610	\$ 782,917,344	\$ 5,258,122,254
TOTAL FIRMS	\$ 1,423,752,194	\$ 261,082,517	\$ 312,743,127	\$ 2,630,767,164	\$ 815,025,453	\$ 5,443,370,455
Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.21%	0.77%	0.28%	1.63%	0.04%	0.90%
Asian American	0.53%	0.04%	0.00%	0.00%	1.57%	0.37%
Hispanic American	0.40%	0.00%	0.00%	0.08%	0.03%	0.15%
Native American	0.28%	0.00%	0.00%	0.00%	0.00%	0.07%
TOTAL MINORITY	1.40%	0.81%	0.28%	1.71%	1.65%	1.50%
Non Minority Woman	2.04%	16.37%	0.31%	0.47%	2.29%	1.91%
TOTAL MWBE	3.44%	17.17%	0.59%	2.18%	3.94%	3.40%
TOTAL NON-MWBE	96.56%	82.83%	99.41%	97.82%	96.06%	96.60%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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FINDING 16: MWBE TOTAL UTILIZATION

Total Utilization (prime plus subcontracting) is represented in Table 4. Altogether,

- MBEs earned over \$46.1 million in Total Utilization, or 3.24%, while Non-Minority Woman owned firms earned over \$87.5 million, or 6.15% in Construction.
- MBEs earned over \$4.8 million in Total Utilization, or 1.85%, while Non-Minority Woman owned firms earned over \$49.0 million, or 18.79% in A&E.
- MBEs earned over \$925,291 in Total Utilization, or 0.30%, while Non-Minority Woman owned firms earned over \$1.2 million, or 0.40% in Professional Services.
- MBEs earned over \$46.4 million in Total Utilization, or 1.76%, while Non-Minority Woman owned firms earned over \$13.9 million, or 0.53% in Other Services.
- MBEs earned over \$13.9 million in Total Utilization, or 1.71%, while Non-Minority Woman owned firms earned over \$20.7 million, or 2.54% in Goods.

Including subcontract dollars MBEs were 2.06% and Woman owned firms were 5.23% of dollars spent in the Study Period.

MWBE subcontracting rose from \$1,558,849 in FY2018 to \$39,898,663 in FY 2022, a 25-fold increase.

Table 4: Total Utilization- Construction Services
In the Relevant Geographic Market
Distribution of Dollars by Business Ownership and Fiscal Year
(Using Payment Dollars, FY 2018-2022)

Metro Nashville Disparity Study

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 16,088,383	\$ 3,606,134	\$ 925,291	\$ 44,196,648	\$ 845,609	\$ 65,662,065
Asian American	\$ 16,292,803	\$ 1,211,276	\$ -	\$ 20,497	\$ 12,801,818	\$ 30,326,394
Hispanic American	\$ 7,913,110	\$ 9,568	\$ -	\$ 2,203,467	\$ 271,194	\$ 10,397,339
Native American	\$ 5,864,090	\$ -	\$ -	\$ 995	\$ -	\$ 5,865,085
TOTAL MINORITY	\$ 46,158,386	\$ 4,826,978	\$ 925,291	\$ 46,421,607	\$ 13,918,621	\$ 112,250,883
Non Minority Woman	\$ 87,556,527	\$ 49,069,081	\$ 1,235,574	\$ 13,974,195	\$ 20,703,040	\$ 172,538,417
TOTAL MWBE	\$ 133,714,913	\$ 53,896,059	\$ 2,160,865	\$ 60,395,802	\$ 34,621,661	\$ 284,789,300
TOTAL NON-MWBE	\$ 1,290,037,281	\$ 207,186,458	\$ 310,582,262	\$ 2,570,371,362	\$ 780,403,792	\$ 5,158,581,155
TOTAL FIRMS	\$ 1,423,752,194	\$ 261,082,517	\$ 312,743,127	\$ 2,630,767,164	\$ 815,025,453	\$ 5,443,370,455
Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.13%	1.38%	0.30%	1.68%	0.10%	1.21%
Asian American	1.14%	0.46%	0.00%	0.00%	1.57%	0.56%
Hispanic American	0.56%	0.00%	0.00%	0.08%	0.03%	0.19%
Native American	0.41%	0.00%	0.00%	0.00%	0.00%	0.11%
TOTAL MINORITY	3.24%	1.85%	0.30%	1.76%	1.71%	2.06%
Non Minority Woman	6.15%	18.79%	0.40%	0.53%	2.54%	3.17%
TOTAL MWBE	9.39%	20.64%	0.69%	2.30%	4.25%	5.23%
TOTAL NON-MWBE	90.61%	79.36%	99.31%	97.70%	95.75%	94.77%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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FINDING 17: SUMMARY OF DISPARITY ANALYSIS FOR FY2018-FY2022

Table 5 below indicates those MWBE groups where a statistically significant disparity (X) was found in Prime Utilization for Construction, A&E Services, Professional Services, Other Services, or Goods. There was underutilization in prime contracts for all MWBEs groups, except Asian American owned firms in Goods.

Table 5: Summary of Statistically Significant Underutilization of MWBEs in Prime Contracting

Metro Nashville Disparity Study

Business Owner Classification	Construction	A&E	Professional Services	Other Services	Goods
African American	X	X	X	X	X
Asian American	X	X	X	X	
Hispanic American	X	X	X	X	X
Native American	X	X	X	X	X
Non-Minority Women	X	X	X	X	X

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There was disparity for all MWBE groups for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except for contracts under \$500,000 (Appendix F):

- Construction: Hispanic American owned, Asian American owned, and Native American owned firms were overutilized. Non-minority Women owned firms were underutilized, but it was not substantial.
- A&E: Non-minority Women owned firms were overutilized for contracts under \$1 million.
- Construction: Hispanic American owned, Asian American owned, and Native American owned firms were overutilized. Non-Minority Women owned firms were at parity.
- A&E: Non-Minority Women owned firms were overutilized.

For Total Utilization (prime plus subcontracting) there was underutilization for all MWBEs groups, except Non-Minority Woman owned firms in A&E and Asian American owned firms in Construction and Goods. (Table 6).

Table 6: Summary of Statistically Significant Underutilization of MWBEs in Total Utilization

Metro Nashville Disparity Study

Business Owner Classification	Construction	A&E	Professional Services	Other Services	Goods
African American	X	X	X	X	X
Asian American		X	X	X	
Hispanic American	X	X	X	X	X
Native American	X	X	X	X	X
Non-Minority Women	X		X	X	X

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4. Regression Analysis and Private Sector Findings

FINDING 18: LOWER REVENUES FOR MINORITY AND WOMEN OWNED FIRMS

Relative to firms owned by White Americans in the Metro Nashville Market Area, exclusive of Women owned firms—some of whom are White Americans—the MWBE revenue shares are of a large order of magnitude below their implied 19% (approximately) firm representation shares. This is consistent with and suggestive of, but not necessarily causal evidence for MWBEs facing discriminatory barriers in the private sector of the Metro Nashville Market Area.

FINDING 19: AFRICAN AMERICANS AND WOMEN ARE LESS LIKELY TO BE SELF EMPLOYED

Relative to White Americans, African Americans and Women are less likely to be self-employed in the Metro Nashville Market Area. This suggests that these firms face barriers to self-employment in the Metro Nashville Market Area. The lower self-employment likelihood of these types of MWBEs could reflect disparities in public contracting as there is evidence in the research literature that the self-employment rate of African Americans is increasing with respect to the provisioning and establishment of MWBE public procurement programs.

FINDING 20: ASIAN AMERICANS, NATIVE AMERICANS, PACIFIC ISLANDERS, AND WOMEN ARE LESS LIKELY TO BE SELF EMPLOYED IN CONSTRUCTION

Relative to firms owned by White Americans, firms owned by Asian Americans, Native Americans, Pacific Islanders, and Women are less likely to be self-employed in the Metro Nashville Market Area construction sector. This suggests that these firms face barriers to self-employment in the Metro Nashville Market Area construction sector. The lower likelihood of these types of MWBEs being self-employed in the construction sector could reflect disparities in public contracting, as there is evidence in the research literature that the self-employment rate of Non-White Americans in construction is increasing with respect to the provisioning and establishment of MWBE public construction procurement programs.

FINDING 21: NON-MWBES FIRMS DOMINATE COMMERCIAL CONSTRUCTION

The estimated low commercial building permit shares for MWBEs in the Metro Nashville Market Area is suggestive of private sector barriers that constrain the ability of these type of firms to participate in the economy. Our estimates suggest that firms not classified Non-MWBEs accounted for approximately 98% of building permits in the Metro Nashville Market Area. To the extent that experience acquired by participating in the private sector translates into an enhanced capacity to compete in the market for public sector contracts and subcontracts, the almost complete dominance of Non-MWBEs in securing building permits suggests the presence of private sector barriers faced by MWBEs in the Metro Nashville Market Area.

FINDING 22: NATIVE AMERICAN AND AFRICAN AMERICAN OWNED FIRMS HAVE MORE COMMERCIAL BANK LOAN DENIALS

Firms owned by African Americans and Native Americans are more likely to have commercial bank loan denials relative to firms owned by White Americans. This suggests that among MWDBEs in the Metro Nashville Market Area, firms that are owned by African and Native Americans—who are not necessarily certified MWDBEs—are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

FINDING 23: AFRICAN AMERICAN OWNED FIRMS MORE LIKELY TO BE NEW FIRMS

Relative to Non-MWDBEs, firms owned by African Americans in the Metro Nashville Market Area are more likely to be new firms. This suggests that any public contracting disparities between Non-MWDBEs and firms owned by African Americans can, at least in part, be explained by differential rates of market experience.

FINDING 24: AFRICAN AMERICAN, HISPANIC AMERICAN, ASIAN AMERICAN, NATIVE AMERICAN, AND WOMEN OWNED FIRMS ARE LESS LIKELY TO SUBMIT PRIME BIDS

Firms owned by African Americans, Hispanic Americans, Asian Americans, Native Americans, and Women, are less likely to submit prime bids relative to Non-MWDBEs. This suggests that any disparities in public procurement outcomes between these types of firms and Non-MWDBEs in the Metro Nashville Market Area can be explained, at least in part, by their relatively lower prime bid submissions rates.

FINDING 25: AFRICAN AMERICAN AND WOMEN OWNED FIRMS ARE LESS LIKELY TO RECEIVE A PRIME CONTRACT AWARD FROM METRO NASHVILLE

Relative to Non-MWDBEs, firms owned by African Americans and Women are less likely to receive a prime contract award from the Metro Nashville. This suggests that, at least for firms owned by African American and Women, any contracting disparities between them and Non-MWDBEs can possibly be explained by past and possibly discriminatory constraints on successfully winning prior prime contracts, which could translate into future capacity to secure prime contracts.

FINDING 26: AFRICAN AMERICAN AND WOMEN OWNED FIRMS ARE LESS LIKELY TO RECEIVE A METRO NASHVILLE SUBCONTRACT AWARD

Relative to Non-MWDBEs, firms owned by African Americans and Women are relatively less likely to have received a Metro Nashville subcontract award. To the extent that success in public contracting is proportional to having prior subcontracts, the parameter estimates suggest that any contracting disparities between Non-MWDBEs and firms owned by African Americans, Women, Hispanic Americans, and Asian Americans can be explained, at least in part, by relative deficits in contracting experience gained by subcontracting experience.

FINDING 27: AFRICAN AMERICAN, HISPANIC AMERICAN, AND WOMEN OWNED FIRMS ARE MORE LIKELY TO HAVE NEVER RECEIVED A PRIME CONTRACT OR SUBCONTRACT WITH METRO NASHVILLE

Relative to Non-MWDBEs, firms owned by African Americans, Hispanic Americans, and Women are relatively more likely to have never received a Metro Nashville prime contract or subcontract. To the extent that success in public contracting is proportional to having prior prime contracts or subcontracts, this suggests that any contracting disparities between Non-MWDBEs and firms owned by African Americans, Hispanic Americans, and Women can possibly be explained by past and possibly discriminatory constraints on prior success in securing prime contracts or subcontracts from Metro Nashville.

FINDING 28: AFRICAN AMERICAN OWNED FIRMS ARE MORE LIKELY TO EXPERIENCE DISCRIMINATION IN THE PRIVATE SECTOR

Relative to Non-MWDBEs, firms owned by African Americans experience more discrimination in the private sector of the Metro Nashville Market Area. To the extent that private sector discrimination can undermine the capacity of MWDBEs to compete for public sector procurement, this suggests that, at least in the Metro Nashville Market Area, private sector discrimination may have some explanatory power in explaining public contracting disparities between firms owned by African Americans and Non-MWDBEs.

When asked in the survey about experiencing discriminatory behavior from the private sector, the following reported “often” and “very often”:

- Women: 3.3%
- African American: 32.3%
- Asian American: 7.1%
- Multi-Racial or Bi-Racial: 40%

FINDING 29: AFRICAN AMERICAN AND HISPANIC AMERICAN OWNED FIRMS EXPERIENCED DISCRIMINATION WITH METRO NASHVILLE

Relative to Non-MWDBEs, firms owned by African Americans and Hispanic Americans are more likely to have experienced discrimination with Metro Nashville. This suggests that, at least for MWDBEs owned by African Americans and Hispanic Americans, Metro Nashville contracting disparities between them and Non-MWDBEs can at least in part be explained by discrimination at Metro Nashville that undermines their chances at successfully winning prime contracts.

When asked in the survey about experiencing discriminatory behavior from Metro Nashville, the following reported “often” and “very often”:

- Women: 1.1%
- African American: 10.7%
- Hispanic American: 16.7%
- Multi-Racial or Bi-Racial: 20%

FINDING 30: INFORMAL NETWORKS

Relative to Non-MWDBEs, firms certified as MWDBE, and those owned by African Americans, Hispanic Americans, and Bi/multi-racial Americans, are more likely to perceive that informal networks enable contracting success with Metro Nashville. This suggests that, at least for these types of MWDBEs, contracting disparities between them and Non-MWDBEs can be explained, at least in part, by their exclusion from Metro Nashville public contracting networks that reduces their ability to secure prime contracts and subcontracts.

5. Anecdotal Findings***FINDING 31: MWBEs RECEIVED FEWER SUBCONTRACTS***

MWBEs typically received fewer contracts from Metro Nashville than Non-Minority firms. According to the survey results, 6.7% of Non-Minority firms received between 11 and 25 subcontracts during the Study Period compared to 2% of African American owned firms and 1.1% of Women owned firms. Indeed, 3.3% of Non-Minority firms received between 51 and 100 subcontracts in the timeframe; by comparison, no African American, Hispanic American, Native American, or Asian American respondents reached that number of subcontracts.

FINDING 32: ADMINISTRATIVE BARRIERS TO PARTICIPATION

16.7% of Hispanic Americans, 10.8% of African Americans, and 10% of Women said they did not submit a bid because a “contract [was] too expensive to bid on;” only 3.3% of Non-Minority respondents behaved in the same way. Many MWBEs complained about the technology deployed by Metro Nashville, indicating that it was outdated and frustrating.

Additionally, many MWBEs indicated that the external-facing technology Metro Nashville uses is balky, cumbersome, and erratic. Accordingly, that system serves as a disincentive for bidding. Several interview subjects praised the work of the Nashville BAO but felt that there was only so much they could do in this regard. It bears noting that 96.7% of Non-Minority respondents indicated that their company was registered with Metro Nashville through iSupplier, while only 77.8% of Women, 70.6% of African Americans, 64.3% of Asian Americans, 50% of Hispanic Americans, and 40% of multi-racial business owners could say the same. By comparison, the percentages of Non-Minority and MWBE firms that are registered with the State of Tennessee or Tennessee DOT are much more evenly aligned. The interview subjects who raised this topic advocated for an external vendor system that is easier to navigate.

FINDING 33: INFORMAL NETWORKS

51.1% of Women, 83.3% of African Americans, 78.6% of Asian Americans, 66.7% of Native Americans, and 50% of Hispanic Americans believe that informal networks exist and monopolize Metro Nashville's procurement process. Many MWBEs indicated that the lack of oversight by Metro Nashville of prime contractors adds to the sense that they still are competing against an "old boys club." Majorities or large pluralities of MWBEs believe that they struggle to win contracts with Metro Nashville because of the lack of an existing relationship with Metro Nashville.

FINDING 34: OUTREACH

There was a measure of disagreement among MWBEs as to whether Metro Nashville engaged in enough outreach. However, a consensus formed around the idea that whatever outreach is taking place, it is neither robust enough to make MWBEs feel welcome nor "culturally competent" enough to be effective and inclusive. For example, of those survey respondents who indicated that they had not registered with Metro Nashville through iSupplier, 60% of Asian Americans, 55% of Women, 53% of African Americans, and 33% of Hispanic Americans and multi-racial Americans indicated that "they did not know there was a registry." Similarly, when asked to identify barriers to performing work for Metro Nashville, 40% of multi-racial Americans, 33% of Hispanic Americans, 28.4% of African Americans, 21.4% of Asian Americans, and 17.8% of Women stated that they had "limited knowledge of purchasing/contracting procedures and policies."

FINDING 35: DISPARATE TREATMENT

Many MWBEs complained of difficult relationships, and possibly discriminatory treatment, from prime contractors. At times, the issue might be late or incomplete payment from the prime contractors; at other times, the MWBEs complained of no payment at all. In addition, a good proportion of interview subjects believed that prime contractors only included them because Metro Nashville's procurement process compelled them to do so. Moreover, a large majority of MWBEs believe that informal networks dominated by certain prime contractors impact Metro Nashville's contracting process. Although only 26.7% of Non-Minority respondents answered "yes" to the question of whether informal networks exist and skew Metro Nashville's procurement process, 51.1% of Women, 83.3% of African Americans, 78.6% of Asian Americans, 66.7% of Native Americans, and 50% of Hispanic Americans answered in the affirmative. Consequently, a large proportion of MWBEs think that it is critical for Metro Nashville to monitor prime contractors to ensure equitable treatment.

B. COMMENDATIONS

SMALL BUSINESS RESERVE GSPC commends Metro Nashville for instituting a robust Small Business Reserve Program.
PROJECT BY PROJECT GOAL SETTING
STAFFING & RESOURCES GSPC commends Metro Nashville for its substantial allocation of staffing and resources for BAO.
IMPROVED DATA FROM ORACLE SYSTEM SINCE 2020
FORECASTING
USE OF COMMODITY CODES
COMMERCIAL NON-DISCRIMINATION POLICY
BONDING AND INSURANCE GSPC commends Metro Nashville for granting the Purchasing Agent the authority to waive or reduce bonding and insurance requirements.
TRANSPARENT BID EVALUATION PROCESS
INSTITUTED TRAINING SEMINARS AND WORKSHOPS

C. RECOMMENDATIONS

The findings of this Study conclude that there is a factual predicate for race and gender-conscious remedies in addition to race and gender-neutral efforts. A regression analysis found that disparities by race, ethnicity, or gender status of the firm owners remained after controlling for capacity and other race and gender-neutral factors. As a result, GSPC makes the following recommendations to assist Metro Nashville in remedying the disparities found to ensure that all available firms within the Relevant Market are given every chance to succeed in business with Metro Nashville.

RECOMMENDATION 1: REQUIRE JOINT VENTURES ON LARGE CONSTRUCTION PROJECTS

On very large Construction projects, Metro Nashville should require firms to joint venture with firms of a different racial/ethnic ownership. A joint venture is a business arrangement between two or more people, corporations, organizations, or any combination of such, established to carry on a single business activity that is limited in scope and duration. Such relationships are established in writing, and participation in the joint venture is characterized by shared ownership, shared risk, shared returns, oversight, management, and governance.

For example, the City of Atlanta, Georgia, has had a joint venture requirement for decades that requires that on Construction Projects over \$5,000,000 that prime contracts must joint venture with a firm that has a majority ownership by a racial group other than that of the prime contractor. GSPC recommends a similar joint venture requirement for Metro Nashville. This will assist diverse firms to grow their capacity and participate at a higher level as prime contractors and increase competition on Metro Nashville contracts. The threshold over which the joint venture requirement would apply will be determined in the implementation of the Study recommendations. Another example of a successful joint venture program is the Navy Yard Development under the City of Philadelphia, Pennsylvania.

RECOMMENDATION 2: TARGETED OUTREACH

There are several indicators that firms have the desire to do business with Metro Nashville, but anecdotal findings reveal that firms need more outreach and supportive services to successfully do so. Additional efforts to provide better communication and information to possible bidders could increase the pool of MWBEs and other firms who are in fact ready, willing, and able to do business with Metro Nashville as well as those that can be successful in winning bids both as prime contractors and subcontractors.

GSPC has recognized that Metro Nashville could do the following:

- Better advertise opportunities outside of iSupplier.
- Invest in outreach to market bids and registration/certification resources, such as hosting workshops and/or informational sessions to provide better awareness to public contracting and increase the capacity for firms interested in doing business with the government.
- Partner with Local Business Development Centers and Colleges to provide supportive services.

As informal and formal opportunities emerge, identify firms in the Relevant Market that are capable of doing the work for notification of the work. In other words, find firms that may not be coming to Metro Nashville. This is important so that firms are aware of upcoming opportunities.

RECOMMENDATION 3: CONSISTENT USE OF THE SMALL BUSINESS RESERVE PROGRAM

There was a substantial reduction in prime utilization of MWBE firms since the 2018 Disparity Study. This may have been caused by several factors, including changes in firm ownership and certification, as well as the unavailability of certain contracting opportunities. GSPC recommends that Metro Nashville utilize its Small Business Reserve Program as a tool to bolster small business participation, including MWBEs on projects up to \$250,000. However, the current Small Business Reserve Program has, in GSPC's opinion, a lower revenue cap than what may be necessary to maximize the program's effectiveness. The program has not been applied as broadly as it could be because there are currently only 504 firms that qualify under the firm revenue requirements.

Therefore, Metro Nashville should consider substantially raising the firm revenue requirement. The firm revenue cap is typically a percentage of the federal SBA requirements. Government agencies the size of Metro Nashville are typically 25% to 50% of the federal SBA requirements. For Construction, that would consist of cap firm revenues from \$10 million to \$20 million. For example, Montgomery County, Maryland, has a size requirement of \$14 million in Construction and \$10 million in services for their Local Small Business Reserve Program. Additionally, Washington, DC has a size requirement of \$21 million for General Construction, \$19 million for General Services, and \$5 million for Professional Services.

RECOMMENDATION 4: REVIEW EXTERNAL FACING VENDOR SYSTEM TO NAVIGATE EASIER

As mentioned in the anecdotal findings, many MWBEs indicated that the external-facing technology Metro Nashville uses is cumbersome and difficult to navigate. GSPC recommends that Metro Nashville review the external-facing vendor registration system for easier navigation. Although the complaints that GSPC received were general about difficulty navigating the system, Metro Nashville should conduct focus groups of firms who can comment specifically about specific difficulties faced with the technology systems.

RECOMMENDATION 5: REVIEW AND MONITOR PRIME AND SUBCONTRACTOR PAYMENTS

Metro Nashville currently requires 15 days to pay for prime vendors that are SBE/MBE/WBE. All other prime vendors are paid at net 30. However, since 23.2% of all survey respondents said they were paid 60 days after the date they submitted their invoices to prime vendors, Metro Nashville should track when invoices are coming in and being paid to prime vendors. If there are issues with vendors submitting incorrect invoices, Metro Nashville should also conduct training with vendors on how to properly complete invoices.

Delayed prime vendor payments will naturally affect subcontractor payments, which may partially explain the 23.2% of all survey respondents that reported their payments being made more than 60 days after submission of an invoice. However, GSPC suggests that Metro Nashville institute a prompt pay provision requiring prime vendors to pay their subcontractors within 10 days of receiving payment from Metro Nashville.

RECOMMENDATION 6: CONTINUE ASPIRATIONAL AND CONTRACT-BY-CONTRACT GOALS

Aspirational goals are an internal measure of how well Metro Nashville has reached Availability benchmarks using the Study Availability percentages as its ultimate goals. It is the annual assessment of MBE and WBE attainment using all the “tools” for promoting MBE and WBE participation. GSPC can work with the MWBE program team to set annual goals for the first year and the formula for succeeding years.

As is best practices, Metro Nashville began instituting contract-by-contract MWBE goals after the 2018 Disparity Study, which has substantially increased the participation of MWBE subcontractors. However, Metro Nashville should review whether there are additional contracts that goals can be placed on in order to further increase MWBE subcontractor participation.

As stated in the policy findings, contract goal setting data on 128 Metro Nashville projects from late 2021 through July of 2022 showed that about 38% of the projects had MBE and/or WBE/SBE/SDV goals. Metro Nashville should set separate MBE and WBE aspirational goals, and refrain from setting SBE goals. Growing the capacity of small firms is addressed by enhancing the Small Business Reserve Program.

There was statistically significant underutilization in the following groups for prime contracting:

- Construction: African Americans, Asian Americans, Hispanic Americans, Native American, and Non-Minority Women;
- Architecture & Engineering (A&E): African Americans, Asian Americans, Hispanic Americans, Native American, and Non-Minority Women;
- Professional Services: African Americans, Asian Americans, Hispanic Americans, Native American, and Non-Minority Women;
- Other Services: African Americans, Asian Americans, Hispanic Americans, Native American, and Non-Minority Women;
- Goods: African Americans, Hispanic Americans, Native American, and Non-Minority Women.

RECOMMENDATION 7: INSTITUTE DATA REFORM

GSPC recommends that Metro Nashville undertake to make the following data reforms which should be a priority to properly track and monitor the other program recommendations:

- **Vendor System/File:** GSPC recommends a comprehensive review of both the iSupplier & B2GNow databases to eliminate duplicate vendor records. Metro Nashville should further review its current policy and develop new procedures to ensure that going forward vendors in both systems are not redundant, have full addresses, accurate ethnicities, and appropriate commodity codes.
- **Subcontractor data:** It is important that Metro Nashville track all subcontractor award and payment data, both Non-MWBE and MWBE subcontractors.
- **Certified Lists:** GSPC recommends that Metro Nashville review their current policy and develop new procedures to maintain up to date vendor certification records. This includes developing a more streamlined process for vendors to register their certifications with Metro Nashville and ensure inclusion in the public facing B2GNow directory.

III. LEGAL ANALYSIS – HISTORICAL OVERVIEW

A. Introduction

The Metropolitan Government of Nashville and Davidson County (“Metro Nashville”) has engaged Griffin & Strong, P.C. (“GSPC”) to conduct this Disparity Study assessing Metro Nashville’s procurement policies, procedures, and overall purchasing environment. GSPC also conducted the most recent study for Metro Nashville, in 2018.

Metro Nashville currently has a substantial Equal Business Opportunity Program (“EBO”), which employs annual aspirational goals for Minority owned or Women owned Business Enterprises (collectively “MWBEs”) and percentage-based project goals, calculated separately for MBEs and for WBEs.⁵ It also has a Mentor-Protégé Initiative that is race and gender-neutral though intended to create greater opportunities for MWBE participation and to build capacity.⁶

By way of overview, the analysis contained throughout this Legal Chapter underscores the several purposes for which such a disparity study may be done, the importance of methodological soundness, and the usefulness of the data and other information contained therein. Disparity studies can provide context regarding prior government procurement practices, a contemporary snapshot of current procurement practices, and a predictive preview of future challenges/needs.

This analysis begins with key judicial decisions from the United States Supreme Court anticipating and inviting increased use of disparity studies, followed by discussion about the legal considerations and related evidentiary requirements for sustaining an MWBE program in the face of a constitutional challenge.

GSPC specifically includes in this historical snapshot a notable decision of the United States Court of Appeals for the Sixth Circuit, as any challenge to the Metro Nashville policies or programs at issue will be analyzed with reference to this decision.

⁵ See generally, Code of the Metropolitan Government of Nashville and Davidson County, Tennessee (“Code”) Chapter 4.46, et. seq. (EBO Program); Section 4.46.060(A), (B) (“Annual Aspirational Goal and Project-by-Project Goals.”).

⁶ Code, Section 4.46.090.

B. Development of the Relevant Law

Disparity studies are a product of federal case law and initially arose in the context of constitutionally based legal challenges against federal, state, and local minority business enterprise programs enacted to remedy past or present discrimination (whether real or perceived). More pointedly, the United States Supreme Court invited the use of such studies when it rendered its seminal decision in City of Richmond v. J. A. Croson Company,⁷ and subsequent judicial decisions have drawn a direct line between Croson and the continued use of disparity studies.⁸

Disparity studies have therefore become an important tool for governmental entities in deciding whether to enact minority business programs or legislation, and in justifying existing programs or legislation in the face of constitutional challenges. To better understand the proper parameters of such programs, one must understand their judicial origin.

1. The Supreme Court's Decision in City of Richmond v. Croson

Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the Fourteen Amendment. M/WBE programs and legislation are among the types of laws invoking such concerns. Depending on the nature of the differentiation (e.g., based on race, ethnicity, gender), courts evaluating the constitutionality of a minority business program will apply a particular level of judicial scrutiny. As explained at greater length below, race-based programs are evaluated under a “strict scrutiny” standard, and gender-based programs may be subject to strict scrutiny or under a less-rigorous “intermediate scrutiny” standard, depending on the federal circuit within which the entity sits.

In its Croson decision, the Supreme Court ruled that the City of Richmond’s Minority Business Enterprise (hereinafter “MBE”) program failed to satisfy the requirements of “strict scrutiny.” “Strict scrutiny” review involves two co-equal considerations: First, the need to demonstrate a compelling governmental interest; Second, implementation of a program or method narrowly tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was “necessary” to remedy the effects of discrimination in the marketplace.

In fact, the Court found that the City of Richmond had not established the necessary factual predicate to infer that discrimination in contracting had occurred in the first place. The Court reasoned that a mere statistical disparity between the overall minority population in Richmond (50 percent African American) and awards of prime contracts to minority-owned firms (0.67 percent to African American firms) was an irrelevant statistical comparison and insufficient to raise an inference of discrimination.

⁷ 488 U.S. 469; 109 S. Ct. 706; 102 L. Ed. 2d 854 (1989).

⁸ See, for example, Adarand Constructors, Inc. v. Slater (Adarand VII), 228 F.3d 1147, 1172-73 (10th Cir. 2000) (“Following the Supreme Court’s decision in Croson, numerous state and local governments have undertaken statistical studies to assess the disparity, if any, between availability and utilization of minority-owned businesses in government contracting.”).

Addressing the disparity evidence that Richmond proffered to justify its MBE program, the Court emphasized the need to distinguish between “societal discrimination,” which it found to be an inappropriate and inadequate basis for social classification, and the type of identified discrimination that can support and define the scope of race-based relief.

Specifically, the Court opined that a generalized assertion of past discrimination in an entire industry provided no guidance in determining the present scope of the injury a race-conscious program seeks to remedy and emphasized that “there was no direct evidence of race discrimination on the part of the City in letting contracts or any evidence that the City’s prime contractors had discriminated against minority-owned subcontractors.”⁹

Accordingly, the Court concluded there was no prima facie case of a constitutional or statutory violation by anyone in the construction industry that might justify the MBE program. Justice O'Connor nonetheless provided some guidance on the type of evidence that might indicate a proper statistical comparison:

[W]here there is a significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged by the locality or the locality’s prime contractors, an inference of discriminatory exclusion could arise. [Croson, 488 U.S. at 509]

Stated otherwise, the statistical comparison should be between the percentage of MBEs in the marketplace qualified to do contracting work (including prime contractors and subcontractors), and the percentage of total government contract awards (and/or contractual dollars paid) to minority firms. The relevant question among lower federal courts has been which tools or methods are best for such analysis; a matter addressed in the detailed discussion of statistical comparison provided below.

Additionally, the Court in Croson stated that identified anecdotal accounts of past discrimination also could provide a basis for establishing a compelling interest for local governments to enact race-conscious remedies. However, conclusory claims of discrimination by City officials, alone, would not suffice, nor would an amorphous claim of societal discrimination, simple legislative assurances of good intention, or congressional findings of discrimination in the national economy. To uphold a race- or ethnicity-based program, the Court held there must be a determination that a strong basis in evidence exists to support the conclusion that the remedial use of race is necessary.

Regarding the second prong of the strict scrutiny test, the Croson Court ruled that Richmond’s MBE program was not narrowly tailored to redress the effects of discrimination. First, the Court held that Richmond’s MBE program was not remedial in nature because it provided preferential treatment to minorities such as Eskimos and Aleuts, groups for which there was no evidence of discrimination in Richmond. Thus, the scope of the City’s program was too broad.

⁹ Croson, 488 U.S. at 480.

Second, the Court ruled that the thirty percent (30%) goal for MBE participation in the Richmond program was a rigid quota not related to identified discrimination. Specifically, the Court criticized the City for its lack of inquiry into whether a particular minority business, seeking racial preferences, had suffered from the effects of past discrimination.

Third, the Court expressed disappointment that the City failed to consider race-neutral alternatives to remedy the under-representation of minorities in contract awards. Finally, the Court highlighted the fact that the City's MBE program contained no sunset provisions for a periodic review process intended to assess the continued need for the program.¹⁰

Subsequent to the decision in Croson, the Supreme Court and the federal Circuit Courts of Appeal have provided additional guidance regarding the considerations, measurements, information, and features surrounding an M/WBE program which will assist in protecting the program from constitutional challenge under a strict scrutiny analysis. These recommendations have in many respects provided a roadmap of sorts for useful disparity studies and are therefore discussed in greater detail below.

2. The Supreme Court's Decision in Adarand v. Peña and Subsequent Circuit Court Proceedings

Six years after its decision in Croson, the Supreme Court was again confronted with an equal protection challenge to a minority business program, in Adarand Constructors, Inc. v. Peña.¹¹ This time, however, the program under challenge was enacted by the federal government, thus implicating the Fifth Amendment rather than the Fourteenth Amendment analysis required for the local (state) program in Croson.

Reversing the decision of the Tenth Circuit, the Supreme Court ruled that federal programs are not reviewed for constitutionality under a more lenient standard (as had been indicated in some prior Supreme Court opinions); strict scrutiny is likewise to be applied to such programs.¹² Because the district court and the Tenth Circuit had not applied the proper standard of review, the Supreme Court remanded the case back to the district court to apply strict scrutiny to the program, consistent with Croson.¹³

On remand, the district court (D. Colo.) essentially ruled that no program can meet the strict scrutiny standard—i.e., it is “fatal in fact.” The Tenth Circuit disagreed, upholding the federal program even under a strict scrutiny standard, finding a compelling state interest, and the required narrow tailoring to achieve such compelling interest.¹⁴

¹⁰ Croson, 488 U.S. at 500.

¹¹ 515 U.S. 200 (1995) (Adarand III).

¹² Id. at 222-26.

¹³ Id.

¹⁴ Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10th Cir. 2000) (Adarand VII).

Consistent with Croson and subsequent opinions, the Tenth Circuit described its task regarding the compelling state interest as follows:

[O]ur inquiry necessarily consists of four parts: First, we must determine whether the government's articulated goal in enacting the race-based measures at issue in this case is appropriately considered a "compelling interest" under the governing case law; if so, we must then set forth the standards under which to evaluate the government's evidence of compelling interest; third, we must decide whether the evidence presented by the government is sufficiently strong to meet its initial burden of demonstrating the compelling interest it has articulated; and finally, we must examine whether the challenging party has met its ultimate burden of rebutting the government's evidence such that the granting of summary judgment to either party is proper. We begin, as we must, with an inquiry into the meaning of "compelling interest." [Adarand VII, 228 F.3d at 1164]

If satisfied that the compelling state interest prong had been met, the court then needed to determine whether the federal DBE (Disadvantaged Business Enterprise) program was narrowly tailored, as required under Croson (and strict scrutiny jurisprudence generally).¹⁵

The court first found that the government's proffered interest— "remedying the effects of racial discrimination and opening up federal contracting opportunities to members of previously excluded minority groups"—met the standard.¹⁶

As for the "strong basis in evidence" that remedial action was necessary, the court in Adarand III found that the government established that minority contractors faced significant discriminatory barriers to entry into the disbursement programs, such as a classic "old boy" network of contractors, denial of access to capital, and denial of or difficulty in obtaining union membership to assist in access.¹⁷ The government also demonstrated, the court found, that existing minority contractors faced barriers to competition, owing to various methods of "discrimination by prime contractors, private sector customers, business networks, suppliers, and bonding companies[.]"¹⁸

In support of its position, the government produced statistical and anecdotal evidence, both direct and circumstantial, taken from local disparity studies which demonstrated under-utilization of minority subcontractors (described in more detail below), and the effect on utilization rates when affirmative action programs or efforts were discontinued for one reason or another.¹⁹

¹⁵ Id. at 1176-77.

¹⁶ Id. at 1164-65 ("[W]e readily conclude that the federal government has a compelling interest in not perpetuating the effects of racial discrimination in its own distribution of federal funds and in remedying the effects of past discrimination in the government contracting markets created by its disbursements.").

¹⁷ 228 F.3d at 1168-69.

¹⁸ Id. at 1170-72.

¹⁹ Id. at 1174-75.

The Court went on to discuss at length its reasoning that the government also adequately demonstrated that its program was narrowly tailored to achieve the compelling interest discussed previously.²⁰ In sum, the Court found that the government satisfactorily met the following important factors: “the necessity for the relief and the efficacy of alternative remedies; the flexibility and duration of the relief, including the availability of waiver provisions; the relationship of the numerical goals to the relevant labor market; and the impact of the relief on the rights of third parties.”²¹

The case was therefore returned to the district court for further proceedings “consistent with this opinion.”²²

3. The Sixth Circuit’s Decision in *Associated General Contractors v. Drabik*

Having the benefit of the Supreme Court’s thinking in *Croson* and *Adarand*, the Sixth Circuit addressed the constitutionality of the State of Ohio’s minority business enterprise statute (“MBEA”) in *Associated Gen. Contractors of Ohio, Inc. v. Drabik*,²³ an opinion which remains among the most significant MWBE appellate decisions in the Circuit covering Metro Nashville.

In *Drabik*, the Court of Appeals decreed that the State of Ohio failed to satisfy the strict scrutiny standard to justify the state’s minority business enterprise act (MBEA). The Court reasoned that the state inappropriately relied on statistical evidence that did not account for which firms were qualified, willing, and able to perform on construction contracts (in particular).²⁴ The court stated that “although Ohio’s most compelling statistical evidence compares the percentage of contracts awarded to minorities to the percentage of minority-owned businesses...the problem is that the percentage of minority-owned businesses in Ohio (7% of 1978) did not take into account which were construction firms and those who were qualified, willing and able to perform on state construction contracts.”²⁵ Although this was more data than was submitted in *Croson*, it was still insufficient under strict scrutiny, according to the court.²⁶

The *Drabik* court also concluded that Ohio’s MBEA statute was not narrowly tailored to remedy any purported past discrimination, because: (1) the MBEA suffered from under inclusiveness and over inclusiveness, (lumping together racial and ethnic groups without identified discrimination); (2) the MBEA lacked a sunset date; and (3) the state failed to provide specific evidence that Ohio had considered race-neutral alternatives before adopting the plan to increase minority participation.²⁷

²⁰ 228 F.3d at 1176-1187.

²¹ *Id.* at 1177. These remedial concepts are covered in greater detail in the Expanded Legal Analysis (Appendix B).

²² *Id.*

²³ 214 F.3d 730, 735 (6th Cir. 2000).

²⁴ *Id.* at 736.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Drabik*, 214 F.3d 739.

Drabik thus underscores that MWBE Programs must be designed so that the benefits of the programs are targeted specifically toward those firms that faced discrimination in the local marketplace. To withstand a challenge, relief must extend only to those minority groups for which there is evidence of discrimination.²⁸

Finally, expressly relying on Croson, the Drabik Court cited the requirement that there not only be a strong basis in evidence for a conclusion that there has been discrimination, but also for a conclusion that the particular remedy is made necessary by the discrimination. In other words, there must be a “fit” between past/present harm and the remedy.²⁹

²⁸ See Drabik, 214 F.3d at 735.

²⁹ Id. at 730 (“[O]utdated evidence does not reflect prior unremedied or current discrimination.”).

IV. PURCHASING POLICIES, PRACTICES, AND PROCEDURES REVIEW

A. Introduction

This chapter is designed to review the written policies and practices of the Metropolitan Government of Nashville and Davidson County (hereafter, “Metro Nashville”) with respect to purchasing and contracting, including related programs or efforts to enhance inclusion of Minority and Women Business Enterprises (MWBES).

Underlying this policy review is an understanding that written policies and practices may not always be consistently administered as there is often room for interpretation or discretionary implementation. Accordingly, policy interviews are intended to identify any deviations, differing interpretations, or variant implementation of policies to determine whether there may be any effect on participation of small businesses, including those owned by minorities and women.

The Executive Summary of Findings and Recommendations provides findings about Metro Nashville’s policies, practices, and procedures as well as formal recommendations for improvement of the overall procurement program and greater achievement of its goals based upon those findings.

B. Document Review and Personnel Interviews

In preparation for the policy interviews GSPC reviewed, among other materials:

- Tennessee State’s statutes relating to contracting and procurement.
- Metro Nashville procurement policy and procedure documents.
- Metro Nashville ordinances.
- Metro Nashville website, including the Division of Purchases Business Assistance Office (BAO), Procurement Standards Board and Economic & Business Development webpages.
- Metro Nashville budget documents.
- Office of Financial Accountability documents.
- Other publicly available resources relating to Metro Nashville procurement.

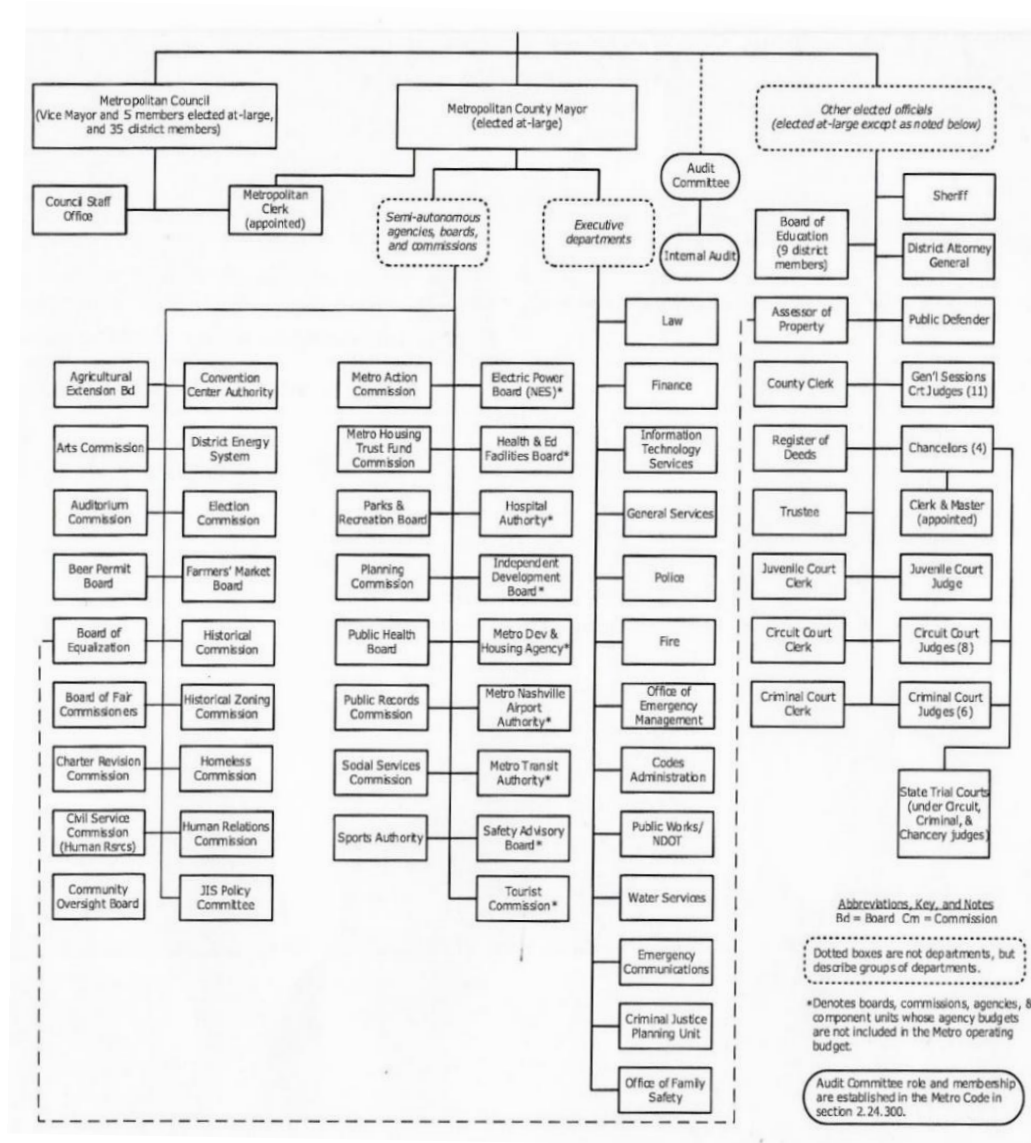
GSPC conducted policy interviews in July and August of 2022 with decision makers and officials regularly engaged in purchasing and contracting for Metro Nashville. Included in these interviews were Metro Nashville personnel in the Division of Purchases, General Services, Economic Development, Parks and Recreation, Legal Department, Water Services, Department of Transportation (NDOT), and the BAO.

C. Overview of Metro Purchasing

1. Organizational Chart

The Organizational Chart in Figure 1 below shows the overall Metro Nashville government structure, including the Metro Nashville Finance Department, which includes the Division of Purchases.

Figure 1: Metro Nashville Organizational Chart



Source: Metropolitan Government of Nashville and Davidson County

2. Formal and Informal Bid Thresholds.

The Metro Nashville competitive bidding thresholds are as follows in Table 7.

**Table 7: Competitive Bidding Thresholds
Metro Nashville**

Metro Nashville Disparity Study

Dollar Amount of Purchase	Requirements
Up to \$2,499.99	A minimum of one written quotation required.
\$2,500.00 to \$24,999.99	A minimum of three written quotations required.
\$25,000.00 & Above	Competitive sealed bids or request for proposals.

Source: Metro Nashville Code of Ordinances § 4.12.010 – Definitions.

These thresholds came in place in 2019. The previous threshold for competitive bids was \$10,000. Departments are advised, though not required, by the procurement manual to seek quotations from MWBEs on informal purchases. Metro Nashville does not use procurement cards.

D. Professional Services

The Metro Nashville Code provides that competitive sealed proposals are to be used when competitive sealed bids are deemed not practicable or advantageous through a written determination of the Metro Nashville Purchasing Agent.³⁰ The following services do not require a written determination from the Metro Nashville Purchasing Agent: 1) professional services; 2) consultant services; 3) property and facilities management and operation services; 4) social services; 5) travel and travel-related services; 6) employee benefits, including insurance; and 6) artistic services. The Metro Nashville procurement regulations list three groups under professional services: architects, engineers, and investment managers.³¹

Metro Nashville uses qualifications-based procurement for Architecture & Engineering (A&E) contracts and a small number of professional services contracts. Metro Nashville stopped using Master Engineering Services Agreements (MESA) for procurement of engineering services in 2020. Metro Water Services has also used Indefinite Delivery/Indefinite Quantity (ID/IQ) procurement for some design services. In this process a preselected list is procured and then Request for Quotations (RFQ) is submitted to these lists as tasks arise. Metro Water Services has also rotated vendors from a preselected list for certain design services. Parks and Recreation also uses Metro Nashville contracts with A&E firms to submit RFQs (Request for Quotes).

³⁰ Metro Nashville Code of Ordinances § 4.12.040 – Competitive sealed proposals.

³¹ Metro Nashville Procurement Regulations § R4.08.080 - Authority to Contract for Professional Services.

NDOT also qualifies firms for a scope of services and then issues task orders against that scope of services. Multiple firms or a single firm may win an award for a particular scope of services. Currently NDOT has these contracts for construction, engineering, and inspection (CEI), traffic engineering, multimodal design, and project management. These are one-year contracts with extensions up to three years.

E. Construction

Staff interviews indicated that Metro Nashville General Services, which handles buildings and renovations for some Metro facilities, has primarily used design-build for construction projects. Metro Nashville, Parks and Recreation and Metro Water Services have used Construction Manager at Risk (CMAR) and put MBE/WBE SBE/SDV goals on CMAR projects.³² General Services has used Capital Project Solutions (CPS) as the owner representative. General Services uses contracts for smaller construction projects, that are renewable for up to five years.

NDOT has used traditional design-bid-build for construction but has been moving towards a greater use of ID/IQ.

Metro Water Services has also used ID/IQ for pipe work and sewer rehabilitation in construction. In this process a preselected list is procured and then RFQs are submitted to these lists as tasks arise.

F. Exemptions from Competitive Bidding

Contracts that are not subject to Metro Nashville competitive bidding rules include:

1. Sole source procurement.³³ The 2021 Metro Nashville Key Performance Indicator (KPI) Annual Performance Report found one sole source procurements above \$250,000 and 67 below \$250,000.³⁴
2. State contracts.³⁵ The Metro Nashville regulations provide that that in order to promote the use of SBE, MWBEs and SDVs “the procurement standards board limits the participation in intergovernmental cooperative purchasing agreements to that of supplies and products that do not include services unless the purchasing agent, after consultation with the Director of Finance, determines that such cooperative purchasing is in the best interests of Metro Nashville.”³⁶ Metro Nashville uses state contracts for certain goods and not services. The 2021 KPI Annual Performance Report reported one use of cooperative agreements in Metro Nashville procurement and twenty uses of federal and state contracts.³⁷ Tennessee state contracts do not indicate the MWBE status of the firms holding the state contract.

³² See, e.g., Metro Nashville RFQ 227239, 3 CMAR for Southeastern Police Precinct Construction, April 26, 2022.

³³ Metro Nashville Code of Ordinances § 4.12.060 – Sole source procurement.

³⁴ FY 2021 Metro Nashville KPI Annual Performance Report.

³⁵ Metro Nashville Code of Ordinances § 4.12.090 - Purchases through state and other governments.

³⁶ Metro Nashville Procurement Regulations § R 4.12.090.05

³⁷ FY 2021 Metro Nashville KPI Annual Performance Report.

3. Other exemptions from competitive sealed bidding includes emergency procurements,³⁸ utilities³⁹ and small purchases.⁴⁰

G. Exempted Agencies

The following semigovernmental agencies are not subject to the jurisdiction of either the division of purchases or the purchasing agent:

1. Nashville Electric Service (NES);
2. The metropolitan development and housing agency (MDHA);
3. Metro Nashville Public Schools (MNPS);
4. WeGo Public Transit (WeGo);
5. Nashville Hospital Authority;
6. The department of law in the acquisition of expert witness, consultant, additional counsel, court reporter, and other services required in litigation or other legal representation of the Metro Nashville.⁴¹

H. Bonding, Insurance and Prompt Payment

1. Bonding

Tennessee state law requires payment bonds of twenty-five percent of the contract price on all contracts in excess of \$100,000 for Metro contracts.⁴² Tennessee statute also requires a 10% bid bond and allows for performance bonds.⁴³ Metro Nashville procurement regulations allow for bid and performance bonds “deemed advisable to protect the interest of Metro.”⁴⁴ Staff interviews indicated that Metro Nashville requires performance bonds on construction contracts above \$100,000. Staff interviews indicate that there have not been complaints about bonding requirements. Vendor experience with Metro bonding requirements is discussed in the Anecdotal chapter below.

2. Insurance

Regarding insurance, a sample of Metro professional services solicitation provides the following requirements:

- General Liability Insurance in the amount of \$1,000,000.
- Automobile Liability Insurance in the amount of \$1,000,000.
- Worker’s Compensation Insurance with statutory limits required by the State of Tennessee or other applicable laws and Employer’s Liability Insurance with limits of no less than \$100,000, as required by the laws of Tennessee. (Workman’s Comp Insurance is not required for companies with fewer than five employees.).

³⁸ Metro Nashville Code of Ordinances § 4.12.070 - Emergency procurements.

³⁹ Metro Nashville Code of Ordinances § 4.12.080 - Utilities.

⁴⁰ Metro Nashville Code of Ordinances § 4.12.050 -Small purchases.

⁴¹ Metro Nashville Code of Ordinances § 4.04.020.D - Application of this code.

⁴² T.C.A. § 12-4-201 - Contractors bonds Securities or cash in lieu of bonds.

⁴³ T.C.A. § 62-6-129. Bid bonds.

⁴⁴ Metro Nashville Procurement Regulations § R4.12.011.06.

- Cyber Liability Insurance in the amount of \$5,000,000.⁴⁵

Some Metro procurement staff did report vendor concerns about insurance requirements being too high. Vendor experience with Metro's insurance requirements is discussed in the Anecdotal chapter below.

3. Prompt Payment

Metro Nashville complies with the Tennessee Prompt Payment Act, which provides that vendors should be paid within 45 days of receipt of invoice, with interest to accrue at the rate of 1.5 percent per month the day after payment is due.¹⁷ Subcontractors and suppliers are to be paid within 30 days of payment to the prime, with interest to accrue at the rate of 1.5 percent per month the day after payment is due. Metro's policy is to pay either Net30 (for Non-SBEs) and Net15 (for SBEs and disadvantaged businesses).

One of the required reports for the Metro Nashville Procurement Standards Board is government performance on prompt payment. The Metro Nashville Office of Financial Accountability has produced quarterly Prompt Payment Reports on the timeliness of payments to vendors by department. Consequently, Metro Nashville departments are aware of Board oversight of prompt payment. Staff interviews indicated that most prompt payment issues were due to inadequate paperwork submission on the part of either the prime or subcontractor. Vendor experience with prompt payment by Metro is discussed in the Anecdotal chapter below.

I. Vendor Registration and Prequalification

All vendors, including subcontractors on a prime offer, must be registered in iSupplier before working with Metro Nashville. The submission of offers is through iSupplier. Vendors can register with iSupplier at no cost. Vendors register by commodity code and their registration determines the bid notifications they receive. In addition to these notifications, the division of purchases began publishing bi-annual procurement forecasts in March 2021.⁴⁶ The business classifications in iSupplier registration are: Blind, Federal DBE, LGBT, Minority Owned, Service-disabled Veteran Owned, and Small Business. The form asks for a certifying agency.

The Metro Nashville Code allows for the prequalification of suppliers.⁴⁷ However, Metro Nashville procurement regulations provide that solicitations and awards are not to be limited to prequalified firms.⁴⁸ Moreover, Metro Nashville does not prequalify firms and does not maintain a prequalification list, such as the ones maintained by the Tennessee Department of Transportation (TDOT). Under Metro Nashville policy, prequalification is limited to specific projects that that may necessitate prequalification depending on the level of complexity. Metro Nashville regulations also allow for the maintenance of a bidders list, but such a list does not currently exist.⁴⁹

⁴⁵ Metro Nashville, RFQ 242257.

⁴⁶ See, e.g., Nashville Procurement, Anticipated Purchases 2021 – 2022.

⁴⁷ Metro Nashville Code of Ordinances § 4.12.120 - Prequalification of suppliers.

⁴⁸ Metro Nashville Procurement Regulations § 4.12.120 – Prequalification of suppliers.

⁴⁹ Metro Nashville Procurement Regulations § R4.12.030.07 - Bidders Lists.

J. Equal Business Opportunity Ordinance

Metro Nashville established a Procurement Nondiscrimination Program in 2008. Metro Nashville released a disparity study in 2018.⁵⁰ Following the 2018 disparity study, Metro Nashville Government began the implementation of the Equal Business Opportunity Program in 2019.⁵¹ The EBO program applies to:

Construction: Any and all horizontal and vertical construction, including new construction, rehabilitations, remodeling, and repairs.

Non-professional Services⁵²: Encompasses the procurement of advertising, printing, non-construction repairs and maintenance, janitorial services, training seminars and workshops, computer and information systems, security, shipping and mailing, microfiche and microfilm, courier, storage, travel, consulting, and other non-professional services.

Professional Services: Includes the purchase of any or all services covered by Section 4.08.080 for which applicable selection criteria may require a Participant to possess a license or other certificate of competency such as accounting, auditing, architectural, and engineering.

Elements of the EBO follow in the remainder of this chapter. The EBO program must be evaluated every five years.⁵³

⁵⁰ Griffin & Strong, Metro Nashville, Disparity Study Final Report, August 2018.

⁵¹ Metro Nashville Code of Ordinances § 4.46 et seq.

⁵² Also referred to as “Other Services” in the Study.

⁵³ Metro Nashville Code of Ordinances § 4.46.120 - Program evaluation and sunset provision.

K. Certification

1. MWBE Certification

Metro Nashville definition of MWBE

Refers to a business enterprise maintaining a significant business presence in the Program Area and performing a commercially useful function that is owned by one or more of the following: (1) African Americans, (2) Native Americans, (3) Hispanic Americans, (4) Asian Americans and (5) Women. Racial and gender categories are separated for monitoring and tracking purposes only.⁵⁴

Minorities are defined as

- African American: Means persons having origins in any black racial group of Africa. It includes people who indicate their race as "Black, African American, or Negro," or provide written entries such as African American, Afro American, Kenyan, Nigerian, or Haitian.
- Asian: Means persons having origins in any of the original people of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.
- Hispanic American: Means people who identify with the terms "Hispanic" or "Latino" and who classify themselves in a specific Hispanic or Latino category such as "Mexican," "Puerto Rican," "Cuban," or "other Spanish, Hispanic, or Latino."
- Native American: Means persons having origins in any of the original people of North America, including American Indians, Eskimos, and Aleuts.
- Women Business Enterprise (WBE): Means a business that is an independent and continuing enterprise for profit, performing a commercially useful function, and which is owned and controlled by one or more women and is not otherwise certified as an MBE.⁵⁵

The MWBE certification standard is as follows

- The owner of a MWBE must be an African American, Asian American, Hispanic American, Native American, or female as defined in Metro Nashville Code 4.46.020.
- The business enterprise seeking certification must be a for-profit entity that is independent and continuing.
- The MWBE owner(s) listed on the certification application must "own" and "control" the business, as those terms are defined in Metro Nashville Code 4.46.020;
- The MWBE must be able to demonstrate that it is or will be performing a commercially useful function; and
- The MWBE must be located in the Metropolitan Nashville Statistical Area.⁵⁶

There are no size standards for MWBE certification except insofar as a certifying agency (listed below) has a size standard, such as Tennessee DOT.

⁵⁴ Metro Nashville Code of Ordinances § 4.46.020 - Definitions.

⁵⁵ Ibid.

⁵⁶ Metro Nashville Procurement Regulations § R4.46.050.02 Certification Standards

Metro Nashville accepts certification from the following:⁵⁷

- For black and brown owned businesses, Metro Nashville recognizes these MBE certifications:
 - Governor's Office of Business Diversity
 - Metro Nashville Airport Authority
 - WeGo Public Transit
 - National Minority Supplier Development Council
 - Tennessee Department of Transportation
- For woman owned businesses, Metro Nashville recognizes these WBE certifications:
 - Governor's Office of Business Diversity
 - Metro Nashville Airport Authority
 - WeGo Public Transit
 - National Women Business Owners Corporation
 - US Women's Chamber of Commerce
 - Women's Business Enterprise National Council
 - Tennessee Department of Transportation
- For LGBT owned businesses, Metro Nashville recognizes this LGBTBE certification:
 - National LGBT Chamber of Commerce
- For service-disabled veteran owned businesses, Metro Nashville recognizes this SDV (Service-Disabled Veteran) certification:
 - Governor's Office of Business Diversity

2. SBE Certification

The Nashville criteria for SBE is:

- A United States business which is independently owned and operated, and which is not dominant in its field of operation or an affiliate or subsidiary of a business dominant in its field of operation;
- Either has no more than the following number of employees or has no more than the following annual sales volume for the applicable industry; and
- Meets the following additional criteria:
 - i. Has demonstrated capability to perform independently a substantial portion of the contract they seek, or a substantial portion of the subcontract for which they are proposed by a bidder or offeror, as specified by the Purchasing Agent;
 - ii. Not share or jointly use office space, production, marketing and sales, business support systems, personnel, or equipment with any business not classified by Metro Nashville as a small business (i.e., a large business);
 - iii. Has existed as a legal business entity for a minimum of one year (twelve months of continuous business enterprise), performing independently and satisfactorily and

⁵⁷ <https://www.nashville.gov/departments/finance/procurement/how-do-business-metro>.

- achieving a minimum of \$35,000.00 sales income during the previous tax year and supported by tax documentation;
- iv. Not be owned, controlled, or directed by individuals or groups of individuals who own, control, or direct a large business involved in the same category of work as the business for which small business status is sought;

BAO reviews two years of tax returns for SBE certification. A firm must fail both the revenue and maximum number of employees to not be approved for SBE certification. The small business revenue size standards range from \$500,000 for services to \$2 million for construction.

The small business employee size standards range from nine for services to ninety-nine for manufacturing.⁵⁸ During the study period one firm was disbarred for “violation of the procurement regulations’ definition of small business related to independence.”⁵⁹

3. Counts of Certified Firms

Metro Nashville maintains an online directory of certified firms.⁶⁰ The directory can be searched by certification type, business description, commodity code and location. Table 8 below shows counts of certified firms as of June 2022. Table 8 below shows 504 total MWBE firms.

Table 8: Counts of Certified Firms

Business Classification	Number	Percent of MWBE
African American	148	43.46%
Hispanic American	24	8.66%
Asian American	38	5.98%
Native American	8	2.03%
<i>Total Minority Business</i>	218	60.14%
Woman Business	286	39.86%
<i>Total Minority Women Business</i>	504	100.00%
Other Certifications		
Disadvantaged Business Enterprise	66	NA
Small Business Enterprise	442	NA
Service-Disabled Business Enterprise	12	NA
LGBT Enterprise	4	NA

Source: Metropolitan Government of Nashville & Davidson County EBO Reporting System’s Certified Directory as of 06/30/2022.

⁵⁸ BAO, SMALL BUSINESS STATUS GUIDELINES (undated)

⁵⁹ M. Lane Correspondence, 9/24/2021.

⁶⁰ <https://nashville.diversitycompliance.com/Default.asp?>.

L. Goals

1. Overview

Table 9 below shows Metro Nashville's aspirational MBE and WBE Goals.

Table 9: Metro Nashville MBE, WBE Goals

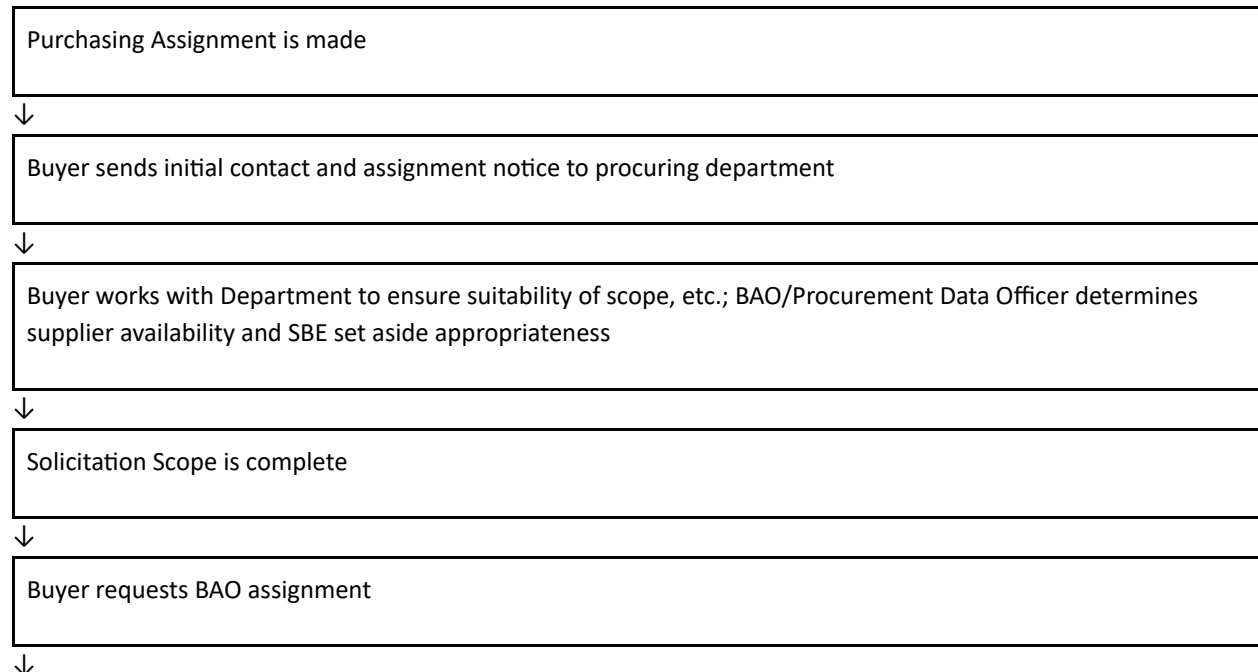
Procurement Categories	MBE	WBE
Construction Contracts	13%	12%
Non-Professional Services Contracts:	23%	16%
Professional Services Contracts	24%	16%
Good Contracts	10%	11%

Source: Equal Business Opportunity Program
Annual Report FY21

2. Project Goal Setting Process

Figure 2 below (slightly condensed from the original) shows how the BAO project goal setting process fits into the Metro Nashville solicitation process.

Figure 2: Goals Setting and Solicitation Flow Chart



Procurement Data Officer determines supplier availability



The Procurement Data Officer sends recommended goal to goal setting committee (BAO Program Director, Purchasing Agent, and Department Head) for approval.



Goal Setting Committee sends approved goals to Buyer and Buyer Supervisor



BAO assignment is made



Buyer adds BAO staff to collaboration team



Pre-Offer meeting is scheduled; BAO assignee is invited



Solicitation is issued within 5 business days of BAO assignment



Pre-Offer meeting is held; BAO assignee or designee attends



If applicable, the buyer sends any relevant online discussion questions to BAO assignee and department to be answered



Solicitation Closes

Source: EBO Flowchart

Staff interviews indicated that department staff have worked closely with BAO to refine goals in line with availability. However, some department staff felt that it was difficult to assign dollar values to components of projects so that BAO could assign an availability to those components.

Metro Nashville BAO staff indicated that if there are SBE/SDV goal requirements, bidders need to acknowledge that they will meet the requirements, but they do not have to use the firms that they propose as part of their bid. However, once a contract is awarded if there are any substitutions or additions, they must submit through B2Gnow reporting system and BAO compliance officer will approve or deny request. Bidders do have to meet the SBE/SDV requirements at the end of the contract, or else they will receive a negative contract compliance report which could impact on their future bidding efforts.

3. Data on Project Goal Setting

Table 10 below shows contract goal setting data on 128 Metro Nashville projects from late 2021 through July of 2022. About 38% of the projects had MBE and/or WBE/SBE/SDV goals. Most of the goals advertised were from 6% to 10%. This data, in conjunction with the goal setting process described above, and the good faith efforts information discussed below, confirms that Metro Nashville did not use MWBE goals as a rigid quota, or set MBE/WBE/or SBE/SDV goals on every project regardless of subcontracting opportunity. The most common reasons for not setting goals on projects were: (1) projects were for goods, and hence there were limited subcontracting opportunities, or (2) there was no MBE, WBE or SBE/SDV availability. Generally, SBE/SDV goals were higher than either MBE or WBE goals. Combined MBE/WBE/SBE/SDV goals reached as high as 47%, but this was very rare.

Table 10: MBE/WBE/SBE/SDV Goals, 2020-2021

Project Goal Percent	MBE		WBE		SBE/SDV	
	Number	Percent	Number	Percent	Number	Percent
0	79	61.72%	79	61.72%	78	60.94%
1%-5%	7	5.47%	11	8.59%	4	3.13%
6%-10%	24	18.75%	28	21.88%	14	10.94%
11%-15%	15	11.72%	7	5.47%	16	12.50%
16%-20%	2	1.56%	3	2.34%	11	8.59%
21%-25%	1	0.78%	0	0.00%	5	3.91%
	128	100.00%	128	100.00%	128	100.00%

Source: BAO spreadsheet

The FY 2021 KPI Annual Performance Report stated that Metro Nashville Government awarded 84 contracts with race and gender conscious goals.⁶¹

Note that a 30% MBE/WBE/SBE/SDV goal was placed on the MLS soccer stadium which was started before the beginning of the EBO program but continued during it.⁶² The Sports Authority is part of Metro Nashville. BAO does not have the authority to apply programming to tax increment financing (TIF) or other economic development projects. TIFs are administered by the industrial development board or MDHA. Economic development projects are administered by the Mayor's Office of Economic & Community Development.

M. Good Faith Efforts

Methods of complying with Good Faith Efforts in lieu of satisfying the MWBE goals include the following:

- Attending informational meetings.
- Dividing the contract, in accordance with normal industry practice, into small, economically feasible segments that could be performed by a MWBE.
- Providing a written explanation for the rejection of any potential subcontractor or vendor to the Bidder,
- Providing a non-discriminatory work site.
- Soliciting specific individual MWBEs whose availability as potential sources of goods or services can be reasonably ascertained.
- Sending letters or making other personal contacts with other programs as well as private trade associations in the Program Area which are known to publicize contracting and procurement opportunities for the benefit of their respective associates and/or members.
- Advertising in trade publications of general circulation in the Program Area.
- Following up initial solicitations.
- Thoroughly investigate the potential subcontractor or vendor's capabilities in good faith.
- Providing reasonable assistance to a MWBE in need of equipment, supplies, bonding, letters of credit and/or insurance.
- Providing reasonable technical assistance to MWBEs.⁶³

⁶¹ FY 2021 Metro Nashville KPI Annual Performance Report.

⁶² A community benefits agreement for the stadium provided 25 percent of the total value of contracts awarded on the adjacent mixed-use development was to be spent with MWBEs and 25 percent of the supplier contracts for operations were to be spent with MWBEs. Metro Nashville was not a party to the community benefits agreement and could not enforce its provisions. Nashville Soccer Holdings Statement of Diversity and Inclusion, September 4, 2018. <https://media.bizj.us/view/img/11034857/nsh-sun-cba-with-exhibit-a-9-3-18-fully-signed-1.pdf>.

⁶³ Metro Nashville Code of Ordinances § 4.46.080.B Good Faith Efforts.

The BAO evaluates good faith efforts. Good faith efforts are assessed on a pass/fail basis and not a point system. Five firms have failed to satisfy good faith efforts requirements over a total of four solicitations over the study period.⁶⁴ These rejections of good faith efforts submission did not generate any bid protests.

N. Contract Compliance

BAO has a team of Contract Compliance Officers that evaluate all bids for compliance with the EBO Program. If one or both MWBE goals have not been met, the Contract Compliance Team evaluates Good Faith Effort Summary Sheets and supporting documents. After the contract award, BAO closely monitors contracts with EBO goals for compliance with goals and to ensure payment to subcontractors is paid within the appropriate timeframe. BAO also acts as a mediator between the parties involved.

The Procurement Accountability Officer (PAO) position was created with the launch of the EBO Program. The PAO reports to the Office of Financial Accountability (OFA) and is deemed impartial in ensuring compliance with program regulations. The PAO engages in regular audit of the procurement process, including the EBO components.

O. Small Business Reserve Program

Metro Nashville's purchasing regulations authorize the purchasing agent to use a small business reserve.⁶⁵ Metro Nashville's Small Business Reserve (SBR) program was established in FY 2020. The SBR program limits its solicitation to projects no greater than \$250,000 in Construction, A&E and Professional Services.⁶⁶ In addition, participants in the SBR are expected to solicit MWBEs for subcontracting opportunities, where appropriate. The SBR program established performance metrics in the areas of solicitations, equity, and information. The equity metric includes the percentage of SBR solicitations and awards going to MWBEs.

Eligibility for the SBR program suggests that a firm should have:

- Credit line of no less than \$50,000.
- Bonding capacity of no less than \$100,000, where appropriate.
- Professional liability insurance of no less than \$1,000,000.
- Licenses for a commercially useful function, where applicable.
- Status in good standing with Metro Nashville Government.

To remain in the SBR program a firm should:

- Commit to performing as a prime contractor.
- Maintain license or certification for commercially useful function, where applicable.
- Maintain and update-as-necessary registration with iSupplier.

⁶⁴ BAO data, 2022.

⁶⁵ Metro Nashville Procurement Regulations § R4.44.020.03.

⁶⁶ Metro Nashville, Division of Purchases, Citizens' Guide to the Small Business Reserve Program, Updated 01/06/2021.

- Maintain approval by Metro Nashville Government as a SB).
- Perform no less than 51 percent of the work on any award.
- Solicit subcontracting opportunities, where appropriate, MWBEs to meet Metro Nashville Government's EBO subcontracting goals.
- Participate in an annual audit and any other requested meeting(s) with the business development officer and/or purchasing agent.
- Agree to help future SBR participants by becoming a mentor in the mentor/protégée program.
- Comply with all federal, state, and local contracting laws, policies, and procedures.
- Remain in good standing with Metro Nashville Government.

The SBR Program was launched in the middle of FY20 with 16 firms. There were five SBR projects in 2020-2021, primarily in demolition and historical preservation.⁶⁷ The SBR projects also had MWBE and/or SBE/SDV goals.

Metro Nashville Water Services has targeted small design firms for certain five-year contracts, such as sewer rehabilitation. This practice, which has been in place for about ten years, is not formally part of the SBR. These projects are required through a consent decree from the U.S. Environmental Protection Agency (EPA). The Division of Purchases worked with the minority small business office to place these project requirements. The projects are subject to contract compliance. This practice then evolved from the efficiency and cost effectiveness of small design firms for certain projects.

P. Reporting MWBE/SBE Utilization

Metro Nashville has used B2GNow for contract compliance since the beginning of the EBO program in 2019. Vendors report subcontractor utilization to b2g monthly when they submit payment application. Subcontractors confirm the information.

MWBE spending is part of Metro Nashville's Annual Procurement Performance Reports. The reports cover each group, prime and subcontracting. In FYI 2021 Metro Nashville reported spending \$97,917,597 with MWBE prime and subcontractors, 7.33 % of the total, and \$190,982,529 total with SBEs, 14.29% of the total.⁶⁸

The Procurement Standards Board asked Procurement to report MWBE utilization for the following agencies:

- Metro Nashville General Government
- Metro Nashville Public Schools
- Nashville Electric Service
- Metro Nashville Development and Housing Agency
- WeGo Public Transit/Metro Nashville Transit Authority
- Metro Nashville Airport Authority

⁶⁷ BAO SBR Program Projects spreadsheet, 2022.

⁶⁸ FY 2021 Metro Nashville KPI Annual Performance Report, page 9.

There have been some differences in how the other agencies collect and report data. Some agencies include DBE spending, and some agencies did not include spending with MWBE subcontractors. Metro Nashville has had meetings with other agencies to increase uniformity in MWBE reporting across these agencies.

Q. Disadvantaged Business Enterprise (DBE) Program

The Metro Nashville does not have its own DBE program, DBE plan or issue reports of DBE utilization. The Metro Nashville applies state DBE goals to projects with DBE goal requirements.

R. Business Development Efforts

1. Management and Technical Assistance

Metro Nashville is in the process of developing a mentor protégé program.⁶⁹ The program has been funded and is expected to go live in January 2023. The BAO has put on training seminars, including "Doing Business with Metro Nashville" workshops bonding seminars with US DOT. BAO has hosted, attended, and participated in more than thirty outreach events, including business networking events, procurement fairs, and trade shows.

2. Financial Assistance

Metro Nashville does not currently provide regular small business loans to firms. Metro Nashville partnered with Pathways Lending to provide small business loans to firms in low-income zip codes using American Recovery Plan funds. This Nashville Small Business Recovery Fund is part of Metro Nashville's response to the economic impact of the pandemic.

S. Business Assistance Office

The Metro Nashville Code provides the following duties for the BAO:

- Preparing written rules, regulations, and procedures.
- Publishing and making public said rules, regulations, and procedures.
- Verifying certification of MWBEs and evaluating the feasibility and propriety of accepting certifications from other governmental entities or industry groups.
- Recruiting businesses to apply for certification.
- Maintaining outreach and assistance programs.
- Distributing annual "forecasting" report(s).
- Maintaining a current database of certified and available MWBEs and making this database accessible.
- Monitoring utilization of MWBE participation.
- Developing and supplying to each Bidder as part of each Bid solicitation standard forms.
- Investigating written complaints as provided herein below.
- Notifying affected parties in writing of their right to review an adverse recommendation of the BAO.

⁶⁹ Metro Nashville Code of Ordinances § 4.46.090 - Mentor-protégé initiative.

- Preparing reports as requested by the Purchasing Agent or the Finance Director as well as semiannual and annual reports.
- Performing other tasks as may be required to fulfill the above-stated duties of the Business Assistance Office.⁷⁰

Additional BAO duties in Metro Nashville regulations include:

- Recommending the establishment and communication of aspirational and/or contract goals.
- Facilitating and attending pre-proposal/bid conferences;
- Identifying MWBEs in BAO databases and providing or producing a list of available MWBEs upon request;
- Remaining available to assist bidders in developing their MWBE plans;
- Monitoring MWBE participation levels on projects throughout the duration of a contract;
- Reporting annually to the Metro Nashville Government and the public, based on available data, the progress made by Metro Nashville Government toward satisfying the EBO program purposes and policy objectives;
- Receiving and analyzing external and internal information, including statistical data regarding the barriers encountered by MWBE firms in attempting to obtain contract opportunities at the Metro Nashville Government, and the relative effectiveness of various program elements in addressing those barriers;
- Monitoring and supporting the implementation of the EBO program and proposing modifications to appropriate Metro Nashville Government officials as necessary to fully achieve the purpose and objectives of the program;
- Providing public education internally and externally regarding the purposes and objectives of the EBO program;
- Collaborating with partners such as financing institutions, educational institutions, local chambers, government agencies, and trade organizations in Mentor-Protégé programs, Joint Venture projects, one-on-one business assessment and coaching services, and any innovative and creative program or project(s) to increase MWBE capacity in areas where there are limited numbers of MWBE firms available to do the work in both Prime and Subcontracting categories;
- Increasing and facilitating business networking opportunities for MWBE firms, and providing seminars and technical assistance to MWBE firms to enhance their ability to effectively compete for contracts;
- Investigating alleged violations of the EBO program and providing written recommendations to appropriate authorities regarding remedial action and sanctions and penalties, when necessary, in accordance with Metro Nashville Code 4.46.100.
- Utilizing a formal mechanism to obtain feedback from MWBE participants and registrants on the effectiveness of the EBO process, ease of use, and other components to be decided by the Purchasing Agent.⁷¹

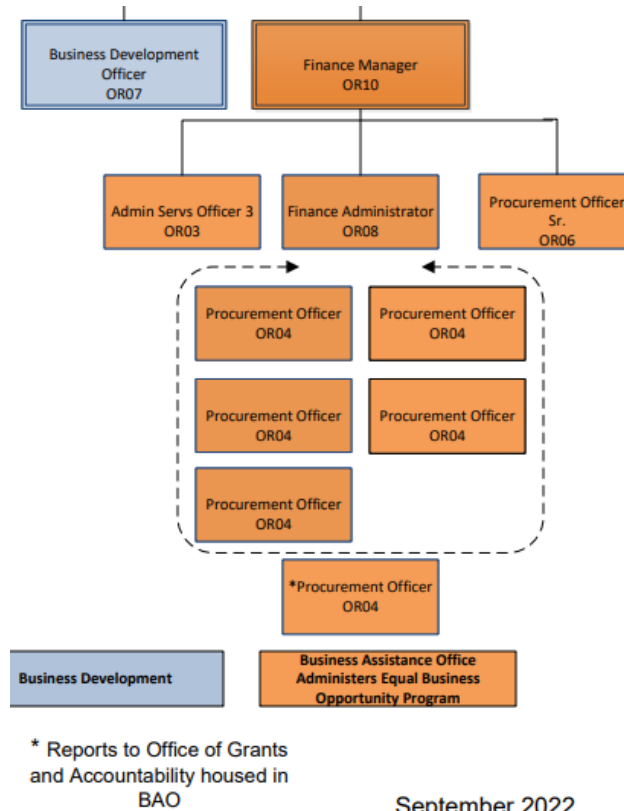
⁷⁰ Metro Nashville Code of Ordinances § 4.46.030.B - Office of minority and women business assistance.

⁷¹ Metro Nashville Procurement Regulations § R4.46.030.02 Additional Duties of the Business Assistance Office.

T. BAO Staffing & Budget

Metro's Business Assistance Office (BAO) has a 2023 budget of \$1,511,500 with 12 FTEs, up from \$1,148,300 (and 12 FTEs) in FY 2022.⁷² BAO staff includes the director/finance manager, contract compliance supervisor/finance administrator, five contract compliance officers, a procurement data officer, program support specialist and business development officer. The BAO organization chart is in Figure 3 below.

Figure 3: BAO Organizational Chart



Source: Metropolitan Government of Nashville and Davidson County

⁷² Metropolitan Government of Nashville & Davidson County, FY23 budget book re: BAO's FTE count and budget.

U. Conclusion

Few procurement barriers were reported by Metro Nashville staff, except current issues with prompt payment and some concerns about insurance. Metro Nashville ended the Master Lists in engineering which has been seen by some as a barrier. Barriers identified by vendors are reported in the Anecdotal chapter below.

Metro Nashville replaced the previous Procurement Nondiscrimination program with an Equal Business Opportunity ordinance in 2019. BAO has a detailed project MWBE goal setting process that is not imposed as a rigid quota. BAO does not certify firms but has 504 certified MWBEs in its online directory as well as over 400 SBEs and other certified firms. BAO issues extensive reports on MWBE utilization based on b2g. Metro Nashville recently began putting contracts for SBEs in a SBR program for contracts under \$250,000.

V. QUANTITATIVE ANALYSIS

A. Introduction

The quantitative analysis of a disparity study measures and compares the availability of firms in each race/ethnicity/gender group within the Metropolitan Government of Nashville and Davidson County (hereinafter, “Metro” or “Nashville”) Relevant Market to the utilization of each race/ethnicity/gender group, measured by the payments to these groups by Nashville.

Research Question: Statistical Analysis

Is there a disparity that is statistically significant between the percentage of available, qualified, and willing MWBE firms, in the Relevant Market, and the percentage of dollars spent with MWBE firms in that same Relevant Market during the Study Period?

The outcome of the comparison shows us whether there is a disparity between Availability and Utilization or Utilization is in Parity with Availability (i.e., the amount to be expected). Where there is disparity, a determination is made whether it is an Overutilization or an Underutilization. Further, the disparity is tested to see if it is statistically significant. Legal precedents have clearly established that the presence of such significant statistical disparities creates an inference of discrimination adversely affecting the participation of the underutilized firms. Finally, the regression analysis contained in the Chapter VI Private Sector Analysis tests for other explanations for the disparity to determine if it is likely that the disparity is caused by race, ethnicity, and gender status, or other factors. Where there is statistically significant Underutilization of MWBEs that is likely caused by race, ethnicity, and/or gender, GSPC determines as part of its findings whether there is a factual predicate for consideration by Metro for the use of narrowly tailored race- and gender-conscious remedies.

B. Data Assessment and Requests

GSPC conducted a meeting with representatives who were familiar with Metro’s data. The object of the meeting was for GSPC to get a better understanding of how Metro’s data is kept and how best to request the data needed for the Study. Following the data assessment meeting, GSPC presented written requests for the data, detailing the type and fields of data needed to complete the quantitative analysis.

The electronic data was uploaded to GSPC by Metro in Microsoft SharePoint where they were catalogued and stored in GSPC’s own cloud repository. The data collected was used to develop data files containing purchasing history for each major purchasing category, that is, Construction, Architecture & Engineering (A&E), Professional Services, Other Services, and Goods. GSPC’s Data Assessment Report is attached hereto as Appendix C.

1. Data Assignment, Cleanup and Verification

After the completion of data collection, the submitted data were electronically and manually “cleaned” to remove duplicates and exclude all unrelated payments such as payments to personnel, nonprofit organizations, and governmental agencies. The cleanup phase also included the following five (5) tasks:

- Assigning and verifying ethnicity, race & gender of each firm;
- Assigning each firm to one or more NAICS codes based upon the kind of work the firm performs;
- Utilizing zip codes to determine certain areas to assign each firm’s location.
- Matching files electronically to pick up addresses, ethnicity/race/gender, and/or work category;
- Filling in any additional necessary data on firms.

File cleanup was first done electronically by linking information provided by Metro to certain indicators, like purchase order number, vendor name, vendor number, or cross-referencing information with other files to fill in missing fields. This cleanup and re-tabulating process produced a lower total amount than the designated budget for each category since many vendors/purchases were excluded from the study, as payments went to local governments, utility companies, nonprofit organizations, and universities/colleges.

Additionally, GSPC verified the gender and ethnicity of vendors, and completed necessary information about vendor address, industry category, and other related areas. Gender and ethnicity verification were based on official certification listings. GSPC used vendor zip codes to identify the county where businesses are located to determine whether a vendor will be included in the Relevant Market analysis. Some files submitted by Metro did not contain the necessary information, including vendors’ physical addresses. To supplement the missing information, more data was obtained from Dun & Bradstreet databases, or by simply searching the businesses’ name on the internet. As GSPC developed data files, those files were shared for approval with Metro and Metro was given access to all files and tables in GSPC’s cloud repository.

2. Assignment of Race Gender/Ethnicity

To identify all minority owned firms, GSPC utilized only those certified:

- Metro Airport Authority Combined DBE SMWBE Certified Directory
- Tennessee Department of Transportation DBE UCP Directory
- Tennessee Governor's Office of Diversity Business Enterprise (Go-DBE)
- Tennessee SBA 8A Certified List (from sba.gov)
- Metro’s approved MWBEs (B2Gnow)

In assigning race/ethnicity/gender, priority was given to firms’ race/ethnicity, so that all Minority owned firms were categorized according to their race/ethnicity and not by gender. For example, a Woman owned Asian American firm was categorized as Asian American rather than a Woman owned business. Non-Minority Women owned firms were categorized individually by their race and gender. Non-Minority male owned firms, and publicly owned corporations are categorized as Non-MWBE firms. Vendors were

identified as MBE or WBE if they were certified through an official certification process and therefore on a certified list. From all the governmental certification sources, GSPC assembled a Master MWBE list. Where there were any inconsistencies in the race/ethnicity/gender, GSPC researched the firm and manually resolved any inconsistencies.

3. Assignment of Industry Categories

In order to place firms into the proper business categories, GSPC adopted a three-step strategy. First Metro's description of purchases/contracts along with UNSPSC codes and descriptions were used to categorize vendors into Construction, Architecture and Engineering, Professional Services, Other Services, and Goods categories. Second, for those with missing UNSPSC codes, GSPC obtained NAICS codes from the Dun and Bradstreet (D&B, commonly known as Hoovers data) database. It is important to note that Hoovers data offers the largest publicly available database of business establishments. The rest of the vendors that weren't available on Dun and Bradstreet (D&B) database were searched online to find or verify the type of services provided, and third, the assigned classifications were reviewed and verified by Metro.

4. Master Vendor File

GSPC developed a Master Vendor File availability source for this report. The purpose of the Master Vendor File was to collect, in one data file, a listing of all firms that provide goods and services in the Industry Categories utilized by Metro. It includes internal lists from Metro as well as outside governmental lists. The Master Vendor File was also used to match and verify data in other data files, particularly to make sure that information assigned to firms for utilization calculations matched the information assigned to firms for availability calculations, e.g., making sure there were no inconsistent ethnicities. This is important to make sure that GSPC compared relevantly similar data. The Master Vendor File contains the lists of firms from the following data sources:

- Metro Prime Payments
- Metro Subcontractor Payments
- Metro Awards
- Metro Vendor List
- Metro Airport Authority Combined DBE SMWBE Certified Directory
- Tennessee Department of Transportation DBE UCP Directory
- Tennessee Department of Transportation Prequalified Contractors List
- Tennessee Department of Transportation Prequalified Consultants

Availability is determined by using all the unique firms in the Master Vendor File within the Relevant Market.

C. Relevant Market Analysis

The commonly held idea that the Relevant Market should encompass at least 75% to 85% of the "qualified" vendors that serve a particular sector has its origins in antitrust lawsuits.⁷³ In line with antitrust precepts, United States Supreme Court, Justice Sandra Day O'Connor in Croson, specifically

Relevant Market is the geographic location where Metro spends at least 75% of its dollars. The Utilization and Availability analyses are conducted only using firms located within the Relevant Market

criticized the City of Richmond, Virginia, for making MBEs all over the country eligible to participate in its set-aside programs⁷⁴ The Court reasoned that a mere statistical disparity between the overall minority population in Richmond, Virginia, which was 50% African American, and the award of prime contracts to minority-owned firms, 0.67% of which were African American owned firms, was an insufficient statistical comparison to raise an inference of discrimination. Justice O'Connor also wrote that the relevant statistical comparison is one between the percentage of MBEs in the marketplace (or Relevant Market) who were qualified to perform contracting work (including prime and Subcontractors) and the percentage of total City contracting dollars awarded to Minority firms.

Metro's Relevant Market Area has been determined for each of the following Industry Categories:

- Construction;
- Architecture & Engineering (A&E);
- Professional Services;
- Other Services; and
- Goods.

For each purchasing category GSPC measured the "Relevant Market" as the area where at least 75% of Metro dollars were paid during the Study Period. In doing that, GSPC converted vendors' Postal Zip Codes into Counties and State and then worked on drawing the Relevant Market. The Relevant Market is the Nashville-Davidson-Murfreesboro-Franklin, TN Metropolitan Statistical Area (MSA).⁷⁵ The results of Relevant Market as presented in Table 11 show that close to 81.00% of all Construction related procurements, during the Study Period, were paid to vendors within the Nashville Relevant Market. The Nashville Relevant Market covered 87.90% of A&E, 87.64% of Professional Services, 77.85% of Other Services, and 75.77% of Goods. Given that 79.27% of all Metro spending was with firms located in this Relevant Market, GSPC determined that one consistent Relevant Market across all Industry Categories was appropriate. A more detailed breakdown of the Relevant Market by County is included in Appendix D.

⁷³ D. Burman. "Predicate Studies: The Seattle Model," Tab E of 11-12 Minority and Women Business Programs Revisited (ABA Section of Public Contract law, Oct. 1990).

⁷⁴ Croson, 488 U.S. 509, 709 S. Ct. 706 (1989).

⁷⁵ The Nashville-Davidson-Murfreesboro-Franklin, TN MSA is made up of Davidson County, TN, Rutherford County, TN, Williamson County, TN, Sumner County, TN, Wilson County, TN, Maury County, TN, Robertson County, TN, Dickson County, TN, Cheatham County, TN, Macon County, TN, Smith County, TN, Cannon County, TN, Trousdale County, TN.

Table 11: Relevant Market⁷⁶
Procurement by Market Area Counties and State (Using Payment Dollars, FY 2018-2022)
 Nashville Disparity Study

Work Category	Area	Amount	Percent	Cumulative %
Construction	City of Nashville	\$ 1,015,870,557	57.79%	57.79%
	Davidson County	\$ 28,539,944	1.62%	59.41%
	MSA*	\$ 379,341,693	21.58%	81.00%
	CSA**	\$ 10,001	0.00%	81.00%
	Rest of Counties in Tennessee	\$ 11,599,433	0.66%	81.66%
	Rest of USA	\$ 322,463,945	18.34%	100.00%
	Total	\$ 1,757,825,573	100.00%	
A&E	City of Nashville	\$ 203,186,364	68.41%	68.41%
	Davidson County	\$ 44,037	0.01%	68.42%
	MSA*	\$ 57,852,116	19.48%	87.90%
	CSA**	\$ -	0.00%	87.90%
	Rest of Counties in Tennessee	\$ 2,129,625	0.72%	88.62%
	Rest of USA	\$ 33,815,047	11.38%	100.00%
	Total	\$ 297,027,189	100.00%	
Professional Services	City of Nashville	\$ 260,168,782	72.91%	72.91%
	Davidson County	\$ 2,064,363	0.58%	73.49%
	MSA*	\$ 50,509,982	14.15%	87.64%
	CSA**	\$ -	0.00%	87.64%
	Rest of Counties in Tennessee	\$ 8,949,137	2.51%	90.15%
	Rest of USA	\$ 35,156,921	9.85%	100.00%
	Total	\$ 356,849,185	100.00%	
Other Services	City of Nashville	\$ 2,528,819,279	74.84%	74.84%
	Davidson County	\$ 24,012,976	0.71%	75.55%
	MSA*	\$ 77,934,909	2.31%	77.85%
	CSA**	\$ 928,803	0.03%	77.88%
	Rest of Counties in Tennessee	\$ 76,864,546	2.27%	80.16%
	Rest of USA	\$ 670,545,828	19.84%	100.00%
	Total	\$ 3,379,106,341	100.00%	
Goods	City of Nashville	\$ 600,217,689	55.80%	55.80%
	Davidson County	\$ 13,225,191	1.23%	57.03%
	MSA*	\$ 201,582,573	18.74%	75.77%
	CSA**	\$ 295,146	0.03%	75.80%
	Rest of Counties in Tennessee	\$ 23,973,594	2.23%	78.03%
	Rest of USA	\$ 236,366,910	21.97%	100.00%
	Total	\$ 1,075,661,103	100.00%	

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⁷⁶ 0.01 differences within the tables in the Statistical Chapter are due to automatic rounding.

D. Availability Analysis

1. Methodology

The methodology utilized to determine the Availability of businesses for public contracting is crucial to understanding whether a disparity exists within the Relevant Market. Availability is a benchmark to examine whether there are any disparities between the Utilization of MWBEs and their Availability in the marketplace.

Availability Estimate is the determination of the percentage of MWBEs that are “ready, willing, and able” to provide Goods or services to Metro.

Croson and subsequent decisions give only general guidance as to how to measure Availability. One common theme from the court decisions is that being qualified to perform work for a local jurisdiction is one of the key indices of an available firm. In addition, the firm must have demonstrated that it is both willing and able to perform the work.

The measures of Availability utilized in this Study incorporate all the criteria of Availability required by Croson:

- The firm does business within an industry group from which Metro makes certain purchases;
- The firm's owner has taken steps (such as registering, bidding, certification, prequalification, etc.) to demonstrate interest in doing business with government; and
- The firm is located within a relevant geographical market area such that it can do business with Metro.

An MWBE Availability Estimate is expressed as a percentage of total Availability, computed by dividing the number of firms in each MWBE group in each Industry Category by the total number of businesses in the pool of firms for that Industry Category. Once these Availability estimates were calculated, GSPC compared them to the percentage of firms utilized in the respective business categories to generate the disparity indices, which will be discussed later in this analysis.

2. Measurement Basis for Availability

There are several approaches to measuring available, qualified firms. GSPC has established a methodology of measuring Availability based upon demonstrated interest in doing business with governments in the Relevant Market and in the relevant Industry Category. A firm is considered to be demonstrating interest if the owner has taken steps, such as registering, bidding, certification, prequalification, etc. In determining those firms to be included in the Availability pool, GSPC included the entire “Master Vendor File.”

3. Capacity

The ability or capacity to perform the work is tested in the Regression Analysis conducted in Chapter VI – Private Sector Analysis herein. The Regression Analysis shows whether race, ethnicity, and gender factors are impediments overall to the success of MWBEs in obtaining awards in the Metro marketplace and whether, but for those factors, firms would have the capacity to provide Goods and services on a level higher than what is presently being utilized.

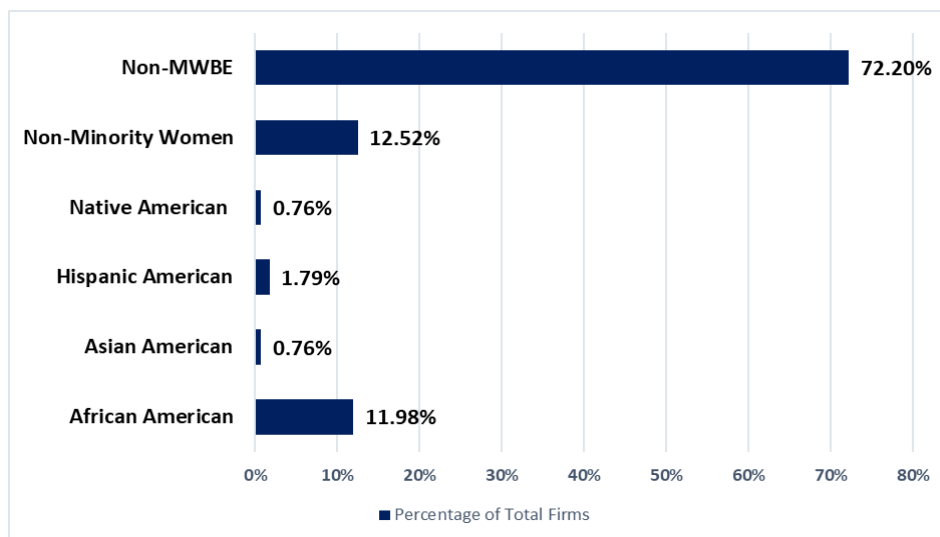
4. Availability

The Availability estimates for the Study are separated into five (5) Industry Categories. Figures 4 through 8 below show the number of available firms by race/gender/ethnicity as compared with the total number of available firms. See Tables E-1 through E-5 in Appendix E for detailed Availability information including the breakdown by Industry Category and the race, ethnicity, or gender of the firm owners. Note: GSPC uses full decimal numbers, so automatic rounding may cause differences within the tables.

The availability analyzed from the Master Vendor File includes all unique vendors in each work category. The Nashville Relevant Market availability for Construction is shown in Figure 4. As depicted, Non-MWBE firms were 72.20% of all Construction firms followed by 12.52% of the firms owned by Non-Minority Woman owned firms. African American owned firms represented 11.98%, Hispanic American owned firms were 1.79%, while Asian and Native American owned firms both reflected 0.76% of total Construction availability. A total of 1,845 vendors were available in the Construction area.

**Figure 4: Availability Estimates – Construction
in the Relevant Market
Nashville, MSA**

Nashville Disparity Study

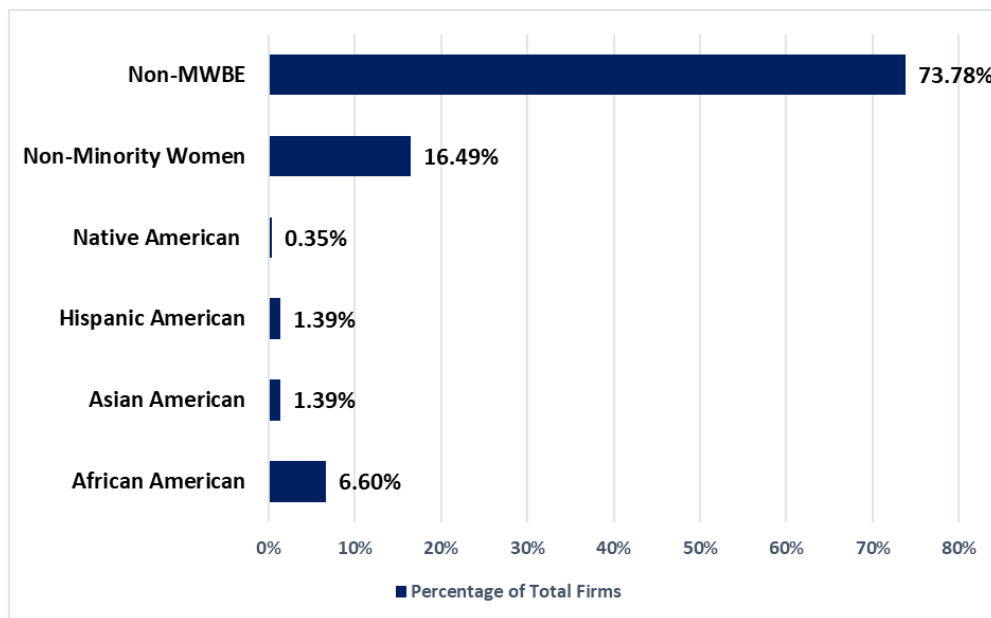


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Availability of A&E firms by ownership in the Relevant Geographic Area is presented in Figure 5. GSPC recorded 576 vendors in that area. As the Figure reflects, 73.78% of the vendors were Non-MWBEs while 6.60% of business were owned by African Americans. Likewise, as depicted in Figure 5, Non-Minority Woman firms represented 16.49% of total firms in that category while firms owned by Asian Americans, Hispanic Americans, and Native Americans showed 1.39%, 1.39%, and 0.35%, respectively.

**Figure 5: Availability Estimates – A&E
in the Relevant Market
Nashville, MSA**

Nashville Disparity Study

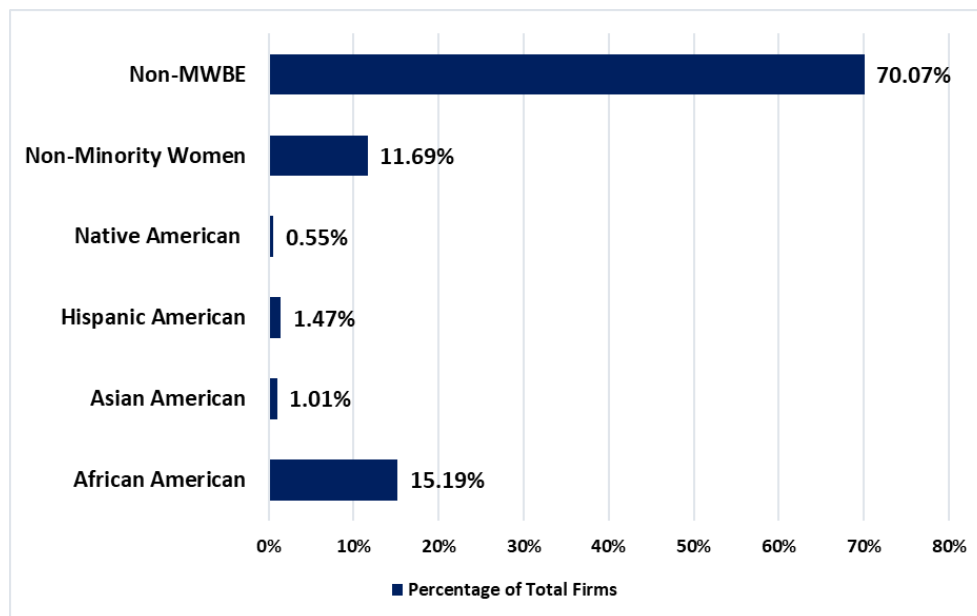


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Availability of Professional Services firms by ownership in the Relevant Geographic Area is presented in Figure 6. GSPC recorded 1,086 vendors in that area. As the Figure below reflects, 70.07% of the vendors were Non-MWBEs while 15.19% of business were owned by African Americans. Likewise, as depicted in Figure 6, Non-Minority Woman owned firms represented 11.69% of total firms in that category while firms owned by Hispanic Americans, Asian Americans, and Native Americans showed 1.47%, 1.01%, and 0.55%, respectively.

**Figure 6: Availability Estimates – Professional Services
in the Relevant Market
Nashville, MSA**

Nashville Disparity Study

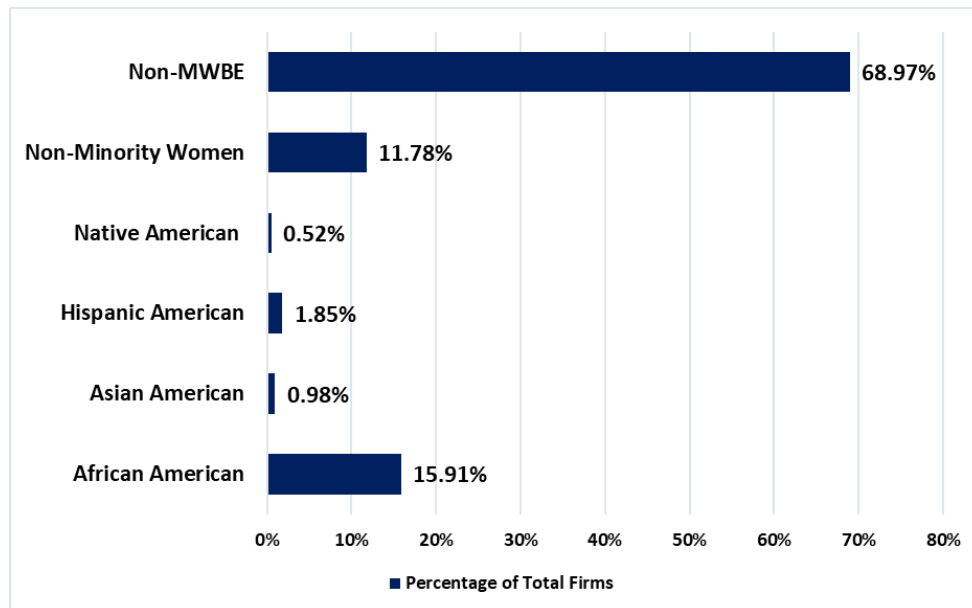


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Figure 7, 68.97% of the firms were Non-MWBEs and 15.91% were owned by African Americans. The Non-Minority Woman owned firms consisted of 11.78% while firms owned by Hispanic Americans, Asian Americans, and Native Americans owned 1.85%, 0.98%, and 0.52%, respectively. A total of 3,683 vendors were available in the Other Services area.

**Figure 7: Availability Estimates –Other Services
In the Relevant Market
Nashville, MSA**

Nashville Disparity Study

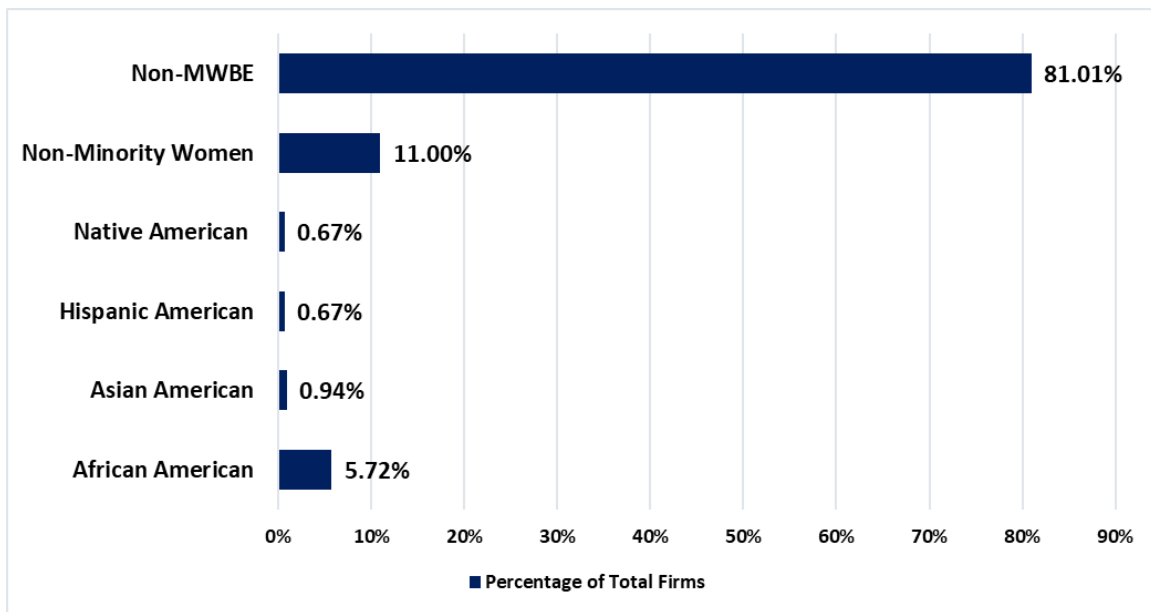


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The availability of firms in the Goods category is presented in Figure 8. As shown in Figure 8, 81.01% of firms were Non-MWBEs while 5.72% were owned by African Americans. Non-Minority Woman owned firms accounted for 11.00% of the total, and Asian Americans, Hispanic Americans, and Native Americans owned 0.94%, 0.67%, and 0.67% of the firms, respectively. A total of 2,554 vendors were available in the Goods area.

**Figure 8: Availability Estimates – Goods
in the Relevant Market
Nashville, MSA**

Nashville Disparity Study



Griffin & Strong, P.C. 2023

E. Utilization Analysis

1. Prime Contractor Utilization

The relevant prime payment history for Metro has been recorded based upon the paid amounts captured in Metro's financial system and provided by Metro. In the Prime Contractor Utilization tables below, the dollars and percentage of dollars paid in each of the five (5) Industry Categories have been broken out by race, ethnicity, and gender for each year of the Study Period. The total of each race, ethnicity, and gender group represented in the MWBE category, when added to the Non-MWBE category, equals the Total Column.

PRIME UTILIZATION is the percentage of actual payments during the Study Period made directly by Metro to MWBEs in comparison to all vendors.

Note: The totals for each year represent the unique number of firms in that year. The Total Unique Number of Businesses represents the unique pool for firms used over the entire Study Period. As shown in Table 13, 3.44% of prime procurement in Construction was spent with MWBEs (\$49.0 million). Table 12, in particular, shows a limited number of MWBE vendors were utilized in Construction area as compared to Non-MWBEs, 40 and 380, respectively. The average spend with MBEs in the Construction category was \$1,110,531, as compared to \$1,319,231 for Non-Minority Woman owned firms and \$3,617,736 for Non-MWBE vendors over the Study Period.

**Table 12: Number of Businesses by Business Ownership and Fiscal Year
Prime Data, Construction
(Using Vendor Payments, FY 2018-2022)**

Nashville Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2018	4	1.86%	1	0.47%	2	0.93%	1	0.47%	8	3.72%	15	6.98%	23	10.70%	192	89.30%	215	100.00%
2019	6	2.82%	2	0.94%	2	0.94%	2	0.94%	12	5.63%	14	6.57%	26	12.21%	187	87.79%	213	100.00%
2020	5	2.26%	3	1.36%	3	1.36%	2	0.90%	13	5.88%	17	7.69%	30	13.57%	191	86.43%	221	100.00%
2021	3	1.90%	1	0.63%	1	0.63%	2	1.27%	7	4.43%	10	6.33%	17	10.76%	141	89.24%	158	100.00%
2022	5	3.01%	0	0.00%	1	0.60%	2	1.20%	8	4.82%	11	6.63%	19	11.45%	147	88.55%	166	100.00%
Total 2018-2022	23	2.36%	7	0.72%	9	0.92%	9	0.92%	48	4.93%	67	6.89%	115	11.82%	858	88.18%	973	100.00%
Total Number of Unique Business*	10	2.38%	3	0.71%	3	0.71%	2	0.48%	18	4.29%	22	5.24%	40	9.52%	380	90.48%	420	100.00%

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Table 13: Utilization of Prime Analysis in Relevant Market Area
Prime Data, Construction
(Using Payment Dollars, FY 2018-2022)

Nashville Disparity Study

Business Ownership Classification	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	TOTAL (\$)
African American	\$ 668,700	\$ 768,706	\$ 314,569	\$ 865,412	\$ 325,094	\$ 2,942,481
Asian American	\$ 4,574,108	\$ 2,577,531	\$ 313,527	\$ 18,992	\$ -	\$ 7,484,158
Hispanic American	\$ 419,223	\$ 2,266,133	\$ 1,532,620	\$ 851,527	\$ 562,639	\$ 5,632,142
Asian American	\$ 500,246	\$ 1,250,199	\$ 724,295	\$ 479,646	\$ 976,386	\$ 3,930,772
TOTAL MINORITY	\$ 6,162,277	\$ 6,862,569	\$ 2,885,011	\$ 2,215,577	\$ 1,864,119	\$ 19,989,553
Non-Minority Woman	\$ 3,821,799	\$ 6,478,669	\$ 3,066,953	\$ 3,562,173	\$ 12,093,485	\$ 29,023,079
TOTAL MWBE	\$ 9,984,076	\$ 13,341,238	\$ 5,951,964	\$ 5,777,750	\$ 13,957,604	\$ 49,012,632
TOTAL NON-MWBE	\$ 432,145,990	\$ 333,967,219	\$ 144,353,600	\$ 190,462,796	\$ 273,809,957	\$ 1,374,739,562
TOTAL FIRMS	\$ 442,130,066	\$ 347,308,457	\$ 150,305,564	\$ 196,240,546	\$ 287,767,561	\$ 1,423,752,194
Business Ownership Classification	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	TOTAL (%)
African American	0.15%	0.22%	0.21%	0.44%	0.11%	0.21%
Asian American	1.03%	0.74%	0.21%	0.01%	0.00%	0.53%
Hispanic American	0.09%	0.65%	1.02%	0.43%	0.20%	0.40%
Asian American	0.11%	0.36%	0.48%	0.24%	0.34%	0.28%
TOTAL MINORITY	1.39%	1.98%	1.92%	1.13%	0.65%	1.40%
Non-Minority Woman	0.86%	1.87%	2.04%	1.82%	4.20%	2.04%
TOTAL MWBE	2.26%	3.84%	3.96%	2.94%	4.85%	3.44%
TOTAL NON-MWBE	97.74%	96.16%	96.04%	97.06%	95.15%	96.56%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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The number of firms utilized, and the associated amounts spent on A&E are presented in Tables 14 and 15. The number of unique MWBEs utilized in that Industry Category (12) was 10.08% of total number of 120 unique businesses utilized for A&E (Table 14). With respect to the Metro prime A&E expenditures, and as reflected in Table 15, 0.81% of the total procurement was conducted with MBEs and 16.37% with Non-Minority Women owned businesses during the Study Period. The average spend with MBEs in the A&E category was \$702,060, as compared to \$4,747,456 for Non-Minority Woman owned firms and \$2,021,021 for Non-MWBE vendors over the Study Period. Thus, Non-Minority Woman owned firms had more than double the average spend of Non-MWBE vendors. The average spend with Non-Minority Woman owned firms in A&E was the highest for Non-Minority Woman owned firms amongst the five Industry categories.

**Table 14: Number of Businesses by Business Ownership and Fiscal Year
Prime Data, A&E
(Using Vendor Payments, FY 2018-2022)**

Nashville Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2018	2	2.50%	1	1.25%	0	0.00%	0	0.00%	3	3.75%	8	10.00%	11	13.75%	69	86.25%	80	100.00%
2019	2	2.38%	1	1.19%	0	0.00%	0	0.00%	3	3.57%	7	8.33%	10	11.90%	74	88.10%	84	100.00%
2020	2	2.60%	1	1.30%	0	0.00%	0	0.00%	3	3.90%	7	9.09%	10	12.99%	67	87.01%	77	100.00%
2021	2	3.92%	0	0.00%	0	0.00%	0	0.00%	2	3.92%	3	5.88%	5	9.80%	46	90.20%	51	100.00%
2022	2	3.77%	0	0.00%	0	0.00%	0	0.00%	2	3.77%	2	3.77%	4	7.55%	49	92.45%	53	100.00%
Total 2018-2022	10	2.90%	3	0.87%	0	0.00%	0	0.00%	13	3.77%	27	7.83%	40	11.59%	305	88.41%	345	100.00%
Total Number of Unique Business*	2	1.68%	1	0.84%	0	0.00%	0	0.00%	3	2.52%	9	7.56%	12	10.08%	107	89.92%	119	100.00%

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**Table 15: Utilization of Prime Analysis in Relevant Market
Prime Data, A&E
(Using Payment Dollars, FY 2018-2022)**

Nashville Disparity Study

Business Ownership Classification	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	TOTAL (\$)
African American	\$ 962,872	\$ 770,532	\$ 84,062	\$ 88,523	\$ 97,320	\$ 2,003,309
Asian American	\$ 48,240	\$ 38,005	\$ 16,625	\$ -	\$ -	\$ 102,870
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 1,011,112	\$ 808,537	\$ 100,687	\$ 88,523	\$ 97,320	\$ 2,106,179
Non-Minority Woman	\$ 13,083,650	\$ 12,712,378	\$ 6,381,258	\$ 7,691,330	\$ 2,858,486	\$ 42,727,102
TOTAL MWBE	\$ 14,094,762	\$ 13,520,915	\$ 6,481,945	\$ 7,779,853	\$ 2,955,806	\$ 44,833,281
TOTAL NON-MWBE	\$ 59,419,059	\$ 54,809,131	\$ 34,750,366	\$ 24,367,761	\$ 42,902,919	\$ 216,249,236
TOTAL FIRMS	\$ 73,513,821	\$ 68,330,046	\$ 41,232,311	\$ 32,147,614	\$ 45,858,725	\$ 261,082,517
Business Ownership Classification	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	TOTAL (%)
African American	1.31%	1.13%	0.20%	0.28%	0.21%	0.77%
Asian American	0.07%	0.06%	0.04%	0.00%	0.00%	0.04%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	1.38%	1.18%	0.24%	0.28%	0.21%	0.81%
Non-Minority Woman	17.80%	18.60%	15.48%	23.93%	6.23%	16.37%
TOTAL MWBE	19.17%	19.79%	15.72%	24.20%	6.45%	17.17%
TOTAL NON-MWBE	80.83%	80.21%	84.28%	75.80%	93.55%	82.83%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As shown in Table 17, 0.59% of procurement in Professional Services was spent with MWBEs. Table 16, in particular, shows 16 unique MWBE vendors (4.36%) were utilized in the Professional Services area as compared to 351 Non-MWBE vendors. With respect to the Metro prime Professional Services expenditures, and as reflected in Table 17, 0.28% of the total procurement was conducted with MBEs and 0.31% with Non-Minority Women owned businesses during the Study Period. The average spend with MBEs in the Professional Services category was \$88,424, as compared to \$159,565 for Woman owned firms and \$885,759 for Non-MWBE vendors over the Study Period.

**Table 16: Number of Businesses by Business Ownership and Fiscal Year
Prime Data, Professional Services
(Using Vendor Payments, FY 2018-2022)**

Nashville Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2018	7	4.09%	0	0.00%	0	0.00%	0	0.00%	7	4.09%	5	2.92%	12	7.02%	159	92.98%	171	100.00%
2019	7	4.12%	0	0.00%	0	0.00%	0	0.00%	7	4.12%	4	2.35%	11	6.47%	159	93.53%	170	100.00%
2020	5	2.58%	0	0.00%	0	0.00%	0	0.00%	5	2.58%	5	2.58%	10	5.15%	184	94.85%	194	100.00%
2021	4	2.78%	0	0.00%	0	0.00%	0	0.00%	4	2.78%	3	2.08%	7	4.86%	137	95.14%	144	100.00%
2022	2	1.38%	0	0.00%	0	0.00%	0	0.00%	2	1.38%	3	2.07%	5	3.45%	140	96.55%	145	100.00%
Total 2018-2022	25	3.03%	0	0.00%	0	0.00%	0	0.00%	25	3.03%	20	2.43%	45	5.46%	779	94.54%	824	100.00%
Total Number of Unique Business*	10	2.72%	0	0.00%	0	0.00%	0	0.00%	10	2.72%	6	1.63%	16	4.36%	351	95.64%	367	100.00%

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Table 17: Utilization of Prime Analysis in Relevant Market
Prime Data, Professional Services
(Using Payment Dollars, FY 2018-2022)

Nashville Disparity Study

Business Ownership Classification	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	TOTAL (\$)
African American	\$ 262,604	\$ 282,196	\$ 194,019	\$ 116,612	\$ 28,805	\$ 884,236
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 262,604	\$ 282,196	\$ 194,019	\$ 116,612	\$ 28,805	\$ 884,236
Non-Minority Woman	\$ 329,399	\$ 286,039	\$ 160,230	\$ 70,688	\$ 111,033	\$ 957,389
TOTAL MWBE	\$ 592,003	\$ 568,235	\$ 354,249	\$ 187,300	\$ 139,838	\$ 1,841,625
TOTAL NON-MWBE	\$ 38,137,533	\$ 45,942,652	\$ 43,578,153	\$ 83,317,576	\$ 99,925,588	\$ 310,901,502
TOTAL FIRMS	\$ 38,729,536	\$ 46,510,887	\$ 43,932,402	\$ 83,504,876	\$ 100,065,426	\$ 312,743,127
Business Ownership Classification	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	TOTAL (%)
African American	0.68%	0.61%	0.44%	0.14%	0.03%	0.28%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.68%	0.61%	0.44%	0.14%	0.03%	0.28%
Non-Minority Woman	0.85%	0.61%	0.36%	0.08%	0.11%	0.31%
TOTAL MWBE	1.53%	1.22%	0.81%	0.22%	0.14%	0.59%
TOTAL NON-MWBE	98.47%	98.78%	99.19%	99.78%	99.86%	99.41%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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The number of firms utilized, and the associated amounts spent on Other Services are presented in Tables 18 and 19. The number of unique MWBEs utilized in that Industry Category (51) was 4.24% of the total number of 1,204 unique businesses utilized for Other Services (Table 18). With respect to the Metro prime expenditures, and as reflected in Table 19, 1.71% of the total procurement was conducted with MBEs and 0.47% with Non-Minority Women owned businesses during the Study Period. The average spend with MBEs in the Other Services category was \$1,405,630, as compared to \$656,442 for Non-Minority Woman owned firms and \$2,231,843 for Non-MWBE vendors over the Study Period.

Table 18: Number of Businesses by Business Ownership and Fiscal Year
Prime Data, Other Services
(Using Vendor Payments, FY 2018-2022)

Nashville Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2018	16	2.98%	1	0.19%	0	0.00%	0	0.00%	17	3.17%	12	2.23%	29	5.40%	508	94.60%	537	100.00%
2019	19	3.33%	1	0.18%	1	0.18%	1	0.18%	22	3.86%	10	1.75%	32	5.61%	538	94.39%	570	100.00%
2020	18	2.86%	1	0.16%	1	0.16%	0	0.00%	20	3.17%	12	1.90%	32	5.08%	598	94.92%	630	100.00%
2021	9	2.07%	1	0.23%	1	0.23%	0	0.00%	11	2.53%	11	2.53%	22	5.07%	412	94.93%	434	100.00%
2022	11	1.92%	1	0.17%	2	0.35%	0	0.00%	14	2.44%	14	2.44%	28	4.88%	546	95.12%	574	100.00%
Total 2018-2022	73	2.66%	5	0.18%	5	0.18%	1	0.04%	84	3.06%	59	2.15%	143	5.21%	2602	94.79%	2745	100.00%
Total Number of Unique Business*	28	2.33%	1	0.08%	2	0.17%	1	0.08%	32	2.66%	19	1.58%	51	4.24%	1153	95.76%	1204	100.00%

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**Table 19: Utilization of Prime Analysis in Relevant Market
Prime Data, Other Services
(Using Payment Dollars, FY 2018-2022)**

Nashville Disparity Study

Business Ownership Classification	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	TOTAL (\$)
African American	\$ 9,399,717	\$ 11,060,277	\$ 5,167,056	\$ 8,088,481	\$ 9,187,861	\$ 42,903,392
Asian American	\$ 6,126	\$ 7,036	\$ 4,136	\$ 1,631	\$ 678	\$ 19,607
Hispanic American	\$ -	\$ 63,725	\$ 357,146	\$ 1,161,181	\$ 474,105	\$ 2,056,157
Asian American	\$ -	\$ 995	\$ -	\$ -	\$ -	\$ 995
TOTAL MINORITY	\$ 9,405,843	\$ 11,132,033	\$ 5,528,338	\$ 9,251,293	\$ 9,662,644	\$ 44,980,151
Non-Minority Woman	\$ 1,556,147	\$ 2,390,397	\$ 3,110,778	\$ 2,386,833	\$ 3,028,248	\$ 12,472,403
TOTAL MWBE	\$ 10,961,990	\$ 13,522,430	\$ 8,639,116	\$ 11,638,126	\$ 12,690,892	\$ 57,452,554
TOTAL NON-MWBE	\$ 558,722,622	\$ 676,276,942	\$ 472,100,380	\$ 430,374,413	\$ 435,840,253	\$ 2,573,314,610
TOTAL FIRMS	\$ 569,684,612	\$ 689,799,372	\$ 480,739,496	\$ 442,012,539	\$ 448,531,145	\$ 2,630,767,164
Business Ownership Classification	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	TOTAL (%)
African American	1.65%	1.60%	1.07%	1.83%	2.05%	1.63%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.01%	0.07%	0.26%	0.11%	0.08%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	1.65%	1.61%	1.15%	2.09%	2.15%	1.71%
Non-Minority Woman	0.27%	0.35%	0.65%	0.54%	0.68%	0.47%
TOTAL MWBE	1.92%	1.96%	1.80%	2.63%	2.83%	2.18%
TOTAL NON-MWBE	98.08%	98.04%	98.20%	97.37%	97.17%	97.82%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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Different observations were made with respect to businesses in the Goods category. As depicted in Table 20, 53 unique MWBEs (or 5.05%) were utilized for the procurement of Goods during the Study Period as compared to 996 unique Non-MWBE businesses. As summarized in Table 21, MWBEs received a little over \$32.1 million (3.94% of the total Metro prime spend) compared with over \$782.9 million (96.06%) spent with Non-MWBEs during the same time frame. The average spend with MBEs in Goods category was \$958,877, as compared to \$479,073 for Non-Minority Woman owned firms and \$786,062 for Non-MWBE vendors over the Study Period. In this case the average spend with MBEs was higher than that of Non-MWBEs. The MBE average spend in Goods was also the highest for MBEs across the five procurement categories.

**Table 20: Number of Businesses by Business Ownership and Fiscal Year
Prime Data, Goods
(Using Vendor Payments, FY 2018-2022)**

Nashville Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2018	4	0.57%	4	0.57%	3	0.43%	0	0.00%	11	1.56%	25	3.56%	36	5.12%	667	94.88%	703	100.00%
2019	4	0.56%	3	0.42%	4	0.56%	0	0.00%	11	1.55%	23	3.25%	34	4.80%	674	95.20%	708	100.00%
2020	3	0.41%	3	0.41%	4	0.55%	0	0.00%	10	1.38%	27	3.71%	37	5.09%	690	94.91%	727	100.00%
2021	5	1.02%	2	0.41%	2	0.41%	0	0.00%	9	1.84%	23	4.71%	32	6.56%	456	93.44%	488	100.00%
2022	4	0.77%	2	0.38%	1	0.19%	0	0.00%	7	1.34%	24	4.60%	31	5.94%	491	94.06%	522	100.00%
Total 2018-2022	20	0.64%	14	0.44%	14	0.44%	0	0.00%	48	1.52%	122	3.88%	170	5.40%	2978	94.60%	3148	100.00%
Total Number of Unique Business*	6	0.57%	4	0.38%	4	0.38%	0	0.00%	14	1.33%	39	3.72%	53	5.05%	996	94.95%	1049	100.00%

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Table 21: Utilization of Prime Analysis in Relevant Market
Prime Data, Goods
(Using Payment Dollars, FY 2018-2022)

Nashville Disparity Study

Business Ownership Classification	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	TOTAL (\$)
African American	\$ 87,097	\$ 66,469	\$ 36,899	\$ 46,794	\$ 114,002	\$ 351,261
Asian American	\$ 5,725,487	\$ 4,991,730	\$ 1,005,967	\$ 344,192	\$ 734,442	\$ 12,801,818
Hispanic American	\$ 58,834	\$ 102,796	\$ 38,857	\$ 47,988	\$ 22,719	\$ 271,194
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 5,871,418	\$ 5,160,995	\$ 1,081,723	\$ 438,974	\$ 871,163	\$ 13,424,273
Non-Minority Woman	\$ 3,477,156	\$ 4,773,238	\$ 3,745,297	\$ 2,425,459	\$ 4,262,686	\$ 18,683,836
TOTAL MWBE	\$ 9,348,574	\$ 9,934,233	\$ 4,827,020	\$ 2,864,433	\$ 5,133,849	\$ 32,108,109
TOTAL NON-MWBE	\$ 167,219,967	\$ 213,280,902	\$ 133,361,112	\$ 113,224,469	\$ 155,830,894	\$ 782,917,344
TOTAL FIRMS	\$ 176,568,541	\$ 223,215,135	\$ 138,188,132	\$ 116,088,902	\$ 160,964,743	\$ 815,025,453
Business Ownership Classification	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	TOTAL (%)
African American	0.05%	0.03%	0.03%	0.04%	0.07%	0.04%
Asian American	3.24%	2.24%	0.73%	0.30%	0.46%	1.57%
Hispanic American	0.03%	0.05%	0.03%	0.04%	0.01%	0.03%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	3.33%	2.31%	0.78%	0.38%	0.54%	1.65%
Non-Minority Woman	1.97%	2.14%	2.71%	2.09%	2.65%	2.29%
TOTAL MWBE	5.29%	4.45%	3.49%	2.47%	3.19%	3.94%
TOTAL NON-MWBE	94.71%	95.55%	96.51%	97.53%	96.81%	96.06%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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There were significant differences in MWBE prime utilization between this Study and the 2018 Metro Disparity Study. GSPC looked at the underlying data for each Study and found that the overwhelming changes in Metro prime MWBE utilization was due to a handful of firms, either losing their certification, no longer being in the Relevant Market, or ceasing to conduct significant business with Metro.

2. Total Utilization (Prime and Subcontractor Payments)

Metro tracks subcontracting dollars allocated to MWBEs but does not completely track Non-MWBE Subcontractors. GSPC conducted a Total Utilization analysis by combining prime contract dollars with subcontract dollars, after subtracting subcontract dollars from prime contract dollars on a contract-by-contract basis.⁷⁷ This analysis was only conducted for Construction which had measurable levels of subcontracting reported.

TOTAL UTILIZATION is the percentage of dollars awarded to combined Prime Contractors (in the Relevant Market) and Subcontractors, by ethnic/gender category, after removing subcontract dollars from prime dollars on a contract-by-contract basis.

For Construction services, MBEs grew from \$6,610,118 in the 2018 Metro Disparity Study to \$18,732,411 in this Study of all subcontract dollars. Additionally, WBEs grew from \$5,361,425 to \$52,591,857 of all subcontract dollars.

For A&E services, MBEs grew from \$805,649 in the 2018 Metro Disparity Study to \$5,043,868 in this Study of all subcontract dollars. Additionally, WBEs grew from \$681,449 to \$8,266,216 of all subcontract dollars. However, in the previous Study subcontractor dollars were assessed from a prime vendor survey versus this Study's use of Metro's own tracking of MWBE subcontractors. In this Study, the reporting of Non-MWBE subcontractor dollars was incomplete.

Table 22 shows the amount of Prime Contractor and MWBE Subcontractor dollars combined for the five procurement categories.

- **Construction:** MBEs earned over \$46.1 million in Total Utilization, or 3.24%, while Non-Minority Woman owned firms earned over \$87.5 million, or 6.15% in Construction.
- **A&E:** MBEs earned over \$4.8 million in Total Utilization, or 1.85%, while Non-Minority Woman owned firms earned over \$49.0 million, or 18.79% in A&E.
- **Professional Services:** MBEs earned over \$925,291 in Total Utilization, or 0.30%, while Non-Minority Woman owned firms earned over \$1.2 million, or 0.40% in Professional Services.
- **Other Services:** MBEs earned over \$46.4 million in Total Utilization, or 1.76%, while Non-Minority Woman owned firms earned over \$13.9 million, or 0.53% in Other Services.
- **Goods:** MBEs earned over \$13.9 million in Total Utilization, or 1.71%, while Non-Minority Woman owned firms earned over \$20.7 million, or 2.54% in Goods.
- **Total:** MBEs earned over \$112.2 million in Total Utilization, or 2.06%, while Non-Minority Woman owned firms earned over \$172.5 million, or 3.17% in Total.

⁷⁷ So, for example, if there was one Asian American-owned prime contract at \$1,000, Prime Contractor Utilization counts the whole \$1,000 toward Asian American-owned firms. In Total Utilization, if the Prime Contractor subcontracts with one African American-owned subcontractor for \$300 and a Woman-owned subcontractor has \$200 in subcontracts, then in Total Utilization: (\$1,000-\$500) = \$500 attributed to Asian American Prime Contractor and \$300 attributed to African American subcontractor and \$200 attributable to the Non-Minority Woman category.

MWBE subcontracting rose from \$1,558,849 in FY2018 to \$39,898,663 in FY 2022, a 25-fold increase.

Table 22: Total Utilization (Prime + Subcontract)
Analysis in Relevant Market
(Using Payment Dollars, FY 2018-2022)

Nashville Disparity Study

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 16,088,383	\$ 3,606,134	\$ 925,291	\$ 44,196,648	\$ 845,609	\$ 65,662,065
Asian American	\$ 16,292,803	\$ 1,211,276	\$ -	\$ 20,497	\$ 12,801,818	\$ 30,326,394
Hispanic American	\$ 7,913,110	\$ 9,568	\$ -	\$ 2,203,467	\$ 271,194	\$ 10,397,339
Native American	\$ 5,864,090	\$ -	\$ -	\$ 995	\$ -	\$ 5,865,085
TOTAL MINORITY	\$ 46,158,386	\$ 4,826,978	\$ 925,291	\$ 46,421,607	\$ 13,918,621	\$ 112,250,883
Non Minority Woman	\$ 87,556,527	\$ 49,069,081	\$ 1,235,574	\$ 13,974,195	\$ 20,703,040	\$ 172,538,417
TOTAL MWBE	\$ 133,714,913	\$ 53,896,059	\$ 2,160,865	\$ 60,395,802	\$ 34,621,661	\$ 284,789,300
TOTAL NON-MWBE	\$ 1,290,037,281	\$ 207,186,458	\$ 310,582,262	\$ 2,570,371,362	\$ 780,403,792	\$ 5,158,581,155
TOTAL FIRMS	\$ 1,423,752,194	\$ 261,082,517	\$ 312,743,127	\$ 2,630,767,164	\$ 815,025,453	\$ 5,443,370,455
Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.13%	1.38%	0.30%	1.68%	0.10%	1.21%
Asian American	1.14%	0.46%	0.00%	0.00%	1.57%	0.56%
Hispanic American	0.56%	0.00%	0.00%	0.08%	0.03%	0.19%
Native American	0.41%	0.00%	0.00%	0.00%	0.00%	0.11%
TOTAL MINORITY	3.24%	1.85%	0.30%	1.76%	1.71%	2.06%
Non Minority Woman	6.15%	18.79%	0.40%	0.53%	2.54%	3.17%
TOTAL MWBE	9.39%	20.64%	0.69%	2.30%	4.25%	5.23%
TOTAL NON-MWBE	90.61%	79.36%	99.31%	97.70%	95.75%	94.77%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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F. Determination of Disparity

This section of the report addresses the crucial question of whether, and to what extent, there is disparity between the utilization of MWBEs as measured against their Availability in the Relevant Market.

DISPARITY INDICES calculate the difference between the percentage of Metro's Utilization of MWBEs during the Study Period and the Availability percentage of MWBEs.

1. Methodology

The statistical approach to answer this question is to assess the existence and extent of disparity by comparing the MWBE utilization percentages (by dollars) to the percentage of the total pool of MWBE firms in the relevant geographic and product areas. The actual disparity derived as a result of employing this approach is measured by use of a Disparity Index (DI).

The Disparity Index is defined as the ratio of the percentage of MWBE firms utilized (U) divided by the percentage of such firms available in the marketplace, (A):

Let:	U	=Utilization percentage for the MWBE group
	A	=Availability percentage for the MWBE group
	DI	=Disparity Index for the MWBE group
	DI	=U/A

The results obtained by a disparity analysis will result in one of three conclusions: Overutilization, Underutilization, or Parity. Underutilization is when the Disparity Index is below one hundred. Overutilization is when the Disparity Index is over one hundred. Parity or the absence of disparity is when the Disparity Index is one hundred (100) which indicates that the utilization percentage equals the Availability percentage. In situations where there is Availability, but no utilization, the corresponding disparity index will be zero. Finally, in cases where there is neither utilization nor Availability, the corresponding disparity index is undefined and designated by a dash (-) or (Small Number) symbol. Disparity analyses are presented separately for each purchasing category and for each race/gender/ethnicity group.

2. Determining the Significance of Disparity Indices

The determination that a particular ethnic or gender group has been overutilized or underutilized is not, standing alone, proof of discrimination. Typically, the determination of whether a disparity is “statistically significant” can be based on the depth of the disparity in that any disparity index that is less than 80 is considered a statistically significant Underutilization, and any disparity index over 100 is considered to be an Overutilization. The disparity indices impact as designated in the tables below as “Overutilization,” “Underutilization,” or “Parity” have been bolded to indicate such statistically significant impact.

GSPC uses a statistical test that considers whether or not the typical disparity index across all vendor categories is equal to unity. This constitutes a null hypothesis of “Parity,” and the test estimates the probability that the typical disparity index departs from unity, and the magnitude of the calculated test statistic indicates whether there is typically Underutilization or overrepresentation. Statistical significance tests were performed for each disparity index derived for each MWBE group, and in each Industry category. This approach to statistical significance is consistent with the case law.

The existence of a statistically significant disparity between the Availability and utilization of Minority or Non-Minority Woman owned businesses which is determined to likely be the result of the owners’ race, gender, or ethnicity will establish an inference that ongoing effects of discrimination are adversely affecting market outcomes for underutilized groups. Accordingly, such findings will impact the recommendations provided in this Study. GSPC will, in such a case, make recommendations for consideration of appropriate and narrowly tailored race, ethnicity, and gender-neutral remedies for this discrimination to give all firms equal access to public contracting within Metro. GSPC will also, if appropriate, recommend narrowly tailored race- ethnicity-, and gender-conscious remedies to ameliorate identified barriers and forms of discrimination likely affected by such discrimination. If no statistically significant disparity is found to exist, or if such a disparity is not determined to be a likely result of firm owners’ race, ethnicity, or gender upon their success in the marketplace, GSPC may still make recommendations to support the continuation of engagement, outreach, small business development, and non-discrimination policies in the purchasing processes of the Metro.

3. Prime Disparity Indices

The results of the Study team's statistical analysis of utilization data for five Industry Categories are presented in Table 23. The outcomes of the statistical tests are color coded for easy understanding. As reflected in the Table below, there was underutilization in prime contracts for all MWBEs groups, except Asian American owned firms in Goods.

Please see tables showing detailed analysis of this section in Appendices F and G.

There was disparity for all MWBE groups for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except for contracts under \$1 million:

- Construction: Hispanic American owned, Asian American owned, Native American owned, and Non-Minority Women owned firms were overutilized.
- A&E: Non-Minority Women owned firms were overutilized.

for contracts under \$500,000

- Construction: Hispanic American owned, Asian American owned, and Native American owned firms were overutilized.
- A&E: Non-Minority Women owned firms were overutilized.

**Table 23: Prime Contractor Utilization Analysis Summary
(Using Payment Dollars, FY 2018-2022)**

Nashville Disparity Indices

Firm Ownership	Construction	A&E	Professional Services	Other Services	Goods & Commodities
African American	1.72	11.63	1.86	10.25	0.75
Asian American	69.28	2.84	0.00	0.08	167.16
Hispanic American	22.12	0.00	0.00	4.23	5.00
Native American	36.38	0.00	0.00	0.01	0.00
TOTAL MBE	9.18	8.30	1.55	8.88	20.62
Non-Minority Woman	16.28	99.23	2.62	4.02	20.84
TOTAL MWBE	12.38	65.50	1.97	7.04	20.75
Non-MWBE	133.75	112.26	141.87	141.82	118.58
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Legend:

* Statistically significant disparity (Confidence interval of 95% and probability of error of less than 5%).

**Very small number to produce statistical significance

Significant Disparity (Disparity percentage below 80%).

Disparity (Disparity percentage 80% to 99.9%).

Overutilized (Disparity percentage over 100%).

No color is Parity.

4. Disparity Indices – Total Utilization (Prime plus Subcontractor)

The outcome of statistical analysis for a few categories changed after adding subcontract amounts to the prime in the Total Utilization section. As Table 24 shows, there was underutilization in Total Utilization for all MWBEs groups, except Non-Minority Woman owned firms in A&E and Asian American owned firms in Construction and Goods.

Non-MWBEs were overutilized in Prime Utilization and Total Utilization. Please see tables showing detailed analysis of this section in Appendix H, Tables H-1 through H-5.

**Table 24: Total Utilization Analysis Summary (Prime + Subcontract)
(Using Payment Dollars, FY 2018-2022)**

Nashville Disparity Indices

Firm Ownership	Construction	A&E	Professional Services	Other Services	Goods & Commodities
African American	9.43	20.94	1.95	10.56	1.81
Asian American	150.81	33.40	0.00	0.08	167.15
Hispanic American	31.07	0.26	0.00	4.54	5.00
Native American	54.28	0.00	0.00	0.01	0.00
TOTAL MBE	21.21	19.02	1.62	9.17	21.38
Non-Minority Woman	49.12	113.95	3.38	4.51	23.09
TOTAL MWBE	33.78	78.75	2.31	7.40	22.37
Non-MWBE	125.50	107.55	141.72	141.65	118.20

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Legend:

* Statistically significant disparity (Confidence interval of 95% and probability of error of less than 5%).

**Very small number to produce statistical significance

Significant Disparity (Disparity percentage below 80%).

Disparity (Disparity percentage 80% to 99.9%).

Overutilized (Disparity percentage over 100%).

No color is Parity.

G. Conclusion

GSPC's analysis of the number of vendors utilized in each Industry Category along with the Total Utilization revealed that a proportionately smaller number of MWBE businesses were utilized in all Industry Categories. Except for Asian American owned firms in Goods, every MWBE group was significantly underutilized in each category throughout the Study Period as Prime Contractors. In addition, after controlling contracts over \$500,00 and over, \$1 million, significant disparity remained in most categories outside of Construction.

After adding the Subcontract amounts to Prime payments, every MWBE group was significantly underutilized in Construction except Non-Minority Woman owned firms in A&E and Asian American owned firms in Construction and Goods.

VI. ANALYSIS OF MARKETPLACE CONTRACTING DISPARITIES IN THE METRO NASHVILLE MARKET AREA

A. Introduction

In this section, GSPC considers the market entry, private sector, public contracting and subcontracting outcomes, and other relevant market experiences of Minority and Women owned firms relative to Non-MWBE firms in the Metro Nashville Market Area⁷⁸. GSPC's analysis utilizes data from businesses that are willing, able, or have actually contracted/subcontracted in the Metro Nashville Market Area, with the aim of determining if the likelihood of successful contracting/subcontracting opportunities—actual and perceived—in the Metro Nashville Market Area is conditioned, in a statistically significant manner, on the race, ethnicity, or gender status of firm owners. Such an analysis is a useful and important complement to estimating simple disparity indices, which assume all things important for success and failure are equal among businesses competing for public contracts. This analysis is based on unconditional moments, that is, statistics that do not necessarily inform causality or the source of differences across such statistics. As simple disparity indices do not condition on possible confounders⁷⁹ of new firm entry, and success and failure in public sector contracting/subcontracting by businesses, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased. Further details on this statistical analysis are provided in Appendix I.

GSPC's analysis posits that there are possible confounders of success and failure in the entry of new firms in the market and public sector contracting/subcontracting that are sources of heterogeneity, or diverse characteristics among businesses that lead to differences in success and failure. Failure to condition on the sources of heterogeneity in success/failure in new firm formation and public sector contracting/subcontracting outcomes can leave simple disparity indices devoid of substantive policy implications as they ignore the extent to which firm owner race/ethnicity characteristics are causal factors. Disparate outcomes could possibly reflect in whole or in part, outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in the formation of new firms and public sector contracting/subcontracting outcomes. If the race, ethnicity, or gender status of a firm owner conditions lower likelihoods of success/failure, this would be suggestive of these salient and mostly immutable characteristics causing the observed disparities.

A broad context for considering disparities by firm ownership status can be informed by considering private sector outcomes in the relevant Metro Nashville Market Area. In general, the success and failure of MWBEs in public contracting could be conditioned by their outcomes in the private sector regarding their revenue generating capacity. The value of a descriptive private sector analysis is that it situates disparity analyses in the "but-for" justification. Ayres and Vars (1998), in their consideration of the constitutionality of public affirmative programs posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to Minority businesses, which potentially increases the cost of which Minority owned

⁷⁸ In particular, the relevant market is the Nashville-Davidson-Murfreesboro Metropolitan Statistical Area ("MSA") from the US Census Bureau.

⁷⁹ A confounder can be defined as a variable that, when added to the regression model, changes the estimate of the association between the main independent variable of interest (exposure) and the dependent variable (outcome) by 10% or more.

businesses can provide services required under public contracts relative to Non-Minority owned businesses.⁸⁰ This private discrimination means that MWBEs may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWBEs in the private sector can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the absence of such private sector discrimination, they would be able to compete with other firms in bidding for public contracts.

B. Firm Revenue

Table 25 below reports on firm ownership type and “proxied” sales revenue for the Nashville Metropolitan Statistical Area, as the Relevant Market, from the US Census Bureau’s Annual Business Survey (ABS).⁸¹ GSPC’s descriptive private sector analysis considers the percentage of representation in the population of firms and revenue across the available and relevant firm ownership type classifications.⁸² Measuring at the firm level, business ownership is defined as having more than 50% of the stock or equity in the business and is categorized by sex, ethnicity, race, veteran status, and publicly held and other firms not classifiable by sex, ethnicity, race, and veteran status.

For the Metro Nashville Market Area, Table 25 reveals that relative to White American owned firms, the estimated revenue shares of each Minority owned firm never exceed 5% (Women).⁸³ All MWBEs have estimated revenue shares far smaller than their firm representation shares. Relative to firms owned by White Americans in the Metro Nashville Market Area, exclusive of Women owned firms—some of whom are White Americans—the MWBE revenue shares are of a large order of magnitude below their implied 19% (approximately) firm representation shares.⁸⁴ This is consistent with and suggestive of, but not necessarily

⁸⁰ See: Ayres, Ian, and Fredrick E. Vars. 1998, "When does private discrimination justify public affirmative action?" *Columbia Law Review*, 98: 1577-1641.

⁸¹ ABS data are publicly available at <https://www.census.gov/programs-surveys/abs/data.htm>. The ABS provides information on selected economic and demographic characteristics for businesses and business owners by sex, ethnicity, race, and veteran status. Further, the survey measures research and development (for microbusinesses), new business topics such as innovation and technology, as well as other business characteristics. The ABS is conducted jointly by the U.S. Census Bureau and the National Center for Science and Engineering Statistics within the National Science Foundation. It replaces the five-year Survey of Business Owners for employer businesses, the Annual Survey of Entrepreneurs, the Business R&D and Innovation for Microbusinesses survey, and the innovation section of the Business R&D and Innovation Survey. The most recent data for the Nashville MSA for which firm revenue data are available is for the year 2017. As sales revenue data are not sufficiently and uniformly reported, GSPC proxy sales with a firm’s payroll, which is proportional to payroll.

⁸² The data are only reportable for firms with data that can be captured without any sacrifice of confidentiality. In some instances, there are firms in revenue/sales categories for which this condition is not met, and their operating data is not reported in the publicly available version of the ABS. In this context, while this may impart a bias to Table 25, data for firms that cannot satisfy the confidentiality requirements are likely very small, and account for a small percentage of overall market revenue.

⁸³ The percentages do not “add-up” to one, as the Women ownership category is not “mutually exclusive” of the other race/ethnicity/gender categories.

⁸⁴ This implied MWBE share is simply 1 minus the firm share of firms owned by White Americans.

causal evidence for MWBEs facing discriminatory barriers in the private sector of the Metro Nashville Market Area.⁸⁵

Table 25: Firm Ownership Type and Revenue Characteristics
Metro Nashville Market Area:
Census Bureau Annual Business Survey

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Revenue (Proxied by payroll)	Percentage of Market Area Total Revenue (approximate)	Ratio of Firm Share to Proxied Revenue Share
All	32,997	100	\$46,892,314	100	1.0
Women	5,167	.157	\$2,354,834	.050	3.14
White American	26,748	.812	\$16,909,618	.361	2.25
African American	261	.008	\$12,366	.0003	26.67
American Indian & Alaskan Native	67	.002	\$339,827	.007	.286
Asian American	1,704	.052	\$416,208	.009	5.78
Native Hawaiian & Other Pacific Islanders	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Hispanic American	243	.007	\$182,045	.004	1.75
Not classifiable by sector, race, gender, ethnicity	2,862	.087	\$29,245,120	.624	.139

Source: US Census Bureau 2019 Annual Business Survey. ^aValue suppressed to preserve confidentiality as a result of very few firms or there are one or two large firms that dominate the statistic. In general, across the payroll and counts for each type of firm in the ABS, there were, in many instances, data suppressions due to confidentiality, unreliable estimates, or lack of availability. As such, the descriptive statistics reported in Table 25 are what was estimable in the ABS.

⁸⁵ This can be ascertained by simply computing the ratio of each MWBEs firm share to total revenue share. For example, in the case of firms owned by Asian Americans, this ratio is approximately 3.78, in contrast to approximately 2.29 for firms owned by White Americans. In this context, relative to firms owned by White Americans, firms owned by Asian Americans are more “revenue underrepresented” with respect to their firm share.

Given that publicly held firms are not usually classifiable by race/ethnicity/gender status, and account for a disproportionate share of revenues, a simple comparison of an MWBE firm and revenue share may not inform the existence of any private sector disparities with precision. In this context, the ratio of an MWBE firm share to revenue share may be more informative of disparities.⁸⁶ For example, in the case of firms owned by African Americans, this ratio is (.0008)/ (.003) or approximately 26.67. This suggests that the revenue share of firms owned by African Americans would have to increase by a factor of approximately 27 to achieve firm share parity in the Metro Nashville Market Area. For firms owned by White Americans this ratio is approximately 2.25. Thus, relative to White American owned firms, those owned by African Americans are revenue underrepresented in the Metro Nashville Market Area by a factor of approximately $26.67/2.25 = 11.83$ or approximately 1200%. In general, the estimates suggest that the majority of firms owned by Non-White Americans, or MWBEs, in the Metro Nashville Market Area are revenue underrepresented relative to White American owned firms.

Overall, the descriptive summary in Table 25 suggests that in the Metro Nashville Market Area private sector, MWBEs face barriers that translate into lower firm revenues. In general, if being an MWBE in the Metro Nashville Market Area private sector is associated with lower firm revenue, absolutely and relative to their firm share in the market, this lends some support to the “but-for” justification for affirmative action in public procurement. Lower revenues for MWBEs in the Metro Nashville Market Area is suggestive, but does not necessarily prove, the existence of private discrimination that undermines their capacity to compete with Non-MWBEs for public contracting opportunities. This could motivate a private discrimination justification for Affirmative Action in City procurement policies, otherwise this is potentially a passive participant in private discrimination against MWBEs with respect to its procurement practices.

C. Self-Employment

The Concrete Works decision upholding an MWBE program was based in part on evidence that “Black Americans, Hispanic Americans, and Native Americans working in Construction have lower rates of self-employment than similarly situated White Americans.”⁸⁷

To explicitly examine potential disparities in the rates of business ownership in the Metro Nashville Market Area, GSPC estimated the parameters of a Logit regression model using 2020 American Community Survey (ACS) data from the Integrated Public Use Microdata Series (IPUMS) housed at the University of Minnesota.⁸⁸ The ACS is a project of the U.S. Census Bureau that has replaced the decennial census as the key source of information about American population and housing characteristics.

⁸⁶ This ratio can be viewed as an index of underrepresentation, as it measures the distance between a firm’s representation in the market relative to its share of market revenue. A value greater than unity indicates underrepresentation, a value equal to unity indicates parity, and a value less than unity indicates overrepresentation.

⁷² *Concrete Works v. City and County of Denver*, 321 F.3d 950 (10th Cir 2003).

⁸⁸ ACS data are publicly available at <https://usa.ipums.org/usa/>. See: *Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas and Matthew Sobek. IPUMS USA: Version 10.0 [dataset]. Minneapolis, MN: IPUMS, 2020. https://doi.org/10.18128/Do10.V10.0*

The 2020 ACS is an approximately 1-in-100 weighted public use sample consisting of U.S households with the smallest identifiable unit being the Public Use Microdata Unit (PUMA), which is a geography containing at least 100,000 individuals. The specification of each model controls for those variables customary in the literature that are utilized to explain self-employment, so as to estimate the effects of MWBE status on self-employment while minimizing and/or eliminating confounding factors.⁸⁹ GSPC determines statistical significance on the basis of the estimated coefficient's probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as $P\text{-value} \leq .05$, which GSPC highlights in bold in the tables for all parameter estimates.

GSPC's ACS data define the Metro Nashville Market Area as the Nashville Metropolitan Statistical Area (MSA). In particular, GSPC selected the ACS sample on the basis of the MET2013 variable, which identifies MSAs using the 2013 definitions for MSA from the U.S. Office of Management and Budget (OMB). An MSA is a region consisting of a large urban core together with surrounding communities that have a high degree of economic and social integration with the urban core.

In the GSPC Logit regression model of self-employment, the estimated parameters are odds ratios, and when greater (or less) than unity indicate that having a particular characteristic increase (or decreases) the likelihood of being self-employed. In the case of the MWBE status indicators (e.g., African American, Woman), the excluded category is White Males, and a positive (or negative) odds ratio indicates that relative to White Males, having that MWBE characteristic increases (or decreases) the likelihood of being self-employed in the Metro Nashville Market Area. The MWBE status indicator is of primary interest, as they inform the extent to which MWBE status is a driver of disparities in outcomes. The other covariates serve as controls for firm capacity. The capacity to do business is conceptually defined as how much, and how effectively/efficiently, a firm can produce and sell within a market, independent of MWBE status. In particular, GSPC measures a firm's capacity for public contracting as a function of owner's education, firm revenue, its financing capacity, and its bonding capacity. Each of these control covariates capture fundamental capabilities associated with a firm's capacity to produce and sell a good/service effectively and efficiently.

⁸⁹ See: Grilo, Isabel, and Roy Thurik. 2008. "Determinants of Entrepreneurial Engagement Levels in Europe and the US." *Industrial and Corporate Change* 17: pp. 1113-1145, and Van der Sluis, Justin, Mirjam Van Praag, and Wim Vijverberg. 2008. "Education and Entrepreneurship Selection and Performance: A Review of the Empirical Literature." *Journal of economic surveys* 22: pp. 795-841.

Table 26 reports Logit odds ratio parameter estimates across all business sectors in the Metro Nashville Market Area. Relative to White Americans, African Americans and Women are less likely to be self-employed, as the estimated odds ratio is less than unity and statistically significant in these instances. This is suggestive of firms facing barriers to self-employment in the Metro Nashville Market Area. The lower self-employment likelihood of these type of MWBEs could reflect disparities in public contracting as Chatterji, Chay, and Fairlie (2014) find that the self-employment rate of African Americans⁹⁰.

**Table 26: Self-Employment/Business Ownership in Metro Nashville Market Area:
Logit Parameter Odds Ratio Estimates from the 2020 American Community Survey**

	Coefficient	P-value
<i>Regressand:</i> Self-Employed: Binary		
Age	1.0677	0.0000
Age Squared	0.9996	0.0001
Respondent is Married: Binary	0.9573	0.5614
Respondent is Woman: Binary	0.5666	0.0000
Respondent is Non-Hispanic African American: Binary	0.4707	0.0000
Respondent is Non-White Hispanic: Binary	1.3801	0.3125
Respondent is Native American: Binary	1.1203	0.6777
Respondent is a Pacific Islander: Binary	1.7492	0.2198
Respondent is Asian American: Binary	0.6344	0.0696
Respondent is Other Race: Binary	0.9498	0.8567
Respondent is veteran: Binary	0.6105	0.0004
Respondent has a 4-year degree: Binary	1.0689	0.4004
Respondent speaks only English: Binary	0.8529	0.3736
Respondent is Disabled: Binary	1.0820	0.8831
Value of Home	1.0000	0.0005
Interest, Dividend, and Rental Income	1.0000	0.0083
Mortgage Payment	1.0001	0.4427
Number of Observations	6,336	
Pseudo R^2	0.0498	

Source of Data: American Community Survey 2020, IPUMs USA

⁹⁰ Chatterji, Aaron K., Kenneth Y. Chay, and Robert W. Fairlie. 2014. "The Impact of City Contracting Set-asides on Black Self-employment and Employment." *Journal of Labor Economics* 32: pp. 507-561.

Table 27 reports Logit odd ratio parameter estimates for Construction in the Metro Nashville Market Area—an important sector in the market for public procurement. The estimated odds ratios less than unity with statistical significance suggest that relative to firms owned by White Americans, firms owned by Asian Americans, Native Americans, Pacific Islanders, and Women are less likely to be self-employed in the Metro Nashville Market Area construction sector. This is suggestive of firms facing barriers to self-employment in the Metro Nashville Market Area construction sector. The lower likelihood of these type of MWBEs being self-employed in the construction sector could reflect disparities in public contracting, as Marion (2009) finds that the self-employment rate of African Americans⁹¹.

**Table 27: Construction Sector Self-Employment/Business Ownership in Metro Nashville Market Area:
Logit Parameter Odds Ratio Estimates from the 2020 American Community Survey**

	Coefficient	P-value
<i>Regressand:</i> Self-Employed in Construction Industry: Binary		
Age	1.1612	0.0000
Age Squared	0.9986	0.0001
Respondent is Married: Binary	0.8463	0.2562
Respondent is Woman: Binary	0.0989	0.0000
Respondent is Non-Hispanic African American: Binary	0.4730	0.1400
Respondent is Non-White Hispanic: Binary	2.8313	0.0122
Respondent is Native American: Binary	0.5964	0.6365
Respondent is a Pacific Islander: Binary	0.0016	0.0000
Respondent is Asian: Binary	0.0015	0.0000
Respondent is Other Race: Binary	1.1815	0.5352
Respondent is veteran: Binary	1.1338	0.6372
Respondent has a 4-year degree: Binary	0.3385	0.0001
Respondent speaks only English: Binary	1.3425	0.3311
Respondent is Disabled: Binary	3.5554	0.0019
Value of Home	1.0000	0.2116
Interest, Dividend, and Rental Income	1.0000	0.7229
Mortgage Payment	0.9997	0.0106
Number of Observations	6,326	
Pseudo R^2	0.1288	

Source of Data: American Community Survey 2020, IPUMs USA

⁹¹ Marion, Justin. 2009. "Firm Racial Segregation and Affirmative Action in the Highway Construction Industry." *Small Business Economics* 33: Article 441.

D. Building Permit Analysis

To enable a closer look at the extent of MWBEs participation in the overall Metro Nashville Relevant Market Area, Table 28 reports on the distribution of building permits by identifiable firm type in Metro Nashville for the 2019-2022 calendar years. While building permits are directly related to the construction industry, construction activities are a vital component of an economy and engender spending on other economic activities. As such, an analysis of the distribution of building permits by firm type can inform the extent to which MWBEs are participating in the market economy of a given political jurisdiction such as Metro Nashville.

GSPC's analysis of commercial building permits in the Metro Nashville Relevant Market Area linked rosters of identified MWBE firms to submitted building permits for the 2019-2022 calendar years. GSPC utilized a Fuzzy Matching (FM) procedure to link the text strings of firm names in the certified vendor matching list, along with any race, ethnicity, and gender identifiers to the firm names in the building permit applications. FM enables linking two data sets together that do not have a unique identifier common to both data sets to produce one that is common across a particular alphabetic string such as the name of a business/firm. A Python-enabled FM was utilized to identify MWBE and Non-MWBE business enterprises (MWBE) firms from the Metro Nashville building permit data for the 2019-2022 calendar years, which ultimately consisted of 34,577 entries with text strings indicating the names of businesses/firms that submitted and approved for, commercial building permit applications.

Given GSPC's FM-enabled identification of MWBE firms, Table 28 reports the distribution of building permits by firm type for the 2019-2022 calendar years in Metro Nashville. GSPC's matching algorithm enable the identification of firms broadly classified as MWBE, and those who are owned by Asian Americans, African Americans, Hispanic Americans Native Americans, and Women. In the case of the race/gender identifications, there is no inherent mutual exclusivity with the MWBE classification, with some of the firms identified as being owned by African Americans and Women not necessarily certified as MWBEs relevant to Metro Nashville's public procurement.

The distribution of commercial building permits reported in Table 28 reveal that for the 2019-2022 calendar years, the total number of building permits going to any of the firm types that could be classified as MWBE was 797, which constituted approximately .02 or 2 % of all commercial building permits issued. Among MWBEs firms identified as Native American owned had the lowest share and Women owned firms had the highest share.

The estimated low commercial building permit shares for MWBEs in the Metro Nashville is suggestive of private sector barriers that constrain the ability of these type of firms to participate in the economy. GSPC's estimates suggest that firms not classified as MWBEs—or Non-MWBEs—accounted for approximately 98 % of building permits in the Metro Nashville during the 2019 - 2022 calendar years. To the extent that experience acquired by participating in the private sector translates into an enhanced capacity to compete in the market for public sector contracts and subcontracts, the almost completed dominance of Non-MWBEs in securing building permits suggest the presence of private sector barriers faced by MWBEs. In this context, if there are any public contracting/subcontracting disparities between MWBEs and Non-MWBEs in the Metro Nashville relevant Market Area, it could constitute passive discrimination against

MWBEs, as the disparities could reflect barriers, possibly discriminatory, that MWBEs face in the private sector that serve to undermine their capacity to compete for contracts and subcontracts with Metro Nashville.

**Table 28: Distribution of Building Permits
In Metro Nashville Market Area
Calendar Years 2019 - 2022**

Business/Firm Type	Number of Building Permits ^a	Percent of Building Permits ^b
Asian American owned	14	0.0004
African American owned	304	0.0088
Hispanic American owned	64	0.0018
Native American owned	2	0.00006
Women owned	413	0.0119
Total MWBE, or Asian American, African American, Hispanic American, Native American or Women Owned Firms	797	0.0230
Total Non-MWDBEs	33,780	0.9769
Total	34,577	1.000

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Notes: ^a Rounded to nearest integer

^b Rounded to nearest 10 thousandth

E. Bank Loan Denials

To the extent that Minority, Women, and Disadvantaged Enterprise (“MWDBEs”) are credit-constrained as a result of facing discrimination in private lending markets, their capacity to compete for and execute public projects could be compromised. In this context, a political jurisdiction that awards public contracts is potentially a passive participant in discrimination as MWDBEs may only have recourse to higher cost financing due to facing discrimination in private credit markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWDBEs in the private sector credit markets can rationalize targeted public contracting programs by political jurisdictions, and the capacity and growth of MWDBEs could be enhanced with access to public contracting opportunities (Bates, 2009).⁹²

To determine if MWDBEs face barriers in the private credit market in the Metro Nashville Market Area, Tables 29-30 report, for each of the distinct MWDBEs and owner self-reported race/ethnicity/gender ownership characteristics in the GSPC sample, the estimated parameters of an Ordinary Least Squares regression, where the dependent variable is the standardized linear prediction of being denied for a commercial bank loan, which is estimated from an ordinal logit regression model.⁹³

The estimated linear prediction captures how the outcome of interest is determined by presumably “*race-neutral*” factors determining a firm’s capacity to do business in the marketplace and with Metro Nashville. The regressors in the logit specification capturing firm capacity include: (1) Firm owner has more than 20 years’ experience, (2) Firm has more than 10 employees, (3) Firm owner has a baccalaureate degree, (4) Firm gross revenue is more than 1.5 million dollars, (5) Firm bonding limit is more than 1.5 million dollars, (6) Whether or not financing is a barrier to securing public contracts, (7) Whether or not the firm is in the construction sector, (8) Whether or not the firm is registered to do business with Metro Nashville, (9) Whether or not the firm is a willing/able prime contractor for Metro Nashville, and (10), Whether or not the firm a willing/able subcontractor for Metro Nashville.

The estimated coefficients in Table 29 reveal that for the four distinct broadly classified MWDBEs in the GSPC sample, relative to Non-MWDBEs, the excluded group in the CRM specification, certified minority firms are more likely to have commercial bank loan denials. This suggests that these types of MWDBEs face barriers in the private credit market. When disaggregated by the race/ethnicity/gender of owners, the results in Table 30 suggest that firms owned by African Americans and Native Americans are more likely to commercial bank loan denials relative to firms owned by White Americans.

⁹² See: Bates, Timothy. 2009 “Utilizing Affirmative Action in Public Sector Procurement as a Local Economic Development Strategy.” *Economic Development Quarterly*, 23: pp. 180 - 192., Bates, Timothy, and Alicia Robb. 2013. “Greater Access to Capital is Needed to Unleash the Local Economic Development Potential of Minority owned Businesses.” *Economic Development Quarterly*, 27: pp.250 - 259., and Shelton, Lois M., and Maria Minniti. 2018. “Enhancing product market access: Minority Entrepreneurship, Status Leveraging, and Preferential Procurement Programs.” *Small Business Economics*, 50: pp. 481-498.

⁹³ See the Appendix for a detailed discussion of this regression methodology. The P-values are based upon heteroskedasticity-robust standard errors.

This suggests that among MWDBEs in the Metro Nashville Market Area, firms that are owned by African Americans and Native Americans—who are not necessarily certified SMWDBEs, are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

**Table 29: Ordinary Least Parameter Estimates-Bank Loan Denials:
MWDBE Status and Commercial Bank Loan Denial Probabilities
In Metro Nashville Market Area**

	Coefficient	P-value
<i>Regressand:</i> Standardized Linear Prediction of Commercial Bank Loan Denial		
Firm is a certified minority business enterprise: (Binary)	0.3639	0.0091
Firm is a certified woman enterprise: (Binary)	-0.1005	0.3903
Firm is a certified disadvantaged business enterprise: (Binary)	0.1102	0.4312
Constant	-0.1480	0.1503
Number of Observations	250	
R^2	0.0447	

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**Table 30: Ordinary Least Parameter Estimates-Bank Loan Denials:
Race/Ethnicity/Gender Status and Commercial Bank Loan Denial Probabilities
In Metro Nashville Market Area**

	Coefficient	P-value
<i>Regressand:</i> Standardized Linear Prediction of Commercial Bank Loan Denial		
Firm is African American-owned: (Binary)	0.7113	0.0000
Firm is Hispanic American-owned: (Binary)	0.3122	0.3363
Firm is Asian American -owned: (Binary)	0.3444	0.2075
Firm is Native American-owned: (Binary)	0.2695	0.0021
Firm is bi/multiracial-owned: (Binary)	0.9821	0.0979
Firm is other race-owned: (Binary)	0.4063	0.0561
Firm is woman-owned: (Binary)	-0.1149	0.4132
Constant	-0.2724	0.0343
Number of Observations	250	
R^2	0.1259	

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F. Conclusion

A descriptive and inferential private sector analysis of the Metro Nashville Market Area revealed that, in general, being an MWDBE in the Metro Nashville Market Area is associated with lower firm revenue relative to Non-MWDBE firms. For firms owned by the Native Americans, Pacific Islanders, and the Disabled, self-employment likelihoods are lower, which lends some support to the “but-for” justification for affirmative action in public procurement—a policy intervention which can increase the self-employment outcomes of MWDBEs. Lower revenues for SMWDBEs in the Metro Nashville Market Area are suggestive of private sector discrimination that undermines their capacity to enter the market and compete with Non-MWDBEs firms for public contracting and subcontracting opportunities. An analysis of the distribution of building permits reveals that Non-MWDBEs dominate economic activity in the Metro Nashville market area. The dominance of Non-MWDBEs in securing building permits suggests the presence of private sector barriers faced by MWDBEs, that inhibit their ability to gain access to contracting/subcontracting opportunities with Metro Nashville.

In other relevant outcomes, the regression results reported in Appendix G provide specific detail on which particular MWDBEs in the broad Metro Nashville Market Area are potentially constrained by barriers that could translate into lower likelihoods of winning prime contracts. Firms owned by African Americans and Hispanic Americans are particularly harmed by perceived discrimination against them by City of Nashville. Firms owned by African Americans and Women are relatively more likely to have never secured a Metro Nashville prime contract. Firms owned by African Americans, Hispanic Americans, and Women are also more likely, relative to Non-MWDBEs, to have never been awarded a prime contract or subcontract. GSPC also find that among MWDBEs, firms owned by African Americans, Hispanic Americans, and Bi/multiracial Americans, are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of being excluded from informal contracting networks that enhance success in winning public contracts.

VII. ANECDOTAL EVIDENCE

A. Introduction

This chapter of the Study is designed to present analysis of the experiences, perceptions, and beliefs of business owners and stakeholders potentially doing business with Metro Nashville. Even as Metro Nashville thrives, African American, and other Minority and Women entrepreneurs, express a continuing struggle to find opportunities for growth. Comments, quotes, themes, and conversations presented are not intended to be representative of every single community member, or even the majority of the community, but are an attempt to authentically represent the variety of individual perspectives about Metro Nashville's contracting, procurement, and utilization of Minority and Women owned business as possible. Those experiences can be, and often are, perceived differently from one person to the next. However, perceived experiences undergird and inform beliefs and those beliefs then undergird and inform behavior.

The GSPC Study team in no way sought to verify, disprove, or correct insights shared by participants in the anecdotal data gathering process to honor the integrity of the information collected. As a result, there may be conclusions included which are not reflective of written policy and procedures, but those conclusions are included to provide readers with as much information as possible about the community's experience doing or attempting to do business with Metro Nashville. They may also serve to highlight areas where communication between Metro Nashville and the public regarding policy and procedure can be bolstered or improved. This Anecdotal chapter will focus on the experiences of owners and founders of Minority and Women Business Entities (hereinafter referred to as "MWBEs"). Some of these recent experiences have led to the creation of venues like the Nashville Black Market, as well as a recent call for reparations for the people of North Nashville. It is noteworthy that Metro Nashville has been supportive of efforts to help MWBEs.⁹⁴ However, a full appreciation of these experiences requires historical contextualization. Accordingly, this chapter will begin by briefly discussing the history of Nashville, as well as the experiences of the diverse communities in the local area.

⁹⁴ Jasmine Johnson, "Nashville Black Market Offers Safe Haven for Black Businesses to Grow and Thrive," February 27, 2023, *Black Enterprise*, available at <https://www.blackenterprise.com/the-nashville-black-market-offers-safe-haven-for-black-businesses-to-grow-and-thrive/>; see also Andre M. Perry and Anthony Barr, "To Restore North Nashville's Black Middle Class, Local Policymakers Should Pursue Reparations," July 2, 2021, *Brookings Institute Research Report*, available at <https://www.brookings.edu/research/to-restore-north-nashvilles-black-middle-class-local-policymakers-should-pursue-reparations/>; "Mayor John Cooper Celebrates National Black Business Month," August 4, 2022, available at <https://www.nashville.gov/departments/mayor/news/mayor-john-cooper-celebrates-national-black-business-month>

B. Historical Overview

1. Pre-Statehood History

The original inhabitants of the area, now known as Nashville, were part of the vast indigenous Mississippian culture.⁹⁵ The Mississippian culture stretched from the Carolina coasts across the Southeast and as far as southern Illinois, where its largest remaining mound city, Cahokia, still exists. In addition to a pattern of constructing large, earthen platform mounds, Mississippian peoples lived in urban settlements linked with smaller satellite communities by trading networks.⁹⁶ Mississippian culture vanished at roughly the same time as Christopher Columbus's initial trips to the Caribbean.⁹⁷ Afterward, the Chickasaw, Shawnee and Cherokee moved into the area. The push and pull between indigenous groups remained local matters for hundreds of years.

2. Early Statehood

The expulsion of Native Americans largely overlapped with the expansion of African slavery into Tennessee. This demographic shift did not include meaningful numbers of Pacific migrants, like the Chinese, Japanese or Korean, who settled in places like California, Colorado, and Oregon. Similarly, there was no substantial influx of families from their ancestral homelands in Central America or what would become the American Southwest. Women, whether enslaved or free, found themselves marginalized in a highly patriarchal society. Although enslaved African women worked in nearly every single capacity imaginable—both inside and outside the home—White women chiefly were relegated to domestic labor and the caretaking of children.

Slavery spread southwestward from the Upper South states of Virginia and Maryland. Enslaved Africans lived in east Tennessee by the 1810s. They moved into central and west Tennessee in much larger proportions in the ensuing decades.⁹⁸ Although short-fiber cotton was the primary commodity cultivated by slaves in the American South, enslaved Africans in the Nashville area cultivated a mix of crops, including cotton, tobacco, and corn, among others.⁹⁹ It was common for enslaved Africans in the urban centers of the American South to be skilled craftspeople and not just manual laborers. Skills in carpentry, weaving, masonry, construction, and Blacksmithing/metal works all translated into the ability for some enslaved Africans to hire their time. These skills, among others, also could serve as the precursors of businesses, even though slave statutes passed by the state generally prevented slaves from owning property or engage in the “hiring of one’s own time.”¹⁰⁰ Slave owners in Nashville often made exceptions to, or ignored, the rule so that some enslaved Africans could work for pay when they completed their required tasks.

⁹⁵ See “History of Nashville” on Nashville.com, available at <https://www.nashville.com/history-of-nashville/>.

⁹⁶ Adam King, “Mississippian Period: Overview”. *New Georgia Encyclopedia* (2002); see also John H. Blitz, “Mississippian Period”. *Encyclopedia of Alabama*. Alabama Humanities Foundation; “Metropolitan Life on the Mississippi.” *Washington Post*. Archived from the original on 2010-01-15.

⁹⁷ “Mississippian Period Archaeological Sites”. *About.com Education*.

⁹⁸ Hine, et al. *African American Odyssey*, p. 144.

⁹⁹ Ibid, p. 145.

¹⁰⁰ William L. Imes, “The Legal Status of Free Negroes and Slaves in Tennessee,” *The Journal of Negro History*, vol. 4, no. 3 (1909), 254-272, pp. 257-258. [<https://www.jstor.org/stable/pdf/2713777.pdf>]

This arrangement often happened as long as the enslaved person paid “freedom dues” to the owner.¹⁰¹ Because of the tremendous wealth that enslaved Africans produced for the entire society, cities like Nashville flourished and, in turn, the demand for African bondspeople only grew.

The population of enslaved Africans grew faster than the general population for every decade following the state’s founding in 1796. During the first U.S. Census (when Tennessee was a “territory”), the slave population was about 10% of the whole, with the number of “nominally free” African Americans making up another 1%. In the 1830s, Tennessee was home to 141,603 enslaved Africans but that population grew to 239,459, or roughly 25% of the state’s total population twenty years later.¹⁰² Nashville experienced explosive population growth in the early part of the 19th century and, by 1830, “boasted about thirty-five hundred White and two thousand Black inhabitants.”¹⁰³ It also is noteworthy that Nashville was the home to the most African Americans in the state until the period between 1850 and the Civil War.¹⁰⁴ Although the group of free African Americans was always small, it continued to grow over the decades and lawmakers wrestled with how to treat these citizens. Although the war began with the secession of South Carolina from the Union in 1861, the question of slavery remained open until Abraham Lincoln issued his “Emancipation Proclamation” in January 1863. The Emancipation Proclamation only declared free those enslaved Africans residing in the states in rebellion against the United States. Tennessee remained under Union control and was overseen by Andrew Johnson, serving as Military Governor. Johnson freed his personal slaves on August 8, 1863, and declared all enslaved Africans in Tennessee to be free on October 24, 1864. Nashville became a hub for formerly enslaved people as they moved about, either looking for work or for loved ones sold away from them in the domestic slave trade.

Fueled by a spirit of dignified, sober-minded defiance, African Americans and White Americans sought to refashion Tennessee after the war. Reconstruction in Tennessee meant the possibility of true freedom for Nashville’s African American community. African Americans used the recent military service of their brothers and sisters to advocate for full citizenship rights, especially the right to vote.¹⁰⁵ The period fully opened a door for robust African American participation in wider society. African Americans built churches that respected their abounding faith and unique interpretation of the Gospel. In addition to businesses, African American communities developed and supported African American schools at all levels. In Nashville, this was reflected in the development of Fisk University in 1866, a private school which is the oldest institution of higher learning in Nashville. The push for equal treatment also was reflected in the election of Sampson W. Keeble, a Nashville barber, to the Tennessee House of Representatives in 1872.¹⁰⁶ Of particular note is the fact that Tennessee had the lowest number of African American elected officials among the former secessionist states and none of those were at the federal level.¹⁰⁷

¹⁰¹ John H. Franklin and Loren Schweninger, *In Search of the Promised Land: A Slave Family in the Old South*, (New York: Oxford University Press, 2006), p. 15-17.

¹⁰² Hine, et al., pp. 149 and 167; see also the 1850 Census, available <https://www2.census.gov/library/publications/decennial/1850/1850a/1850a-38.pdf>.

¹⁰³ Franklin and Schweninger, p. 14.

¹⁰⁴ Imes, p. 254.

¹⁰⁵ Franklin and Schweninger, p. 218-219.

¹⁰⁶ “19th Century African American Legislators of Tennessee,” Tennessee State Library and Archives, 2012 edition.

¹⁰⁷ Hine, p. 326.

Since Tennessee rejoined the Union so swiftly by ratifying the Fourteenth Amendment in 1866, it avoided the fate of being part of one of the five military districts responsible for reinstituting loyal, civilian government in the former secessionist states.¹⁰⁸ It is possible that this fateful decision played a role in the development and expansion of the Ku Klux Klan, founded in Pulaski, TN in 1866.

In 1867, the founders of the KKK invited other conservatives and former Confederates to gather at the Maxwell House hotel in Nashville during a leadership meeting of the state's Democratic Party. Thereafter, the group elected former Confederate officer Nathan Bedford Forrest as its first Grand Wizard. The violence of the Klan in its original conception targeted African Americans and their White American allies, usually aimed at halting African American competition in the political, social, and economic realms.¹⁰⁹ By the late 1870s, the resurgence of former Confederates in the Democratic Party nullified the potential of Reconstruction. Soon afterwards, the nearly complete subordination of the state's African American population was reinstituted through laws and regulations commonly known as "Jim Crow" racial segregation.¹¹⁰ Jim Crow dominated the lives of African Americans in America from 1890 well into the twentieth century.

3. The Nadir in Nashville

The period known as "the Nadir" was the lowest point in American race relations since the emancipation of slavery and was thus named because of the political violence of Jim Crow laws and the White mob violence directed at African Americans and their White allies. A phenomenon that grew during the Nadir was the Convict Leasing system, a system that allowed State officials to lease imprisoned men to private enterprise. Given the financial incentives for both public and private entities, the states who employed this system relied on vague or targeted statutes to arrest as many African Americans as possible. The practice was very common in the South but ended relatively early in Tennessee when free White laborers and incarcerated workers joined forces to fight an armed struggle against the coal companies exploiting both groups. The state stopped leasing convicts but continued to rely on convict labor at its new penitentiary, Brushy Mountain State Prison.¹¹¹ The rise of the use of convict labor coincided with the diminution of African American political power. Although a handful of African American men served as elected officials in state government, the last of these—Styles Hutchins—represented Hamilton County from 1887-1888. After Hutchins' term, no African American would serve in the state Legislature until 1964. The cementing of Jim Crow racial segregation and its full-spectrum dominance of Nashville's African American community paradoxically presented a unique opportunity for African American business development.

¹⁰⁸ Hine, p. 315

¹⁰⁹ Mark Wetherington, "Ku Klux Klan," Tennessee Encyclopedia, available at <https://tennesseeencyclopedia.net/entries/ku-klux-klan/>

¹¹⁰ Rayford W. Logan, *The Betrayal of the Negro: From Rutherford B. Hayes to Woodrow Wilson* (New York: Da Capo Press, 1965).

¹¹¹ Abby L. Hood, "Tennessee Professors and Historians Uncover History of Convict Leasing in the State," *Tennessee Lookout*, October 6, 2021, available at <https://tennesseelookout.com/2021/10/06/tennessee-professors-and-historians-uncover-history-of-convict-leasing-in-the-state/>; see also W. Calvin Dickinson, "Brushy Mountain Prison," *Southern History*, July 1, 2003 and Perry Cotham, *Toil, Turmoil and Triumph: A Portrait of the Tennessee Labor Movement* (Franklin, TN.: Hillsboro Press, 1995), pp. 56-80.

In January 1905, Davidson County representative Charles P. Fahey introduced Bill #87 to divide African American and White passengers on streetcars; the bill easily passed in both chambers and became law on July 5, 1905. In response, African American leaders in Nashville encouraged the African American community to boycott public transportation, which they did until late in 1906.¹¹²

By 1916, the State created Tennessee State University as a land-grant college to serve the educational needs of its African American population. In addition to educational advancement, African Americans turned to collective solutions for survival. Among the African American entrepreneurs of the turn-of-the century, one of the most prominent was Richard Henry Boyd. In 1896, Reverend Boyd financed the creation of the National Baptist Publishing House in Nashville. By the second decade of the twentieth century, the publishing house had a payroll of nearly \$250,000. The printing plant, valued at \$350,000, had published 128 million copies of religious literature as it tapped into the national Black consumer marketplace. By 1920, the publishing house was one of the largest African American businesses in the country.

Boyd's expansive business empire grew to include what would become Citizen Savings Bank and Trust, the Nashville Globe newspaper, the Globe publishing company, the National Baptist Church Supply Company, and the National Negro Doll Company. However, one of his most significant ventures was the creation of the Union Transportation Company in the wake of racial segregation of street cars in Tennessee. By October 1905, Union Transportation had five steam-driven "auto buses" to move African Americans along Nashville's main streets. The company soon replaced the steam powered units with fourteen electric buses that proved more effective at climbing the city's hilly streets. In response to this demonstration of resilience, the company was sabotaged. First, the Nashville Railway and Light Company reneged on its promise to provide power to the electric buses. Boyd and his partners rallied and built a dynamo in the basement of the Publishing Company to supply energy to the electric vehicles. Then the city levied special taxes on the buses and the already undercapitalized company could not survive.¹¹³

Over the decades, African Americans in Nashville created numerous businesses in North Nashville. The number of African American-owned business establishments rivaled those created in communities like Baltimore, Cincinnati, and Durham. Operations like Otey's Supermarket, Gunter's Funeral Home and Photography Studio, Hemphill Publishing Company, Citizens Bank, Craighead's Barber Shop, Sweat's BBQ and Restaurant, the Ritz Theater, and the offices of J. Alexander Looby, Attorney-at-Law peppered the area along Jefferson Street. One of the most successful was McKissick Brothers Construction Company. Founded in 1909 McKissick Brothers had sustained itself through the local market, participating in most of the construction in North Nashville.

¹¹² Samuel Momodu, "Nashville Streetcar Boycott (1905-1907)," on *Black Past*, November 29, 2016, available at <https://www.Blackpast.org/african-american-history/nashville-s-streetcar-boycott-1905-1907/>.

¹¹³ Juliet E.K. Walker, *Encyclopedia of Black Business History* (Westport, CT.: Greenwood Press, 1999), pp. 94-95 and Juliet E.K. Walker, *The History of Black Business in America: Capitalism, Race, Entrepreneurship* (New York: Twayne Publishers, 1998), pp. 194-195.

However, it exploded to national prominence when it won the \$4 million contract to build the 2,000-acre airfield and air base at Tuskegee Institute for the training of the all- African American 99th Pursuit Squadron. The ripple effect of this contract, in itself, was significant as McKissick was able to employ roughly 1900 workers, including 450 African American carpenters, electricians, plumbers, and masons.¹¹⁴

4. Post-World War II Nashville

Following World War II, African American intellectuals, activists, students, and veterans began the early phases of the Civil Rights Movement. Nashville became a hub for the Civil Rights Movement as students from around the country gathered in the City, learned from local students and trained with area activists. Despite the claims of civic leaders that Nashville was a moderate town with respect to race relations, African Americans (especially students at the four local HBCUSs) took exception to such propaganda. One of the unintended consequences of the drive for equal treatment was the slow decline of African American businesses. Concurrently, Urban Renewal dislocated thousands and the diversion of I-40 through the neighborhood (instead of into the residential area near Vanderbilt University) fractured North Nashville.¹¹⁵ Although Urban Renewal impacted poor and working-class neighborhoods across Nashville, none of these communities relied on the survival infrastructure that African Americans had built in North Nashville.¹¹⁶ The face of the city continued to change over time.

Not all Native Americans left the state along “the Trail of Tears” but many are returning. A new influx of internal migrants from the Northeast and Midwest settled in the area, while a new wave of international migrants resulted in burgeoning Hispanic American and Asian American communities.¹¹⁷ The new arrivals herald a partial transformation of the metropolitan area. Although the redlining and de jure segregation that limited economic opportunities for minority communities ended in the 1970s, these Americans only took halting steps toward parity with White Americans. The economic lessons of the 1980s and 1990s were that penetration of the mainstream Middle Class by African American professionals did little to generate African American wealth.¹¹⁸

¹¹⁴ Walker, *The History of Black Business*, pp. 243-245; see also conversations with my mother and Aunt Jane Fort who grew up in Nashville in the post-World War II period.

¹¹⁵ Benjamin Houston, *The Nashville Way: Racial Etiquette and the Struggle for Social Justice in a Southern City* (Athens: University of Georgia Press, 2012); see also Erin Tocknell and David Andrews, “A Cool Dip and a Little Dignity: a History of Nashville’s Divided Swimming Pools,” *Bitter Southerner*, available at <https://bittersoutherner.com/nashville-pools-jim-crow#.ZC8YFfbMI2w> and Ronda Shelton, “How the Civil Rights Movement in Nashville Took on Jim Crow and Won,” *Liberation News*, February 15, 2023, available at <https://www.liberationnews.org/how-the-civil-rights-movement-in-nashville-took-on-jim-crow-and-won/>

¹¹⁶ Bill Carey, “A City Swept Clean: How Urban Renewal, for Better or for Worse, Created the City We Know Today,” *Nashville Scene*, September 6, 2001 (available at https://www.nashvillescene.com/news/a-city-swept-clean/article_6c3a1c80-ea61-57be-b973-03cad5a6506b.html)

¹¹⁷ Araceli Crescencio, “While Celebrating Heritage, Nashville Leaders Cite Need for More Hispanic Representation,” *Channel 5 News*, September 15, 2022, available at <https://www.newschannel5.com/news/while-celebrating-heritage-nashville-leaders-site-need-for-more-hispanic-representation>.

¹¹⁸ Richard Rothstein, *The Color of Law: A Forgotten History of How Our Government Segregated America* (New York: Liveright Publishing, 2017) and Melvin L. Oliver and Thomas M. Shapiro *Black Wealth/White Wealth: A New Perspective on Racial Inequality* (New York: Routledge, 1997).

C. The Contemporary Public Contracting Milieu

1. Assessing Access

GSPC conducted significant outreach to gather evidence pertaining to procurement practices in the Nashville area. For example, for the Focus Group sessions, GSPC contacted hundreds of businesses, with a nearly equal number being owned by either African Americans, Asian Americans, Hispanic Americans, Native Americans, Women, and White Americans. Dozens of business owners, affinity group representatives and community activists, including Metro Nashville Mayor John Cooper, attended the Information session on August 16, 2022.¹¹⁹ GSPC sent the survey to roughly thousands of business owners across Middle Tennessee and parts of East Tennessee and 250 completed the survey.¹²⁰

Overall, more than 85% of survey respondents felt that their business was ready, willing, and able to serve as a prime contractor with Metro Nashville; 100% of Hispanic Americans and Native Americans, 92.9% of Asian Americans, 88.2% of African Americans, and 77.8% of Women responded in the affirmative.¹²¹ Also encouraging was the fact that 92% of respondents indicated that their business was ready, willing, and able to serve as a sub-contractor with Metro Nashville.¹²² The survey results confirmed that MWBEs tend to be newer as compared to Non-Minority owned firms. For instance, 70.6% of African American and 50% of Hispanic American respondents own businesses that are 15 years-old or younger, while 73.3% of Non-Minority respondents own businesses that are 16 years-old or older.¹²³ The results also revealed that owners of MWBEs are more highly educated than average. In total, 33.7% of respondents stated that their highest level of education ended with a post-graduate degree. By contrast, 66.7% of Native American, 50% of Hispanic American, 40.2% of African American, and 35.7% of Asian Americans indicated that they had a post-graduate degree; only 16.7% of Non-Minority business owners reached that level.¹²⁴ Yet, 13.3% of African Americans and 8% of Women did not believe that their firms would be awarded a contract from Metro Nashville; none of the Non-Minority respondents expected a similar result.¹²⁵ The survey was not the only means of information gathering.

Five business owners participated in the February 8, 2023, Focus Group and seven others attended the second Focus Group session the following day.¹²⁶ Sixteen individuals participated in the January 18, 2023, Public Hearing and nearly one hundred participated in the second Public Hearing. Additionally, we interviewed thirty-four individual business owners and 10 leaders of local organizations to gain a more personal perspective.

¹¹⁹ August 16, 2022, Griffin & Strong, “Nashville Info Meeting Recording.”

¹²⁰ February 23, 2023, Griffin & Strong, “MetroNashville2023SurveywithQuestions_Cleaned[1]” and “MetroNashvilleSurveyTables V2”

¹²¹ Table #2, “MetroNashvilleSurveyTables V2.”

¹²² Table #3, “MetroNashvilleSurveyTables V2.”

¹²³ Table #5, “MetroNashvilleSurveyTables V2;” see also Table #14.

¹²⁴ Table #13 “MetroNashvilleSurveyTables V2.”

¹²⁵ Table #25 “MetroNashvilleSurveyTables V2.”

¹²⁶ February 8, 2023, “Metro Nashville FG 1 Notes” and March 3, 2023, “Metro Nashville FG 2 Notes.”

Our interview subjects described both successes and shortcomings in Metro Nashville's procurement process. A spokesperson for a business association was grateful to Metro Nashville for its partnership, especially during the COVID-19 pandemic when Metro Nashville "stepped up" to help businesses get access to PPP funding.¹²⁷ Another subject expressed an overwhelmingly positive view of Metro Nashville, saying "I really like their process."¹²⁸ In turn, a representative from an advocacy group credited the Nashville BAO (or "Office of Minority and Women Business Assistance"), saying that "more opportunities have come as a result of having that office because, certainly, everything that they do...is trying not only to communicate with [MWBs] but...educate [MWBs] on opportunities that are available...I don't know what contracting would look like for [MWBs] if there wasn't an office like that."¹²⁹ One local business owner attributed shortcoming in equal opportunity to systemic issues. In this person's view, the fields of architecture, design and engineering remain overwhelmingly White and there are relatively few architecture or engineering firms owned by People of Color, generally. Although this business owner likes to sub-contract work to MWBEs, they typically have to employ MWBEs who are from outside the Metro Nashville area, thus doing little to help local MWBEs.¹³⁰ A different subject held a very unfavorable view of Metro Nashville. This interviewee said that they have never secured business with Metro Nashville despite multiple efforts. The work that this interviewee got came as the result of a personal connection at a governmental entity within Metro Nashville's jurisdiction. This MWBE is convinced that Metro Nashville uses loopholes to prevent MWBEs from getting a fair opportunity and that "White businesses are the businesses [that are having] success."¹³¹ The survey results support this assertion.

When we asked survey respondents to indicate the largest single contract they had received since July 1, 2017, we provided them ten (10) different categories, from "\$50,000 or less" up to "over \$10 million." The survey question also allowed respondents to indicate "do not know" or "not applicable." 46.8% of the Non-Minority respondents indicated that the largest contract they had received fell into the five categories between "over \$10 million" and "\$750,000-1 million;" 6.7% slotted into the top category. Only 30% of the Women respondents and 19.6% of the African American respondents fell into the top five categories. Similarly, 35.6% of the Asian American respondents fell into the top five categories; none slotted into the top category. Concurrently, 30% of Non-Minority respondents fell into the lower five categories and only 6.7% slotted into the bottom category. In contrast, 56.9% of African American respondents fell into the lower five categories, with 30.4% clustered in the bottom category. Likewise, 52.2% of Women respondents and 42.8% of Asian American respondents slotted into the lower five categories.¹³²

¹²⁷ Organization Interview #9, December 7, 2022.

¹²⁸ Anecdotal Interview #5, September 14, 2022.

¹²⁹ Organization Interview #3, Sept. 6, 2022.

¹³⁰ Business Interview #2, September 14, 2022.

¹³¹ Business Interview #4, February 23, 2023, and March 6, 2023; see also "nash FG email comment 2," February 8, 2023.

¹³² Table #9 "MetroNashvilleSurveyTables V2."

2. Barriers to Participation

Not every interview subject was aware of any barriers to MWBE participation.¹³³ One interview subject claimed that “they are passing out work like candy” to MWBEs, something which he claimed to have learned from Prime contractors.¹³⁴ Similarly, a different interviewee offered that the “barrier to entry...is pretty low.”¹³⁵ However, the statistics do not support this sentiment. 31.4% of African American respondents and 28.6% of Asian American respondents indicated that “pre-qualification requirements” were a barrier to doing work with Metro Nashville.¹³⁶ 25.5% of African American respondents and 16.7% of Hispanic Americans stated that an inability to obtain “Financing” served as another barrier; none of the non-Minority respondents indicated that this was a problem for them.¹³⁷ 33.3% of Native Americans, 19.6% of African Americans, 14.4% of Women, and 14.3% of Asian Americans considered “bid specifications” to act as a barrier, while only 6.7% of Non-Minority respondents agreed.¹³⁸ Interestingly, 29.4% of African Americans, 28.6% of Asian Americans, 16.7% of Hispanic Americans, and 12.2% of Women said that “[l]imited time given to prepare bid package or quote” served as an impediment, while only 3.3% of Non-Minorities agreed.¹³⁹ Finally, 33.3% of Hispanic Americans, 21.4% of Asian Americans, 19.6% of African Americans, and 11.1% of Women indicated that they felt prohibited from bidding because a “contract [was] too large.”¹⁴⁰ And 20% of Multi/Bi-racial respondents, 16.7% of Hispanic Americans, 10.8% of African Americans, and 10% of Women said they did not submit a bid because a “contract [was] too expensive to bid on;” only 3.3% of Non-Minority respondents behaved in the same way.¹⁴¹ Furthermore, 40% of Multi/Bi-racial respondents, 33% of Hispanic Americans, 28.4% of African Americans, 21.4% of Asian Americans, and 17.8% of Women selected “limited knowledge of purchasing/contracting policies and procedures” as an explanation for why they did not submit a bid.¹⁴²

The aforementioned person who was skeptical of barriers to entry for MWBEs went on to say that “[Metro Nashville does not] do a lot of vetting with these subs. It doesn't necessarily translate into being able to perform. [The MWBEs] face challenges adhering to specifications and safety requirements. They don't have the resources to do those things.”¹⁴³ A person who does business with Metro Nashville stated emphatically that they had not experienced any barriers and were convinced that the area “agencies selected businesses based on qualifications rather than cost.”¹⁴⁴ Another interviewee only expressed a positive view of the decade-long relationship that they had with Metro Nashville.¹⁴⁵

¹³³ Anecdotal Interview #20, October 12, 2022.

¹³⁴ Anecdotal Interview #16, September 13, 2022.

¹³⁵ Anecdotal Interview #25, November 29, 2022.

¹³⁶ Table #39, “MetroNashvilleSurveyTables V2.”

¹³⁷ Table #43, “MetroNashvilleSurveyTables V2.”

¹³⁸ Table #45, “MetroNashvilleSurveyTables V2.”

¹³⁹ Table #47, “MetroNashvilleSurveyTables V2.”

¹⁴⁰ Table #52, “MetroNashvilleSurveyTables V2.”

¹⁴¹ Table #53, “MetroNashvilleSurveyTables V2.”

¹⁴² Table #48, “MetroNashvilleSurvey Tables V2”

¹⁴³ Anecdotal Interview #25, November 29, 2022.

¹⁴⁴ Business Interview #2, September 14, 2022.

¹⁴⁵ Anecdotal Interview #15, September 20, 2022.

Two other people implied that most of the barriers to participation were the responsibility of the MWBEs, with one saying that MWBEs need to develop a business budget, improve their soft skills, improve their back-office capabilities and market themselves better.¹⁴⁶ Yet, 66.7% of Native Americans, 35.7% of Asian Americans, 20.6% of African Americans, and 15.6% of Women indicated that the “Selection Process” was a barrier to participation.¹⁴⁷

A different interview subject has struggled with getting certified, in large part, because the process is long and tedious. “I can’t get people to respond to my inquiries... getting anyone from PTAC to engage with me has been like pulling teeth,” said this person. This subject added that their experience with Metro Nashville’s bidding process is limited because they have been unable to establish meaningful contact with Metro Nashville. “I cannot establish ongoing communication with PTAC. I commute [over a long distance] which means the time I spend in either location must be well coordinated and scripted so that I get the greatest return on my time investment.”¹⁴⁸ “It has been challenging with certification,” said another MWBE. They continued by explaining that “being able to prove that and partnership requirements with other women/minority led businesses have proven challenging. We haven’t been applying because it was opaque and a challenge to locate information and understand requirements.”¹⁴⁹ A different MWBE agreed that the certification process was tedious but “well designed.”¹⁵⁰ A MWBE who has been in business for just under a decade indicated that Metro Nashville’s technology formed a barrier. When [the MWBE] attempt[ed] to enter his vendor number and password into the bidding system, the system [did] not allow [the MWBE] to enter the system... When [the MWBE] reported the problem, city personnel who answered the phone said they did not understand his problem or what [the MWBE] was talking about. They instructed [the MWBE] to call a different department. When [the MWBE] called the other department, no one answered.”¹⁵¹

One MWBE owner who is certified in 21 different states indicated that a major barrier to participation is a “lack of knowledge and notification” regarding the procurement process.¹⁵² Related to this, one interview subject said that, historically, “[MWBEs] did not see themselves valued in these spaces.” This person implied that because of this marginalization, MWBEs are unfamiliar with Metro Nashville’s processes but also are hesitant to seek out help. [MWBEs] don’t know what they don’t know. And many are hesitant to “ask questions” in fear of proving a stereotype.¹⁵³ Another suggested that certification had little effect on their business; that it did not lead to them getting “a lot of business but when [they] did, [they were] just a figure head [for a White male business].”¹⁵⁴

¹⁴⁶ Organization Interview #6, November 1, 2022, and Anecdotal Interview #6, October 5, 2022.

¹⁴⁷ Table #54, “MetroNashvilleSurvey Tables V2”

¹⁴⁸ Anecdotal Interview #7, October 13, 2022.

¹⁴⁹ Anecdotal Interview #21, November 2, 2022; see also Anecdotal Interview #29, December 5, 2022.

¹⁵⁰ Anecdotal Interview #17, September 27, 2022.

¹⁵¹ Anecdotal Interview #11, September 7, 2022.

¹⁵² Business Interview #1, August 16, 2022; see also Focus Group #1, February 8, 2023.

¹⁵³ Organization Interview #4, September 7, 2022.

¹⁵⁴ Business Interview #3, February 10, 2023; see also Focus Group #1, February 8, 2023.

Yet another suggested that the biggest barrier for participation by MWBEs is that Metro Nashville has pre-determined who will get contracts.¹⁵⁵ The leader of a business advocacy group said that the feedback they have received from their clients has been negative: “[the contracting process] requires a lot of work to even be considered...with no return at the end. It has been described as a frustrating process by many. [Yet,] the staff at the BAO is very helpful in trying to mitigate some of that but they can only do so much.”¹⁵⁶

3. Prompt Payment

There were few complaints about payments directly from Metro Nashville. The subjects interviewed mentioned being paid directly by Metro Nashville and indicated that it was a positive experience; the survey results support this.¹⁵⁷ Although, one interviewee was confused about how Metro Nashville handles purchase orders. “If we are budgeted for \$300K per year in our contract, we have to break it down to a quarterly PO. For that quarter the PO is \$100K, if I do \$80K of work, the remainder does not carry over. Why if the money is not used, does it go away?”¹⁵⁸ The chief complaints regarded late or non-payment from Prime contractors. For instance, one MWBE interview subject told us that “[t]he prime contractors that we had relationships with did pay us...every 30 days, though our contract stipulated [payment] within 14 days.”¹⁵⁹ In response to a survey question, the majority of respondents in all racial/ethnic groups waited longer than thirty days for payment from a prime contractor.¹⁶⁰

4. Capital and Bonding

As one subject stated, “capital, capacity, and insurance requirements are often a deterrence to [MWBEs bidding on or winning] large projects.”¹⁶¹ 28.6% of Asian Americans, 17.6% of African Americans, 16.7% of Hispanic Americans, and 10% of Women indicated that “Performance bond requirements” prevented them from bidding on contracts from Metro Nashville.¹⁶² Meanwhile, 14.3% of Asian Americans, and 11.8% of African Americans stated that “Insurance Requirements” prohibited them from bidding on contracts from Metro Nashville.¹⁶³ An interview subject who thought that most of the barriers to participation were within the ability of MWBEs to fix, did acknowledge that access to capital and banking relationships were a key impediment for disadvantaged businesses.¹⁶⁴ Another interview subject seconded the notion that access to appropriate bonding was a major issue for MWBEs,¹⁶⁵ while another asserted that bonding is an issue for all small businesses: “Everything is bonded here, and it is hard to get a bond.”¹⁶⁶

¹⁵⁵ Business Interview #3, February 23, 2023, and March 6, 2023.

¹⁵⁶ Organization Interview #3, Sept. 6, 2022; see also Focus Group #2, February 9, 2023.

¹⁵⁷ Anecdotal Interview #9, September 15, 2022; see also Focus Group #2, February 9, 2023, and Table #60, “MetroNashvilleSurveyTables V2.”

¹⁵⁸ Anecdotal Interview #20, October 12, 2022.

¹⁵⁹ Anecdotal Interview #8, September 15, 2022.

¹⁶⁰ Table #61, “MetroNashvilleSurveyTables V2.”

¹⁶¹ Organization Interview #4, September 7, 2022.

¹⁶² Table #40, “MetroNashvilleSurveyTables V2.”

¹⁶³ Table #44, “MetroNashvilleSurveyTables V2.”

¹⁶⁴ Organization Interview #6, November 1, 2022.

¹⁶⁵ Organization Interview #9, December 7, 2022.

¹⁶⁶ Anecdotal Interview #16, September 13, 2022.

“It is very difficult for a small business to meet bonding requirements before they have made any money from the contract. It is very difficult to pay everyone and everything without that income stream.”¹⁶⁷ And, as one subject put it, the lack of capital can affect multiple aspects of the business, from paying employees, to modifying contracts and paying lawyers or other professionals to process important documents.¹⁶⁸ To that end, it is significant that within the survey, not a single Non-Minority respondent indicated that they had never been approved for an “operating capital loan” for which they had applied. Yet, 9.8% of African Americans, and 7.1% of Asian Americans had applied for such a loan and were never approved.¹⁶⁹ Furthermore, when MWBEs are approved for commercial loans, those approvals tend to be for less money than loans approved for Non-Minority respondents.¹⁷⁰ And MWBEs were more likely to have loan applications rejected for “insufficient business history” or “credit history” than Non-Minority respondents.¹⁷¹ MWBE applications for “commercial/professional liability insurance” also were more likely to be denied and, often, for reasons like “insufficient business history,” “confusion about the process,” or “credit history.”¹⁷²

5. Lack Of Clarity/Informal Networks

Large majorities of MWBEs believe that “informal networks of prime and subcontractors exist that monopolize Metro Nashville’s public contracting process. Although only 26.7% of Non-Minority respondents answered “yes” to the question of whether informal networks exist and skew Metro Nashville’s procurement process, 51.1% of Women, 83.3% of African Americans, 78.6% of Asian Americans, 66.7% of Native Americans, and 50% of Hispanic Americans answered in the affirmative.¹⁷³ “There is a disconnect with opportunities and my services,” said one MWBE.¹⁷⁴ Another interview subject referred to the experience in the past of MWBEs being used as a “pass-through” for a White male-owned firm. “[The MWBE] already received a contract with Metro, then months later... Metro decided the guys would do the contract through [the MWBE] and [the MWBE] would pay these men about \$20,000 and [the MWBE] received 20% of [the value of the contract].” The subject added that a colleague confirmed that this approach was “very normal.”¹⁷⁵ One MWBE who has had success contracting with Metro Nashville did acknowledge some opacity: “[u]nderstanding the scope of projects is challenging. It is a closed process with one question/answer period. Often specific questions around scope, target budget, etc. are not addressed and it makes it difficult to even know if we can submit a competitive application.”¹⁷⁶ A different MWBE owner claimed that “I pretty much didn’t have any problems, because if I didn’t know, I would go to the administrative and ask and they would email me and tell me what I did wrong. They were pretty good about that.”¹⁷⁷

¹⁶⁷ Anecdotal Interview #7, October 13, 2022.

¹⁶⁸ Anecdotal Interview #30, December 7, 2022.

¹⁶⁹ Table #76, “MetroNashvilleSurveyTables V2;” see also Table #77 for a similar response regarding “equipment loans” and Table #81 for the number of times MWBEs have been denied commercial loans.

¹⁷⁰ Table #80, “MetroNashvilleSurveyTables V2.”

¹⁷¹ Tables #82-97, “MetroNashvilleSurveyTables V2.”

¹⁷² Tables #100-104, “MetroNashvilleSurveyTables V2.”

¹⁷³ Tables #114, “MetroNashvilleSurveyTables V2.”

¹⁷⁴ Anecdotal Interview #18, September 13, 2022.

¹⁷⁵ Business Interview #3, February 10, 2023. See also Anecdotal Interview #8, September 15, 2022.

¹⁷⁶ Anecdotal Interview #21, November 2, 2022.

¹⁷⁷ Anecdotal Interview #1, September 12, 2022.

An interviewee who is a member of a local advocacy group mentioned that many of the group's clients are "early-stage entrepreneurs" who are confused by certain "terms of art" used in the procurement process and that, as a result, more opportunities for MWBEs can come from greater clarity from Metro Nashville.¹⁷⁸ The survey results confirm that, according to the respondents, the owners of MWBEs tend to have less experience than Non-Minority business owners.¹⁷⁹ One leader of a business association said that, even though Metro Nashville's outreach has been good, many of their members still suffer from a knowledge gap about the contracting process.¹⁸⁰ Such confusion also has been a problem for an MWBE that works nationally and internationally with large, White-owned firms.¹⁸¹ A nationally certified MWBE recounted how they bid as a Prime on a large contract and inexplicably were deemed "unresponsive" because their bid did not indicate that they would sub-contract 23% or more of their work to MWBEs. This subject was confused because their firm is 100% MWBE and, only after direct consultation, learned that the 23% MWBE goal applied to all prime contractors. "I think the goal setting is fine. I don't understand why an [MWBE that is bidding as a Prime] would need to hit the goal and...have a 'participation plan' for how [a 100% MWBE firm] would sub-contract out to MWBEs."¹⁸²

One business owner spoke positively of their interaction with Metro Nashville as a sub-contractor. However, the tensions existed in how the Prime contractor treated them:

On the other hand, the prime did not follow through as much as they should have. I signed a contract for 5 years with a set monetary value. They used us a couple of times and we have not heard back from them... There should be a way to ensure that subcontractors receive the full monetary value stipulated in the project documents. If the contract calls for 11% of a \$5 million dollar contract going to the sub, the prime should not be allowed to pay the sub less than \$20,000.00 and say there is no more work when the contract covered a 5 - year period and work is ongoing¹⁸³

Majorities or strong pluralities of MWBEs agreed with the sentiment that prime contractors will use MWBEs in order to get a contract, then drop the MWBE.¹⁸⁴ A different MWBE seconded this complaint but expressed appreciation for intervention from Metro Nashville: "Metro has had to step in a couple of times and get some of the prime contractors to make timely payments."¹⁸⁵ Yet another MWBE had the opposite experience. "They monitor the payment process and keep track of what they have paid out and what each party should have received... I like the fact that they...drill all the way down to the small business to determine if the dollars they have paid were distributed as they intended." This person did add that such intervention does not happen on every contract.¹⁸⁶

¹⁷⁸ Organization Interview #2, Sept. 1, 2022.

¹⁷⁹ Table #14 "MetroNashvilleSurveyTables V2."

¹⁸⁰ Organization Interview #9, December 7, 2022.

¹⁸¹ Anecdotal Interview #14, September 15, 2022.

¹⁸² Business Interview #3, February 23, 2023, and March 6, 2023; see also Focus Group #2, February 9, 2023 (as to the helpfulness of goal setting).

¹⁸³ Anecdotal Interview #2, September 12, 2022.

¹⁸⁴ Tables #116, "MetroNashvilleSurveyTables V2."

¹⁸⁵ Anecdotal Interview #3, September 13, 2022.

¹⁸⁶ Anecdotal Interview #5, September 14, 2022.

A different MWBE situated the problem with the informal networks between public officials and their friends in the business world. “Nashville, unfortunately, is a city that operates on a “good old boy” system... There is this one particular [White-owned] firm that got four contracts in a 45-day period, one after another. There was nothing unique about those projects such that that firm had some type of unique qualifications.”¹⁸⁷ Of the survey respondents, 20% of Multi/Bi-racial respondents, 16.7% of Hispanic Americans, and 10.7% of African Americans indicated that they had experienced discriminatory behavior from Metro Nashville.¹⁸⁸ According to this person, this type of network affects the awarding of sub-contracts, as well. “[Metro Nashville] treats the contracting of work as if it’s their own private money... Those prime contractors are told very subtly, put so-and-so on your team. So, even at the subcontractor level, you can’t break through.”¹⁸⁹ Another MWBE owner with a largely positive view of Metro Nashville indicated that the informal networks are not completely dissolved, saying that they “had no problem with communication or responsiveness with [one Metro unit] but that [a different unit] was especially difficult. I think they had their favorites and I’ll just leave it at that.”¹⁹⁰ A MWBE owner with a more positive experience with Metro Nashville suggested that outreach could be improved to dissolve any informal networks that frustrate inclusion. “When you attend these pre-bid meetings, they take your name down and distribute everybody’s business card. That is in no way making any real matchmaking, connection, or opportunities [for MWBEs] ... These primes should have to show who they reached out to and how they reached out to them.”¹⁹¹ Again, the majority of MWBEs who responded to the survey indicated that they believe Non-Minority prime contractors only turn to MWBEs because of Metro Nashville’s goal-setting.¹⁹² Perhaps, as one MWBE suggested, the answer to informal networks is the creation of active, engaged partnerships between Metro Nashville and MWBEs: “We need more awareness of what is going on. Is there more we can do to create a community?”¹⁹³

6. Lack of Outreach

At least one interview subject saw no problem with Metro Nashville’s outreach efforts, saying, “Yes, there is so much outreach that it is overkill.”¹⁹⁴ A MWBE owner who does business in many different jurisdictions noted that they have never received any outreach from Metro Nashville.¹⁹⁵ A representative of a local organization which has a positive relationship with Metro Nashville did suggest that outreach via email is not always clear and that emails can be written in a “niche language” that many MWBEs might not fully understand.¹⁹⁶ A MWBE seconded this assertion by insisting that Metro Nashville engage in “culturally competent outreach.”¹⁹⁷

¹⁸⁷ Anecdotal Interview #4, September 19, 2022.

¹⁸⁸ Table #115, “MetroNashvilleSurvey Tables V2.”

¹⁸⁹ Anecdotal Interview #4, September 19, 2022; see also Focus Group #1, February 8, 2023.

¹⁹⁰ Anecdotal Interview #10, September 20, 2022.

¹⁹¹ Anecdotal Interview #5, September 14, 2022; see also Focus Group #1, February 8, 2023.

¹⁹² Tables #118, “MetroNashvilleSurveyTables V2.”

¹⁹³ Anecdotal Interview #18, September 13, 2022.

¹⁹⁴ Organization Interview #6, November 1, 2022.

¹⁹⁵ Business Interview #1, August 16, 2022.

¹⁹⁶ Organization Interview #2, Sept. 1, 2022; see also Anecdotal Interview #28, December 5, 2022.

¹⁹⁷ Anecdotal Interview #12, September 7, 2022.

A different MWBE owner was unsure of Metro Nashville's outreach efforts but implied that they were not extensive.¹⁹⁸ "When we've even had opportunities for...smaller projects [and are] just reaching out, either the correspondence wasn't returned quickly or [we got] the feeling that they've got the person [that they want to hire] so why go through the song and dance."¹⁹⁹ One person said, "I haven't experienced any networking opportunities [from Metro Nashville] ... If we talk about best practices, Atlanta Black Chamber does an excellent job."²⁰⁰ A relatively young entrepreneur indicated that they had a working knowledge of public contracting only because of their experience as a military veteran.²⁰¹ A different MWBE who has done business with Metro Nashville also complained about a lack of outreach. "I have a neighbor, who is an electrician and he's also a minority-owned business. He says the same thing, that Metro Nashville doesn't reach out. So, he's turned to more of the private sector, rather than rely on the public-sector."²⁰²

7. Biggest Obstacles Faced by MWBEs

One interview subject said the biggest obstacles for MWBEs are a lack of training about the procurement process and an objective means to measure success. In addition, this person has the impression that political authorities are more concerned with getting MWBEs certified than with helping them actually get equal opportunities.²⁰³ One MWBE leader complained about the website that Metro Nashville uses, saying that "[t]he only barrier that I have that has been consistent is through the iSupplier web site where all of the RFQs and RFPs from Metro Government are listed. Trying to get it to work right has been a big problem."²⁰⁴ A different MWBE remarked in similar fashion that in their last attempt to submit online for an IDIQ (Indefinite Delivery, Indefinite Quantity) contract, [the MWBE] couldn't get the documentation loaded correctly, so the system timed-out on him.²⁰⁵ Others agreed with this assessment.²⁰⁶

A different obstacle identified by some is the competitive environment. For some, it might mean operating in a business sector that is notoriously sexist.²⁰⁷ For other MWBEs, it might mean inconsistencies in the award process or bidding criteria. "There was another [MWBE] that always bid alone as the prime contractor. For some reason, most of the time, that business was awarded the contract. The silly thing was that that business only had one truck. In my mind, I don't know what the state is looking for, but if you have a [MWBE] that has one truck versus one with five trucks, bidding on the same job and you require more than five trucks, why would you award the job to the company that only has one truck?"²⁰⁸ One MWBE owner said that although certification was helpful—"I wouldn't get half the business I get [without it]" —the problem is competing with multi-million-dollar firms that are designated as small business enterprises.²⁰⁹

¹⁹⁸ Business Interview #3, February 10, 2023; see also Focus Group #1, February 8, 2023.

¹⁹⁹ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁰⁰ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁰¹ Anecdotal Interview #13, September 9, 2022.

²⁰² Anecdotal Interview #9, September 15, 2022.

²⁰³ Business Interview #1, August 16, 2022.

²⁰⁴ Anecdotal Interview #3, September 13, 2022.

²⁰⁵ Anecdotal Interview #10, September 20, 2022.

²⁰⁶ Anecdotal Interview #18, September 13, 2022.

²⁰⁷ Anecdotal Interview #8, September 15, 2022.

²⁰⁸ Anecdotal Interview #8, September 15, 2022.

²⁰⁹ Anecdotal Interview #5, September 14, 2022; but, c.f. Focus Group #1, February 8, 2023 (one of the participant's more positive view on certification).

Substantial pluralities of MWBEs said that “unfair competition with large firms” prevented them from bidding on contracts with Metro Nashville.²¹⁰ Another MWBE owner said “Sometimes you were forced to bid so low you could not make any money. At other times, they just dumped the contracts into the laps of their favorites. I had my ups and downs with them.”²¹¹ A different subject stated that “the process of getting registered [with Metro Nashville] can be cumbersome and time-consuming...for a small business owner.”²¹² Again, survey results confirm that significantly more MWBEs have not registered with Metro Nashville through iSupplier than Non-Minority firms.²¹³ In that same vein, most of the MWBEs who answered “no” to the question about being registered with Metro Nashville indicated that either they did not know how to register or that they did not know that a registry existed.²¹⁴

One business veteran who provided an interview stated that the procurement process was difficult to manage, saying that the “[p]rocess was grueling [with] lots of paperwork.”²¹⁵ Another asserted that the “RFPs can be complex and confusing... [in that] the language and...requirements are not explained [clearly] up-front. And sometimes stipulations like lowest bidder requirements are a disadvantage to smaller businesses.”²¹⁶ A MWBE corroborated the idea that “red tape” had a negative impact on MWBEs: “Unnecessary questions that throw minorities off if they don’t know. Whereas another company, like I say their favorites, they wouldn’t do that. So, I would say unnecessary red tape that they put in the clauses that make us stumble.”²¹⁷ A representative of an advocacy group replied to a question in this area by saying that “the barrier is not being on a level playing field: not having the relationships that could help them secure contract opportunities.”²¹⁸ A member of a different affinity group said that participation by MWBEs is low because “they don’t feel seen, welcomed, and celebrated,” despite the fact that there is a great deal of rhetoric, locally, around being inclusive.²¹⁹

One interview subject added that, in addition to capital requirements, the lack of monitoring of Prime contractors is a significant problem. “Prime contractors are using [MWBEs] to fulfill requirements [but there is] no follow through by Metro Nashville to ensure that minority businesses are being treated fairly by primes.”²²⁰ A different person echoed this complaint, stating that “we got an open-end electrical engineering contract and in four years we got zero work. When we asked how that was possible, [the Prime] explained that we are in a pool with multiple contractors. Then at the end of the contract period, you discover that all the task orders went to [the Prime’s] friends.”²²¹

²¹⁰ Table #57, “MetroNashvilleSurveyTables V2.”

²¹¹ Anecdotal Interview #1, September 12, 2022.

²¹² Organization Interview #3, Sept. 6, 2022.

²¹³ Table #17 “MetroNashvilleSurveyTables V2.”

²¹⁴ Tables #19 and 20 “MetroNashvilleSurveyTables V2.”

²¹⁵ Business Interview #3, February 10, 2023.

²¹⁶ Organization Interview #3, Sept. 6, 2022; see also Focus Group #1, February 8, 2023.

²¹⁷ Anecdotal Interview #1, September 12, 2022.

²¹⁸ Organization Interview #1, August 30, 2022.

²¹⁹ Organization Interview #2, Sept. 1, 2022.

²²⁰ Anecdotal Interview #2, September 12, 2022; see also Focus Group #1, February 8, 2023, and “nash FG email comment”, February 8, 2023.

²²¹ Anecdotal Interview #4, September 19, 2022; see also Focus Group #2, February 9, 2023.

If one were to measure success by the awarding of contracts by Metro Nashville, the available statistics question the notion of a level playing field for MWBEs. More Non-Minority firms were awarded subcontracts in the five-year period between 2017 and 2022 than MWBEs. According to the survey results, 6.7% of Non-Minority firms received between 11 and 25 subcontracts in the time frame, while only 2% of African Americans and 1.1% of Women were able to say the same. Indeed, 3.3% of Non-Minority firms received between 51 and 100 subcontracts in the timeframe; by comparison, no African American, Hispanic American, Native American, or Asian American respondents reached that number of subcontracts.²²² An MWBE subject stated flatly that “MWBEs are not afforded the same opportunities” as White male firms and that double-standards in qualifications and work performance make it more difficult for MWBEs to bid for and win contracts with Metro Nashville. The survey results regarding winning bids seem to bear out this concern.²²³ “We spend a lot of time trying to prove our worth. You have to go above and beyond to get half as far,” said one MWBE owner, a position supported by a majority of MWBE respondents to the survey.²²⁴ “As far as applying through the RFP process, [we have] just not had success. We work all around Nashville; Birmingham, we’ve done work in Chattanooga, Knoxville, Atlanta but never, never Nashville in 15 years. We do our research and [on one RFP] we noticed that three people [who work for Metro Nashville] used to work for the [White male owned business that won the bid]. So, you feel like ‘how can this be a fair process?’”²²⁵

8. Discrimination/Disparate Treatment

There were several comments expressing experiences of discrimination. “Yes, there is discrimination,” said one MWBE owner, “with professional services both on the prime AEC and on the Municipality side...Anytime I can predict 100% who is going to get a project [it] is not good.”²²⁶ Even some who were familiar with discriminatory practices suggested that it was part of the general marketplace and not unique to Metro Nashville.²²⁷ A life-long resident of Nashville challenged the notion that Metro Nashville’s contracting processes could be free of discrimination when clear racial disparities remain in many areas of life: “Since the beginning of time there have always been disparities in healthcare, job opportunities, education, & housing.”²²⁸ “[I]t’s 2023...and the State [of Tennessee], Nashville and other cities have still yet to put [MWBE] goals on preconstruction activities.”²²⁹

²²² Table #36 “MetroNashvilleSurveyTables V2.”

²²³ Tables #27 and 30 “MetroNashvilleSurveyTables V2.”

²²⁴ Business Interview #3, February 23, 2023, and March 6, 2023, and Tables #117, “MetroNashvilleSurveyTables V2.”

²²⁵ Business Interview #3, February 23, 2023, and March 6, 2023.

²²⁶ “Nash email 1,” December 8, 2022.

²²⁷ Business Interview #3, February 10, 2023; see also Organization Interview #3, Sept. 6, 2022, and Nash email 6, January 5, 2023.

²²⁸ Organization Interview #10, March 3, 2023.

²²⁹ Nash email 2, December 8, 2022.

In a different challenge to the good faith efforts of Metro Nashville, one MWBE asserted that they have done a great deal of volunteer work for Metro Nashville, whenever Metro Nashville needs a Person of Color. Yet, this sacrifice is neither recognized nor rewarded. “[W]e get more business from outside the city than we do from the city. We’re constantly not getting bids or being out-bid, even though we’re signed up as a vendor with MNPS. It’s frustrating when you have businesses outside the city, owned by Caucasian males, being awarded bids for the schools. So, I’ve given up.” And this person indicated that they are not alone, as they know of no one in their community who has had a positive experience with Metro Nashville.²³⁰ A spokesperson for an advocacy group surmised that “[t]he fact that we have to keep doing disparity studies every five years is indicative of the fact that there is still disparity.”²³¹ A long-time business owner who provided an interview stated that, in the past, Metro Nashville required their firm to have insurance, a “stipulation that did not apply to everyone.”²³² “It feels like laws or rules are put in place,” offered one subject “with the understanding that [MWBEs] will never be prime contractors.”²³³ Another said, flatly, “[l]ast time I checked, we were graduating from GA Tech, NC State, MIT, UTK, and more. By refusing us the right to have [MWBE] goals in preconstruction, the State is telling us one thing and one thing only...we don’t want you here working unless you are doing manual labor.”²³⁴ A different observer told the following story: “I was a bidder on a park project [for Metro Nashville] ...and, by all metrics used, should have won the bid. My cost was lower. My bid included [a stipulation] which the mayor had touted as an initiative... I am [MWBE]...and I am well qualified, having performed similar work in the past...I believe the metro team that supports diversity did their jobs...But the one who awarded the [contract] gave it to the firm that designed the park project...an out-of-state [Non-MWBE].”²³⁵

An advocacy group representative who has a favorable impression of Metro Nashville offered that Metro Nashville does not always seem to be acting in good faith. This subject said that it feels like they publish an RFP just “so people know [of opportunities] but actually we’re going to go with who we know and who knows us. And that is evident...by the way that they speak...They don’t write the way that they speak. The requirements are not clear on the front-end and the barriers sometimes are too great [for an MWBE.]” This subject added that Metro Nashville seems “a little exclusionary and outdated in its practices.”²³⁶ A Nashville veteran talked about a personal experience with discrimination when seeking a job: “They hear [my] voice and everything is good but when they meet [me] in person they turn [me] away.”²³⁷ One business advocate with no first-hand experience with disparate treatment related a story from a client: “At [a May 2022 gathering of MWBEs], one of the participants said that [they are] tired of people coming up to Minority/Women owned businesses and saying they can’t get contract support without more years under their belt whereas their counterparts are getting contract opportunities even if they are new .”²³⁸

²³⁰ Anecdotal Interview #12, September 7, 2022.

²³¹ Organization Interview #3, Sept. 6, 2022.

²³² Business Interview #3, February 10, 2023.

²³³ Business Interview #3, February 23, 2023, and March 6, 2023; see also “Nash email 3,” August 2, 2022. Additionally, see Table #10, “MetroNashvilleSurveyTables V2.”

²³⁴ Nash email 2, December 8, 2022; see also Table #13 “MetroNashvilleSurveyTables V2.”

²³⁵ Nash email 6, January 5, 2023.

²³⁶ Organization Interview #2, Sept. 1, 2022.

²³⁷ Organization Interview #10, March 3, 2023.

²³⁸ Organization Interview #5, September 7, 2022.

In reply to a question that asked how often their firms had experienced discrimination from non-governmental entities, 83.3% of Non-Minority and 64% of Women respondents answered “never.” Meanwhile, only 16.7% of African American and 14.3% of Asian Americans provided the same answer, implying that significant numbers of MWBEs have faced some discrimination in the private sector.²³⁹ The results were only slightly better when the question focused on discriminatory behavior from Metro Nashville.²⁴⁰ An experienced MWBE owner said that “no matter how many certifications, how much knowledge you come to the table with, there’s no way you can compete with the experiences and case studies of...a global firm that does the same work...It’s not that we can’t do it, but if we’re not...afforded the same opportunities, [MWBEs] are going to continue to work on projects [as a sub-contractor] or...small projects...just so the [government entity] can feel like they’ve done their part of out-sourcing some work to MWBEs.”²⁴¹

9. Need for Improvement

One interview subject suggested that Metro Nashville was doing a good job, but that improvement remains necessary: “Metro is doing a good job and [we] are deeply appreciative... Is there more to do? Yes.”²⁴² An interviewee spoke more broadly about the need for Metro Nashville to raise awareness about the various opportunities and processes of which many small business owners are not aware.²⁴³ One person who has only worked as a sub-contractor and has had a positive experience with Metro Nashville asked for a point of contact for upcoming projects.²⁴⁴ Specific recommendations from one interviewee to Metro Nashville included 1) creating “a minimum [overhead] rate for [MWBEs] that we can work with” and 2) create an “on-call” list of MWBEs for work that falls below the monetary threshold that requires City Council approval.²⁴⁵ Meanwhile, another interviewee suggested that Metro Nashville should not allow firms from outside the metropolitan area to bid on their contracts.²⁴⁶

According to others, that room for improvement comes in terms of Metro Nashville using its power to keep Prime contractors working in an ethical fashion: “[w]hen a contract with a minority participation goal has been awarded by Metro Nashville, I think that they...should reach out directly to the minority owned business and establish lines of communication that will allow them to monitor the contract to ensure that the minority business is being used and paid in accordance with the contract requirements.”²⁴⁷ Oversight should be a priority, added a different MWBE, who said that the prime contractors often use MWBEs just to make a plausible claim to Metro Nashville that they made a contact without necessarily providing the MWBE with a sub-contract.²⁴⁸ “It’s hard to move forward because we can never compete with the historic partnerships that exist with firms that have been around for seventy years. [MWBEs] don’t have the same legacy of support [from which White male firms] benefit.”²⁴⁹

²³⁹ Tables #112, “MetroNashvilleSurveyTables V2.”

²⁴⁰ Tables #113, “MetroNashvilleSurveyTables V2.”

²⁴¹ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁴² Organization Interview #9, December 7, 2022.

²⁴³ Focus Group #2, February 9, 2023.

²⁴⁴ Anecdotal Interview #27, December 2, 2022.

²⁴⁵ Nash email 1, December 8, 2022.

²⁴⁶ Nash email 7, January 20, 2023.

²⁴⁷ Anecdotal Interview #2, September 12, 2022.

²⁴⁸ Anecdotal Interview #8, September 15, 2022.

²⁴⁹ Business Interview #3, February 23, 2023, and March 6, 2023; see also Anecdotal Interview #12, September 7, 2022, and Focus Group #1, February 8, 2023.

As to addressing systemic problems, one interviewee suggested meaningful efforts at increasing the pipeline of MWBEs in the architecture, design and engineering spaces, efforts that should begin with school systems and area colleges/universities.²⁵⁰ One witness said that “Metro work has always gone to the lowest or inside bidder.”²⁵¹ Another interviewee made several recommendations to deal with the systemic problem of competing with very large, well-funded businesses, including focusing on “best value” instead of “lowest bid,” or allowing a group of MWBEs to “joint venture” on a contract. This person added that unbundling some of the larger projects also would prove useful: “[w]hile the small business may not be able to handle a \$5 million dollar contract, they might be able to take on a million-dollar piece of it.”²⁵² Likewise, a different MWBE implored Metro Nashville to look for the “best value” and to also consider an MWBE’s historic relationship to the larger community.²⁵³ Similarly, one interviewee urged Metro Nashville to include voices from the non-profit world into discussions about the procurement process.²⁵⁴ The idea of community-building also applies to the relationship between Metro Nashville and the community of MWBEs.

One interviewee suggested community-building between Metro Nashville and MWBEs to help all small and disadvantaged businesses. If Metro Nashville fully commits to inclusivity, some of the MWBEs can become “evangelists” for the program and these “evangelists would be a way to help promote the program. They could help business owners know how to effectively” engage with Metro Nashville.²⁵⁵ A different subject asked that Metro Nashville “assist with a veteran hiring program, matching those folks with jobs. Finding people is a challenge and [the subject] would like to hire returning veterans.”²⁵⁶ Another suggested pre-certification workshops for MWBEs that could help new business owners learn about the system and the opportunities available to them.²⁵⁷ Yet, another subject suggested that “since it appears that...the Nashville BAO is helping to alleviate...some of the obstacles, to lower some of the barriers to doing business with Metro Nashville that if we are serious about really trying to engage and include more [MWBEs], then I think we need to make sure that [Nashville BAO] is resourced appropriately in terms of their staff and...funding.” This subject added that, in terms of certifications, Metro Nashville “should accept nationally recognized certifications so they do not have to go through unnecessary steps.”²⁵⁸ Other people suggested that Metro Nashville convene “roundtable discussions in order to identify gaps” in the contracting process²⁵⁹ or the use of “descriptive business codes” to clarify the substance of the contract.²⁶⁰

²⁵⁰ Business Interview #2, September 14, 2022.

²⁵¹ Nash email 4, October 3, 2022.

²⁵² Anecdotal Interview #5, September 14, 2022; see also Anecdotal Interview #8, September 15, 2022, Anecdotal Interview #23, November 16, 2022, and Nash email 9, January 24, 2023.

²⁵³ Anecdotal Interview #12, September 7, 2022.

²⁵⁴ Anecdotal Interview #21, November 2, 2022.

²⁵⁵ Anecdotal Interview #18, September 13, 2022.

²⁵⁶ Anecdotal Interview #20, October 12, 2022.

²⁵⁷ Anecdotal Interview #13, September 9, 2022; see also Anecdotal Interview #23, November 16, 2022.

²⁵⁸ Organization Interview #3, Sept. 6, 2022. See also Anecdotal Interview #14, September 15, 2022, and Anecdotal Interview #3, September 13, 2022, as to the importance of the BAO; see also Focus Group #1, February 8, 2023 (the participants’ suggestion of an “SBA” on the city level). See also Anecdotal Interview #24 [with respect to Tribal ID cards as a substitute for certification].

²⁵⁹ Organization Interview #6, November 1, 2022; see also Focus Group #1, February 8, 2023.

²⁶⁰ Anecdotal Interview #12, September 7, 2022; see also Anecdotal Interview #18, September 13, 2022.

Some subjects feel that outreach by Metro Nashville must be intentional. “Do more targeted outreach to MWBEs to let them know that the city is interested in doing business with them; and the process that can be used to become eligible... I bet there is a huge percentage of businesses that don’t even know they have the ability to be a vendor with [Metro Nashville].”²⁶¹ By comparison, “in Memphis, we know about every RFP...not so much in Nashville.”²⁶² A different interview subject stated that Metro Nashville could improve by “[g]iving MWBEs more work and by tak[ing] them more seriously.”²⁶³ In a similar vein, a different subject added that Metro Nashville should not require [a 100% MWBE firm bidding as a Prime] to meet the 23% participation goal.”²⁶⁴ One interviewee remarked that Metro Nashville can improve by “[h]iring Black firms...because there are limited opportunities for MWBEs.”²⁶⁵ Another interviewee suggested that Metro Nashville make “programs available for helping [small businesses] with bond access issues.”²⁶⁶ One person suggested that Metro Nashville “create a formal mentor/protégé [program] similar to what the [Small Business Administration] currently has...The SBA mentor/protégé program allows large and medium-sized businesses...to mentor other businesses in areas where they may need assistance, be it management and technical assistance; it could be with financing...[or] the administrative side of their business. And, in turn, what SBA allows is...the mentor and the protégé to joint venture on any federal government contracts [for which the small business is eligible].”²⁶⁷ “It is important that women and minority owned business owners support each other and make sure we help each other,” said a MWBE owner.²⁶⁸ Other voices chimed in with regard to how Metro Nashville could better use technology.

With respect to the specific activities of Metro Nashville, many have indicated that Metro Nashville’s website is difficult to navigate, so upgrading that technology could help MWBEs.²⁶⁹ One MWBE well-versed in the digital world said that they “[sum] people up by their presence online,” and when they look at Metro Nashville’s website, it communicates to them only a half-hearted effort. As a result, this interviewee suggested an “improved Oracle site [with] easier to understand next steps [and a] seamless user experience.”²⁷⁰ This observation jibes with that of another subject who stated that “the bid system is antiquated, to say the least...and the list of DBE subcontractors is not up to date.”²⁷¹ The representative of an affinity group suggested that Metro Nashville create “a YouTube page...with someone explaining what is necessary, giving the requirements, giving the next steps...We know that most [People of Color] are visual learners, so if everything is written...you’re not making the sacrifices needed to insure equity.”²⁷² Echoing that sentiment was a MWBE owner who recommended Metro Nashville stage “Go-Webinars” to quickly provide key factual information or hybrid “lunch and learn” sessions to educate MWBEs on the entire process; these should be recorded and made available on Metro Nashville’s website for viewing at any time.²⁷³

²⁶¹ Anecdotal Interview #12, September 7, 2022.

²⁶² Business Interview #3, February 23, 2023, and March 6, 2023.

Business Interview #3, February 10, 2023.

²⁶⁴ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁶⁵ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁶⁶ Anecdotal Interview #16, September 13, 2022.

²⁶⁷ Organization Interview #1, August 30, 2022.

²⁶⁸ Anecdotal Interview #19, September 30, 2022.

²⁶⁹ Anecdotal Interview #10, September 20, 2022; see also Anecdotal Interview #14, September 15, 2022, and Anecdotal Interview #26, December 1, 2022.

²⁷⁰ Anecdotal Interview #18, September 13, 2022; see also Anecdotal Interview #28, December 5, 2022.

²⁷¹ Anecdotal Interview #25, November 29, 2022.

²⁷² Organization Interview #2, Sept. 1, 2022.

²⁷³ Anecdotal Interview #13, September 9, 2022.

One interviewee offered another area that Metro Nashville should consider tweaking: “[t]he construction permitting process is challenging. That process could be revamped, and the workflow could be improved on to be streamlined in the internal routing of the documents through different departments.”²⁷⁴ Other interview subjects echoed the idea of simplification: “It could be simpler [and shorter]. They should get straight to the point. The bid package shouldn’t be 50 pages long when they are looking for the answers to three questions. By the time you get to the three questions that matter, you’ve answered 34 questions wrong.”²⁷⁵ “As a small business owner, you are constantly running around trying to figure things out on your own. You are the CEO, CFO, and the Chief HR Officer... So, any process that enables you to do business with Metro Nashville should be as simple as possible.”²⁷⁶ One subject completely agreed with this idea, saying “simplify the process so that [MWBEs] are encouraged to do it.”²⁷⁷ Simplification certainly should help MWBEs as their firms tend to have fewer staff (and generate lower gross revenue) than Non-Minority firms, according to our survey.²⁷⁸ Another subject suggested that working to create a truly competitive marketplace will help Metro Nashville and save taxpayers money, over time.²⁷⁹

A different MWBE suggested using another local entity as a template. “Metro Nashville Public Schools has a model MWBE program for fairness and intentionality. They rotate professional services contracts among firms.” This subject suggested several other changes, including changing the way scoring is done, conducting annual reviews of which firms received what amount in contract value, and rotating professional services contracts among pre-qualified firms. For instance, “[s]ome of the most lucrative contracts that come out of Metro Nashville are inspection contracts [which require minimal educational qualifications...Since] there is no high degree of specialty required... I would say that if you get the contract for two years, you can’t get it again for four years... Staffing at Metro Nashville was also a concern to some.

One person who has enjoyed a positive relationship with Metro Nashville for decades noted that “[Metro Nashville] is understaffed and they have challenges getting things done in a timely manner.”²⁸⁰ “Even though I think I have tried, I cannot connect to that one person [who could tell me if my services are needed at Metro Nashville],” said one MWBE. Consequently, this person suggested that Metro Nashville hire a “navigator” to help inquiring businesses know where to go to get answers to their inquiries.²⁸¹ A different interviewee agreed with this frustration. “We need more clarity around the process for being certified,” they noted, adding that “the folks we know who would qualify as partners face our same barriers. We had explored the potential with two different partners but neither could understand the process.”²⁸² Among our survey respondents, 47.1% of Women, 37.5% of African Americans and 33% of Asian Americans noted that they did “not understand how certification can benefit my company.”²⁸³

²⁷⁴ Anecdotal Interview #29, December 5, 2022.

²⁷⁵ Anecdotal Interview #1, September 12, 2022.

²⁷⁶ Anecdotal Interview #2, September 12, 2022. See also Anecdotal Interview #4, September 19, 2022, and Anecdotal Interview #12, September 7, 2022, as to simplifying the bid process and allowing Purchasing (and not the relevant department) to write the RFP to avoid corruption.

²⁷⁷ Anecdotal Interview #13, September 9, 2022.

²⁷⁸ Tables #11, 12, 15 and 16 “MetroNashvilleSurveyTables V2.”

²⁷⁹ Organization Interview #4, September 7, 2022.

²⁸⁰ Anecdotal Interview #22, November 9, 2022.

²⁸¹ Anecdotal Interview #17, September 27, 2022; see also Anecdotal Interview #28, December 5, 2022, Anecdotal Interview #30, December 7, 2022, and see also Focus Group #2, February 9, 2023.

²⁸² Anecdotal Interview #21, November 2, 2022.

²⁸³ Table #76, “MetroNashvilleSurvey Tables V2.”

Another subject uses their own work-around and “call the primes that we have relationships with to see what work is upcoming.”²⁸⁴ One subject acknowledged that the COVID-19 pandemic reduced in-person staff who were available to answer questions. Nonetheless, this MWBE owner found the automated system ineffective. “[T]he automated systems seem to loop you around before they boot you out. In one instance, I needed information about a bid I was submitting. I made 9 calls to the City, and I only got an answer when I started calling departments that didn’t have anything to do with the job I was asking about.”²⁸⁵ This subject also recommended better inter-departmental coordination for public events so that a single event coordinator could speak for all units represented in front of inquiring businesses.²⁸⁶

We also received feedback from interview subjects about whether Metro Nashville could improve outcomes by diversifying its staff. One person recommended hiring translators to help English Language Learners to navigate the entire process, from getting a business license to bidding on a contract.²⁸⁷ A separate interviewee said that “[n]ot that any one person is the bad guy here, but you have to make space around [inclusivity] for your employees to do that or put someone in a position who can take a deeper look at [inclusion].”²⁸⁸ Similarly, another person said that “if [a staff member who is a Person of Color] is powerless, then there is no purpose...What I would appreciate is not just having a [Person of Color] in a room but giving [People of Color] more autonomy and power [in decision-making].”²⁸⁹ Another MWBE owner echoed this sentiment: “I have not seen any changes in the program, since I participated in the last Nashville study. I have seen a number of minorities elevated to higher levels of responsibility in the city’s program; and you’d think they would be more empathetic and focused on building a program that helps more minority, women, veteran, Alaskan, whichever minority. But I’m disappointed.”²⁹⁰ A different person, in a reference to former Atlanta Mayor Maynard Jackson, said “Metro Nashville needs someone to take a harsh stand to make sure [MWBEs] are benefitting from contract opportunities.”²⁹¹ The representative of an affinity group replied that Metro Nashville could create “a team to ensure decision makers and stakeholders are shown how to implement practices [based on the results of the disparity study] and coach them through [implementation so] that it is efficient and does not harm their business model.”²⁹²

²⁸⁴ Anecdotal Interview #29, December 5, 2022.

²⁸⁵ Anecdotal Interview #7, October 13, 2022; see also Focus Group #2, February 9, 2023.

²⁸⁶ Anecdotal Interview #7, October 13, 2022.

²⁸⁷ Anecdotal Interview #11, September 7, 2022.

²⁸⁸ Organization Interview #2, Sept. 1, 2022.

²⁸⁹ Business Interview #3, February 23, 2023, and March 6, 2023.

²⁹⁰ Anecdotal Interview #9, September 15, 2022.

²⁹¹ Organization Interview #5, September 7, 2022.

²⁹² Organization Interview #4, September 7, 2022; see also Focus Group #1, February 8, 2023.

D. Conclusion

Metro Nashville has grown rapidly to become the largest urban center in the State. It has become home to tens of thousands of People of Color, recent immigrants and citizens with varying levels of English-language proficiency and/or cultural capital. However, there are differences that point to gaps in equity. For instance, the owners of MWBEs are more highly educated than average yet are much less confident that they can win contracts with the Metro Nashville. MWBEs were more likely to be rejected for operational or equipment loans than Non-Minority firms. Additionally, MWBEs typically received fewer contracts from Metro Nashville, and for smaller dollar amounts, than Non-Minority firms. For example, according to the survey results, 3.3% of Non-Minority firms received between 51 and 100 subcontracts in the timeframe; by comparison, no African American, Hispanic American, Native American or Asian American respondents reached that number of subcontracts.

The hesitancy from MWBEs to bid with Metro Nashville also made itself known. 16.7% of Hispanic Americans, 10.8% of African Americans and 10% of Women said they did not submit a bid because a “contract [was] too expensive to bid on;” only 3.3% of Non-Minority respondents behaved in the same way. Many MWBEs complained about the technology deployed by Metro Nashville, indicating that it was outdated and frustrating. This may serve as a partial explanation for the 33.3% of Native Americans, 19.6% of African Americans, 14.4% of Women and 14.3% of Asian Americans who considered “bid specifications” to act as a barrier, while only 6.7% of Non-Minority respondents agreed. Interview subjects also expressed concerns about the competitive environment. 51.1% of Women, 83.3% of African Americans, 78.6% of Asian Americans, 66.7% of Native Americans and 50% of Hispanic Americans believe that informal networks exist. Moreover, the large majority of MWBEs believe that informal networks dominated by certain Primes have the effect of warping Metro Nashville’s contracting process.

There was a measure of disagreement among MWBEs as to whether Metro Nashville engaged in enough outreach. However, a consensus formed around the idea that whatever outreach is taking place, it is neither robust enough to be effective nor inclusive. Many MWBEs complained of difficult relationships - and possibly discriminatory treatment - from Prime contractors. At times, the issue might be late or incomplete payment from the Primes; at other times, the MWBEs complained of no payment at all. In addition, a good proportion of interview subjects believed that Prime contractors only included them because Metro Nashville’s procurement process compelled them to do so. Some subjects asserted that the concerns about outreach, hidden barriers to bidding, or an inability to overcome informal networks can be resolved by deploying better technology. Others thought more direct intervention was necessary. Consequently, a large proportion of MWBEs believe that it is critical for Metro Nashville to use its power to monitor Prime contractors to ensure their ethical behavior in the marketplace.

Although many observers commend Metro Nashville for repeating a disparity study, many others are worried or feel discouraged. In North Nashville, the Jefferson Street Sound Museum honors the legacy of a “music row” that was often invisible to others throughout Metro Nashville and the nation. One study participant said that “everyone knows with the surge of new money planting themselves in Nashville, the disparity gap is only increasing, influencing City Council, redlining and gentrification, so that any chance of building...even a semblance of a thriving Black community is laughable.”²⁹³ The recent call for reparations foretells the need for greater public intervention to ensure equity, which can be done through improvements in the public procurement system.

²⁹³ “Nash email 5,” January 13, 2023.



APPENDIX A

DISPARITY STUDY DEFINITIONS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX A: Disparity Study Definitions

Anecdote: A reported personal experience or encounter, retold through interview, testimony, email, or survey. Not necessarily verified or based on research.

A&E: For the purpose of the Metro Nashville 2023 Disparity Study, “A&E” means construction-related professional services, including architecture and engineering, surveying, and construction management.

Availability Estimates: A term of art in Disparity Studies that refers to the percentage of ready, willing, and able firms in the entity’s Relevant Geographic and Product Markets in each work category that is disaggregated by race/ethnicity/gender.

Metro Nashville Market Area: For purposes of the Analysis of Marketplace Contracting Disparities in the Metro Nashville Market Area Chapter of the Disparity Study, the Market Area is the Nashville-Davidson-Murfreesboro-Franklin, TN Metropolitan Statistical Area (“MSA”) from the US Census Bureau.

City of Richmond v. J.A. Croson Company 488 U.S. 469 (1989) (“Croson”): – Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the 14 Amendment of the U.S. Constitution even if those laws are meant to remedy discrimination. Such laws, including those that create race conscious programs, must withstand judicial “strict scrutiny” or they will be dismantled. In its Croson decision, the Supreme Court ruled that the City of Richmond’s Minority Business Enterprise (hereinafter “MBE”) program failed to satisfy the requirements of “strict scrutiny” review under the 14th Amendment “Strict scrutiny” review involves two co-equal considerations to determine whether a race conscious program can withstand the Strict Scrutiny: First, the need to demonstrate a compelling governmental interest (which may be established through periodic disparity studies); Second, implementation of a program or method narrowly-tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was “necessary” to remedy the effects of discrimination in the marketplace.

Construction Services: For the purposes of the Metro Nashville 2023 Disparity Study, Construction includes any and all horizontal and vertical construction, including new construction, rehabilitations, remodeling, and repairs.

Disparity Index: A statistical measure demonstrated by the failure to meet parity between availability and Utilization. Disparity is calculated by comparing the utilization percentage to the availability percentage of each race/gender/ethnic group. Will result in either overutilization, underutilization, or parity.

Disparity Study (“Study”): A tool, identified by the Supreme Court as necessary for satisfying the strict scrutiny threshold for race conscious programs and demonstrating the compelling governmental interest by “factual predicate” that identifies discrimination and a narrowly tailored remedy to redress any finding of discrimination. Must adhere to the legal requirements of U.S Supreme Court decisions like City of Richmond v. J.A. Croson Company, 488 U.S. 469 (1989) and its progeny. Disparity studies are not designed to be an analysis of any current remedial programs but an analysis of race, ethnicity, and gender status and how it affects participation in the procurement process and in the marketplace.

Good Faith Efforts (“GFE”): The documentation and verification process to ensure that prime contractors are soliciting and negotiating with MWBEs in “good faith” for potential subcontracting opportunities.

Goods: For the purposes of Metro Nashville’s Disparity Study means commodities, materials, supplies, and equipment.

Industry Categories: Means, collectively, the industry categories included in the Disparity Study, which are: Construction, A & E, Professional Services, Other Services, Goods, as those industry categories are defined in this section.

Minority or Women-owned Business Enterprise (MBE or WBE): Means a certified for-profit, independent operating business that is at least 51% owned, operated, and controlled by minority person(s) and/or a woman or women. The ownership by minorities and women must be real and substantial. The minority group member(s) or women must have operational and managerial control, interest in capital and earnings commensurate with the percentage of ownership.

Minority Group Member: Means those persons, citizens of the United States and lawfully admitted resident aliens, who are defined as Black or African American, Asian American, Hispanic American, or Native American.

Non-Professional Services: Encompasses the procurement of advertising, printing, non-construction repairs and maintenance, janitorial services, training seminars and workshops, computer and information systems, security, shipping and mailing, microfiche and microfilm, courier, storage, travel, consulting, and other non-professional services.

Professional Services: Includes the purchase of any or all services covered by Section 4.08.080 for which applicable selection criteria may require a Participant to possess a license or other certificate of competency such as accounting, auditing, architectural, and engineering.

Overutilization: The measure by which the utilization percentage is higher than the availability percentage and the Disparity Index is above 100. In order to be statistically significantly overutilized, the Disparity Index must be 100 or more.

Parity: The absence of disparity, demonstrated by the utilization percentage being equal to availability percentage and the Disparity Index equaling 100.

Prime Contractor: A business who has entered into direct contractual relationship with Metro Nashville, or other public or private entity to provide a good, service, or perform a scope of services.

Qualitative Analysis: Also known as anecdotal analysis. Referring to a measurement of quality (ex. how good over how much). Typified through collection and analysis of constituents' anecdotal impressions, such as interviews, public hearings, focus groups, and other forms of commentary.

Quantitative Analysis: Commonly referred to as statistical analysis. Referring to a measurement of quantity over quality (ex. how much over how good). Typified by analysis of mathematical or statistical modeling.

Regression Analysis: Statistical measure used to determine whether the race, ethnicity or gender status of a business owner are an impediment in contracting in the Metro Nashville marketplace and whether but for these, they would have the capacity to provide services on a higher level than is currently utilized.

Relevant Geographic Market Area: A term of art in disparity studies that refers to the geographical area in which the entity spends at least 75% of its dollars based upon firm location. For Metro Nashville, the Relevant Market Area was the Nashville-Davidson-Murfreesboro-Franklin, TN MSA, which is made up

¹ Also referred to as "Other Services" in the Study.

of Davidson County, TN, Rutherford County, TN, Williamson County, TN, Sumner County, TN, Wilson County, TN, Maury County, TN, Robertson County, TN, Dickson County, TN, Cheatham County, TN, Macon County, TN, Smith County, TN, Cannon County, TN, Trousdale County, TN.

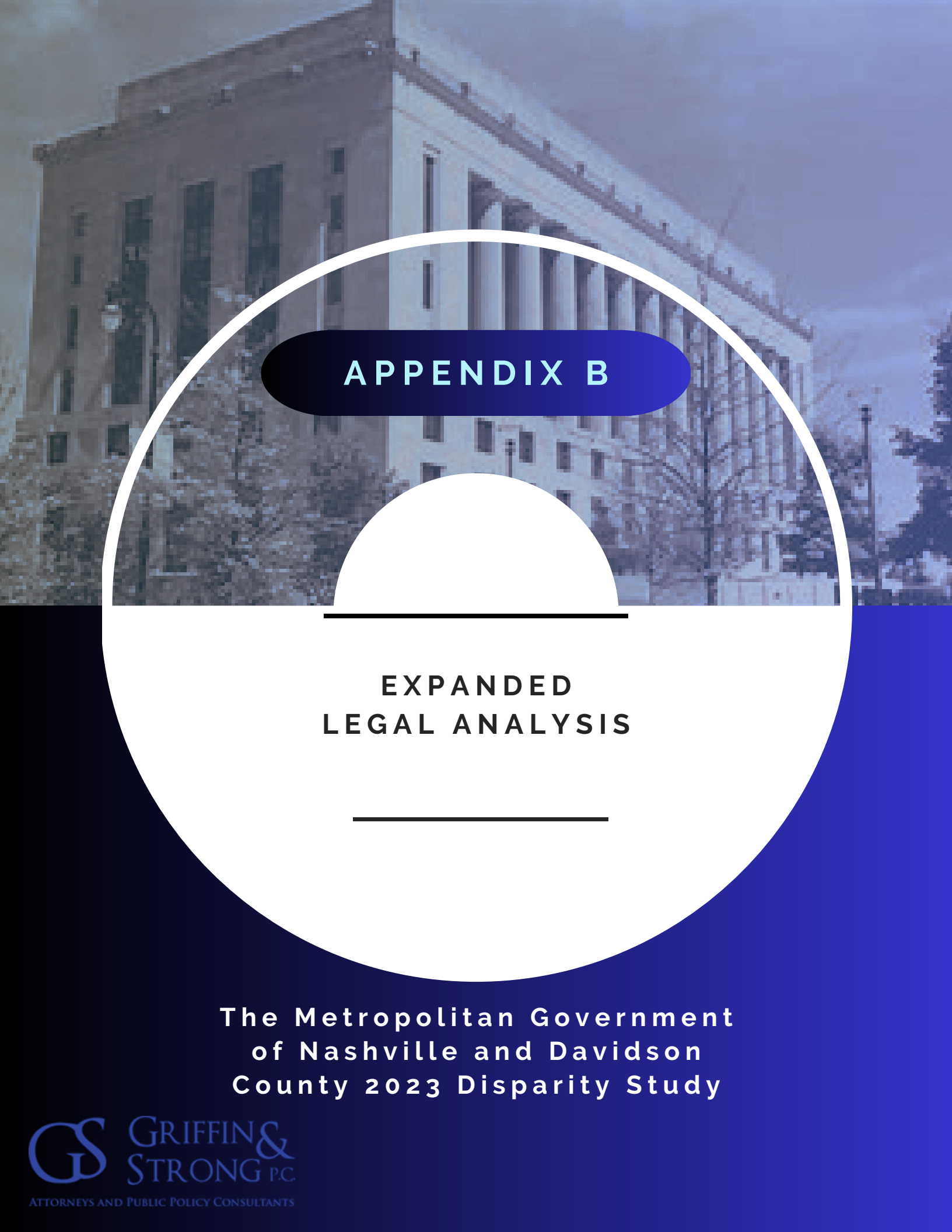
Strict Scrutiny: The highest level of judicial scrutiny used in determining the constitutionality of laws.

Study Period: The period between which all Metro Nashville contract awards are subject to the study analysis. For this Study it has been defined as July 1, 2017 - June 30, 2022 (FY2018-FY2022).

Subcontractor: A business who has entered into a direct contractual relationship with a Prime Contractor to either provide a good or service or perform a full scope, or portion of a scope of services.

Underutilization: The measure by which the utilization percentage is less than the availability percentage and the Disparity Index is below 100. In order to be statistically significantly underutilized, the Disparity Index must be 80 or less.

Utilization: A review of Metro Nashville's payments to determine where and with whom Prime Contractor and Subcontractor were made. The analysis is conducted both with regard to the number of firms and the dollars in each race, ethnicity, gender group during each year of the Study.



APPENDIX B

EXPANDED LEGAL ANALYSIS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX B: Expanded Legal Analysis

Having provided a historical overview of the significance and initial development of disparity studies, the following underscores the legal benefit to such studies should an M/WBE program or initiative be challenged in a court of law. There are several important legal standards and considerations which arise when a constitutional challenge to an M/WBE program is initiated, and each is addressed below.

Following this discussion, GSPC provides in this analysis an overview of some of the key aspects of its own study methodology for gathering and analyzing statistical and anecdotal evidence (which provides the “factual predicate” for any remedial program/policy), and discussion of the underlying legal basis for these methodological features.

A. Burdens of Production and Ultimate Proof

As noted above, the Croson court struck down the City of Richmond's minority set-aside program because the City failed to provide an adequate evidentiary showing of past and present discrimination as was its initial burden.¹ Since the Fourteenth Amendment only allows affirmative action policies that narrowly seek to remedy particularized discrimination, the Court held that state and local governments “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” The court's rationale for judging the sufficiency of the City's factual predicate for affirmative action legislation was whether there existed a “strong basis in evidence for its [government's] conclusion that remedial action was necessary.”²

The initial burden of production on the state or local governmental entity is to demonstrate a “strong basis in evidence” that its race- and gender-conscious contract program is aimed at remedying identified past or present discrimination.³ Merely stating a “benign” or “remedial” purpose does not constitute a “strong basis in evidence” that the remedial plan is necessary, nor does it establish a prima facie case of discrimination. Thus, the local government must identify the discrimination it seeks to redress, (Croson, 488 U.S. at 500-01), and produce particularized findings of discrimination.

A governmental entity may, for example, establish an inference of discrimination by using empirical evidence that proves a significant statistical disparity between the number of qualified M/WBEs, the number of M/WBE contractors actually awarded a contract by the governmental entity, or M/WBEs brought in as subcontractors by prime contractors to which a contract is awarded.

¹ Croson, 488 U.S. at 498-506.

² Croson, 488 U.S. at 500 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 1849 (1986)).

³ See West Tennessee Chapter of Associated Builders v. City of Memphis, 302 F.Supp.2d 860, 863 (W.D. Tenn. 2004) (citing Croson; Adarand).

The courts maintain that the quantum of evidence required for the governmental entity is to be determined on a case-by-case basis, and in the context and breadth of the M/WBE program it purports to advance.⁴ Once the governmental entity has shown acceptable proof of a compelling interest in remedying past discrimination and preliminarily illustrated that its plan is narrowly tailored to achieve this goal, the party challenging the affirmative action plan bears the ultimate burden of proving that the plan is unconstitutional.⁵

B. Equal Protection and Levels of Judicial Scrutiny

The Fourteenth Amendment provides that “No state shall . . . deny to any person within its jurisdiction the equal protection of the laws.” U.S. Const. amend. XIV, § 1. Courts determine the appropriate standard of equal protection review by “[f]irst . . . [determining] whether a state or local government has developed the program, or whether Congress has authorized the program’s creation,” then by examining the protected classes embodied in the statute. S. J. Groves & Sons Company v. Fulton County et. al., 920 F.2d 752, 767 (11th Cir. 1991).

1. Strict Scrutiny for Race-Based Classifications

“We have held that all racial classifications imposed by government must be analyzed by a reviewing court under strict scrutiny.” Grutter v. Bollinger, 539 U.S. 306, 326 (2003).⁶ The Fourth Circuit previously put into sharp relief its view of the rationale for this level of judicial review:

Racial and ethnic distinctions of any sort are inherently suspect and thus call for the most exacting judicial examination. Wygant v. Jackson Board of Education, 476 U.S. 267, 273, 106 S.Ct. 1842 1846, 90 L.Ed.2d 260 (1986) (plurality opinion) (quoting Regents of the University of California v. Bakke, 438 U.S. 265, 291, 98 S.Ct. 2733 2748, 57 L.Ed.2d 750 (1978) (Powell, J.)). The rationale for this stringent standard of review is plain. Of all the criteria by which men and women can be judged, the most pernicious is that of race. The injustice of judging human beings by the color of their skin is so apparent that racial classifications cannot be rationalized by the casual invocation of benign remedial aims. City of Richmond v. J.A. Croson Co., 488 U.S. 469, 500, 109 S.Ct. 706, 724, 102 L.Ed.2d 854 (1989). While the inequities and indignities visited by past discrimination are undeniable, the use of race as a reparational device risks perpetuating the very race-consciousness such a remedy purports to overcome.... It thus remains our constitutional premise that race is an impermissible arbiter of human fortunes. [Podberesky v. Kirwin, 38 F.3d 147, 152 (4th Cir. 1994) (quoting Maryland Troopers Ass'n v. Evans, 993 F.2d 1072, 1076 (4th Cir.1993)]

⁴ See Concrete Works of Colorado, Inc. v. City of Denver, 36 F.3d 1513 (10th Cir. 1994).

⁵ See Sherbrooke Turf, Inc. v. Minnesota D.O.T., 345 F.3d 964, 971 (8th Cir. 2003) (“Sherbrooke and Gross Seed have the ultimate burden of establishing that the DBE program is not narrowly tailored.”); Geyer Signal, Inc. v. Minnesota D.O.T., 2014 WL 1309092, *26 (D. Minn. 2014) (“The party challenging the constitutionality of the DBE program bears the burden of demonstrating that the government’s evidence did not support an inference of prior discrimination.”), citing Adarand VII, 228 F.3d at 1166.

⁶ See also Adarand II, 515 U.S. at 212 (same).

“Under strict scrutiny, a racial classification must (1) serve a compelling state interest and (2) be narrowly tailored to achieve that interest.” Tuttle v. Arlington County School Board, 195 F.3d 698, 704 (4th Cir. 1999) (emphasis added) (citing Ararand II).⁷

2. Strict Scrutiny for Gender-Based Classifications

Though gender-based programs or policies are analyzed under a “intermediate scrutiny” standard in several federal judicial circuits, the Sixth Circuit has instead held that programs with gender-based classifications are evaluated for constitutionality under the same strict scrutiny standard applied to race-based classifications, and not a more relaxed level of scrutiny. See Brunet v. City of Columbus, 1 F.3d 390, 403-04 (6th Cir. 1993); Conlin v. Blanchard, 890 F.2d 811, 816 (6th Cir. 1989). Thus, any gender-based policy or program implemented by Metro Nashville will be analyzed under the same legal standard as any race-based policy or program discussed above.

C. “Compelling Public Interest” and “Strong Basis in Evidence”

For a local government to enact a constitutionally valid M/WBE program or ordinance which applies to awards of its contracts, it must show a compelling governmental interest. H.B. Rowe Company, Incorporated v. W. Lyndo Tippet, 615 F.3d 233 (4th Cir. 2010):

Although imposing a substantial burden, strict scrutiny is not automatically “fatal in fact.” Adarand II, 515 U.S. at 237, 115 S.Ct. 2097. After all, “[t]he unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.” Id.; Alexander, 95 F.3d at 315. In so acting, a governmental entity must demonstrate it had a compelling interest in “remedying the effects of past or present racial discrimination.” Shaw v. Hunt, 517 U.S. 899, 909, 116 S.Ct. 1894, 135 L.Ed.2d 207 (1996).

Thus, to justify a race-conscious measure, a state must “identify that discrimination, public or private, with some specificity,” Croson, 488 U.S. at 504, 109 S.Ct. 706, and must have a “strong basis in evidence for its conclusion that remedial action [is] necessary,” id. at 500, 109 S.Ct. 706 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 90 L.Ed.2d 260 (1986) (plurality opinion)); see also Podberesky v. Kirwan, 38 F.3d 147, 153 (4th Cir.1994). As courts have noted, “there is no ‘precise mathematical formula to assess the quantum of evidence that rises to the Croson ‘strong basis in evidence’ benchmark.” Rothe Dev. Corp. v. Dep’t of Def., 545 F.3d 1023, 1049 (Fed.Cir.2008) (Rothe II) (quoting

⁷ See also Michigan Road Builders Ass’n v. Milliken, 834 F.2d 583, 589-90 (6th Cir. 1987) (setting forth two-part analysis); Associated General Contractors v. Drabik, 214 F.3d (6th Circuit 2000); Cleveland Firefighters for Fair Housing v. City of Cleveland, 917 F.Supp.2d 668, 6679-80 (N.D. Ohio 2013). The strict scrutiny test further requires a “searching judicial inquiry into the justification” for the race conscious remedy to determine whether the classifications are remedial or “in fact, motivated by the illegitimate notions of social inferiority or simple social politics.” Doe v. Sundquist, 943 F. Supp. 886 (M.D. Tenn. 1996).

W.H. Scott Constr. Co. v. City of Jackson, 199 F.3d 206, 218 n. 11 (5th Cir.1999)). [H.B. Rowe, at 241]

This compelling interest must be proven by particularized findings of discrimination. The strict scrutiny test ensures that the means used to address the compelling goal of remedying discrimination “fit” so closely that there is little likelihood that the motive for the racial classification is illegitimate racial prejudice or stereotype.⁸

The relevant case law establishes that the compelling state interests of remedying past discrimination and of avoiding discrimination in the context of governmental procurement programs are well-accepted, and not controversial at this point.⁹

1. The Extent of Participation in Discrimination by the Public Entity

The courts have uniformly held that general societal discrimination is insufficient to justify the use of race-based measures to satisfy a compelling governmental interest.¹⁰ Rather, there must be some showing of prior discrimination by the governmental actor involved, either as an “active” or “passive” participant.¹¹

The upshot of this dual-faceted evaluation of the enacting governmental entity is that, even if the entity did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, the Supreme Court has made it clear that the [County] could take affirmative steps to dismantle such a system.”); Croson, 488 U.S. at 492 (“Thus, if the city could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, we think it clear that the city could take affirmative steps to dismantle such a system.”).

⁸ Croson; Engineering Contractors Ass’n v. Metropolitan Dade County, 122 F.3d 895, 906 (11th Cir. 1997). See also, Adarand III, 515 U.S. at 235.

⁹ See W.H. Scott Const. Co. v. City of Jackson, 199 F.3d 206, 217 (5th Cir. 1999) (“Combating racial discrimination is a compelling government interest.”); Croson, 488 U.S. at 492 (“It is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to finance the evils of private prejudice.”); Adarand III, 515 U.S. at 237 (“The unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.”).

¹⁰ Adarand II, 515 U.S. at 227; Croson, 488 U.S. at 496-97.

¹¹ Croson, 488 U.S. at 498. See also Ashton v. City of Memphis, 49 F. Supp.2d 1051, 1057 (W. D. Tenn. 1999) (citing Croson). As the court in Tennessee Asphalt v. Ferris, 942 F.2d 969, 974 (6th Cir. 1991) clarified, “[g]overnmental entities are not restricted to eradicating the effects only of their own discriminatory acts.” Thus, even if the governmental unit did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry,” the Supreme Court has made it “clear that the [County] could take affirmative steps to dismantle such a system.”).

Subsequent lower court rulings have provided more guidance on passive participation by local governments. In Concrete Works, the Tenth Circuit held that it was sufficient for the local government to demonstrate that it engaged in passive participation in discrimination rather than showing that it actively participated in the discrimination:

Neither Croson nor its progeny clearly state whether private discrimination that is in no way funded with public tax dollars can, by itself, provide the requisite strong basis in evidence necessary to justify a municipality's affirmative action program. Although we do not read Croson as requiring the municipality to identify an exact linkage between its award of public contracts and private discrimination, such evidence would at least enhance the municipality's factual predicate for a race/gender-conscious program. [*Id.*, 36 F.3d at 1529]

Thus, the desire for a government entity to prevent the infusion of public funds into a discriminatory industry is enough to satisfy the requirement.

The next question, however, is whether a public entity has the requisite factual support for its M/WBE program to satisfy the particularized showing of discrimination required by Croson. This factual support can be developed from anecdotal and statistical evidence, as discussed hereafter.

2. Types of Evidence

The types of evidence routinely presented to show the existence of a compelling interest include statistical and anecdotal evidence.¹² Where gross statistical disparities exist, they alone may constitute prima facie proof of a pattern or practice of discrimination. Anecdotal evidence, such as testimony from minority contractors, is most useful as a supplement to strong statistical evidence, as it cannot carry the burden for the entity by itself.

The majority decision in Croson implicitly endorsed the inclusion of personal accounts of discrimination, but Croson and subsequent decisions also make clear that selective anecdotal evidence about M/WBE experiences alone would not provide an ample basis in evidence to demonstrate public or private discrimination in a municipality's construction industry.¹³

¹² Croson, 488 U.S. at 501.

¹³ Croson, 488 U.S. at 480 (noting as a weakness in the City's case that the Richmond City Council heard "no direct evidence of race-conscious discrimination on the part of the city in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors"); See also Engineering Contractors Ass'n, 122 F. 3d at 925 ("[W]e have found that kind of evidence [anecdotal] to be helpful in the past, but only when it was combined with and reinforced by sufficiently probative statistical evidence.").

In sum, personal accounts of actual discrimination or the effects of discriminatory practices are admissible and effective, and anecdotal evidence of a governmental entity's institutional practices that provoke discriminatory market conditions is particularly probative. To carry the day, however, such evidence must be supplemented with strong statistical proof:

A state need not conclusively prove the existence of past or present racial discrimination to establish a strong basis in evidence for concluding that remedial action is necessary. See, e.g., Concrete Works, 321 F.3d at 958. Instead, a state may meet its burden by relying on "a significant statistical disparity" between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors. Croson, 488 U.S. at 509, 109 S.Ct. 706 (plurality opinion). We further require that such evidence be "corroborated by significant anecdotal evidence of racial discrimination." Md. Troopers Ass'n, Inc. v. Evans, 993 F.2d 1072, 1077 (4th Cir.1993). [H.B. Rowe, 615 F.3d at 241]

Accordingly, a combination of statistical disparities in the utilization of M/WBEs and particularized anecdotal accounts of discrimination by the M/WBEs (or others) are required to satisfy the factual predicate.¹⁴

Of note, several courts have rejected assertions by plaintiffs attacking programs that anecdotal evidence must be verified to be considered as part of a governmental entity's evidentiary proffer.¹⁵

i. Statistical Data Generally

The Court in Croson explained that an inference of discrimination may be made with empirical evidence that demonstrates "a significant statistical disparity between the number of qualified minority contractors . . . and the number of such contractors actually engaged by the locality or the locality's prime contractors."¹⁶ A predicate to governmental action is a demonstration that gross statistical disparities exist between the proportion of MBEs awarded government contracts and the proportion of MBEs in the local industry "willing and able to do the work," in order to justify its use of race-conscious contract measures.¹⁷

¹⁴ See Middleton et. al. v. City of Flint, 92 F.3d 396, 405 (6th Cir. 1996) ("Anecdotal evidence is most useful as a supplement to strong statistical evidence[.]").

¹⁵ Associated General Contractors v. California D.O.T., 713 F.2d at 1196-1197 ("AGC contends that the anecdotal evidence has little or no probative value in identifying discrimination because it is not verified. AGC cites to no controlling authority for a verification requirement. Both the Fourth and Tenth Circuits have rejected the need to verify anecdotal evidence."), citing H.B. Rowe, 615 F.3d at 249; Concrete Works, 321 F.3d at 989. See also Kossman Contracting Co. v. City of Houston, Case No. H-14-1203, at 58 (S.D. Texas 2016) ("Plaintiff criticizes the anecdotal evidence with which NERA supplemented its statistical analysis as not having been verified and investigated. Anecdotes are not the sole or even primary evidence of discrimination in this case. . . . One reason anecdotal evidence is valuable supplemental evidence is that it reaches what statistics cannot: a witness' narrative of an incident told from the witness' perspective and including the witness' perceptions.") (quotations and citations omitted).

¹⁶ 488 U.S. at 509.

¹⁷ Ensley Branch N.A.A.C.P. v. Seibels, 31 F.3d 1548, 1556 (11th Cir. 1994).

In order to adequately assess statistical evidence, there must be information identifying the basic qualifications of minority contractors “willing and able to do the job” and the Court must determine, based upon these qualifications, the relevant statistical pool with which to make the appropriate statistical comparisons.¹⁸ Although subsequent lower court decisions have provided considerable guidelines for statistical analyses sufficient for satisfying the Croson factual predicate, there are multiple methods that the courts have accepted for conducting statistical analyses. The most prevalent of these are outlined hereafter.

ii. Availability

The attempted methods of calculating M/WBE availability has varied from case to case. In Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3rd Cir. 1993) (Contractor’s Ass’n I), the Third Circuit stated that available and qualified minority-owned businesses comprise the “relevant statistical pool” for purposes of determining availability. The court permitted availability to be based on the metropolitan statistical area (MSA) and local list of the Office of Minority Opportunity for non-M/WBEs, which itself was based on census data.

In Associated General Contractors v. City of Columbus, the City’s consultants collected data on the number of M/WBE firms in the Columbus MSA in order to calculate the percentage of available M/WBE firms. Three sources were considered to determine the number of M/WBEs “ready, willing and able” to perform construction work for the city.¹⁹ However, the Court found that none of the measures of availability purported to measure the number of M/WBEs who were qualified and willing to bid as a prime contractor on City construction projects because neither the City Auditor Vendor Payment History file, Subcontractor Participation Reports, or Contract Document Database of the City were attentive to which firms were able to be responsible or provide either a bid bond or performance bond. The Court wrote, “[t]here is no basis in the evidence for an inference that qualified M/WBE firms exist in the same proportions as they do in relation to all construction firms in the market.”²⁰

In H.B. Rowe, availability was calculated using a vendor list that included: “(1) subcontractors approved by the Department to perform subcontract work on state-funded projects, (2) subcontractors that performed such work during the study period, and (3) contractors qualified to perform prime construction work on state-funded contracts.”²¹

The issue of availability also was examined by the Eleventh Circuit in Contractors Association of South Florida.²² There, the Court opined that when reliance is made upon statistical disparity, and special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only

¹⁸ Engineering Contractors, 122 F. 3d. at 925.

¹⁹ Associated General Contractors of America v. City of Columbus, 936 F. Supp. 1363 (1996), vacated on other grounds, 172 F.3d 411 (6th Cir. 1999).

²⁰ Associated General Contractors, 936 F. Supp. at 1389.

²¹ 615 F.3d at 244. Cf. Contractors Association of South Florida v. Metropolitan Dade County, 122 F.3d 895 (when special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minority-owned firms qualified to provide the requested services.)

²² 122 F.3d 895

those minority-owned firms qualified to provide the requested services. Moreover, these minority firms must be qualified, willing and able to provide the requested services. If the statistical analysis includes the proper pool of eligible minorities, any resulting disparity, in a proper case, may constitute prima facie proof of a pattern or practice of discrimination.

As discussed above, the Sixth Circuit in Drabik ruled that the State of Ohio failed to satisfy the strict scrutiny standard to justify the state's minority business enterprise act because it relied on statistical evidence that did not account for which firms were qualified, willing, and able to perform on construction contracts.²³

A common question in collecting and applying availability data is whether prime contractor and subcontractor data needs to be evaluated separately. Though the Sixth Circuit has not spoken on this particular question, the trend is to accept combined data.

NCI's argument is that IDOT essentially abused its discretion under this regulation by failing to separate prime contractor availability from subcontractor availability. However, NCI has not identified any aspect of the regulations that requires such separation. Indeed, as the district court observed, the regulations require the local goal to be focused on overall DBE participation in the recipient's DOT-assisted contracts. See 49 C.F.R. § 26.45(a)(1). It would make little sense to separate prime contractor and subcontractor availability as suggested by NCI when DBEs will also compete for prime contracts and any success will be reflected in the recipient's calculation of success in meeting the overall goal. [Northern Contracting, Inc. v. Illinois D.O.T., 473 F.3d 715, 723 (7th Cir. 2007)]²⁴

Also, several courts have accepted the use of a "custom census" methodology for calculating availability. For example, in Northern Contracting, after identifying the relevant geographic market and product market (transportation construction) the analyst "surveyed Dun & Bradstreet's *Marketplace*, which is a comprehensive database of American businesses that identifies which businesses are minority or women-owned. Wainwright supplemented this survey with IDOT's list of DBEs in Illinois."²⁵ In Kossman, the consulting analyst "relied on data acquired from Dun & Bradstreet's Hoovers subsidiary on the total number of businesses in the defined market area. . . . Because the Dun & Bradstreet data did not adequately identify all M/WBEs, NERA collected information on M/WBEs in Texas and surrounding states through lists from public and private entities, as well as prior NERA studies, and culled records for M/WBEs within the [City's] defined market area."²⁶

²³ Drabik, 214 F.3d at 736.

²⁴ See Associated General Contractors v. California D.O.T., 713 F.2d at 1199 (citing Northern Contracting); Kossman, at 58 ("Separately considering prime contractors and subcontractors is not only unnecessary but may be misleading. The anecdotal evidence indicates that construction firms had served on different contracts, as both."). See also H.B. Rowe, 615 F.3d at 245 (court accepted combined data based on experts' explanation that prime contractors are also qualified to do subcontracting work, and often do).

²⁵ 473 F.3d at 718.

²⁶ Id. at 5. See also Midwest Fence v. U.S.D.O.T., 840 F.3d 932, 950 (7th Cir. 2016) (discussing and approving custom census method).

iii. Utilization

Utilization is a natural corollary of availability, in terms of statistical calculation. Different courts have applied utilization rates to different base measures, including percentage-based analyses regarding contract awards and dollars paid.

In Engineering Contractors,²⁷ the City's consultants calculated the percentage of City contracting dollars that were paid to M/WBE construction firms.²⁸ In Associated General Contractors v. California D.O.T., the State's disparity study consultants calculated the percentage of contracting dollars that were paid to DBE firms.²⁹ This is referred to as the rate of utilization. From this point, one can determine if a disparity exists and, if so, to what extent. A similar methodology was utilized in Associated General Contractors of America v. City of Columbus.³⁰

In Cone Corp. v. Hillsborough County, 908 F.3d 908 (11th Cir. 1990), the following utilization statistics were developed and presented to justify an MBE program:

The County documented the disparity between the percentage of MBE contractors in the area and the percentage of contracts awarded to those MBE contractors. Hillsborough County determined that the percentage of County construction dollars going to MBE contractors compared to the total percentage of County construction dollars spent. . . . The data extracted from the studies indicates that while ten percent of the businesses and twelve percent of the contractors in the County were minorities, only 7.89% of the County purchase orders, 1.22% of the County purchase dollars, 6.3% of the awarded bids, and 6.5% of the awarded dollars went to minorities. The statistical disparities between the total percentage of minorities involved in construction and the work going to minorities, therefore, varied from approximately four to ten percent, with a glaring 10.78% disparity between the percentage of minority contractors in the County and the percentage of County construction dollars awarded to minorities. Such a disparity clearly constitutes a prima facie case of discrimination indicating that the racial classification in the County plan were necessary. [Id. at 915-16]

The Sixth Circuit signaled in Drabik, however, that statistical proof of under-utilization would be insufficient in and of itself to supply the justification for the utilization of a non-race-neutral measure in public contracting practices.³¹ The Drabik Court did not read Croson as permitting remedial action of a

²⁷ 122 F.3d at 914.

²⁸ 615 F.3d at 241, 250-51 (“[A] state may meet its burden by relying on ‘a significant statistical disparity’ between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors.”), citing Croson, 488 U.S. at 509, 109 S.Ct. 706.

²⁹ 713 F.2d at 1191-1193. In Kossman v. City of Houston, NERA used both “award amounts” and “paid amounts” to determine utilization. Id. at 3, n. 10. The court, in approving the statistical proffer, looked only at the award amounts to “simplify matters.” Id.

³⁰ 936 F. Supp. 1363 (City calculated the percentage of City contracting dollars that were paid to M/WBE construction firms)

³¹ 214 F.3d at 735.

race-conscious type simply because of statistical findings of underutilization of those minority companies that were in the ready, willing, and able to perform a public contracting need category, but rather required that “governments . . . identify discrimination with some specificity before they may use race-conscious relief; explicit findings of a constitutional or statutory violation must be made.”³²

iv. Disparity Indices

To demonstrate the under-utilization of M/WBEs in a particular area, parties can employ a statistical device known as the “disparity index.” The use of such an index was explained, and cited approvingly, in H.B. Rowe.³³

In H.B. Rowe, after noting the increasing use of disparity indices, the court explained that the State (through a consulting firm) calculated a disparity index for each relevant racial or gender group covered by the M/WBE program, and further, conducted a standard deviation analysis on each of those indices using t-tests.³⁴ The resulting calculations “demonstrated marked underutilization of [] African American and Native American subcontractors,” according to the court.³⁵

The utility of disparity indices or similar measures to examine the utilization of minorities or women in a particular industry has been recognized by a number of federal circuit courts.³⁶

Specifically, courts have used these M/WBE disparity indices to apply the “strong basis in evidence” standard in Croson. As noted, the disparity index in H.B. Rowe was 0.46 for African Americans and was 0.48 for Native Americans. Id. at 245. Based on a disparity index of 0.22, the Ninth Circuit upheld the denial of a preliminary injunction to a challenger of the City of San Francisco’s MBE plan based upon an equal protection claim.³⁷ Similarly, the Third Circuit held that a disparity of 0.04 was “probative of discrimination in City contracting in the Philadelphia construction industry.”³⁸

³² 214 F.3d at 735. Moreover, the Drabik Court also indicated that the government would need to present evidence demonstrating “pervasive, systematic, and obstinate discriminatory conduct” in order to satisfy Croson. 214 F.3d at 737.

³³ 615 F.3d at 243-44.

³⁴ Id. at 244. The disparity index is calculated by dividing the percentage of available M/WBE participation (amount of contract dollars) by the percentage of M/WBEs in the relevant population of local firms. A disparity index of one (1) demonstrates full M/WBE participation, whereas the closer the index is to zero, the greater the M/WBE under-utilization. Some courts multiply the disparity index by 100, thereby creating a scale between 0 and 100, with 100 representing full M/WBE utilization. Engineering Contractors, 122 F.3d at 914.

³⁵ Id.

³⁶ See Concrete Works, 36 F.3d at 1523 n. 10 (10th Cir.1994) (employing disparity index); Contractors Ass’n, 6 F.3d at 1005 (3d Cir.1993) (employing disparity index); Associated Gen. Contractors v. Coalition for Economic Equity, 950 F.2d 1401, 1414 (9th Cir.1991) (employing similar statistical data).

³⁷ AGC v. Coal. for Economic Equity, 950 F.2d 1401, 1414 (9th Cir. 1991).

³⁸ Contractors Ass’n I, 6 F.3d at 1005.

v. Use of Standard Deviation

The number calculated via the disparity index (established above) is then tested for its validity through the application of a standard deviation analysis. Standard deviation analysis measures the probability that a result is a random deviation from the predicted result (the more standard deviations, the lower the probability the result is a random one). Social scientists consider a finding of two standard deviations significant, meaning that there is about one chance in 20 that the explanation for the deviation could be random, so the deviation must be accounted for by some factor.

As noted above, standard deviations were applied by the State of North Carolina in the statistical analysis utilized to defend its M/WBE program in H.B. Rowe.³⁹ The Fourth Circuit described the significance of the findings as follows:

For African Americans, the t-value of 3.99 fell outside of two standard deviations from the mean and, therefore, was statistically significant at a 95 percent confidence level. In other words, there was at least a 95 percent probability that prime contractors' underutilization of African American subcontractors was not the result of mere chance. For Native American subcontractors, the t-value of 1.41 was significant at a confidence level of approximately 85 percent. [Id. at 245]

Similarly, the Eleventh Circuit has directed that “where the difference between the expected value and the observed number is greater than two or three standard deviations,’ then the hypothesis that [employees] were hired without regard to race would be suspect.” Peightal v. Metropolitan Dade County, 26 F.3d 1545, 1556 (11th Cir. 1994).⁴⁰

vi. Regression Analysis

In conducting its statistical analysis of Metro Nashville’s purchasing, GSPC will also be employing a regression analysis, which seeks to control numerous factors *other than discrimination*, e.g., firm size, experience level, which may be causing or contributing to any disparity identified. This aspect of the GSPC methodology likewise has the support of several courts as a current “best practice” for disparity studies.

For example, after the Fourth Circuit in H.B. Rowe noted the statistical significance of certain quantitative analyses showing two standard deviations or a disparity ratio higher than .80, it addressed the value of a regression analysis as a further evaluative tool.⁴¹ Specifically, in discussing the disparity evidence offered by the State, the court favorably noted:

³⁹ 615 F.3d at 244-45.

⁴⁰ Quoting Hazelwood School District et al. v. United States, 433 U.S. 299 (1977), quoting Castaneda v. Partida, 430 U.S. 482, 497 n.17, 97 S.Ct. 1272, 1281 n.17, (1977).

⁴¹ 615 F.3d at 244-46.

To corroborate the disparity data, MGT conducted a regression analysis studying the influence of certain company and business characteristics - with a particular focus on owner race and gender - on a firm's gross revenues. MGT obtained the data from a telephone survey of firms that conducted or attempted to conduct business with the Department. The survey pool consisted of a random sample of 647 such firms; of this group, 627 participated in the survey.

MGT used the firms' gross revenues as the dependent variable in the regression analysis to test the effect of other variables, including company age and number of full-time employees, and the owners' years of experience, level of education, race, ethnicity, and gender. The analysis revealed that minority and women ownership universally had a negative effect on revenue. African American ownership of a firm had the largest negative effect on that firm's gross revenue of all the independent variables included in the regression model. These findings led MGT to conclude that "for African Americans, in particular, the disparity in firm revenue was not due to capacity-related or managerial characteristics alone." [*Id.* at 245-46; 250]

It is noteworthy that in the *Drabik* case the State of Ohio did not perform a regression analysis, leading the court to further criticize the statistical proof offered.⁴² This underscores that a regression analysis, as will be performed here by GSPC, represents current "best practices," including in the Sixth Circuit.

vii. Geographic Scope

The *Croson* Court also observed that because discrimination varies across market areas, state and local governments cannot rely on national statistics of discrimination in the disputed industry to draw conclusions about prevailing market conditions in their respective regions.⁴³ However, to confine the permissible data to a governmental entity's strict geographical borders would ignore the economic reality that contracts are awarded to firms located in adjacent areas. Thus, courts closely scrutinize pertinent data related to the jurisdictional area of the state or municipality.

The scope of the statistical analyses pertains to the geographic market area from which the governmental entity offerors come. In addition, disparities concerning utilization, firm size, and formation are also relevant in determining discrimination in a marketplace. It has been deemed appropriate to examine the existence of discrimination against M/WBEs even when these areas go beyond the geographical boundaries of the local jurisdictions.⁴⁴

⁴² 214 F.3d at 736-37 ([The statistical information] does not account for the relative size of the firms, either in terms of their ability to do particular work or in terms of the number of tasks they have the resources to complete.").

⁴³ *Croson*, 488 U.S. at 504.

⁴⁴ See *Contractors Association of Eastern Pennsylvania v. City of Philadelphia*, 91 F.3d 586, 604 (3rd Cir. 1996) (*Contractor's Ass'n II*).

When utilizing evidence of discrimination from nearby public entities and from within the relevant private marketplace, however, extra-jurisdictional evidence must still pertain to the operation of an industry within geographic boundaries of the jurisdiction. As the court wrote in Tennessee Asphalt v. Farris, “[s]tates and lesser units of local government are limited to remedying sufficiently identified past and present discrimination within their own spheres of authority.”⁴⁵

D. Requirement for Narrowly-Tailored Remedies

Under the Croson framework, any race-conscious plan must be narrowly tailored to ameliorate the effects of past discrimination. See Michigan Road Builders Ass’n v. Milliken, 834 F.2d at 589-90. “Generally, while ‘goals’ are permissible, unyielding preferential ‘quotas’ will normally doom an affirmative action plan.” Virdi v. DeKalb County School District, 135 Fed. Appx. 262 (11th Cir. 2005).⁴⁶

The Fourth Circuit addressed the parameters of this requirement in Tuttle v. Arlington County, 195 F.3d 698:

When reviewing whether a state racial classification is narrowly tailored, we consider factors such as: (1) the efficacy of alternative race-neutral policies, (2) the planned duration of the policy, (3) the relationship between the numerical goal and the percentage of minority group members in the relevant population or work force, (4) the flexibility of the policy, including the provision of waivers if the goal cannot be met, and (5) the burden of the policy on innocent third parties. [*Id.* at 706 (citation omitted)]

In Croson, the Court considered similar factors, including 1) whether the city has first considered race-neutral measures, but found them to be ineffective;⁴⁷ 2) the basis offered for the goals selected; 3) whether the program provides for waivers; and 4) whether the program applies only to MBEs who operate in the geographic jurisdiction covered by the program.⁴⁸

More refined guideposts are provided in several post-Croson cases wrestling with efforts to meet the “narrowly tailored” prong – which we simply list for ease of reference:

- Relief is limited to minority groups for which there is identified discrimination;

⁴⁵ 942 F.2d at 974.

⁴⁶ See also Sherbrooke Turf, 345 F.3d at 972 (citing Croson, 488 U.S. at 496).

⁴⁷ 488 U.S. at 507-08. See also Sherbrooke Turf, 345 F.3d at 971-72 (“Narrow tailoring does not require exhaustion of every conceivable race-neutral alternative, but it does require serious, good faith consideration of workable race-neutral alternatives.”).

⁴⁸ Sherbrooke Turf, 345 F.3d at 971 (“In determining whether a race-conscious remedy is narrowly tailored, we look to factors such as the efficacy of alternative remedies, the flexibility and duration of the race-conscious remedy, the relationship of the numerical goals to the relevant labor market, and the impact of the remedy on third parties.”).

- Remedies are limited to redressing the discrimination within the boundaries of the enacting jurisdiction;
- The goals of the programs should be flexible and provide waiver provisions;
- Race and/or gender-neutral measures should be considered; and
- The program should include provisions or mechanisms for periodic review and sunset.

Recall that, as discussed earlier in this analysis, the Sixth Circuit in Associated General Contractors v. Drabik affirmed that Ohio's MBEA statute was not narrowly tailored to remedy past discrimination because: (1) the MBEA suffered from under inclusiveness and over inclusiveness, (lumping together racial and ethnic groups without identified discrimination); (2) the MBEA lacked a sunset date; and (3) the state failed to provide specific evidence that Ohio had considered race-neutral alternatives before adopting the plan to increase minority participation.⁴⁹

Again, Drabik underscores that M/WBE Programs must be designed so that the benefits of the programs are targeted specifically toward those firms that faced discrimination in the local marketplace; to withstand a challenge, relief must extend only to those minority groups for which there is evidence of discrimination.⁵⁰

Inherent in the above discussion is the notion that M/WBE Programs and remedies must maintain flexibility regarding local conditions in the public and private sectors. Courts have suggested project-by-project goal setting and waiver provisions as means of ensuring fairness to all vendors.

Finally, "review" or "sunset" provisions are strongly suggested components for an M/WBE program to guarantee that remedies do not out-live their intended remedial purpose. As an example, the Sixth Circuit specifically cited the lack of a "sunset" provision in criticizing the MBEA instituted by the State of Ohio.⁵¹

E. Conclusion

The Croson decision, handed down thirty years ago, continues to cast a long shadow over M/WBE and DBE programs and legislation. Significant refinement by the Supreme Court and the federal Circuit Courts of Appeal transpired in its wake, though, addressing the acceptable and proper methodologies for achieving the legal standards established by Croson.

In fact, the Court in Kossman recently included in its opinion a lengthy legal overview of what it dubbed "Croson's Continuing Significance." In this section of its decision, the court opined about why a statistical analysis like that presented by the City of Houston was necessary and proper under the Equal Protection

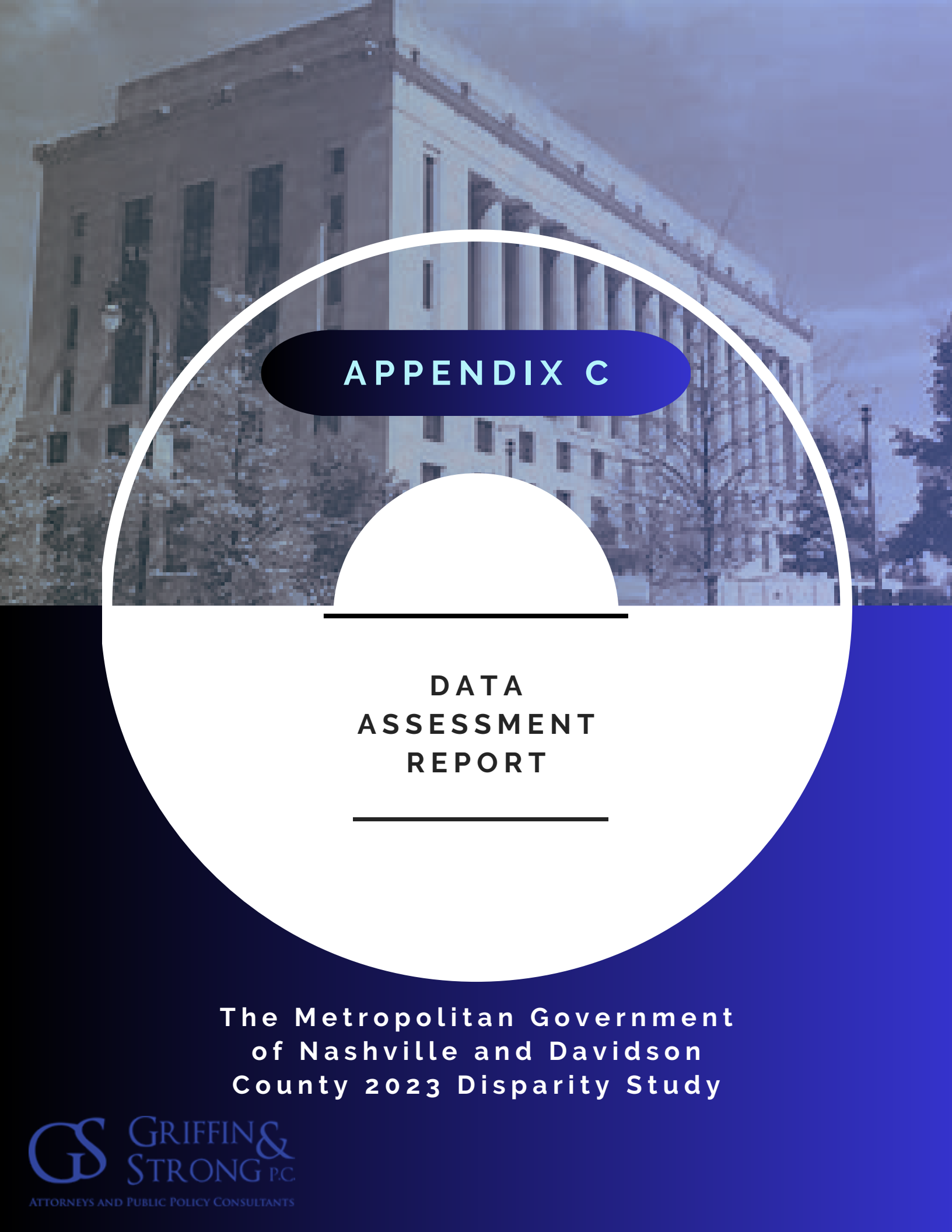
⁴⁹ 214 F.3d 739.

⁵⁰ 214 F.3d at 735 (discussing the need for a "fit" between past/present harm and the proffered remedy).

⁵¹ Drabik, 214 F.3d at 739.

scheme established by Croson and refined by its (continuing) progeny.⁵² In many respects, this opinion provides a roadmap for success in implementing and defending a DBE or M/WBE program under the current state of the law, with appropriate attribution and reference to Croson. It is in this legal environment that any M/WBE program or policy implemented by Metro Nashville will be evaluated, including in the face of any legal/constitutional challenge.

⁵² Id. at pp. 34-49, and 53-62.



APPENDIX C

DATA ASSESSMENT REPORT

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**



ATTORNEYS AND PUBLIC POLICY CONSULTANTS

APPENDIX C: Data Assessment Report

METRO NASHVILLE, TN 2023 DISPARITY STUDY DATA ASSESSMENT REPORT

Griffin & Strong, P.C. (“GSPC”) conducted a virtual data assessment meeting on June 14, 2022. This report summarizes that meeting and sets forth action items and preliminary questions to be answered. It is necessary to issue a data assessment report prior to completing the data collection plan to confirm that GSPC has the correct understanding of how and where data is kept by the County. All data and data requests will be submitted to the County through Christopher Wood, Metro Nashville’s Business Assistance Office Manager.

In Attendance:

- **Christopher Wood, Business Assistance Office Manager**
- **Michelle Hernandez Lane, Chief Procurement Officer**
- **Zak Kelley, Special Projects Finance Manager**
- **Melissa Day, Oracle R12 Procurement Business Analyst/System Administrator**
- **Amber Gardner, Procurement Data Officer III**
- **Jervall Watson, Business Development Officer**
- **Talia Lomax-O'dneal, Deputy Finance Director**
- Michele Jenkins, Project Manager GSPC
- Dr. Vince Eagan, Principal Investigator GSPC
- David Maher, Legal and Policy Advisor GSPC
- Sascha Hollingsworth, Data Analytics Coordinator GSPC
- Rose Nyaondo, Data Analyst GSPC

I. Scope Statement

The Metropolitan Government of Nashville & Davidson County (Metro), Office of Minority and Women Business Assistance (BAO), is seeking proposals from qualified firms to conduct both a comprehensive post-implementation review of the Equal Business Opportunity (EBO) program and the quinquennial disparity study.

It was decided that the Study will be broken up by the following Industry Categories:

1. Construction
2. A&E
3. Other Professional Services
4. Non-Professional Services
5. Goods

The study period for the disparity study was determined as a five-year period of July 1, 2017-June 30, 2022 (FY2018-FY2022).

The City's departments participating in the disparity study include:

1. Agricultural Extension Service
2. Assessor of Property
3. Beer Permits Office
4. Chancery Court Clerk and Master
5. Circuit Court Clerk
6. Codes and Building Safety
7. Criminal Court Clerk
8. Criminal Justice Planning
9. Davidson County Clerk
10. Davidson County Election Commission
11. Davidson County Sheriff's Office
12. District Attorney
13. Emergency Communications
14. Finance Department
15. General Services Department
16. General Sessions Court
17. Historic Preservation
18. Human Relations
19. Human Resources
20. Information Technology Services
21. Justice Integration Services
22. Juvenile Court
23. Juvenile Court Clerk
24. Law Department
25. Mayor's Office
26. Metro Arts
27. Metro Nashville Community Oversight
28. Metro Nashville District Energy System
29. Metro Nashville Public Schools
30. Metro Public Health Department
31. Metro Water Services
32. Metropolitan Action Commission
33. Metropolitan Clerk's Office
34. Metropolitan Council Office
35. Metropolitan Development and Housing Agency
36. Metropolitan Government
37. Metropolitan Nashville Police Department
38. Metropolitan Social Services
39. Metropolitan Sports Authority
40. Municipal Auditorium
41. Music City Center
42. Nashville Department of Transportation and Multimodal Infrastructure

43. Nashville Farmers' Market
44. Nashville Fire Department
45. Nashville General Hospital
46. Nashville Public Library
47. Office of Emergency Management
48. Office of Family Safety
49. Office of Internal Audit
50. Office of the Metropolitan Trustee
51. Parks and Recreation
52. Planning Department
53. Public Defender's Office
54. Register of Deeds
55. State Trial Courts
56. The Fairgrounds Nashville
57. WeGo Public Transit

II. Preliminary Purchasing Practices

- A. The City's procurement is centralized for purchases over \$25,000.
- B. Purchases under \$25,000 are delegated to respective departments.
 1. Purchases between \$0.01 and \$2,499 only require one quote.
 2. Purchases between \$2,500 and \$24,999 require 3 quotes.
- C. Libraries are included but do their own delegated purchasing on purchases under \$25,000.
- D. Contract Thresholds
 1. Informal awards are \$24,999.99 and below.
 2. Formal awards are \$25,000 and above.
- E. All awards/contracts that must go through Council approval include:
 1. Contracts lasting longer than 60 months.
 2. Contracts requiring outsourcing government services or waste services.
 3. Any sole-source contracts over \$250,000.
 4. First time cooperative contracts.
 5. Any amendments in value of a contract by 20% or more.

III. Data Assessment

- A. General Data
 - Data is centralized on purchases over \$25,000.
 - Any purchases under \$25,000 are delegated to respective departments.
 - All payments go into Oracle R12 ERP system.
 - The City uses UNSPSC commodity codes.
 - Finance and Procurement files are all maintained in the same system.

B. Specific Data files

It was determined in this meeting that GSPC will need from the City:

- Solicitations (Study Period)

- Vendor List (Current)
- Purchase Order (Study Period)
- Bids (Study Period)
- Payments (Study Period)
- Awards (Study Period)
- P-Cards (Excluded from Study)
- Subcontractor data (Study Period)
- Building Permit Data (Study Period)
- CMAR/Joint Ventures (Study Period)
- Certified Lists/Third Party (Current)

Note: it was determined that the City does not use P-cards.

1. Solicitations

- A Master Solicitation list is available.
- It includes solicitations that came through prior to and after the City migrated to the Oracle R12 system.
- Departments process purchases under \$25,000 on their own, hence they would be a great source for anything not included in the master list.

2. Vendor Lists

- The City has an external facing vendor system where vendors can self-register and pick as many commodity codes as they want to.
- Vendors can self-select whichever business certification they identify with.
- Once the City receives the vendors' certificates from their certifying agencies, MWBE and LGBTBE firms are transposed into B2GNow.
- SBE firms on the other hand must provide tax forms.
- The City has its own small business program with different regulations from SBA.
- Subcontractors must register in the Oracle system with SMWBE, Veteran Owned and LGBTBE firms transferred into B2GNow after confirming their certified status.
- B2Gnow limits commodity codes to what's on the vendor's certification certificate.
- The City tracks utilization of LGBTBE firms. There's a total of 13 certified LGBTBE firms in the City of Nashville and 6 of them are registered in the City's system.
- LGBTBE firms are certified with the National LGBT Chamber of Commerce (NGLCC) which comes through to the Nashville Area Chamber of Commerce.
- The internal vendor/supplier list doesn't have primary codes, but the City uses a limited number compared to the full UNSPSC List.
- The Oracle R12 system has about 24,000 vendors.

3. Purchase Orders (POs)

- Purchase Orders are issued on anything that wasn't purchased through a contract.
- PO files are stored electronically.
- Standalone POs pick up everything else not in contracts

4. Bids (ITB, RFP, RFQ)

- Bidders must be registered to bid.
- Bidders must submit a subcontractor form with every solicitation.
- MWBE and SBE subcontractors are tracked in B2Gnow.

5. Payment Data

- All the payments are within the Oracle R12 System.
- Payment files will have PO numbers and contract numbers.
- Payments contain a general ledger code that includes an object code.
- Finance and Procurement files are all maintained in the same system.

6. Awards/Contracts

- Contracts have the full amount of award and are maintained in an electronic database.
- Every contract has a PO number.
- The master contracts file can be matched against the master solicitations list to pick up any missing contract numbers.
- Informal awards are \$24,999.99 and below.
- Departments have delegated purchasing authority on everything up to \$24,999.
 1. Purchases between \$0.01 and \$2,499 only require one quote.
 2. Purchases between \$2,500 and \$24,999 require 3 quotes.
- Formal awards are \$25,000 and above.
- All solicitations over \$25,000 have goals set on them except for goods.
- There are no goals set on emergency, sole-source, and cooperative contracts.

7. P-Cards (Excluded from Study)

- The City does not use P-Cards.

8. Subcontractors

- The City has been tracking MWBE and SBE subcontractors in B2GNow since August 2019.
- Before August 2019, they were manually input into an Oracle-based system customized to help track the subcontractor data.
- Bidders must submit a subcontractor form with every solicitation.

9. Building permit data

- Code department maintains building permit data.

10. CMAR/ Joint Ventures

- The City pays full award amounts to CMARs.
- CMARs are responsible for paying all their subcontractors.
- The City has 2 Joint Ventures contracts. One on a Baseball stadium construction project and the other on a Soccer stadium construction project.

11. Certified List

- The City is not a certifying agency.
- The City tracks utilization of LGBTBE firms. There's a total of 13 certified LGBTBE firms in the city and 6 of them are registered in the City's system.
- LGBTBE firms are certified with the National LGBT Chamber of Commerce (NGLCC) which come through the Nashville Area Chamber of Commerce
- The City recognizes the following certifying agencies:
 1. Governor's Office of Business Diversity
 2. Metro Nashville Airport Authority
 3. WeGo Public Transit
 4. National Minority Supplier Development Council
 5. Tennessee Department of Transportation
 6. National Women Business Owners Corporation
 7. US Women's Chamber of Commerce
 8. Women's Business Enterprise National Council
 9. National LGBT Chamber of Commerce

GSPC will pull certified lists from:

- TDOT
- SBA certified list



APPENDIX D

RELEVANT MARKET ANALYSIS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**



ATTORNEYS AND PUBLIC POLICY CONSULTANTS

APPENDIX D: Relevant Market

The tables in Appendix D (Tables D-1 through D-5) present the dollar value of awards by counties for all Metro Nashville prime spending, broken down by the five procurement categories. The top thirty-five counties are arranged from the highest dollar value to the lowest dollar value, first within the relevant market and then outside of it. The first percentage column is the percentage of Metro Nashville prime spending with firms in that county and the last column is the cumulative percentage of Metro Nashville spending with firms for that county and the counties above it. The counties highlighted in blue are the relevant market for the study. Table D-6 is the list of counties in the Nashville Consolidated Statistical area used as the relevant market.

Table D-1: Prime Construction by Counties
 (Using Payment Dollars, FY 2018-2022)
 Metro Nashville Disparity Study

STATISTICAL AREA	COUNTY_STATE	TOTAL AMOUNT	PERCENT	CUMULATIVE PERCENT
MSA	CITY OF NASHVILLE	\$ 1,015,870,557	57.79%	57.79%
MSA	DAVIDSON COUNTY, TN	\$ 28,539,944	1.62%	59.41%
MSA	WILLIAMSON COUNTY, TN	\$ 311,214,314	17.70%	77.12%
MSA	DICKSON COUNTY, TN	\$ 32,768,270	1.86%	78.98%
MSA	ROBERTSON COUNTY, TN	\$ 14,268,966	0.81%	79.80%
MSA	RUTHERFORD COUNTY, TN	\$ 10,972,692	0.62%	80.42%
MSA	CHEATHAM COUNTY, TN	\$ 4,355,976	0.25%	80.67%
MSA	SUMNER COUNTY, TN	\$ 3,057,878	0.17%	80.84%
MSA	WILSON COUNTY, TN	\$ 2,640,102	0.15%	80.99%
MSA	MAURY COUNTY, TN	\$ 63,025	0.00%	81.00%
MSA	TROUSDALE COUNTY, TN	\$ 470	0.00%	81.00%
CSA	BEDFORD COUNTY, TN	\$ 10,001	0.00%	81.00%
	KNOX COUNTY, TN	\$ 6,490,304	0.37%	81.36%
	HAMILTON COUNTY, TN	\$ 1,142,837	0.07%	81.43%
	HAMBLETON COUNTY, TN	\$ 910,700	0.05%	81.48%
	OVERTON COUNTY, TN	\$ 774,434	0.04%	81.53%
	GILES COUNTY, TN	\$ 745,601	0.04%	81.57%
	PUTNAM COUNTY, TN	\$ 538,302	0.03%	81.60%
	MONTGOMERY COUNTY, TN	\$ 373,290	0.02%	81.62%
	HOUSTON COUNTY, TN	\$ 214,389	0.01%	81.63%
	HICKMAN COUNTY, TN	\$ 204,765	0.01%	81.64%
	SHELBY COUNTY, TN	\$ 67,537	0.00%	81.65%
	HUMPHREYS COUNTY, TN	\$ 45,755	0.00%	81.65%
	FRANKLIN COUNTY, TN	\$ 35,400	0.00%	81.65%
	MCNAIRY COUNTY, TN	\$ 34,800	0.00%	81.65%
	ROANE COUNTY, TN	\$ 12,500	0.00%	81.66%
	ST. LOUIS COUNTY, TN	\$ 3,844	0.00%	81.66%
	STEWART COUNTY, TN	\$ 2,464	0.00%	81.66%
	HENRY COUNTY, TN	\$ 1,450	0.00%	81.66%
	CUMBERLAND COUNTY, TN	\$ 610	0.00%	81.66%
	HARDIN COUNTY, TN	\$ 451	0.00%	81.66%
	HENNEPIN COUNTY, MN	\$ 249,359,767	14.19%	95.84%
	ST. LOUIS COUNTY, MO	\$ 24,028,631	1.37%	97.21%
	ORANGE COUNTY, IN	\$ 15,650,457	0.89%	98.10%
	ARAPAHOE COUNTY, CO	\$ 6,327,671	0.36%	98.46%

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Table D-2: Prime A&E by Counties
 (Using Payment Dollars, FY 2018-2022)
 Metro Nashville Disparity Study

MSA	CITY OF NASHVILLE	\$	203,186,364	68.41%	68.41%
MSA	DAVIDSON COUNTY, TN	\$	44,037	0.01%	68.42%
MSA	WILLIAMSON COUNTY, TN	\$	52,840,788	17.79%	86.21%
MSA	SUMNER COUNTY, TN	\$	3,295,475	1.11%	87.32%
MSA	WILSON COUNTY, TN	\$	685,575	0.23%	87.55%
MSA	RUTHERFORD COUNTY, TN	\$	527,332	0.18%	87.73%
MSA	ROBERTSON COUNTY, TN	\$	495,321	0.17%	87.90%
MSA	CHEATHAM COUNTY, TN	\$	5,425	0.00%	87.90%
MSA	MAURY COUNTY, TN	\$	2,200	0.00%	87.90%
	GILES COUNTY, TN	\$	846,477	0.28%	88.18%
	COFFEE COUNTY, TN	\$	639,087	0.22%	88.40%
	KNOX COUNTY, TN	\$	555,469	0.19%	88.59%
	HENRY COUNTY, TN	\$	41,975	0.01%	88.60%
	LINCOLN COUNTY, TN	\$	33,950	0.01%	88.61%
	WASHINGTON COUNTY, TN	\$	11,014	0.00%	88.61%
	MONTGOMERY COUNTY, TN	\$	1,653	0.00%	88.62%
	VANDERBURGH COUNTY, IN	\$	11,949,225	4.02%	92.64%
	MADISON COUNTY, AL	\$	4,188,087	1.41%	94.05%
	COLUMBIA COUNTY, GA	\$	2,980,380	1.00%	95.05%
	PONTOTOC COUNTY, MS	\$	2,459,352	0.83%	95.88%
	DALLAS COUNTY, TX	\$	2,413,253	0.81%	96.69%
	VIRGINIA BEACH CITY, VA	\$	2,090,441	0.70%	97.40%
	FORSYTH COUNTY, NC	\$	1,404,274	0.47%	97.87%
	CHARLOTTESVILLE CITY, VA	\$	1,319,277	0.44%	98.31%
	FAYETTE COUNTY, KY	\$	904,550	0.30%	98.62%
	NEW YORK COUNTY, NY	\$	803,780	0.27%	98.89%
	HENNEPIN COUNTY, MN	\$	616,685	0.21%	99.10%
	MOBILE COUNTY, AL	\$	381,586	0.13%	99.22%
	MULTNOMAH COUNTY, OR	\$	369,922	0.12%	99.35%
	COOK COUNTY, IL	\$	337,298	0.11%	99.46%
	MIDDLESEX COUNTY, MA	\$	321,996	0.11%	99.57%
	TUSCALOOSA COUNTY, AL	\$	315,323	0.11%	99.68%
	LOS ANGELES COUNTY, CA	\$	200,510	0.07%	99.74%
	MONMOUTH COUNTY, NJ	\$	169,402	0.06%	99.80%

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Table D-3: Prime Professional Services by Counties
 (Using Payment Dollars, FY 2018-2022)
 Metro Nashville Disparity Study

STATISTICAL AREA	COUNTY_STATE	TOTAL AMOUNT	PERCENT	CUMULATIVE PERCENT
MSA	CITY OF NASHVILLE	\$ 260,168,782	72.91%	72.91%
MSA	DAVIDSON COUNTY, TN	\$ 2,064,363	0.58%	73.49%
MSA	WILLIAMSON COUNTY, TN	\$ 41,549,981	11.64%	85.13%
MSA	SUMNER COUNTY, TN	\$ 6,451,420	1.81%	86.94%
MSA	RUTHERFORD COUNTY, TN	\$ 1,844,758	0.52%	87.45%
MSA	WILSON COUNTY, TN	\$ 374,500	0.10%	87.56%
MSA	CHEATHAM COUNTY, TN	\$ 140,471	0.04%	87.60%
MSA	DICKSON COUNTY, TN	\$ 75,488	0.02%	87.62%
MSA	ROBERTSON COUNTY, TN	\$ 46,250	0.01%	87.63%
MSA	MAURY COUNTY, TN	\$ 27,114	0.01%	87.64%
	SHELBY COUNTY, TN	\$ 7,622,646	2.14%	89.78%
	GREENE COUNTY, TN	\$ 525,170	0.15%	89.92%
	HAMILTON COUNTY, TN	\$ 338,991	0.09%	90.02%
	JOHNSON COUNTY, TN	\$ 171,227	0.05%	90.07%
	COFFEE COUNTY, TN	\$ 73,414	0.02%	90.09%
	KNOX COUNTY, TN	\$ 56,308	0.02%	90.10%
	PUTNAM COUNTY, TN	\$ 50,609	0.01%	90.12%
	MADISON COUNTY, TN	\$ 22,380	0.01%	90.12%
	JEFFERSON COUNTY, TN	\$ 18,900	0.01%	90.13%
	MONTGOMERY COUNTY, TN	\$ 17,505	0.00%	90.13%
	CARROLL COUNTY, TN	\$ 15,160	0.00%	90.14%
	BRADLEY COUNTY, TN	\$ 10,200	0.00%	90.14%
	BLOUNT COUNTY, TN	\$ 10,000	0.00%	90.14%
	HENRY COUNTY, TN	\$ 10,000	0.00%	90.15%
	HAWKINS COUNTY, TN	\$ 3,275	0.00%	90.15%
	UNICOI COUNTY, TN	\$ 2,283	0.00%	90.15%
	POLK COUNTY, TN	\$ 1,069	0.00%	90.15%
	SAN MATEO COUNTY, CA	\$ 7,431,495	2.08%	92.23%
	ST. CLAIR COUNTY, MI	\$ 4,633,519	1.30%	93.53%
	HILLSBOROUGH COUNTY, FL	\$ 1,698,083	0.48%	94.00%
	BERNALILLO COUNTY, NM	\$ 1,567,897	0.44%	94.44%
	LOS ANGELES COUNTY, CA	\$ 1,467,995	0.41%	94.86%
	MIDDLESEX COUNTY, MA	\$ 962,641	0.27%	95.13%
	LUZERNE COUNTY, PA	\$ 922,186	0.26%	95.38%
	WESTCHESTER COUNTY, NY	\$ 860,000	0.24%	95.62%

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Table D-4: Prime Other Services by Counties
 (Using Payment Dollars, FY 2018-2022)
 Metro Nashville Disparity Study

STATISTICAL AREA	COUNTY_STATE	TOTAL AMOUNT	PERCENT	CUMULATIVE PERCENT
MSA	CITY OF NASHVILLE	\$ 2,528,819,279	74.84%	74.84%
MSA	DAVIDSON COUNTY, TN	\$ 24,012,976	0.71%	75.55%
MSA	WILLIAMSON COUNTY, TN	\$ 64,131,640	1.90%	77.45%
MSA	RUTHERFORD COUNTY, TN	\$ 4,764,485	0.14%	77.59%
MSA	ROBERTSON COUNTY, TN	\$ 2,597,617	0.08%	77.66%
MSA	SUMNER COUNTY, TN	\$ 2,535,475	0.08%	77.74%
MSA	CHEATHAM COUNTY, TN	\$ 2,067,280	0.06%	77.80%
MSA	WILSON COUNTY, TN	\$ 1,804,953	0.05%	77.85%
MSA	MAURY COUNTY, TN	\$ 31,309	0.00%	77.85%
MSA	CANNON COUNTY, TN	\$ 2,150	0.00%	77.85%
CSA	MARSHALL COUNTY, TN	\$ 893,972	0.03%	77.88%
CSA	BEDFORD COUNTY, TN	\$ 28,902	0.00%	77.88%
CSA	LAWRENCE COUNTY, TN	\$ 5,929	0.00%	77.88%
	SHELBY COUNTY, TN	\$ 53,245,237	1.58%	79.46%
	WAYNE COUNTY, TN	\$ 10,968,627	0.32%	79.78%
	WASHINGTON COUNTY, TN	\$ 4,145,324	0.12%	79.90%
	MONTGOMERY COUNTY, TN	\$ 2,605,350	0.08%	79.98%
	BLOUNT COUNTY, TN	\$ 1,759,673	0.05%	80.03%
	STEWART COUNTY, TN	\$ 1,534,092	0.05%	80.08%
	KNOX COUNTY, TN	\$ 1,515,353	0.04%	80.12%
	OBION COUNTY, TN	\$ 557,434	0.02%	80.14%
	HARDEMAN COUNTY, TN	\$ 320,712	0.01%	80.15%
	HAMILTON COUNTY, TN	\$ 61,806	0.00%	80.15%
	WHITE COUNTY, TN	\$ 45,299	0.00%	80.15%
	GIBSON COUNTY, TN	\$ 34,726	0.00%	80.15%
	MADISON COUNTY, TN	\$ 20,477	0.00%	80.15%
	HICKMAN COUNTY, TN	\$ 16,698	0.00%	80.16%
	WARREN COUNTY, TN	\$ 15,200	0.00%	80.16%
	GRUNDY COUNTY, TN	\$ 5,990	0.00%	80.16%
	VERTON COUNTY, TN	\$ 5,872	0.00%	80.16%
	HENDERSON COUNTY, TN	\$ 1,828	0.00%	80.16%
	MARION COUNTY, TN	\$ 1,535	0.00%	80.16%
	HUMPHREYS COUNTY, TN	\$ 1,517	0.00%	80.16%
	HOUSTON COUNTY, TN	\$ 655	0.00%	80.16%
	MCMINN COUNTY, TN	\$ 635	0.00%	80.16%

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Table D-5: Prime Goods by Counties
 (Using Payment Dollars, FY 2018-2022)
 Metro Nashville Disparity Study

STATISTICAL AREA	COUNTY_STATE	TOTAL AMOUNT	PERCENT	CUMULATIVE PERCENT
MSA	CITY OF NASHVILLE	\$ 600,217,689	55.80%	55.80%
MSA	DAVIDSON COUNTY, TN	\$ 13,225,191	1.23%	57.03%
MSA	WILLIAMSON COUNTY, TN	\$ 127,375,989	11.84%	68.87%
MSA	RUTHERFORD COUNTY, TN	\$ 54,128,961	5.03%	73.90%
MSA	ROBERTSON COUNTY, TN	\$ 13,633,356	1.27%	75.17%
MSA	MAURY COUNTY, TN	\$ 2,490,471	0.23%	75.40%
MSA	SUMNER COUNTY, TN	\$ 1,950,292	0.18%	75.58%
MSA	WILSON COUNTY, TN	\$ 1,670,775	0.16%	75.74%
MSA	CHEATHAM COUNTY, TN	\$ 166,334	0.02%	75.75%
MSA	SMITH COUNTY, TN	\$ 114,237	0.01%	75.76%
MSA	DICKSON COUNTY, TN	\$ 51,227	0.00%	75.77%
MSA	CANNON COUNTY, TN	\$ 931	0.00%	75.77%
CSA	LAWRENCE COUNTY, TN	\$ 163,844	0.02%	75.78%
CSA	MARSHALL COUNTY, TN	\$ 81,233	0.01%	75.79%
CSA	BEDFORD COUNTY, TN	\$ 50,069	0.00%	75.80%
	HENRY COUNTY, TN	\$ 5,526,146	0.51%	76.31%
	SHELBY COUNTY, TN	\$ 5,414,056	0.50%	76.81%
	HAMILTON COUNTY, TN	\$ 4,964,013	0.46%	77.28%
	KNOX COUNTY, TN	\$ 2,190,314	0.20%	77.48%
	CHESTER COUNTY, tn	\$ 1,805,925	0.17%	77.65%
	MONTGOMERY COUNTY, TN	\$ 1,262,349	0.12%	77.76%
	ANDERSON COUNTY, TN	\$ 592,065	0.06%	77.82%
	MCMINN COUNTY, TN	\$ 393,514	0.04%	77.86%
	SULLIVAN COUNTY, TN	\$ 342,648	0.03%	77.89%
	SEVIER COUNTY, TN	\$ 339,812	0.03%	77.92%
	BRADLEY COUNTY, TN	\$ 320,224	0.03%	77.95%
	PUTNAM COUNTY, TN	\$ 315,473	0.03%	77.98%
	MADISON COUNTY, TN	\$ 159,384	0.01%	77.99%
	WARREN COUNTY, TN	\$ 132,374	0.01%	78.01%
	BLOUNT COUNTY, TN	\$ 60,769	0.01%	78.01%
	WASHINGTON COUNTY, TN	\$ 52,403	0.00%	78.02%
	LEWIS COUNTY, TN	\$ 37,208	0.00%	78.02%
	LOUDON COUNTY, TN	\$ 14,536	0.00%	78.02%
	COFFEE COUNTY, TN	\$ 13,011	0.00%	78.02%
	MONROE COUNTY, TN	\$ 12,480	0.00%	78.02%

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Table D-6: List of Counties in Relevant Market
Metro Nashville Disparity Study

COUNTY	STATISTICAL AREA
DAVIDSON COUNTY, TN	MSA
RUTHERFORD COUNTY, TN	MSA
WILLIAMSON COUNTY, TN	MSA
SUMNER COUNTY, TN	MSA
WILSON COUNTY, TN	MSA
MAURY COUNTY, TN	MSA
ROBERTSON COUNTY, TN	MSA
DICKSON COUNTY, TN	MSA
CHEATHAM COUNTY, TN	MSA
MACON COUNTY, TN	MSA
SMITH COUNTY, TN	MSA
CANNON COUNTY, TN	MSA
TROUSDALE COUNTY, TN	MSA
BEDFORD COUNTY, TN	CSA
LAWRENCE COUNTY, TN	CSA
MARSHALL COUNTY, TN	CSA

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APPENDIX E

AVAILABILITY ANALYSIS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**



ATTORNEYS AND PUBLIC POLICY CONSULTANTS

APPENDIX E: Availability Numbers

Tables E-1 through E-5 presents numbers on MWBE availability corresponding to the availability percentages in Figures 4- 8 in the Quantitative Analysis chapter. The availability methodology for creating the Master Vendor table for these availability tables is contained in the Quantitative Analysis chapter.

Table E-1: *Availability of Firms by Business Ownership in Market Area*

Construction - Master Vendor List

Metro Nashville Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	221	11.98%
Asian American	14	0.76%
Hispanic American	33	1.79%
Native American	14	0.76%
TOTAL MINORITY	282	15.28%
Non-Minority Women	231	12.52%
TOTAL MWBE	513	27.80%
Non-MWBE	1,332	72.20%
TOTAL	1,845	100.00%

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Table E-2: Availability of Firms by Business Ownership in Market Area

A&E - Master Vendor List

Metro Nashville Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	38	6.60%
Asian American	8	1.39%
Hispanic American	8	1.39%
Native American	2	0.35%
TOTAL MINORITY	56	9.72%
Non-Minority Women	95	16.49%
TOTAL MWBE	151	26.22%
Non-MWBE	425	73.78%
TOTAL	576	100.00%

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Table E-3: Availability of Firms by Business Ownership in Market Area

Professional Services - Master Vendor List

Metro Nashville Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	165	15.19%
Asian American	11	1.01%
Hispanic American	16	1.47%
Native American	6	0.55%
TOTAL MINORITY	198	18.23%
Non-Minority Women	127	11.69%
TOTAL MWBE	325	29.93%
Non-MWBE	761	70.07%
TOTAL	1,086	100.00%

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Table E-4: *Availability of Firms by Business Ownership in Market Area*

Prime Data, Other Services - Master Vendor List

Metro Nashville Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	586	15.91%
Asian American	36	0.98%
Hispanic American	68	1.85%
Native American	19	0.52%
TOTAL MINORITY	709	19.25%
Non-Minority Women	434	11.78%
TOTAL MWBE	1,143	31.03%
Non-MWBE	2,541	68.97%
TOTAL	3,684	100.00%

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Table E-5: *Availability of Firms by Business Ownership in Market Area*

Prime Data, Goods - Master Vendor List

Metro Nashville Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	146	5.72%
Asian American	24	0.94%
Hispanic American	17	0.67%
Native American	17	0.67%
TOTAL MINORITY	204	7.99%
Non-Minority Women	281	11.00%
TOTAL MWBE	485	18.99%
Non-MWBE	2,069	81.01%
TOTAL	2,554	100.00%

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APPENDIX F

PRIME DISPARITY RATIOS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX F: Prime Disparity Ratios

The tables in Appendix F (Tables F-1 through F-5) presents prime disparity ratios on Metro Nashville projects by year over the Study Period.

There was underutilization in prime contracts for all MWBEs groups, except Asian Americans in Goods.

Table F-1: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Construction

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%
2018	African American	0.15%	11.98%	1.26	Underutilization	*
	Asian American	1.03%	0.76%	136.34	Overutilization	
	Hispanic American	0.09%	1.79%	5.30	Underutilization	*
	Native American	0.11%	0.76%	14.91	Underutilization	*
	TOTAL MINORITY	1.39%	15.28%	9.12	Underutilization	*
	Non-Minority Woman	0.86%	12.52%	6.90	Underutilization	*
	TOTAL MWBE	2.26%	27.80%	8.12	Underutilization	*
2019	TOTAL NON-MWBE	97.74%	72.20%	135.39	Overutilization	
	African American	0.22%	11.98%	1.85	Underutilization	*
	Asian American	0.74%	0.76%	97.80	Underutilization	
	Hispanic American	0.65%	1.79%	36.48	Underutilization	*
	Native American	0.36%	0.76%	47.44	Underutilization	*
	TOTAL MINORITY	1.98%	15.28%	12.93	Underutilization	*
	Non-Minority Woman	1.87%	12.52%	14.90	Underutilization	*
2020	TOTAL MWBE	3.84%	27.80%	13.82	Underutilization	*
	TOTAL NON-MWBE	96.16%	72.20%	133.19	Overutilization	
	African American	0.21%	11.98%	1.75	Underutilization	*
	Asian American	0.21%	0.76%	27.49	Underutilization	*
	Hispanic American	1.02%	1.79%	57.01	Underutilization	*
	Native American	0.48%	0.76%	63.51	Underutilization	*
	TOTAL MINORITY	1.92%	15.28%	12.56	Underutilization	*
2021	Non-Minority Woman	2.04%	12.52%	16.30	Underutilization	*
	TOTAL MWBE	3.96%	27.80%	14.24	Underutilization	*
	TOTAL NON-MWBE	96.04%	72.20%	133.03	Overutilization	
	African American	0.44%	11.98%	3.68	Underutilization	*
	Asian American	0.01%	0.76%	1.28	Underutilization	*
	Hispanic American	0.43%	1.79%	24.26	Underutilization	*
	Native American	0.24%	0.76%	32.21	Underutilization	*
2022	TOTAL MINORITY	1.13%	15.28%	7.39	Underutilization	*
	Non-Minority Woman	1.82%	12.52%	14.50	Underutilization	*
	TOTAL MWBE	2.94%	27.80%	10.59	Underutilization	*
	TOTAL NON-MWBE	97.06%	72.20%	134.44	Overutilization	
	African American	0.11%	11.98%	0.93	Underutilization	*
	Asian American	0.00%	0.76%	0.00	Underutilization	*
	Hispanic American	0.20%	1.79%	10.93	Underutilization	*
TOTAL	Native American	0.34%	0.76%	44.71	Underutilization	*
	TOTAL MINORITY	0.65%	15.28%	4.23	Underutilization	*
	Non-Minority Woman	4.20%	12.52%	33.57	Underutilization	*
	TOTAL MWBE	4.85%	27.80%	17.44	Underutilization	*
	TOTAL NON-MWBE	95.15%	72.20%	131.80	Overutilization	
	African American	0.21%	11.98%	1.72	Underutilization	*
	Asian American	0.53%	0.76%	69.28	Underutilization	*
TOTAL	Hispanic American	0.40%	1.79%	22.12	Underutilization	*
	Native American	0.28%	0.76%	36.38	Underutilization	*
	TOTAL MINORITY	1.40%	15.28%	9.18	Underutilization	*
	Non-Minority Woman	2.04%	12.52%	16.28	Underutilization	*
	TOTAL MWBE	3.44%	27.80%	12.38	Underutilization	*
	TOTAL NON-MWBE	96.56%	72.20%	133.75	Overutilization	

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Table F-2: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.31%	6.60%	19.85	Underutilization	*	
	Asian American	0.07%	1.39%	4.72	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	1.38%	9.72%	14.15	Underutilization	*	
	Non-Minority Woman	17.80%	16.49%	107.91	Overutilization		
	TOTAL MWBE	19.17%	26.22%	73.14	Underutilization	*	
2019	African American	1.13%	6.60%	17.09	Underutilization	*	
	Asian American	0.06%	1.39%	4.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	1.18%	9.72%	12.17	Underutilization	*	
	Non-Minority Woman	18.60%	16.49%	112.80	Overutilization		
	TOTAL MWBE	19.79%	26.22%	75.48	Underutilization	*	
2020	African American	0.20%	6.60%	3.09	Underutilization	*	
	Asian American	0.04%	1.39%	2.90	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.24%	9.72%	2.51	Underutilization	*	
	Non-Minority Woman	15.48%	16.49%	93.84	Underutilization		
	TOTAL MWBE	15.72%	26.22%	59.97	Underutilization	*	
2021	African American	0.28%	6.60%	4.17	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.28%	9.72%	2.83	Underutilization	*	
	Non-Minority Woman	23.93%	16.49%	145.06	Overutilization		
	TOTAL MWBE	24.20%	26.22%	92.31	Underutilization		
2022	African American	0.21%	6.60%	3.22	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.21%	9.72%	2.18	Underutilization	*	
	Non-Minority Woman	6.23%	16.49%	37.79	Underutilization	*	
	TOTAL MWBE	6.45%	26.22%	24.59	Underutilization	*	
TOTAL	African American	0.77%	6.60%	11.63	Underutilization	*	p <.05
	Asian American	0.04%	1.39%	2.84	Underutilization	*	p <.05
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	0.81%	9.72%	8.30	Underutilization	*	p <.05
	Non-Minority Woman	16.37%	16.49%	99.23	Underutilization		Small Number
	TOTAL MWBE	17.17%	26.22%	65.50	Underutilization	*	p <.05
	TOTAL NON-MWBE	82.83%	73.78%	112.26	Overutilization		

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Table F-3: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Prime Professional Services

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.68%	15.19%	4.46	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.68%	18.23%	3.72	Underutilization	*	
	Non-Minority Woman	0.85%	11.69%	7.28	Underutilization	*	
	TOTAL MWBE	1.53%	29.93%	5.11	Underutilization	*	
2019	African American	0.61%	15.19%	4.00	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.61%	18.23%	3.33	Underutilization	*	
	Non-Minority Woman	0.62%	11.69%	5.26	Underutilization	*	
	TOTAL MWBE	1.22%	29.93%	4.09	Underutilization	*	
2020	African American	0.44%	15.19%	2.90	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.44%	18.23%	2.41	Underutilization	*	
	Non-Minority Woman	0.36%	11.69%	3.08	Underutilization	*	
	TOTAL MWBE	0.81%	29.93%	2.71	Underutilization	*	
2021	African American	0.14%	15.19%	0.92	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.14%	18.23%	0.77	Underutilization	*	
	Non-Minority Woman	0.08%	11.69%	0.72	Underutilization	*	
	TOTAL MWBE	0.22%	29.93%	0.75	Underutilization	*	
2022	African American	0.03%	15.19%	0.19	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.03%	18.23%	0.16	Underutilization	*	
	Non-Minority Woman	0.11%	11.69%	0.95	Underutilization	*	
	TOTAL MWBE	0.14%	29.93%	0.47	Underutilization	*	
TOTAL	African American	0.28%	15.19%	1.86	Underutilization	*	p <.05
	Asian American	0.00%	1.01%	0.00	Underutilization	*	p <.05
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.55%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	0.28%	18.23%	1.55	Underutilization	*	p <.05
	Non-Minority Woman	0.31%	11.69%	2.62	Underutilization	*	p <.05
	TOTAL MWBE	0.59%	29.93%	1.97	Underutilization	*	p <.05
	TOTAL NON-MWBE	99.41%	70.07%	141.87	Overutilization		

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Table F-4: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Prime Other Services

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.65%	15.91%	10.37	Underutilization	*	
	Asian American	0.00%	0.98%	0.11	Underutilization	*	
	Hispanic American	0.00%	1.85%	0.00	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	1.65%	19.25%	8.58	Underutilization	*	
	Non-Minority Woman	0.27%	11.78%	2.32	Underutilization	*	
	TOTAL MWBE	1.92%	31.03%	6.20	Underutilization	*	
	TOTAL NON-MWBE	98.08%	68.97%	142.19	Overutilization		
2019	African American	1.60%	15.91%	10.08	Underutilization	*	
	Asian American	0.00%	0.98%	0.10	Underutilization	*	
	Hispanic American	0.01%	1.85%	0.50	Underutilization	*	
	Native American	0.00%	0.52%	0.03	Underutilization	*	
	TOTAL MINORITY	1.61%	19.25%	8.39	Underutilization	*	
	Non-Minority Woman	0.35%	11.78%	2.94	Underutilization	*	
	TOTAL MWBE	1.96%	31.03%	6.32	Underutilization	*	
	TOTAL NON-MWBE	98.04%	68.97%	142.14	Overutilization		
2020	African American	1.07%	15.91%	6.76	Underutilization	*	
	Asian American	0.00%	0.98%	0.09	Underutilization	*	
	Hispanic American	0.07%	1.85%	4.02	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	1.15%	19.25%	5.98	Underutilization	*	
	Non-Minority Woman	0.65%	11.78%	5.49	Underutilization	*	
	TOTAL MWBE	1.80%	31.03%	5.79	Underutilization	*	
	TOTAL NON-MWBE	98.20%	68.97%	142.38	Overutilization		
2021	African American	1.83%	15.91%	11.50	Underutilization	*	
	Asian American	0.00%	0.98%	0.04	Underutilization	*	
	Hispanic American	0.26%	1.85%	14.23	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	2.09%	19.25%	10.88	Underutilization	*	
	Non-Minority Woman	0.54%	11.78%	4.58	Underutilization	*	
	TOTAL MWBE	2.63%	31.03%	8.49	Underutilization	*	
	TOTAL NON-MWBE	97.37%	68.97%	141.16	Overutilization		
2022	African American	2.05%	15.91%	12.88	Underutilization	*	
	Asian American	0.00%	0.98%	0.02	Underutilization	*	
	Hispanic American	0.11%	1.85%	5.73	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	2.15%	19.25%	11.19	Underutilization	*	
	Non-Minority Woman	0.68%	11.78%	5.73	Underutilization	*	
	TOTAL MWBE	2.83%	31.03%	9.12	Underutilization	*	
	TOTAL NON-MWBE	97.17%	68.97%	140.88	Overutilization		
TOTAL	African American	1.63%	15.91%	10.25	Underutilization	*	p <.05
	Asian American	0.00%	0.98%	0.08	Underutilization	*	p <.05
	Hispanic American	0.08%	1.85%	4.23	Underutilization	*	p <.05
	Native American	0.00%	0.52%	0.01	Underutilization	*	p <.05
	TOTAL MINORITY	1.71%	19.25%	8.88	Underutilization	*	p <.05
	Non-Minority Woman	0.47%	11.78%	4.02	Underutilization	*	p <.05
	TOTAL MWBE	2.18%	31.03%	7.04	Underutilization	*	p <.05
	TOTAL NON-MWBE	97.82%	68.97%	141.82	Overutilization		

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Table F-5: Disparity Results, Relevant Market Area, Master Vendor List

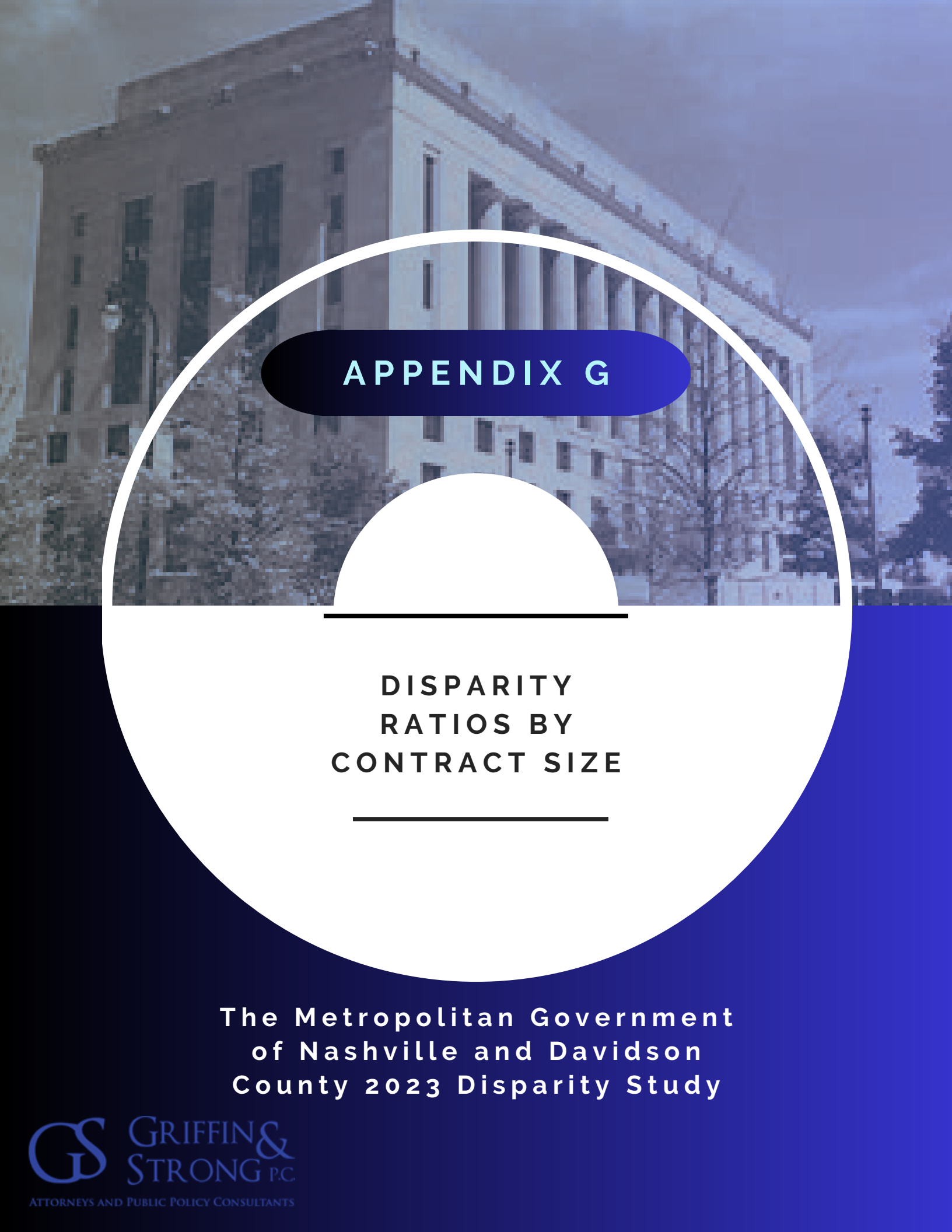
Business Ownership Classification by Fiscal Year, Prime Goods

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.05%	5.72%	0.86	Underutilization	*	
	Asian American	3.24%	0.94%	345.09	Overutilization		
	Hispanic American	0.03%	0.67%	5.01	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	3.33%	7.99%	41.63	Underutilization	*	
	Non-Minority Woman	1.97%	11.00%	17.90	Underutilization	*	
	TOTAL MWBE	5.29%	18.99%	27.88	Underutilization	*	
2019	TOTAL NON-MWBE	94.71%	81.01%	116.91	Overutilization		
	African American	0.03%	5.72%	0.52	Underutilization	*	
	Asian American	2.24%	0.94%	238.00	Overutilization		
	Hispanic American	0.05%	0.67%	6.92	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	2.31%	7.99%	28.95	Underutilization	*	
	Non-Minority Woman	2.14%	11.00%	19.44	Underutilization	*	
2020	TOTAL MWBE	4.45%	18.99%	23.44	Underutilization	*	
	TOTAL NON-MWBE	95.55%	81.01%	117.95	Overutilization		
	African American	0.03%	5.72%	0.47	Underutilization	*	
	Asian American	0.73%	0.94%	77.47	Underutilization	*	
	Hispanic American	0.03%	0.67%	4.22	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	0.78%	7.99%	9.80	Underutilization	*	
2021	Non-Minority Woman	2.71%	11.00%	24.64	Underutilization	*	
	TOTAL MWBE	3.49%	18.99%	18.40	Underutilization	*	
	TOTAL NON-MWBE	96.51%	81.01%	119.13	Overutilization		
	African American	0.04%	5.72%	0.71	Underutilization	*	
	Asian American	0.30%	0.94%	31.55	Underutilization	*	
	Hispanic American	0.04%	0.67%	6.21	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
2022	TOTAL MINORITY	0.38%	7.99%	4.73	Underutilization	*	
	Non-Minority Woman	2.09%	11.00%	18.99	Underutilization	*	
	TOTAL MWBE	2.47%	18.99%	12.99	Underutilization	*	
	TOTAL NON-MWBE	97.53%	81.01%	120.40	Overutilization		
	African American	0.07%	5.72%	1.24	Underutilization	*	
	Asian American	0.46%	0.94%	48.56	Underutilization	*	
	Hispanic American	0.01%	0.67%	2.12	Underutilization	*	
TOTAL	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	0.54%	7.99%	6.78	Underutilization	*	
	Non-Minority Woman	2.65%	11.00%	24.07	Underutilization	*	
	TOTAL MWBE	3.19%	18.99%	16.80	Underutilization	*	
	TOTAL NON-MWBE	96.81%	81.01%	119.50	Overutilization		
	African American	0.04%	5.72%	0.75	Underutilization	*	p <.05
	Asian American	1.57%	0.94%	167.16	Overutilization		
	Hispanic American	0.03%	0.67%	5.00	Underutilization	*	p <.05
	Native American	0.00%	0.67%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	1.65%	7.99%	20.62	Underutilization	*	p <.05
	Non-Minority Woman	2.29%	11.00%	20.84	Underutilization	*	p <.05
	TOTAL MWBE	3.94%	18.99%	20.75	Underutilization	*	p <.05
	TOTAL NON-MWBE	96.06%	81.01%	118.58	Overutilization		

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APPENDIX G

DISPARITY RATIOS BY CONTRACT SIZE

The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study

APPENDIX G: Disparity Ratios by Contract Size

The tables in Appendix G presents prime disparity ratios on Metro Nashville projects by year over the Study Period for projects less than \$500,000 (Tables G-6 through G-10), and prime disparity ratios for projects less than \$1,000,000 (Tables G-11 through G-15).

There was disparity for all MWBE groups for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except

for contracts under \$500,000

- Construction: Hispanic American owned, Asian American owned and Native American owned firms were overutilized. Non-minority Women owned firms were underutilized, but it was not substantial.
- A&E: Non-minority Women owned firms were overutilized.

for contracts under \$1 million:

- Construction: Hispanic American owned, Asian American owned, and Native American owned firms were overutilized. Non-minority Women owned firms were at parity.
- A&E: Non-Minority Women owned firms were overutilized.

Table G-6: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Construction
 Using Awards Dollars, FY 2018-2022, Less than \$500,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.80%	11.98%	6.64	Underutilization	*	
	Asian American	0.00%	0.76%	0.00	Underutilization	*	
	Hispanic American	1.50%	1.79%	83.96	Underutilization		
	Native American	2.17%	0.76%	285.44	Overutilization		
	TOTAL MINORITY	4.46%	15.28%	29.20	Underutilization	*	
	Non-Minority Woman	9.86%	12.52%	78.79	Underutilization	*	
	TOTAL MWBE	14.33%	27.80%	51.53	Underutilization	*	
2019	TOTAL NON-MWBE	85.67%	72.20%	118.67	Overutilization		
	African American	1.10%	11.98%	9.19	Underutilization	*	
	Asian American	0.00%	0.76%	0.00	Underutilization	*	
	Hispanic American	2.92%	1.79%	163.07	Overutilization		
	Native American	0.49%	0.76%	64.33	Underutilization	*	
	TOTAL MINORITY	4.51%	15.28%	29.48	Underutilization	*	
	Non-Minority Woman	11.86%	12.52%	94.70	Underutilization		
2020	TOTAL MWBE	16.36%	27.80%	58.85	Underutilization	*	
	TOTAL NON-MWBE	83.64%	72.20%	115.85	Overutilization		
	African American	2.29%	11.98%	19.14	Underutilization	*	
	Asian American	2.05%	0.76%	270.34	Overutilization		
	Hispanic American	2.50%	1.79%	139.52	Overutilization		
	Native American	1.89%	0.76%	249.11	Overutilization		
	TOTAL MINORITY	8.73%	15.28%	57.12	Underutilization	*	
2021	Non-Minority Woman	10.39%	12.52%	82.96	Underutilization		
	TOTAL MWBE	19.12%	27.80%	68.76	Underutilization	*	
	TOTAL NON-MWBE	80.88%	72.20%	112.03	Overutilization		
	African American	3.67%	11.98%	30.66	Underutilization	*	
	Asian American	0.98%	0.76%	129.18	Overutilization		
	Hispanic American	3.12%	1.79%	174.48	Overutilization		
	Native American	0.52%	0.76%	68.87	Underutilization	*	
2022	TOTAL MINORITY	8.30%	15.28%	54.28	Underutilization	*	
	Non-Minority Woman	11.95%	12.52%	95.46	Underutilization		
	TOTAL MWBE	20.25%	27.80%	72.82	Underutilization	*	
	TOTAL NON-MWBE	79.75%	72.20%	110.47	Overutilization		
	African American	2.13%	11.98%	17.79	Underutilization	*	
	Asian American	2.19%	0.76%	288.98	Overutilization		
	Hispanic American	3.62%	1.79%	202.12	Overutilization		
2023	Native American	3.99%	0.76%	525.96	Overutilization		
	TOTAL MINORITY	11.93%	15.28%	78.05	Underutilization	*	
	Non-Minority Woman	12.08%	12.52%	96.50	Underutilization		
	TOTAL MWBE	24.01%	27.80%	86.36	Underutilization		
	TOTAL NON-MWBE	75.99%	72.20%	105.25	Overutilization		
	African American	2.11%	11.98%	17.63	Underutilization	*	p <.05
	Asian American	1.27%	0.76%	167.21	Overutilization		
TOTAL	Hispanic American	2.85%	1.79%	159.46	Overutilization		
	Native American	2.05%	0.76%	270.82	Overutilization		
	TOTAL MINORITY	8.29%	15.28%	54.22	Underutilization	*	p <.05
	Non-Minority Woman	11.32%	12.52%	90.40	Underutilization		Small Number
	TOTAL MWBE	19.61%	27.80%	70.51	Underutilization	*	p <.05
	TOTAL NON-MWBE	80.39%	72.20%	111.36	Overutilization		

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Table G-7: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, A&E
 Using Awards Dollars, FY 2018-2022, Less than \$500,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.73%	6.60%	26.20	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	1.73%	9.72%	17.78	Underutilization	*	
	Non-Minority Woman	23.07%	16.49%	139.88	Overutilization		
	TOTAL MWBE	24.80%	26.22%	94.60	Underutilization		
2019	TOTAL NON-MWBE	75.20%	73.78%	101.92	Overutilization		
	African American	0.64%	6.60%	9.67	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.64%	9.72%	6.56	Underutilization	*	
	Non-Minority Woman	36.53%	16.49%	221.49	Overutilization		
2020	TOTAL MWBE	37.17%	26.22%	141.78	Overutilization		
	TOTAL NON-MWBE	62.83%	73.78%	85.16	Underutilization		
	African American	0.58%	6.60%	8.79	Underutilization	*	
	Asian American	0.17%	1.39%	12.20	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.75%	9.72%	7.71	Underutilization	*	
2021	Non-Minority Woman	28.63%	16.49%	173.61	Overutilization		
	TOTAL MWBE	29.38%	26.22%	112.08	Overutilization		
	TOTAL NON-MWBE	70.62%	73.78%	95.71	Underutilization		
	African American	1.34%	6.60%	20.26	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
2022	TOTAL MINORITY	1.34%	9.72%	13.75	Underutilization	*	
	Non-Minority Woman	25.18%	16.49%	152.64	Overutilization		
	TOTAL MWBE	26.51%	26.22%	101.13	Overutilization		
	TOTAL NON-MWBE	73.49%	73.78%	99.60	Underutilization		
	African American	3.06%	6.60%	46.43	Underutilization	*	
	Asian American	0.26%	1.39%	18.45	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
TOTAL	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	3.32%	9.72%	34.14	Underutilization	*	
	Non-Minority Woman	14.33%	16.49%	86.89	Underutilization		
	TOTAL MWBE	17.65%	26.22%	67.33	Underutilization	*	
	TOTAL NON-MWBE	82.35%	73.78%	111.61	Overutilization		
	African American	1.56%	6.60%	23.59	Underutilization	*	p <.05
	Asian American	0.10%	1.39%	7.08	Underutilization	*	p <.05
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	1.65%	9.72%	17.02	Underutilization	*	p <.05
	Non-Minority Woman	24.86%	16.49%	150.75	Overutilization		
	TOTAL MWBE	26.52%	26.22%	101.15	Overutilization		Small Number
	TOTAL NON-MWBE	73.48%	73.78%	99.59	Underutilization		Small Number

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Table G-8: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Professional Services
 Using Awards Dollars, FY 2018-2022, Less than \$500,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	4.51%	15.19%	29.68	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	4.51%	18.23%	24.73	Underutilization	*	
	Non-Minority Woman	7.93%	11.69%	67.77	Underutilization	*	
	TOTAL MWBE	12.44%	29.93%	41.55	Underutilization	*	
2019	TOTAL NON-MWBE	87.56%	70.07%	124.96	Overutilization		
	African American	5.40%	15.19%	35.57	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	5.40%	18.23%	29.64	Underutilization	*	
	Non-Minority Woman	5.28%	11.69%	45.18	Underutilization	*	
2020	TOTAL MWBE	10.69%	29.93%	35.71	Underutilization	*	
	TOTAL NON-MWBE	89.31%	70.07%	127.45	Overutilization		
	African American	4.09%	15.19%	26.93	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.40%	1.47%	27.41	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	4.49%	18.23%	24.65	Underutilization	*	
2021	Non-Minority Woman	12.68%	11.69%	108.47	Overutilization		
	TOTAL MWBE	17.18%	29.93%	57.41	Underutilization	*	
	TOTAL NON-MWBE	82.82%	70.07%	118.19	Overutilization		
	African American	0.94%	15.19%	6.18	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
2022	TOTAL MINORITY	0.94%	18.23%	5.15	Underutilization	*	
	Non-Minority Woman	11.54%	11.69%	98.69	Underutilization		
	TOTAL MWBE	12.48%	29.93%	41.70	Underutilization	*	
	TOTAL NON-MWBE	87.52%	70.07%	124.90	Overutilization		
	African American	0.72%	15.19%	4.75	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
2023	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.72%	18.23%	3.96	Underutilization	*	
	Non-Minority Woman	7.13%	11.69%	60.95	Underutilization	*	
	TOTAL MWBE	7.85%	29.93%	26.23	Underutilization	*	
	TOTAL NON-MWBE	92.15%	70.07%	131.50	Overutilization		
	African American	1.99%	15.19%	13.11	Underutilization	*	p <.05
	Asian American	0.00%	1.01%	0.00	Underutilization	*	p <.05
TOTAL	Hispanic American	0.10%	1.47%	6.60	Underutilization	*	p <.05
	Native American	0.00%	0.55%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	2.09%	18.23%	11.46	Underutilization	*	p <.05
	Non-Minority Woman	9.35%	11.69%	79.99	Underutilization	*	p <.05
	TOTAL MWBE	11.44%	29.93%	38.24	Underutilization	*	p <.05
	TOTAL NON-MWBE	88.56%	70.07%	126.38	Overutilization		

Griffin & Strong, P.C. 2023

Table G-9: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Other Services
 Using Awards Dollars, FY 2018-2022, Less than \$500,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	12.01%	15.91%	75.50	Underutilization	*	
	Asian American	0.03%	0.98%	3.31	Underutilization	*	
	Hispanic American	0.01%	1.85%	0.29	Underutilization	*	
	Native American	0.18%	0.52%	33.95	Underutilization	*	
	TOTAL MINORITY	12.22%	19.25%	63.50	Underutilization	*	
	Non-Minority Woman	6.83%	11.78%	58.00	Underutilization	*	
	TOTAL MWBE	19.05%	31.03%	61.42	Underutilization	*	
	TOTAL NON-MWBE	80.95%	68.97%	117.36	Overutilization		
2019	African American	9.76%	15.91%	61.36	Underutilization	*	
	Asian American	0.00%	0.98%	0.00	Underutilization	*	
	Hispanic American	0.30%	1.85%	16.19	Underutilization	*	
	Native American	0.22%	0.52%	42.15	Underutilization	*	
	TOTAL MINORITY	10.28%	19.25%	53.39	Underutilization	*	
	Non-Minority Woman	7.24%	11.78%	61.48	Underutilization	*	
	TOTAL MWBE	17.52%	31.03%	56.46	Underutilization	*	
	TOTAL NON-MWBE	82.48%	68.97%	119.58	Overutilization		
2020	African American	7.84%	15.91%	49.31	Underutilization	*	
	Asian American	0.02%	0.98%	1.82	Underutilization	*	
	Hispanic American	1.20%	1.85%	65.24	Underutilization	*	
	Native American	0.11%	0.52%	21.48	Underutilization	*	
	TOTAL MINORITY	9.18%	19.25%	47.68	Underutilization	*	
	Non-Minority Woman	7.00%	11.78%	59.41	Underutilization	*	
	TOTAL MWBE	16.17%	31.03%	52.13	Underutilization	*	
	TOTAL NON-MWBE	83.83%	68.97%	121.53	Overutilization		
2021	African American	10.10%	15.91%	63.51	Underutilization	*	
	Asian American	0.00%	0.98%	0.40	Underutilization	*	
	Hispanic American	2.01%	1.85%	108.65	Overutilization		
	Native American	0.11%	0.52%	21.57	Underutilization	*	
	TOTAL MINORITY	12.22%	19.25%	63.51	Underutilization	*	
	Non-Minority Woman	7.67%	11.78%	65.13	Underutilization	*	
	TOTAL MWBE	19.90%	31.03%	64.13	Underutilization	*	
	TOTAL NON-MWBE	80.10%	68.97%	116.14	Overutilization		
2022	African American	10.55%	15.91%	66.29	Underutilization	*	
	Asian American	0.01%	0.98%	1.35	Underutilization	*	
	Hispanic American	0.36%	1.85%	19.27	Underutilization	*	
	Native American	0.15%	0.52%	29.33	Underutilization	*	
	TOTAL MINORITY	11.07%	19.25%	57.50	Underutilization	*	
	Non-Minority Woman	8.31%	11.78%	70.52	Underutilization	*	
	TOTAL MWBE	19.37%	31.03%	62.44	Underutilization	*	
	TOTAL NON-MWBE	80.63%	68.97%	116.89	Overutilization		
TOTAL	African American	9.88%	15.91%	62.11	Underutilization	*	p <.05
	Asian American	0.01%	0.98%	1.28	Underutilization	*	p <.05
	Hispanic American	0.91%	1.85%	49.08	Underutilization	*	p <.05
	Native American	0.15%	0.52%	28.21	Underutilization	*	p <.05
	TOTAL MINORITY	10.94%	19.25%	56.87	Underutilization	*	p <.05
	Non-Minority Woman	7.47%	11.78%	63.44	Underutilization	*	p <.05
	TOTAL MWBE	18.42%	31.03%	59.36	Underutilization	*	p <.05
	TOTAL NON-MWBE	81.58%	68.97%	118.28	Overutilization		

Griffin & Strong, P.C. 2023

Table G-10: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Goods
 Using Awards Dollars, FY 2018-2022, Less than \$500,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.70%	5.72%	29.68	Underutilization	*	
	Asian American	1.76%	0.94%	187.49	Overutilization		
	Hispanic American	0.01%	0.67%	1.10	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	3.47%	7.99%	43.39	Underutilization	*	
	Non-Minority Woman	4.63%	11.00%	42.04	Underutilization	*	
	TOTAL MWBE	8.09%	18.99%	42.61	Underutilization	*	
2019	African American	2.60%	5.72%	45.52	Underutilization	*	
	Asian American	0.04%	0.94%	4.05	Underutilization	*	
	Hispanic American	0.01%	0.67%	1.81	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	2.65%	7.99%	33.20	Underutilization	*	
	Non-Minority Woman	6.40%	11.00%	58.20	Underutilization	*	
	TOTAL MWBE	9.06%	18.99%	47.68	Underutilization	*	
2020	African American	0.92%	5.72%	16.14	Underutilization	*	
	Asian American	1.02%	0.94%	108.30	Overutilization		
	Hispanic American	0.06%	0.67%	9.16	Underutilization	*	
	Native American	0.00%	0.67%	0.17	Underutilization	*	
	TOTAL MINORITY	2.00%	7.99%	25.07	Underutilization	*	
	Non-Minority Woman	6.21%	11.00%	56.41	Underutilization	*	
	TOTAL MWBE	8.21%	18.99%	43.23	Underutilization	*	
2021	African American	0.77%	5.72%	13.52	Underutilization	*	
	Asian American	0.17%	0.94%	18.42	Underutilization	*	
	Hispanic American	0.06%	0.67%	8.55	Underutilization	*	
	Native American	0.02%	0.67%	2.45	Underutilization	*	
	TOTAL MINORITY	1.02%	7.99%	12.76	Underutilization	*	
	Non-Minority Woman	7.45%	11.00%	67.74	Underutilization	*	
	TOTAL MWBE	8.47%	18.99%	44.61	Underutilization	*	
2022	African American	0.36%	5.72%	6.25	Underutilization	*	
	Asian American	0.68%	0.94%	72.78	Underutilization	*	
	Hispanic American	0.03%	0.67%	5.01	Underutilization	*	
	Native American	0.10%	0.67%	14.54	Underutilization	*	
	TOTAL MINORITY	1.17%	7.99%	14.67	Underutilization	*	
	Non-Minority Woman	10.18%	11.00%	92.51	Underutilization	*	
	TOTAL MWBE	11.35%	18.99%	59.77	Underutilization	*	
TOTAL	African American	1.09%	5.72%	19.03	Underutilization	*	p <.05
	Asian American	0.70%	0.94%	74.34	Underutilization	*	Small Number
	Hispanic American	0.04%	0.67%	5.78	Underutilization	*	p <.05
	Native American	0.03%	0.67%	4.38	Underutilization	*	p <.05
	TOTAL MINORITY	1.85%	7.99%	23.21	Underutilization	*	p <.05
	Non-Minority Woman	7.33%	11.00%	66.66	Underutilization	*	p <.05
	TOTAL MWBE	9.19%	18.99%	48.39	Underutilization	*	p <.05
	TOTAL NON-MWBE	90.81%	81.01%	112.10	Overutilization		

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Table G-11: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Construction
 Using Awards Dollars, FY 2018-2022, Less than \$1,000,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.58%	11.98%	4.88	Underutilization	*	
	Asian American	0.00%	0.76%	0.00	Underutilization	*	
	Hispanic American	1.10%	1.79%	61.67	Underutilization	*	
	Native American	1.59%	0.76%	209.66	Overutilization		
	TOTAL MINORITY	3.28%	15.28%	21.45	Underutilization	*	
	Non-Minority Woman	10.54%	12.52%	84.19	Underutilization		
	TOTAL MWBE	13.82%	27.80%	49.70	Underutilization	*	
	TOTAL NON-MWBE	86.18%	72.20%	119.37	Overutilization		
2019	African American	0.81%	11.98%	6.74	Underutilization	*	
	Asian American	0.00%	0.76%	0.00	Underutilization	*	
	Hispanic American	3.19%	1.79%	178.19	Overutilization		
	Native American	0.36%	0.76%	47.19	Underutilization	*	
	TOTAL MINORITY	4.35%	15.28%	28.48	Underutilization	*	
	Non-Minority Woman	10.19%	12.52%	81.37	Underutilization		
	TOTAL MWBE	14.54%	27.80%	52.30	Underutilization	*	
	TOTAL NON-MWBE	85.46%	72.20%	118.37	Overutilization		
2020	African American	2.51%	11.98%	20.95	Underutilization	*	
	Asian American	1.42%	0.76%	187.22	Overutilization		
	Hispanic American	2.41%	1.79%	134.98	Overutilization		
	Native American	1.31%	0.76%	172.52	Overutilization		
	TOTAL MINORITY	7.65%	15.28%	50.07	Underutilization	*	
	Non-Minority Woman	14.87%	12.52%	118.80	Overutilization		
	TOTAL MWBE	22.53%	27.80%	81.02	Underutilization		
	TOTAL NON-MWBE	77.47%	72.20%	107.31	Overutilization		
2021	African American	2.67%	11.98%	22.32	Underutilization	*	
	Asian American	1.74%	0.76%	228.82	Overutilization		
	Hispanic American	2.27%	1.79%	127.00	Overutilization		
	Native American	0.38%	0.76%	50.13	Underutilization	*	
	TOTAL MINORITY	7.06%	15.28%	46.20	Underutilization	*	
	Non-Minority Woman	15.80%	12.52%	126.23	Overutilization		
	TOTAL MWBE	22.87%	27.80%	82.24	Underutilization		
	TOTAL NON-MWBE	77.13%	72.20%	106.84	Overutilization		
2022	African American	1.42%	11.98%	11.88	Underutilization	*	
	Asian American	3.78%	0.76%	498.36	Overutilization		
	Hispanic American	3.21%	1.79%	179.50	Overutilization		
	Native American	3.98%	0.76%	524.27	Overutilization		
	TOTAL MINORITY	12.39%	15.28%	81.08	Underutilization		
	Non-Minority Woman	11.14%	12.52%	89.01	Underutilization		
	TOTAL MWBE	23.54%	27.80%	84.65	Underutilization		
	TOTAL NON-MWBE	76.46%	72.20%	105.91	Overutilization		
TOTAL	African American	1.69%	11.98%	14.12	Underutilization	*	p <.05
	Asian American	1.78%	0.76%	234.91	Overutilization		
	Hispanic American	2.55%	1.79%	142.66	Overutilization		
	Native American	1.84%	0.76%	242.67	Overutilization		
	TOTAL MINORITY	7.87%	15.28%	51.47	Underutilization	*	p <.05
	Non-Minority Woman	12.63%	12.52%	100.87	Overutilization		Small Number
	TOTAL MWBE	20.50%	27.80%	73.72	Underutilization	*	p <.05
	TOTAL NON-MWBE	79.50%	72.20%	110.12	Overutilization		

Griffin & Strong, P.C. 2023

Table G-12: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, A&E
 Using Awards Dollars, FY 2018-2022, Less than \$1,000,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	3.55%	6.60%	53.76	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	3.55%	9.72%	36.48	Underutilization	*	
	Non-Minority Woman	27.32%	16.49%	165.67	Overutilization		
	TOTAL MWBE	30.87%	26.22%	117.76	Overutilization		
	TOTAL NON-MWBE	69.13%	73.78%	93.69	Underutilization		
2019	African American	0.47%	6.60%	7.18	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.47%	9.72%	4.87	Underutilization	*	
	Non-Minority Woman	33.70%	16.49%	204.31	Overutilization		
	TOTAL MWBE	34.17%	26.22%	130.35	Overutilization		
	TOTAL NON-MWBE	65.83%	73.78%	89.22	Underutilization		
2020	African American	5.30%	6.60%	80.29	Underutilization		
	Asian American	0.08%	1.39%	6.04	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	5.38%	9.72%	55.34	Underutilization	*	
	Non-Minority Woman	18.35%	16.49%	111.25	Overutilization		
	TOTAL MWBE	23.73%	26.22%	90.51	Underutilization		
	TOTAL NON-MWBE	76.27%	73.78%	103.37	Overutilization		
2021	African American	0.85%	6.60%	12.94	Underutilization	*	
	Asian American	0.00%	1.39%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.85%	9.72%	8.78	Underutilization	*	
	Non-Minority Woman	18.33%	16.49%	111.15	Overutilization		
	TOTAL MWBE	19.18%	26.22%	73.18	Underutilization	*	
	TOTAL NON-MWBE	80.82%	73.78%	109.53	Overutilization		
2022	African American	5.83%	6.60%	88.34	Underutilization		
	Asian American	0.17%	1.39%	12.21	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	6.00%	9.72%	61.69	Underutilization	*	
	Non-Minority Woman	13.50%	16.49%	81.88	Underutilization		
	TOTAL MWBE	19.50%	26.22%	74.39	Underutilization	*	
	TOTAL NON-MWBE	80.50%	73.78%	109.10	Overutilization		
TOTAL	African American	3.55%	6.60%	53.85	Underutilization	*	p <.05
	Asian American	0.06%	1.39%	4.36	Underutilization	*	p <.05
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	3.61%	9.72%	37.17	Underutilization	*	p <.05
	Non-Minority Woman	21.14%	16.49%	128.17	Overutilization		
	TOTAL MWBE	24.75%	26.22%	94.42	Underutilization		Small Number
	TOTAL NON-MWBE	75.25%	73.78%	101.98	Overutilization		Small Number

Griffin & Strong, P.C. 2023

Table G-13: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Professional Services
 Using Awards Dollars, FY 2018-2022, Less than \$1,000,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	4.51%	15.19%	29.68	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	4.51%	18.23%	24.73	Underutilization	*	
	Non-Minority Woman	7.93%	11.69%	67.77	Underutilization	*	
	TOTAL MWBE	12.44%	29.93%	41.55	Underutilization	*	
2019	TOTAL NON-MWBE	87.56%	70.07%	124.96	Overutilization		
	African American	2.37%	15.19%	15.59	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	2.37%	18.23%	12.99	Underutilization	*	
	Non-Minority Woman	2.32%	11.69%	19.80	Underutilization	*	
2020	TOTAL MWBE	4.68%	29.93%	15.65	Underutilization	*	
	TOTAL NON-MWBE	95.32%	70.07%	136.02	Overutilization		
	African American	3.23%	15.19%	21.23	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.32%	1.47%	21.61	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	3.54%	18.23%	19.44	Underutilization	*	
2021	Non-Minority Woman	10.00%	11.69%	85.52	Underutilization		
	TOTAL MWBE	13.54%	29.93%	45.26	Underutilization	*	
	TOTAL NON-MWBE	86.46%	70.07%	123.38	Overutilization		
	African American	0.67%	15.19%	4.41	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
2022	TOTAL MINORITY	0.67%	18.23%	3.68	Underutilization	*	
	Non-Minority Woman	15.17%	11.69%	129.72	Overutilization		
	TOTAL MWBE	15.84%	29.93%	52.93	Underutilization	*	
	TOTAL NON-MWBE	84.16%	70.07%	120.10	Overutilization		
	African American	0.55%	15.19%	3.63	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
TOTAL	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.55%	18.23%	3.02	Underutilization	*	
	Non-Minority Woman	5.44%	11.69%	46.50	Underutilization	*	
	TOTAL MWBE	5.99%	29.93%	20.01	Underutilization	*	
	TOTAL NON-MWBE	94.01%	70.07%	134.16	Overutilization		
	African American	1.46%	15.19%	9.60	Underutilization	*	p < .05
	Asian American	0.00%	1.01%	0.00	Underutilization	*	p < .05
TOTAL	Hispanic American	0.07%	1.47%	4.84	Underutilization	*	p < .05
	Native American	0.00%	0.55%	0.00	Underutilization	*	p < .05
	TOTAL MINORITY	1.53%	18.23%	8.39	Underutilization	*	p < .05
	Non-Minority Woman	8.41%	11.69%	71.88	Underutilization	*	p < .05
	TOTAL MWBE	9.94%	29.93%	33.20	Underutilization	*	p < .05
	TOTAL NON-MWBE	90.06%	70.07%	128.53	Overutilization		

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Table G-14: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Other Services
 Using Awards Dollars, FY 2018-2022, Less than \$1,000,000
 Metro Nashville Disparity Study

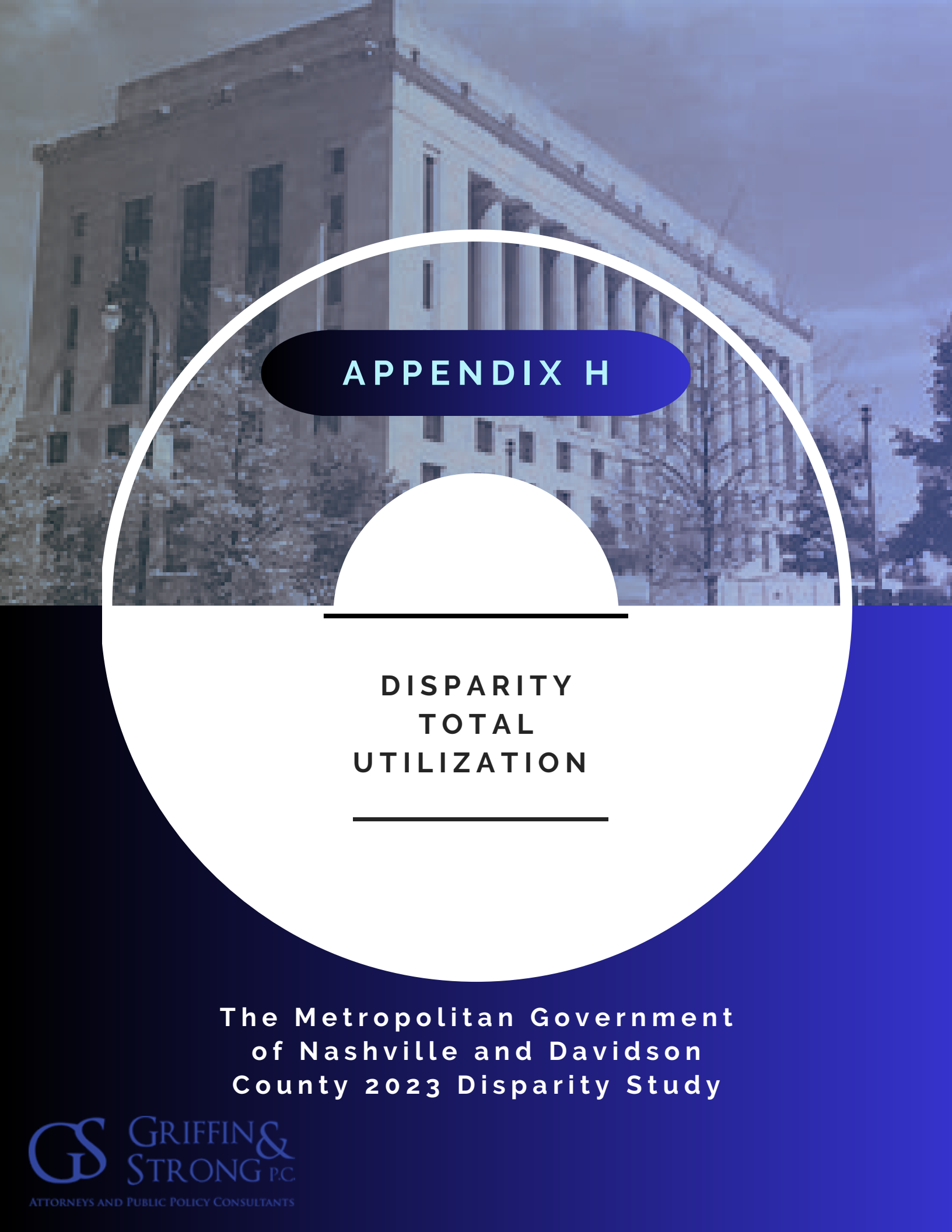
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	9.84%	15.91%	61.85	Underutilization	*	
	Asian American	0.03%	0.98%	2.71	Underutilization	*	
	Hispanic American	0.00%	1.85%	0.24	Underutilization	*	
	Native American	0.14%	0.52%	27.81	Underutilization	*	
	TOTAL MINORITY	10.01%	19.25%	52.03	Underutilization	*	
	Non-Minority Woman	5.60%	11.78%	47.52	Underutilization	*	
	TOTAL MWBE	15.61%	31.03%	50.32	Underutilization	*	
	TOTAL NON-MWBE	84.39%	68.97%	122.35	Overutilization		
2019	African American	8.27%	15.91%	51.99	Underutilization	*	
	Asian American	0.00%	0.98%	0.00	Underutilization	*	
	Hispanic American	0.25%	1.85%	13.72	Underutilization	*	
	Native American	0.18%	0.52%	35.71	Underutilization	*	
	TOTAL MINORITY	8.71%	19.25%	45.24	Underutilization	*	
	Non-Minority Woman	7.65%	11.78%	64.92	Underutilization	*	
	TOTAL MWBE	16.36%	31.03%	52.72	Underutilization	*	
	TOTAL NON-MWBE	83.64%	68.97%	121.27	Overutilization		
2020	African American	7.19%	15.91%	45.21	Underutilization	*	
	Asian American	0.01%	0.98%	1.44	Underutilization	*	
	Hispanic American	0.95%	1.85%	51.50	Underutilization	*	
	Native American	0.09%	0.52%	16.96	Underutilization	*	
	TOTAL MINORITY	8.24%	19.25%	42.84	Underutilization	*	
	Non-Minority Woman	6.47%	11.78%	54.88	Underutilization	*	
	TOTAL MWBE	14.71%	31.03%	47.41	Underutilization	*	
	TOTAL NON-MWBE	85.29%	68.97%	123.66	Overutilization		
2021	African American	8.39%	15.91%	52.77	Underutilization	*	
	Asian American	0.00%	0.98%	0.33	Underutilization	*	
	Hispanic American	1.67%	1.85%	90.27	Underutilization	*	
	Native American	0.09%	0.52%	17.92	Underutilization	*	
	TOTAL MINORITY	10.16%	19.25%	52.77	Underutilization	*	
	Non-Minority Woman	6.38%	11.78%	54.12	Underutilization	*	
	TOTAL MWBE	16.53%	31.03%	53.28	Underutilization	*	
	TOTAL NON-MWBE	83.47%	68.97%	121.01	Overutilization		
2022	African American	8.21%	15.91%	51.63	Underutilization	*	
	Asian American	0.01%	0.98%	1.05	Underutilization	*	
	Hispanic American	0.28%	1.85%	15.01	Underutilization	*	
	Native American	0.12%	0.52%	22.84	Underutilization	*	
	TOTAL MINORITY	8.62%	19.25%	44.78	Underutilization	*	
	Non-Minority Woman	8.51%	11.78%	72.25	Underutilization	*	
	TOTAL MWBE	17.13%	31.03%	55.21	Underutilization	*	
	TOTAL NON-MWBE	82.87%	68.97%	120.15	Overutilization		
TOTAL	African American	8.24%	15.91%	51.81	Underutilization	*	p <.05
	Asian American	0.01%	0.98%	1.04	Underutilization	*	p <.05
	Hispanic American	0.73%	1.85%	39.74	Underutilization	*	p <.05
	Native American	0.12%	0.52%	22.84	Underutilization	*	p <.05
	TOTAL MINORITY	9.10%	19.25%	47.30	Underutilization	*	p <.05
	Non-Minority Woman	6.98%	11.78%	59.24	Underutilization	*	p <.05
	TOTAL MWBE	16.08%	31.03%	51.83	Underutilization	*	p <.05
	TOTAL NON-MWBE	83.92%	68.97%	121.67	Overutilization		

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Table G-15: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Goods
 Using Awards Dollars, FY 2018-2022, Less than \$1,000,000
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.42%	5.72%	24.80	Underutilization	*	
	Asian American	1.47%	0.94%	156.62	Overutilization		
	Hispanic American	0.01%	0.67%	0.92	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	2.90%	7.99%	36.25	Underutilization	*	
	Non-Minority Woman	3.86%	11.00%	35.12	Underutilization	*	
	TOTAL MWBE	6.76%	18.99%	35.59	Underutilization	*	
2019	TOTAL NON-MWBE	93.24%	81.01%	115.10	Overutilization		
	African American	2.92%	5.72%	51.15	Underutilization	*	
	Asian American	0.03%	0.94%	3.30	Underutilization	*	
	Hispanic American	0.01%	0.67%	1.48	Underutilization	*	
	Native American	0.00%	0.67%	0.00	Underutilization	*	
	TOTAL MINORITY	2.97%	7.99%	37.12	Underutilization	*	
	Non-Minority Woman	6.86%	11.00%	62.32	Underutilization	*	
2020	TOTAL MWBE	9.82%	18.99%	51.72	Underutilization	*	
	TOTAL NON-MWBE	90.18%	81.01%	111.32	Overutilization		
	African American	2.00%	5.72%	34.91	Underutilization	*	
	Asian American	1.90%	0.94%	202.26	Overutilization		
	Hispanic American	0.05%	0.67%	7.18	Underutilization	*	
	Native American	0.00%	0.67%	0.13	Underutilization	*	
	TOTAL MINORITY	3.94%	7.99%	49.39	Underutilization	*	
2021	Non-Minority Woman	6.46%	11.00%	58.73	Underutilization	*	
	TOTAL MWBE	10.41%	18.99%	54.80	Underutilization	*	
	TOTAL NON-MWBE	89.59%	81.01%	110.60	Overutilization		
	African American	0.66%	5.72%	11.47	Underutilization	*	
	Asian American	0.15%	0.94%	15.62	Underutilization	*	
	Hispanic American	0.05%	0.67%	7.25	Underutilization	*	
	Native American	0.01%	0.67%	2.08	Underutilization	*	
2022	TOTAL MINORITY	0.86%	7.99%	10.83	Underutilization	*	
	Non-Minority Woman	8.55%	11.00%	77.70	Underutilization	*	
	TOTAL MWBE	9.41%	18.99%	49.57	Underutilization	*	
	TOTAL NON-MWBE	90.59%	81.01%	111.82	Overutilization		
	African American	0.29%	5.72%	5.14	Underutilization	*	
	Asian American	0.56%	0.94%	59.89	Underutilization	*	
	Hispanic American	0.03%	0.67%	4.12	Underutilization	*	
TOTAL	Native American	0.08%	0.67%	11.97	Underutilization	*	
	TOTAL MINORITY	0.96%	7.99%	12.07	Underutilization	*	
	Non-Minority Woman	9.62%	11.00%	87.43	Underutilization		
	TOTAL MWBE	10.58%	18.99%	55.73	Underutilization	*	
	TOTAL NON-MWBE	89.42%	81.01%	110.38	Overutilization		
	African American	1.31%	5.72%	22.92	Underutilization	*	p <.05
	Asian American	0.83%	0.94%	88.85	Underutilization		Small Number
	Hispanic American	0.03%	0.67%	4.74	Underutilization	*	p <.05
	Native American	0.02%	0.67%	3.59	Underutilization	*	p <.05
	TOTAL MINORITY	2.20%	7.99%	27.55	Underutilization	*	p <.05
	Non-Minority Woman	7.45%	11.00%	67.70	Underutilization	*	p <.05
	TOTAL MWBE	9.65%	18.99%	50.81	Underutilization	*	p <.05
	TOTAL NON-MWBE	90.35%	81.01%	111.53	Overutilization		

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APPENDIX H

DISPARITY TOTAL UTILIZATION

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX H: Disparity Ratios for Total Utilization

The tables in Appendix H (Tables H-1 through H-5) presents prime disparity ratios on Metro Nashville projects by year over the Study Period for Total Utilization (prime plus subcontracting).

For Total Utilization (prime plus subcontracting) there was underutilization for all MWBEs groups, except Non-Minority Woman owned firms in A&E and Asian American owned firms in Construction and Goods.

Table H-1: Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Construction
Total Utilization (prime + subcontracting)
Using Payment Dollars, FY 2018-2022
Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.30%	11.98%	2.53	Underutilization	*	
	Asian American	1.03%	0.76%	136.34	Overutilization		
	Hispanic American	0.18%	1.79%	9.84	Underutilization	*	
	Native American	0.11%	0.76%	14.91	Underutilization	*	
	TOTAL MINORITY	1.63%	15.28%	10.65	Underutilization	*	
	Non-Minority Woman	1.08%	12.52%	8.64	Underutilization	*	
	TOTAL MWBE	2.71%	27.80%	9.74	Underutilization	*	
	TOTAL NON-MWBE	97.29%	72.20%	134.76	Overutilization		
2019	African American	0.93%	11.98%	7.75	Underutilization	*	
	Asian American	0.80%	0.76%	105.98	Overutilization		
	Hispanic American	0.74%	1.79%	41.52	Underutilization	*	
	Native American	0.36%	0.76%	47.44	Underutilization	*	
	TOTAL MINORITY	2.83%	15.28%	18.54	Underutilization	*	
	Non-Minority Woman	5.65%	12.52%	45.15	Underutilization	*	
	TOTAL MWBE	8.49%	27.80%	30.52	Underutilization	*	
	TOTAL NON-MWBE	91.51%	72.20%	126.76	Overutilization		
2020	African American	2.89%	11.98%	24.12	Underutilization	*	
	Asian American	5.26%	0.76%	693.61	Overutilization		
	Hispanic American	1.28%	1.79%	71.60	Underutilization	*	
	Native American	0.48%	0.76%	63.51	Underutilization	*	
	TOTAL MINORITY	9.91%	15.28%	64.87	Underutilization	*	
	Non-Minority Woman	13.62%	12.52%	108.79	Overutilization		
	TOTAL MWBE	23.54%	27.80%	84.65	Underutilization		
	TOTAL NON-MWBE	76.46%	72.20%	105.91	Overutilization		
2021	African American	1.29%	11.98%	10.77	Underutilization	*	
	Asian American	0.47%	0.76%	62.27	Underutilization	*	
	Hispanic American	0.46%	1.79%	25.95	Underutilization	*	
	Native American	0.37%	0.76%	48.89	Underutilization	*	
	TOTAL MINORITY	2.60%	15.28%	16.99	Underutilization	*	
	Non-Minority Woman	7.78%	12.52%	62.11	Underutilization	*	
	TOTAL MWBE	10.37%	27.80%	37.31	Underutilization	*	
	TOTAL NON-MWBE	89.63%	72.20%	124.15	Overutilization		
2022	African American	1.62%	11.98%	13.49	Underutilization	*	
	Asian American	0.03%	0.76%	4.01	Underutilization	*	
	Hispanic American	0.60%	1.79%	33.42	Underutilization	*	
	Native American	0.92%	0.76%	121.88	Overutilization		
	TOTAL MINORITY	3.17%	15.28%	20.74	Underutilization	*	
	Non-Minority Woman	9.53%	12.52%	76.08	Underutilization	*	
	TOTAL MWBE	12.69%	27.80%	45.66	Underutilization	*	
	TOTAL NON-MWBE	87.31%	72.20%	120.93	Overutilization		
TOTAL	African American	1.13%	11.98%	9.43	Underutilization	*	p <.05
	Asian American	1.14%	0.76%	150.81	Overutilization		Small Number
	Hispanic American	0.56%	1.79%	31.07	Underutilization	*	p <.05
	Native American	0.41%	0.76%	54.28	Underutilization	*	Small Number
	TOTAL MINORITY	3.24%	15.28%	21.21	Underutilization	*	p <.05
	Non-Minority Woman	6.15%	12.52%	49.12	Underutilization	*	p <.05
	TOTAL MWBE	9.39%	27.80%	33.78	Underutilization	*	p <.05
	TOTAL NON-MWBE	90.61%	72.20%	125.50	Overutilization		

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Table H-2: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Total Utilization (prime + subcontracting)

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.33%	6.60%	20.10	Underutilization	*	
	Asian American	0.07%	1.39%	4.72	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	1.39%	9.72%	14.32	Underutilization	*	
	Non-Minority Woman	17.80%	16.49%	107.91	Overutilization		
	TOTAL MWBE	19.19%	26.22%	73.20	Underutilization	*	
2019	African American	2.12%	6.60%	32.10	Underutilization	*	
	Asian American	0.06%	1.39%	4.37	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	2.18%	9.72%	22.41	Underutilization	*	
	Non-Minority Woman	21.09%	16.49%	127.90	Overutilization		
	TOTAL MWBE	23.27%	26.22%	88.78	Underutilization		
2020	African American	0.32%	6.60%	4.85	Underutilization	*	
	Asian American	0.08%	1.39%	5.48	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.40%	9.72%	4.07	Underutilization	*	
	Non-Minority Woman	17.13%	16.49%	103.88	Overutilization		
	TOTAL MWBE	17.53%	26.22%	66.87	Underutilization	*	
2021	African American	0.75%	6.60%	11.35	Underutilization	*	
	Asian American	0.07%	1.39%	4.72	Underutilization	*	
	Hispanic American	0.00%	1.39%	0.00	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	0.81%	9.72%	8.38	Underutilization	*	
	Non-Minority Woman	29.27%	16.49%	177.49	Overutilization		
	TOTAL MWBE	30.09%	26.22%	114.77	Overutilization		
2022	African American	1.77%	6.60%	26.82	Underutilization	*	
	Asian American	2.33%	1.39%	167.85	Overutilization		
	Hispanic American	0.02%	1.39%	1.50	Underutilization	*	
	Native American	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MINORITY	4.12%	9.72%	42.39	Underutilization	*	
	Non-Minority Woman	11.11%	16.49%	67.38	Underutilization	*	
	TOTAL MWBE	15.23%	26.22%	58.11	Underutilization	*	
TOTAL	African American	1.38%	6.60%	20.94	Underutilization	*	p <.05
	Asian American	0.46%	1.39%	33.40	Underutilization	*	p <.05
	Hispanic American	0.00%	1.39%	0.26	Underutilization	*	p <.05
	Native American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	1.85%	9.72%	19.02	Underutilization	*	p <.05
	Non-Minority Woman	18.79%	16.49%	113.95	Overutilization		
	TOTAL MWBE	20.64%	26.22%	78.75	Underutilization	*	p <.05
	TOTAL NON-MWBE	79.36%	73.78%	107.55	Overutilization		

Griffin & Strong, P.C. 2023

Table H-3: Disparity Results, Relevant Market Area, Master Vendor List
 Business Ownership Classification by Fiscal Year, Professional Services
 Total Utilization (prime + subcontracting)
 Using Payment Dollars, FY 2018-2022
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.68%	15.19%	4.46	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.68%	18.23%	3.72	Underutilization	*	
	Non-Minority Woman	1.00%	11.69%	8.54	Underutilization	*	
	TOTAL MWBE	1.68%	29.93%	5.60	Underutilization	*	
	TOTAL NON-MWBE	98.32%	70.07%	140.31	Overutilization		
2019	African American	0.61%	15.19%	4.02	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.61%	18.23%	3.35	Underutilization	*	
	Non-Minority Woman	0.62%	11.69%	5.33	Underutilization	*	
	TOTAL MWBE	1.23%	29.93%	4.12	Underutilization	*	
	TOTAL NON-MWBE	98.77%	70.07%	140.95	Overutilization		
2020	African American	0.48%	15.19%	3.13	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.48%	18.23%	2.61	Underutilization	*	
	Non-Minority Woman	0.52%	11.69%	4.42	Underutilization	*	
	TOTAL MWBE	0.99%	29.93%	3.32	Underutilization	*	
	TOTAL NON-MWBE	99.01%	70.07%	141.29	Overutilization		
2021	African American	0.16%	15.19%	1.07	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.16%	18.23%	0.89	Underutilization	*	
	Non-Minority Woman	0.22%	11.69%	1.85	Underutilization	*	
	TOTAL MWBE	0.38%	29.93%	1.27	Underutilization	*	
	TOTAL NON-MWBE	99.62%	70.07%	142.17	Overutilization		
2022	African American	0.03%	15.19%	0.23	Underutilization	*	
	Asian American	0.00%	1.01%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	
	Native American	0.00%	0.55%	0.00	Underutilization	*	
	TOTAL MINORITY	0.03%	18.23%	0.19	Underutilization	*	
	Non-Minority Woman	0.15%	11.69%	1.29	Underutilization	*	
	TOTAL MWBE	0.19%	29.93%	0.62	Underutilization	*	
	TOTAL NON-MWBE	99.81%	70.07%	142.44	Overutilization		
TOTAL	African American	0.30%	15.19%	1.95	Underutilization	*	p < .05
	Asian American	0.00%	1.01%	0.00	Underutilization	*	p < .05
	Hispanic American	0.00%	1.47%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.55%	0.00	Underutilization	*	p < .05
	TOTAL MINORITY	0.30%	18.23%	1.62	Underutilization	*	p < .05
	Non-Minority Woman	0.40%	11.69%	3.38	Underutilization	*	p < .05
	TOTAL MWBE	0.69%	29.93%	2.31	Underutilization	*	p < .05
	TOTAL NON-MWBE	99.31%	70.07%	141.72	Overutilization		

Griffin & Strong, P.C. 2023

Table H-4: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Other Services

Total Utilization (prime + subcontracting)

Using Payment Dollars, FY 2018-2022

Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	1.65%	15.91%	10.37	Underutilization	*	
	Asian American	0.00%	0.98%	0.11	Underutilization	*	
	Hispanic American	0.00%	1.85%	0.00	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	1.65%	19.25%	8.58	Underutilization	*	
	Non-Minority Woman	0.27%	11.78%	2.32	Underutilization	*	
	TOTAL MWBE	1.92%	31.03%	6.20	Underutilization	*	
	TOTAL NON-MWBE	98.08%	68.97%	142.19	Overutilization		
2019	African American	1.62%	15.91%	10.18	Underutilization	*	
	Asian American	0.00%	0.98%	0.10	Underutilization	*	
	Hispanic American	0.01%	1.85%	0.67	Underutilization	*	
	Native American	0.00%	0.52%	0.03	Underutilization	*	
	TOTAL MINORITY	1.63%	19.25%	8.48	Underutilization	*	
	Non-Minority Woman	0.36%	11.78%	3.09	Underutilization	*	
	TOTAL MWBE	2.00%	31.03%	6.44	Underutilization	*	
	TOTAL NON-MWBE	98.00%	68.97%	142.09	Overutilization		
2020	African American	1.09%	15.91%	6.83	Underutilization	*	
	Asian American	0.00%	0.98%	0.09	Underutilization	*	
	Hispanic American	0.09%	1.85%	5.11	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	1.18%	19.25%	6.14	Underutilization	*	
	Non-Minority Woman	0.91%	11.78%	7.76	Underutilization	*	
	TOTAL MWBE	2.10%	31.03%	6.76	Underutilization	*	
	TOTAL NON-MWBE	97.90%	68.97%	141.94	Overutilization		
2021	African American	1.96%	15.91%	12.33	Underutilization	*	
	Asian American	0.00%	0.98%	0.04	Underutilization	*	
	Hispanic American	0.27%	1.85%	14.54	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	2.23%	19.25%	11.59	Underutilization	*	
	Non-Minority Woman	0.56%	11.78%	4.71	Underutilization	*	
	TOTAL MWBE	2.79%	31.03%	8.98	Underutilization	*	
	TOTAL NON-MWBE	97.21%	68.97%	140.94	Overutilization		
2022	African American	2.17%	15.91%	13.63	Underutilization	*	
	Asian American	0.00%	0.98%	0.04	Underutilization	*	
	Hispanic American	0.11%	1.85%	5.78	Underutilization	*	
	Native American	0.00%	0.52%	0.00	Underutilization	*	
	TOTAL MINORITY	2.28%	19.25%	11.83	Underutilization	*	
	Non-Minority Woman	0.68%	11.78%	5.79	Underutilization	*	
	TOTAL MWBE	2.96%	31.03%	9.53	Underutilization	*	
	TOTAL NON-MWBE	97.04%	68.97%	140.69	Overutilization		
TOTAL	African American	1.68%	15.91%	10.56	Underutilization	*	p <.05
	Asian American	0.00%	0.98%	0.08	Underutilization	*	p <.05
	Hispanic American	0.08%	1.85%	4.54	Underutilization	*	p <.05
	Native American	0.00%	0.52%	0.01	Underutilization	*	p <.05
	TOTAL MINORITY	1.76%	19.25%	9.17	Underutilization	*	p <.05
	Non-Minority Woman	0.53%	11.78%	4.51	Underutilization	*	p <.05
	TOTAL MWBE	2.30%	31.03%	7.40	Underutilization	*	p <.05
	TOTAL NON-MWBE	97.70%	68.97%	141.65	Overutilization		

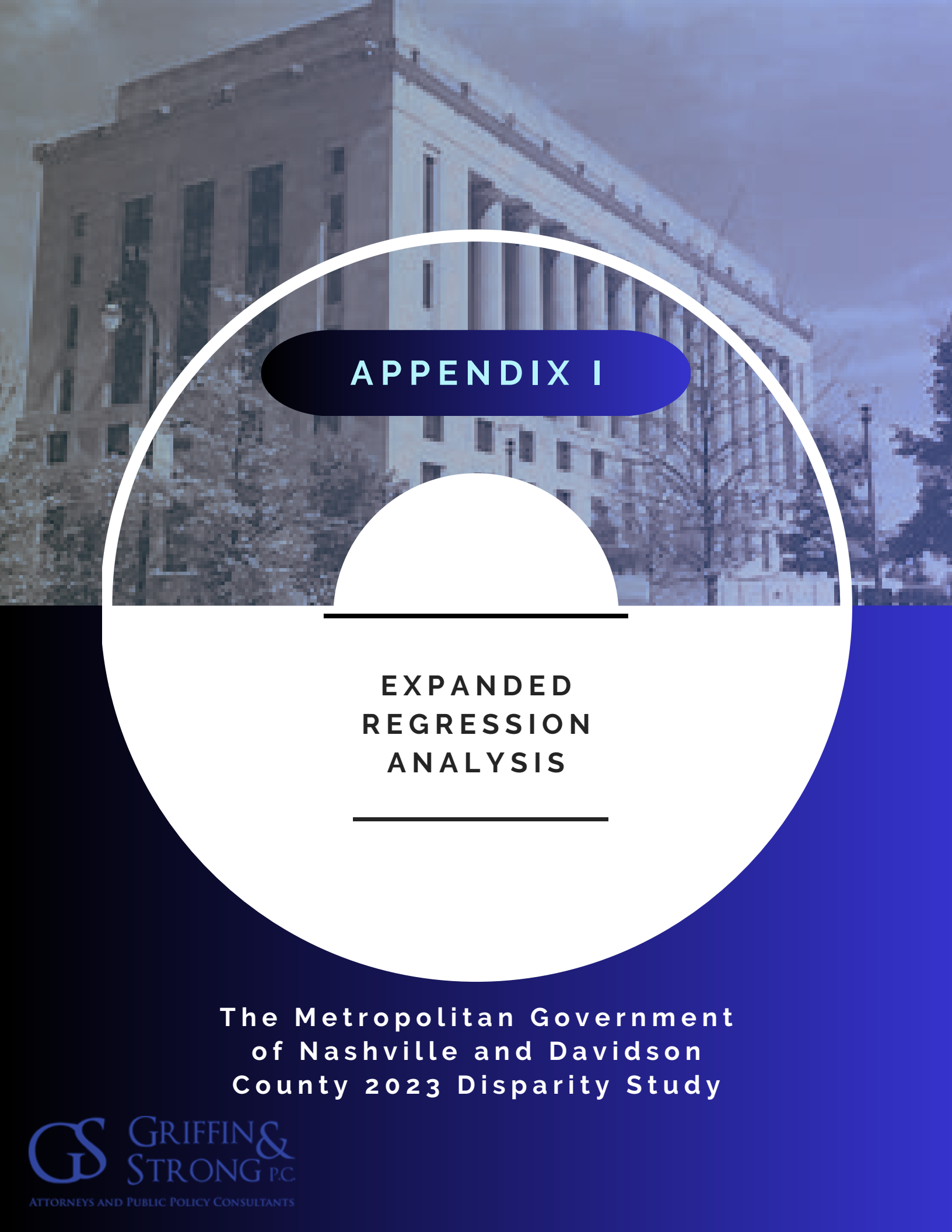
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Table H-5: Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Goods
 Total Utilization (prime + subcontracting)
 Using Payment Dollars, FY 2018-2022
 Metro Nashville Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2018	African American	0.30%	11.98%	2.53	Underutilization	*	
	Asian American	1.03%	0.76%	136.34	Overutilization		
	Hispanic American	0.18%	1.79%	9.84	Underutilization	*	
	Native American	0.11%	0.76%	14.91	Underutilization	*	
	TOTAL MINORITY	1.63%	15.28%	10.65	Underutilization	*	
	Non-Minority Woman	1.08%	12.52%	8.64	Underutilization	*	
	TOTAL MWBE	2.71%	27.80%	9.74	Underutilization	*	
	TOTAL NON-MWBE	97.29%	72.20%	134.76	Overutilization		
2019	African American	0.93%	11.98%	7.75	Underutilization	*	
	Asian American	0.80%	0.76%	105.98	Overutilization		
	Hispanic American	0.74%	1.79%	41.52	Underutilization	*	
	Native American	0.36%	0.76%	47.44	Underutilization	*	
	TOTAL MINORITY	2.83%	15.28%	18.54	Underutilization	*	
	Non-Minority Woman	5.65%	12.52%	45.15	Underutilization	*	
	TOTAL MWBE	8.49%	27.80%	30.52	Underutilization	*	
	TOTAL NON-MWBE	91.51%	72.20%	126.76	Overutilization		
2020	African American	2.89%	11.98%	24.12	Underutilization	*	
	Asian American	5.26%	0.76%	693.61	Overutilization		
	Hispanic American	1.28%	1.79%	71.60	Underutilization	*	
	Native American	0.48%	0.76%	63.51	Underutilization	*	
	TOTAL MINORITY	9.91%	15.28%	64.87	Underutilization	*	
	Non-Minority Woman	13.62%	12.52%	108.79	Overutilization		
	TOTAL MWBE	23.54%	27.80%	84.65	Underutilization		
	TOTAL NON-MWBE	76.46%	72.20%	105.91	Overutilization		
2021	African American	1.29%	11.98%	10.77	Underutilization	*	
	Asian American	0.47%	0.76%	62.27	Underutilization	*	
	Hispanic American	0.46%	1.79%	25.95	Underutilization	*	
	Native American	0.37%	0.76%	48.89	Underutilization	*	
	TOTAL MINORITY	2.60%	15.28%	16.99	Underutilization	*	
	Non-Minority Woman	7.78%	12.52%	62.11	Underutilization	*	
	TOTAL MWBE	10.37%	27.80%	37.31	Underutilization	*	
	TOTAL NON-MWBE	89.63%	72.20%	124.15	Overutilization		
2022	African American	1.62%	11.98%	13.49	Underutilization	*	
	Asian American	0.03%	0.76%	4.01	Underutilization	*	
	Hispanic American	0.60%	1.79%	33.42	Underutilization	*	
	Native American	0.92%	0.76%	121.88	Overutilization		
	TOTAL MINORITY	3.17%	15.28%	20.74	Underutilization	*	
	Non-Minority Woman	9.53%	12.52%	76.08	Underutilization	*	
	TOTAL MWBE	12.69%	27.80%	45.66	Underutilization	*	
	TOTAL NON-MWBE	87.31%	72.20%	120.93	Overutilization		
TOTAL	African American	1.13%	11.98%	9.43	Underutilization	*	p <.05
	Asian American	1.14%	0.76%	150.81	Overutilization		Small Number
	Hispanic American	0.56%	1.79%	31.07	Underutilization	*	p <.05
	Native American	0.41%	0.76%	54.28	Underutilization	*	Small Number
	TOTAL MINORITY	3.24%	15.28%	21.21	Underutilization	*	p <.05
	Non-Minority Woman	6.15%	12.52%	49.12	Underutilization	*	p <.05
	TOTAL MWBE	9.39%	27.80%	33.78	Underutilization	*	p <.05
	TOTAL NON-MWBE	90.61%	72.20%	125.50	Overutilization		

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APPENDIX I

EXPANDED REGRESSION ANALYSIS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX I: Expanded Regression Analysis

I. ANALYSIS OF MARKETPLACE CONTRACTING DISPARITIES IN THE METRO NASHVILLE MARKET AREA

A. Introduction

In this section, GSPC considers the market entry, private sector, public contracting and subcontracting outcomes, and other relevant market experiences of Minority and Women owned firms relative to non-MWBE firms in the Metro Nashville Market Area¹. GSPC's analysis utilizes data from businesses that are willing, able, or have actually contracted/subcontracted in the Metro Nashville Market Area, with the aim of determining if the likelihood of successful contracting/subcontracting opportunities—actual and perceived—in the Metro Nashville Market Area is conditioned, in a statistically significant manner, on the race, ethnicity, or gender status of firm owners. Such an analysis is a useful and important complement to estimating simple disparity indices, which assume all things important for success and failure are equal among businesses competing for public contracts. This analysis is based on unconditional moments, that is, statistics that do not necessarily inform causality or the source of differences across such statistics. As simple disparity indices do not condition on possible confounders² of new firm entry, and success and failure in public sector contracting/subcontracting by businesses, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased. Further details on this statistical analysis are provided in Appendix I.

GSPC's analysis posits that there are possible confounders of success and failure in the entry of new firms in the market and public sector contracting/subcontracting that are sources of heterogeneity, or diverse characteristics among businesses that lead to differences in success and failure. Failure to condition on the sources of heterogeneity in success/failure in new firm formation and public sector contracting/subcontracting outcomes can leave simple disparity indices devoid of substantive policy implications as they ignore the extent to which firm owner race/ethnicity characteristics are causal factors. Disparate outcomes could possibly reflect in whole or in part, outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in the formation of new firms and public sector contracting/subcontracting outcomes. If the race, ethnicity, or gender status of a firm owner conditions lower likelihoods of success/failure, this would be suggestive of these salient and mostly immutable characteristics causing the observed disparities.

A broad context for considering disparities by firm ownership status can be informed by considering private sector outcomes in the relevant Metro Nashville Market Area. In general, the success and failure of MWBEs in public contracting could be conditioned by their outcomes in the private sector regarding their revenue

¹ In particular, the relevant market is the Nashville-Davidson-Murfreesboro Metropolitan Statistical Area ("MSA") from the US Census Bureau.

² A confounder can be defined as a variable that, when added to the regression model, changes the estimate of the association between the main independent variable of interest (exposure) and the dependent variable (outcome) by 10% or more.

generating capacity. The value of a descriptive private sector analysis is that it situates disparity analyses in the "but-for" justification. Ayres and Vars (1998), in their consideration of the constitutionality of public affirmative programs posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to Minority businesses, which potentially increases the cost of which Minority owned businesses can provide services required under public contracts relative to Non-Minority owned businesses.³ This private discrimination means that MWBEs may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWBEs in the private sector can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the absence of such private sector discrimination, they would be able to compete with other firms in bidding for public contracts.

B. Firm Revenue

Table 1 below reports on firm ownership type and "proxied" sales revenue for the Nashville Metropolitan Statistical Area, as the Relevant Market, from the US Census Bureau's Annual Business Survey (ABS).⁴ GSPC's descriptive private sector analysis considers the percentage of representation in the population of firms and revenue across the available and relevant firm ownership type classifications.⁵ Measuring at the firm level, business ownership is defined as having more than 50% of the stock or equity in the business and is categorized by sex, ethnicity, race, veteran status, and publicly held and other firms not classifiable by sex, ethnicity, race, and veteran status.

³ See: Ayres, Ian, and Fredrick E. Vars. 1998, "When does private discrimination justify public affirmative action?" *Columbia Law Review*, 98: 1577-1641.

⁴ ABS data are publicly available at <https://www.census.gov/programs-surveys/abs/data.html>. The ABS provides information on selected economic and demographic characteristics for businesses and business owners by sex, ethnicity, race, and veteran status. Further, the survey measures research and development (for microbusinesses), new business topics such as innovation and technology, as well as other business characteristics. The ABS is conducted jointly by the U.S. Census Bureau and the National Center for Science and Engineering Statistics within the National Science Foundation. It replaces the five-year Survey of Business Owners for employer businesses, the Annual Survey of Entrepreneurs, the Business R&D and Innovation for Microbusinesses survey, and the innovation section of the Business R&D and Innovation Survey. The most recent data for the Nashville MSA for which firm revenue data are available is for the year 2017. As sales revenue data are not sufficiently and uniformly reported, GSPC proxy sales with a firm's payroll, which is proportional to payroll.

⁵ The data are only reportable for firms with data that can be captured without any sacrifice of confidentiality. In some instances, there are firms in revenue/sales categories for which this condition is not met, and their operating data is not reported in the publicly available version of the ABS. In this context, while this may impart a bias to Table 1, data for firms that cannot satisfy the confidentiality requirements are likely very small, and account for a small percentage of overall market revenue.

For the Metro Nashville Market Area, Table 1 reveals that relative to White American owned firms, the estimated revenue shares of each Minority owned firm never exceed 5% (Women).⁶ All MWBEs have estimated revenue shares far smaller than their firm representation shares. Relative to firms owned by White Americans in the Metro Nashville Market Area, exclusive of Women owned firms—some of whom are White Americans—the MWBE revenue shares are of a large order of magnitude below their implied 19% (approximately) firm representation shares.⁷ This is consistent with and suggestive of, but not necessarily causal evidence for MWBEs facing discriminatory barriers in the private sector of the Metro Nashville Market Area.⁸

**Table 1: Firm Ownership Type and Revenue Characteristics
Metro Nashville Market Area:
Census Bureau Annual Business Survey**

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Revenue (Proxied by payroll) (\$1,000)	Percentage of Market Area Total Revenue (approximate)	Ratio of Firm Share to Proxied Revenue Share
All	32,997	100	\$46,892,314	100	1.0
Women	5,167	.157	\$2,354,834	.050	3.14
White American	26,748	.812	\$16,909,618	.361	2.25
African American	261	.008	\$12,366	.0003	26.67
American Indian & Alaskan Native	67	.002	\$339,827	.007	.286
Asian American	1,704	.052	\$416,208	.009	5.78
Native Hawaiian & Other Pacific Islanders	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Hispanic American	243	.007	\$182,045	.004	1.75
Not classifiable by sector, race, gender, ethnicity	2,862	.087	\$29,245,120	.624	.139

Source: US Census Bureau 2019 Annual Business Survey. ^aValue suppressed to preserve confidentiality as a result of very few firms or there are one or two large firms that dominate the statistic. In general, across the payroll and counts for each type of firm in the ABS, there were in many instances data suppressions

⁶ The percentages do not “add-up” to one, as the Women ownership category is not “mutually exclusive” of the other race/ethnicity/gender categories.

⁷ This implied MWBE share is simply 1 minus the firm share of firms owned by White Americans.

⁸ This can be ascertained by simply computing the ratio of each MWBEs firm share to total revenue share. For example, in the case of firms owned by Asian Americans, this ratio is approximately 3.78, in contrast to approximately 2.29 for firms owned by White Americans. In this context, relative to firms owned by White Americans, firms owned by Asian Americans are more “revenue underrepresented” with respect to their firm share.

due to confidentiality, unreliable estimates, or lack of availability. As such, the descriptive statistics reported in Table 1 are what was estimable in the ABS.

Given that publicly held firms are not usually classifiable by race/ethnicity/gender status, and account for a disproportionate share of revenues, a simple comparison of an MWBE firm and revenue share may not inform the existence of any private sector disparities with precision. In this context, the ratio of an MWBE firm share to revenue share may be more informative of disparities.⁹ For example, in the case of firms owned by African Americans, this ratio is $(.0008) / (.003)$ or approximately 26.67. This suggests that the revenue share of firms owned by African Americans would have to increase by a factor of approximately 27 to achieve firm share parity in the Metro Nashville Market Area. For firms owned by White Americans this ratio is approximately 2.25. Thus, relative to White American owned firms, those owned by African Americans are revenue underrepresented in the Metro Nashville Market Area by a factor of approximately $26.67 / 2.25 = 11.83$ or approximately 1200%. In general, the estimates suggest that the majority of firms owned by non-White Americans—or MWBEs—in the Metro Nashville Market Area are revenue underrepresented relative to White American owned firms.

Overall, the descriptive summary in Table 1 suggests that in the Metro Nashville Market Area private sector, MWBEs face barriers that translate into lower firm revenues. In general, if being an MWBE in the Metro Nashville Market Area private sector is associated with lower firm revenue, absolutely and relative to their firm share in the market, this lends some support to the “but-for” justification for affirmative action in public procurement. Lower revenues for MWBEs in the Metro Nashville Market Area is suggestive, but does not necessarily prove, the existence of private discrimination that undermines their capacity to compete with non-MWBEs for public contracting opportunities. This could motivate a private discrimination justification for Affirmative Action in City procurement policies, otherwise this is potentially a passive participant in private discrimination against MWBEs with respect to its procurement practices.

⁹ This ratio can be viewed as an index of underrepresentation, as it measures the distance between a firm’s representation in the market relative to its share of market revenue. A value greater than unity indicates underrepresentation, a value equal to unity indicates parity, and a value less than unity indicates overrepresentation.

C. Self-Employment

The Concrete Works decision upholding an MWBE program was based in part on evidence that “Black Americans, Hispanic Americans, and Native Americans working in Construction have lower rates of self-employment than similarly situated White Americans.”¹⁰

To explicitly examine potential disparities in the rates of business ownership in the Metro Nashville Market Area, GSPC estimated the parameters of a Logit regression model using 2020 American Community Survey (ACS) data from the Integrated Public Use Microdata Series (IPUMS) housed at the University of Minnesota.¹¹ The ACS is a project of the U.S. Census Bureau that has replaced the decennial census as the key source of information about American population and housing characteristics. The 2020 ACS is an approximately 1-in-100 weighted public use sample consisting of U.S. households with the smallest identifiable unit being the Public Use Microdata Unit (PUMA), which is a geography containing at least 100,000 individuals. The specification of each model controls for those variables customary in the literature that are utilized to explain self-employment, so as to estimate the effects of MWBE status on self-employment while minimizing and/or eliminating confounding factors.¹² GSPC determines statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as $P\text{-value} \leq .10$, which GSPC highlight in bold in the tables for all parameter estimates.

GSPC’s ACS data define the Metro Nashville Market Area as the Nashville Metropolitan Statistical Area (MSA). In particular, GSPC selected the ACS sample on the basis of the MET2013 variable, which identifies MSAs using the 2013 definitions for MSA from the U.S. Office of Management and Budget (OMB). An MSA is a region consisting of a large urban core together with surrounding communities that have a high degree of economic and social integration with the urban core.

In the GSPC Logit regression model of self-employment, the estimated parameters are odds ratios, and when greater (or less) than unity indicate that having a particular characteristic increase (or decreases) the likelihood of being self-employed. In the case of the MWBE status indicators (e.g., African American, Woman), the excluded category is White Males, and a positive (or negative) odds ratio indicates that relative to White Males, having that MWBE characteristic increases (or decreases) the likelihood of being self-

⁷² *Concrete Works v. City and County of Denver*, 321 F.3 950 (10th Cir 2003).

¹¹ ACS data are publicly available at <https://usa.ipums.org/usa/>. See: *Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas and Matthew Sobek. IPUMS USA: Version 10.0 [dataset]. Minneapolis, MN: IPUMS, 2020. https://doi.org/10.18128/Do10.V10.0*

¹² See: Grilo, Isabel, and Roy Thurik. 2008. "Determinants of Entrepreneurial Engagement Levels in Europe and the US." *Industrial and Corporate Change* 17: pp. 1113-1145, and Van der Sluis, Justin, Mirjam Van Praag, and Wim Vijverberg. 2008. "Education and Entrepreneurship Selection and Performance: A Review of the Empirical Literature." *Journal of economic surveys* 22: pp. 795-841.

employed in the Metro Nashville Market Area. The MWBE status indicator is of primary interest, as they inform the extent to which MWBE status is a driver of disparities in outcomes. The other covariates serve as controls for firm capacity. The capacity to do business is conceptually defined as how much, and how effectively/efficiently, a firm can produce and sell within a market, independent of MWBE status. In particular, GSPC measures a firm's capacity for public contracting as a function of owner's education, firm revenue, its financing capacity, and its bonding capacity. Each of these control covariates capture fundamental capabilities associated with a firm's capacity to produce and sell a good/service effectively and efficiently.

Table 2 reports Logit odds ratio parameter estimates across all business sectors in the Metro Nashville Market Area. Relative to White Americans, African Americans and Women are less likely to be self-employed, as the estimated odds ratio is less than unity and statistically significant in these instances. This is suggestive of firms facing barriers to self-employment in the Metro Nashville Market Area. The lower self-employment likelihood of these type of MWBEs could reflect disparities in public contracting as Chatterji, Chay, and Fairlie (2014) find that the self-employment rate of African Americans¹³.

Table 3 reports Logit odd ratio parameter estimates for Construction in the Metro Nashville Market Area—an important sector in the market for public procurement. The estimated odds ratios less than unity with statistical significance suggest that relative to firms owned by White Americans, firms owned by Asian Americans, Native Americans, Pacific Islanders, and Women are less likely to be self-employed in the Metro Nashville Market Area construction sector. This is suggestive of firms facing barriers to self-employment in the Metro Nashville Market Area construction sector. The lower likelihood of these type of MWBEs being self-employed in the construction sector could reflect disparities in public contracting, as Marion (2009) finds that the self-employment rate of African Americans¹⁴.

¹³ Chatterji, Aaron K., Kenneth Y. Chay, and Robert W. Fairlie. 2014. "The Impact of City Contracting Set-asides on Black Self-employment and Employment." *Journal of Labor Economics* 32: pp. 507-561.

¹⁴ Marion, Justin. 2009. "Firm Racial Segregation and Affirmative Action in the Highway Construction Industry." *Small Business Economics* 33: Article 441.

**Table 2: Self-Employment/Business Ownership in Metro Nashville Market Area:
Logit Parameter Odds Ratio Estimates from the 2020 American Community Survey**

	Coefficient	P-value
<i>Regressand:</i> Self-Employed: Binary		
Age	1.0677	0.0000
Age Squared	0.9996	0.0001
Respondent is Married: Binary	0.9573	0.5614
Respondent is Female: Binary	0.5666	0.0000
Respondent is Non-Hispanic Black: Binary	0.4707	0.0000
Respondent is Non-White Hispanic: Binary	1.3801	0.3125
Respondent is Native American: Binary	1.1203	0.6777
Respondent is a Pacific Islander: Binary	1.7492	0.2198
Respondent is Asian American: Binary	0.6344	0.0696
Respondent is Other Race: Binary	0.9498	0.8567
Respondent is veteran: Binary	0.6105	0.0004
Respondent has a 4-year degree: Binary	1.0689	0.4004
Respondent speaks only English: Binary	0.8529	0.3736
Respondent is Disabled: Binary	1.0820	0.8831
Value of Home	1.0000	0.0005
Interest, Dividend, and Rental Income	1.0000	0.0083
Mortgage Payment	1.0001	0.4427
Number of Observations	6,336	
Pseudo R^2	0.0498	

Source of Data: American Community Survey 2020, IPUMs USA

Table 3: Construction Sector Self-Employment/Business Ownership in Metro Nashville Market Area:
Logit Parameter Odds Ratio Estimates from the 2020 American Community Survey

	Coefficient	P-value
<i>Regressand:</i> Self-Employed in Construction Industry: Binary		
Age	1.1612	0.0000
Age Squared	0.9986	0.0001
Respondent is Married: Binary	0.8463	0.2562
Respondent is Female: Binary	0.0989	0.0000
Respondent is Non-Hispanic Black: Binary	0.4730	0.1400
Respondent is Non-White Hispanic: Binary	2.8313	0.0122
Respondent is Native American: Binary	0.5964	0.6365
Respondent is a Pacific Islander: Binary	0.0016	0.0000
Respondent is Asian: Binary	0.0015	0.0000
Respondent is Other Race: Binary	1.1815	0.5352
Respondent is veteran: Binary	1.1338	0.6372
Respondent has a 4-year degree: Binary	0.3385	0.0001
Respondent speaks only English: Binary	1.3425	0.3311
Respondent is Disabled: Binary	3.5554	0.0019
Value of Home	1.0000	0.2116
Interest, Dividend, and Rental Income	1.0000	0.7229
Mortgage Payment	0.9997	0.0106
Number of Observations	6,326	
Pseudo R^2	0.1288	

Source of Data: American Community Survey 2020, IPUMs USA

D. Building Permit Analysis

To enable a closer look at the extent of MWBEs participation in the overall Metro Nashville relevant market area, Table 4 reports on the distribution of building permits by identifiable firm type in Metro Nashville for the 2019 -2022 calendar years. While building permits are directly related to the construction industry, construction activities are a vital component of an economy and engender spending on other economic activities. As such, an analysis of the distribution of building permits by firm type can inform the extent to which MWBEs are participating in the market economy of a given political jurisdiction such as Metro Nashville.

GSPC's analysis of commercial building permits in the Metro Nashville relevant market area linked rosters of identified MWBE firms to submitted building permits for the 2019 – 2022 calendar years. GSPC utilized a Fuzzy Matching (FM) procedure to link the text strings of firm names in the certified vendor matching list, along with any race, ethnicity, and gender identifiers to the firm names in the building permit applications. FM enables linking two data sets together that do not have a unique identifier common to both data sets to produce one that is common across a particular alphabetic string such as the name of a business/firm. A Python-enabled FM was utilized to identify MWBE and Non-MWBE business enterprises (MWBE) firms from the Metro Nashville building permit data for the 2019 – 2022 calendar years, which ultimately consisted of 34,577 entries with text strings indicating the names of businesses/firms that submitted and approved for, commercial building permit applications.

Given GSPC's FM-enabled identification of MWBE firms, Table 4 reports the distribution of building permits by firm type for the 2017 – 2021 calendar years in Metro Nashville. GSPC's matching algorithm enable the identification of firms broadly classified as MWBE, and those who are owned by Asian Americans, African Americans, Hispanic Americans Native Americans, and Women. In the case of the race/gender identifications, there is no inherent mutual exclusivity with the MWBE classification, with some of the firms identified as being owned by African American and Women not necessarily certified as MWBEs relevant to Metro Nashville's public procurement.

The distribution of commercial building permits reported in Table 4 reveal that for the 2019 - 2022 calendar years, the total number of building permits going to any of the firm types that could be classified as MWBE was 797, which constituted approximately .02 or 2 % of all commercial building permits issued. Among MWBEs firms identified as Native American owned had the lowest share and Women owned firms had the highest share.

The estimated low commercial building permit shares for MWBEs in the Metro Nashville is suggestive of private sector barriers that constrain the ability of these type of firms to participate in the economy. GSPC's estimates suggest that firms not classified as MWBEs—or Non-MWBEs—accounted for approximately 98 % of building permits in the Metro Nashville during the 2019 - 2022 calendar years. To the extent that experience acquired by participating in the private sector translates into an enhanced capacity to compete in the market for public sector contracts and subcontracts, the almost completed dominance of non-

MWBEs in securing building permits suggest the presence of private sector barriers faced by MWBEs. In this context, if there are any public contracting/subcontracting disparities between MWBEs and non-MWBEs in the Metro Nashville relevant Market Area, it could constitute passive discrimination against MWBEs, as the disparities could reflect barriers, possibly discriminatory, that MWBEs face in the private sector that serve to undermine their capacity to compete for contracts and subcontracts with Metro Nashville.

**Table 4: Distribution of Building Permits
In Metro Nashville Market Area
Calendar Years 2019 - 2022**

Business/Firm Type	Number of Building Permits^a	Percent of Building Permits^b
Asian American owned	14	0.0004
African American owned	304	0.0088
Hispanic American owned	64	0.0018
Native American owned	2	0.00006
Women owned	413	0.0119
Total MWBE, or Asian American, African American, Hispanic American, Native American or Women Owned Firms	797	0.0230
Total Non-MDBEs	33,780	0.9769
Total	34,577	1.000

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Notes: ^a Rounded to nearest integer

^b Rounded to nearest 10 thousandth

E. Bank Loan Denials

To the extent that Minority, Women, and Disadvantaged Enterprise (“MWDBEs”) are credit-constrained as a result of facing discrimination in private lending markets, their capacity to compete for and execute public projects could be compromised. In this context, a political jurisdiction that awards public contracts is potentially a passive participant in discrimination as MWDBEs may only have recourse to higher cost financing due to facing discrimination in private credit markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWDBEs in the private sector credit markets can rationalize targeted public contracting programs by political jurisdictions, and the capacity and growth of MWDBEs could be enhanced with access to public contracting opportunities (Bates, 2009).¹⁵

To determine if MWDBEs face barriers in the private credit market in the Metro Nashville Market Area, Tables 5-6 report, for each of the distinct MWDBEs and owner self-reported race/ethnicity/gender ownership characteristics in the GSPC sample, the estimated parameters of an Ordinary Least Squares regression, where the dependent variable is the standardized linear prediction of being denied for a commercial bank loan, which is estimated from an ordinal logit regression model.¹⁶

The estimated linear prediction captures how the outcome of interest is determined by presumably “*race-neutral*” factors determining a firm’s capacity to do business in the marketplace and with Metro Nashville. The regressors in the logit specification capturing firm capacity include: (1) Firm owner has more than 20 years’ experience, (2) Firm has more than 10 employees, (3) Firm owner has a baccalaureate degree, (4) Firm gross revenue is more than 1.5 million dollars, (5) Firm bonding limit is more than 1.5 million dollars, (6) Whether or not financing is a barrier to securing public contracts, (7) Whether or not the firm is in the construction sector, (8) Whether or not the firm is registered to do business with Metro Nashville, (9) Whether or not the firm is a willing/able prime contractor for Metro Nashville, and (10), Whether or not the firm a willing/able subcontractor for Metro Nashville.

The estimated coefficients in Table 5 reveal that for the four distinct broadly classified MWDBEs in the GSPC sample, relative to non-MWDBEs—the excluded group in the CRM specification— certified minority firms are more likely to have commercial bank loan denials.

¹⁵ See: Bates, Timothy. 2009 "Utilizing Affirmative Action in Public Sector Procurement as a Local Economic Development Strategy." *Economic Development Quarterly*, 23: pp. 180 - 192., Bates, Timothy, and Alicia Robb. 2013. "Greater Access to Capital is Needed to Unleash the Local Economic Development Potential of Minority owned Businesses." *Economic Development Quarterly*, 27: pp.250 - 259., and Shelton, Lois M., and Maria Minniti. 2018. "Enhancing product market access: Minority Entrepreneurship, Status Leveraging, and Preferential Procurement Programs." *Small Business Economics*, 50: pp. 481-498.

¹⁶ See the Appendix for a detailed discussion of this regression methodology. The P-values are based upon heteroskedasticity-robust standard errors.

This suggests that these types of MWDBEs face barriers in the private credit market. When disaggregated by the race/ethnicity/gender of owners, the results in Table 6 suggest that firms owned by African Americans and Native Americans are more likely to commercial bank loan denials relative to firms owned by White Americans. This suggests that among MWDBEs in the Metro Nashville Market Area, firms that are owned by African Americans and Native Americans—who are not necessarily certified SMWDBEs, are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

**Table 5: Ordinary Least Parameter Estimates-Bank Loan Denials:
MWDBE Status and Commercial Bank Loan Denial Probabilities
In Metro Nashville Market Area**

	Coefficient	P-value
<i>Regressand:</i> Standardized Linear Prediction of Commercial Bank Loan Denial		
Firm is a certified minority business enterprise: (Binary)	0.3639	0.0091
Firm is a certified woman enterprise: (Binary)	-0.1005	0.3903
Firm is a certified disadvantaged business enterprise: (Binary)	0.1102	0.4312
Constant	-0.1480	0.1503
Number of Observations	250	
R^2	0.0447	

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**Table 6: Ordinary Least Parameter Estimates-Bank Loan Denials:
Race/Ethnicity/Gender Status and Commercial Bank Loan Denial Probabilities
In Metro Nashville Market Area**

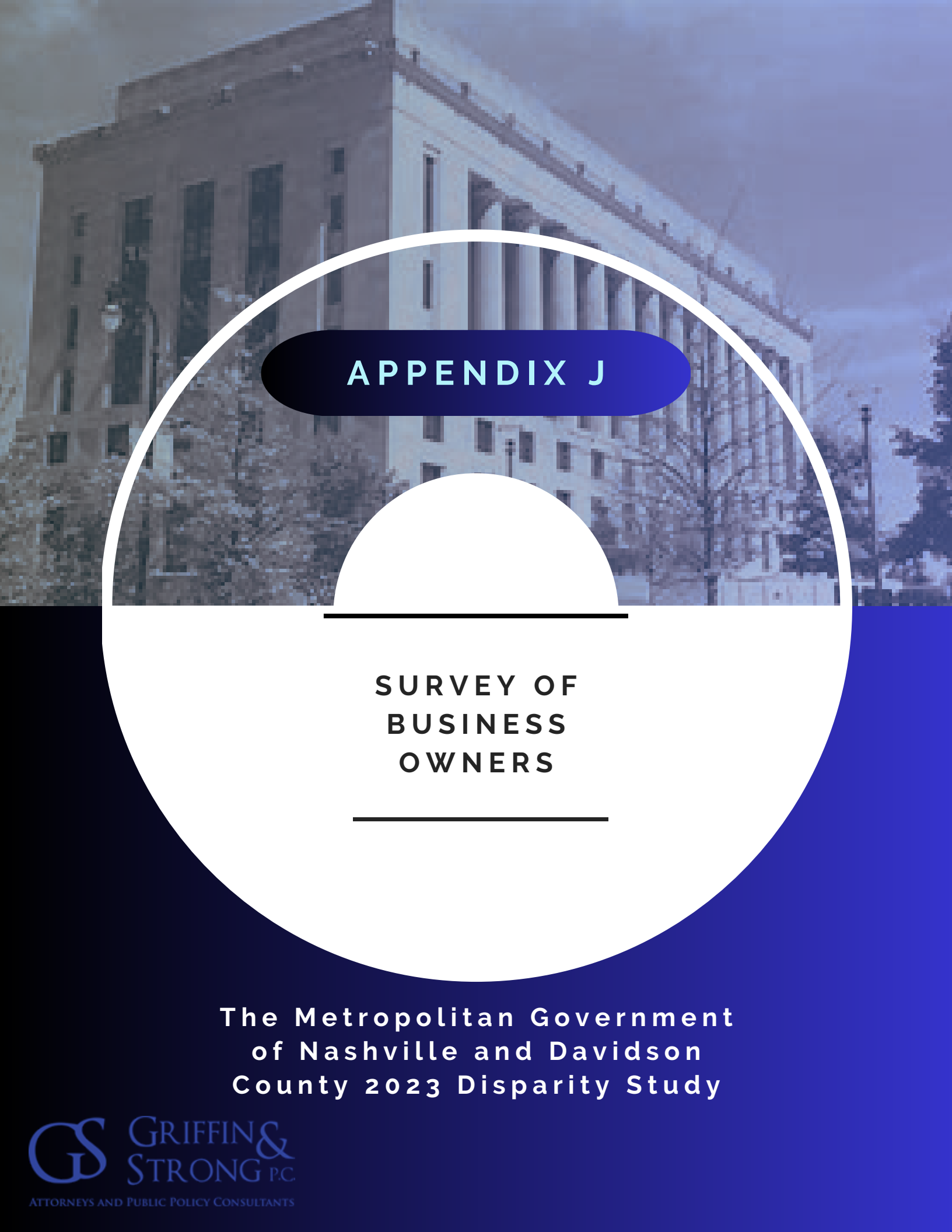
	Coefficient	P-value
<i>Regressand:</i> Standardized Linear Prediction of Commercial Bank Loan Denial		
Firm is African American-owned: (Binary)	0.7113	0.0000
Firm is Hispanic American-owned: (Binary)	0.3122	0.3363
Firm is Asian American -owned: (Binary)	0.3444	0.2075
Firm is Native American-owned: (Binary)	0.2695	0.0021
Firm is bi/multiracial-owned: (Binary)	0.9821	0.0979
Firm is other race-owned: (Binary)	0.4063	0.0561
Firm is woman-owned: (Binary)	-0.1149	0.4132
Constant	-0.2724	0.0343
Number of Observations	250	
R^2	0.1259	

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F. Conclusion

A descriptive and inferential private sector analysis of the Metro Nashville Market Area revealed that, in general, being an MWDBE in the Metro Nashville Market Area is associated with lower firm revenue relative to non-MWDBE firms. For firms owned by the Native Americans, Pacific Islanders, and the Disabled, self-employment likelihoods are lower, which lends some support to the “but-for” justification for affirmative action in public procurement—a policy intervention which can increase the self-employment outcomes of MWDBEs. Lower revenues for SMWDBEs in the Metro Nashville Market Area are suggestive of private sector discrimination that undermines their capacity to enter the market and compete with non-MWDBEs firms for public contracting and subcontracting opportunities. An analysis of the distribution of building permits reveals that non-MWDBEs dominate economic activity in the Metro Nashville market area. The dominance of non-MWDBEs in securing building permits suggests the presence of private sector barriers faced by MWDBEs, that inhibit their ability to gain access to contracting/subcontracting opportunities with Metro Nashville.

In other relevant outcomes, the regression results reported in Appendix I provide specific detail on which particular MWDBEs in the broad Metro Nashville Market Area are potentially constrained by barriers that could translate into lower likelihoods of winning prime contracts. Firms owned by African Americans and Hispanic Americans, are particularly harmed by perceived discrimination against them by City of Nashville. Firms owned by African Americans and Women are relatively more likely to have never secured a Metro Nashville prime contract. Firms owned by African Americans, Hispanic Americans, and Women are also more likely, relative to non-MWDBEs, to have never been awarded a prime contract or subcontract. GSPC also find that among MWDBEs, firms owned by African Americans, Hispanic Americans and Bi/multiracial Americans, are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of being excluded from informal contracting networks that enhance success in winning public contracts.



APPENDIX J

SURVEY OF BUSINESS OWNERS

**The Metropolitan Government
of Nashville and Davidson
County 2023 Disparity Study**

APPENDIX J: Survey of Business Owners

Nashville Disparity Study Survey of Business Owners

A brief note on how tables are calculated

Duplicate responses have been removed. Duplicate responses were removed based on businesses having either the same email address or same business name.

The total count of responses for each question includes only those participants who responded to that question. Participants who skipped or were not given a question are not included.

Table 1. Is your company a not-for-profit organization or a government entity?								
	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
No	30	90	102	3	14	6	5	250
	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Total	30	90	102	3	14	6	5	250

Table 2. Do you believe your company is ready, willing, and able to do business as a prime contractor with Metro?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	27	70	90	3	13	6	5	214
	90 %	77.8 %	88.2 %	100 %	92.9 %	100 %	100 %	85.6 %
No	3	20	12	0	1	0	0	36
	10 %	22.2 %	11.8 %	0 %	7.1 %	0 %	0 %	14.4 %
Total	30	90	102	3	14	6	5	250

Table 3. Do you believe your company is ready, willing, and able to do business as a subcontractor with Metro?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	27	76	99	3	14	6	5	230
	90 %	84.4 %	97.1 %	100 %	100 %	100 %	100 %	92 %
No	3	14	3	0	0	0	0	20
	10 %	15.6 %	2.9 %	0 %	0 %	0 %	0 %	8 %
Total	30	90	102	3	14	6	5	250

Table 4. Which one of the following is your company's primary line of business?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Construction	10	18	16	3	3	1	2	53
	33.3 %	20 %	15.7 %	100 %	21.4 %	16.7 %	40 %	21.2 %
Architecture & Engineering	5	9	6	0	2	0	0	22
	16.7 %	10 %	5.9 %	0 %	14.3 %	0 %	0 %	8.8 %
Other Professional Services	9	36	56	0	5	4	2	112
	30 %	40 %	54.9 %	0 %	35.7 %	66.7 %	40 %	44.8 %
Non-Professional Services	1	13	13	0	1	0	0	28
	3.3 %	14.4 %	12.7 %	0 %	7.1 %	0 %	0 %	11.2 %
Goods	5	14	11	0	3	1	1	35
	16.7 %	15.6 %	10.8 %	0 %	21.4 %	16.7 %	20 %	14 %
Total	30	90	102	3	14	6	5	250

Table 5. How long has your company been in operation?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Under 1 year	0	1	2	0	0	0	0	3
	0 %	1.1 %	2 %	0 %	0 %	0 %	0 %	1.2 %
1-5 years	0	10	31	0	4	1	1	47
	0 %	11.1 %	30.4 %	0 %	28.6 %	16.7 %	20 %	18.8 %
6-10 years	3	7	26	0	2	1	2	41
	10 %	7.8 %	25.5 %	0 %	14.3 %	16.7 %	40 %	16.4 %
11-15 years	5	12	13	0	2	1	0	33
	16.7 %	13.3 %	12.7 %	0 %	14.3 %	16.7 %	0 %	13.2 %
16-20 years	7	21	10	0	4	2	1	45
	23.3 %	23.3 %	9.8 %	0 %	28.6 %	33.3 %	20 %	18 %
Over 20 years	15	39	20	3	2	1	1	81
	50 %	43.3 %	19.6 %	100 %	14.3 %	16.7 %	20 %	32.4 %
Total	30	90	102	3	14	6	5	250

Table 6. Is at least 51% percent of your company owned and controlled by a woman or women?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	2	90	62	1	5	1	3	164
	6.7 %	100 %	60.8 %	33.3 %	35.7 %	16.7 %	60 %	65.6 %
No	28	0	40	2	9	5	2	86
	93.3 %	0 %	39.2 %	66.7 %	64.3 %	83.3 %	40 %	34.4 %
Total	30	90	102	3	14	6	5	250

Table 7. Which of the following categories would you consider to be the race or ethnic origin that the person or persons that own at least 51% of the company identify as? Would you say:

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
African American	0	0	102	0	0	0	0	102
	0 %	0 %	100 %	0 %	0 %	0 %	0 %	40.8 %
Asian-American	0	0	0	0	9	0	0	9
	0 %	0 %	0 %	0 %	64.3 %	0 %	0 %	3.6 %
Hispanic American	0	0	0	0	0	5	0	5
	0 %	0 %	0 %	0 %	0 %	83.3 %	0 %	2 %
Native American	0	0	0	2	0	0	0	2
	0 %	0 %	0 %	66.7 %	0 %	0 %	0 %	0.8 %
Caucasian American	25	90	0	0	0	0	0	115
	83.3 %	100 %	0 %	0 %	0 %	0 %	0 %	46 %
Multi-Racial or Bi-Racial	0	0	0	0	0	0	4	4
	0 %	0 %	0 %	0 %	0 %	0 %	80 %	1.6 %
Publicly Traded Company	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Other	5	0	0	1	5	1	1	13
	16.7 %	0 %	0 %	33.3 %	35.7 %	16.7 %	20 %	5.2 %
Total	30	90	102	3	14	6	5	250

Table 7. Which of the following categories would you consider to be the race or ethnic origin that the person or persons that own at least 51% of the company identify as? Would you say:

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>

Table 8. What is your current single project bonding limit since July 1, 2017?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$100,000 or less	2	3	13	0	1	0	0	19
	6.7 %	3.3 %	12.7 %	0 %	7.1 %	0 %	0 %	7.6 %
\$100,001 - \$250,000	1	1	1	0	0	0	0	3
	3.3 %	1.1 %	1 %	0 %	0 %	0 %	0 %	1.2 %
\$250,001 - \$500,000	2	2	2	1	2	1	0	10
	6.7 %	2.2 %	2 %	33.3 %	14.3 %	16.7 %	0 %	4 %
\$500,001 - \$750,000	0	3	0	0	0	0	0	3
	0 %	3.3 %	0 %	0 %	0 %	0 %	0 %	1.2 %
\$750,000 - \$1,000,000	4	5	6	0	1	2	0	18
	13.3 %	5.6 %	5.9 %	0 %	7.1 %	33.3 %	0 %	7.2 %
\$1,000,001 - \$2,500,000	2	3	12	0	3	1	1	22
	6.7 %	3.3 %	11.8 %	0 %	21.4 %	16.7 %	20 %	8.8 %
	1	4	4	0	1	0	0	10

Table 7. Which of the following categories would you consider to be the race or ethnic origin that the person or persons that own at least 51% of the company identify as? Would you say:

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$2,500,001 - \$5,000,000	3.3 %	4.4 %	3.9 %	0 %	7.1 %	0 %	0 %	4 %
\$5,000,001 to \$10,000,000	3	5	0	2	0	0	1	11
	10 %	5.6 %	0 %	66.7 %	0 %	0 %	20 %	4.4 %
Over \$10 million	1	2	3	0	0	0	0	6
	3.3 %	2.2 %	2.9 %	0 %	0 %	0 %	0 %	2.4 %
Do Not Know	7	10	14	0	0	1	1	33
	23.3 %	11.1 %	13.7 %	0 %	0 %	16.7 %	20 %	13.2 %
Not Applicable	7	52	47	0	6	1	2	115
	23.3 %	57.8 %	46.1 %	0 %	42.9 %	16.7 %	40 %	46 %
Total	30	90	102	3	14	6	5	250

Table 9. What is the largest single contract your company has been awarded since July 1, 2017?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$50,000 or less	2	10	31	0	2	0	1	46
	6.7 %	11.1 %	30.4 %	0 %	14.3 %	0 %	20 %	18.4 %
\$50,001 - \$100,000	1	10	4	1	1	0	0	17
	3.3 %	11.1 %	3.9 %	33.3 %	7.1 %	0 %	0 %	6.8 %
\$100,001 - \$250,000	2	13	11	0	0	0	0	26
	6.7 %	14.4 %	10.8 %	0 %	0 %	0 %	0 %	10.4 %
\$250,001 - \$500,000	4	9	10	0	0	0	0	23
	13.3 %	10 %	9.8 %	0 %	0 %	0 %	0 %	9.2 %
\$500,001 - \$750,000	0	5	2	0	3	0	0	10
	0 %	5.6 %	2 %	0 %	21.4 %	0 %	0 %	4 %
\$750,000 - \$1,000,000	3	1	5	0	0	1	0	10
	10 %	1.1 %	4.9 %	0 %	0 %	16.7 %	0 %	4 %
\$1,000,001 - \$2,500,000	2	15	1	1	3	2	2	26
	6.7 %	16.7 %	1 %	33.3 %	21.4 %	33.3 %	40 %	10.4 %
\$2,500,001 - \$5,000,000	2	7	3	0	1	0	0	13
	6.7 %	7.8 %	2.9 %	0 %	7.1 %	0 %	0 %	5.2 %
	5	4	5	1	1	0	0	16

Table 9. What is the largest single contract your company has been awarded since July 1, 2017?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$5,000,001 to \$10,000,000	16.7 %	4.4 %	4.9 %	33.3 %	7.1 %	0 %	0 %	6.4 %
Over \$10 million	2	1	6	0	0	0	0	9
	6.7 %	1.1 %	5.9 %	0 %	0 %	0 %	0 %	3.6 %
Do Not Know	4	2	1	0	0	1	0	8
	13.3 %	2.2 %	1 %	0 %	0 %	16.7 %	0 %	3.2 %
Not Applicable	3	13	23	0	3	2	2	46
	10 %	14.4 %	22.5 %	0 %	21.4 %	33.3 %	40 %	18.4 %
Total	30	90	102	3	14	6	5	250

Table 10. Indicate what you have performed as on any government or private contract since July 1, 2017.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Prime Contractor and Subcontractor	14	28	23	3	5	3	1	77
	46.7 %	31.1 %	22.5 %	100 %	35.7 %	50 %	20 %	30.8 %
Prime Contractor	4	12	22	0	0	0	2	40
	13.3 %	13.3 %	21.6 %	0 %	0 %	0 %	40 %	16 %
Subcontractor	7	24	28	0	7	2	0	68
	23.3 %	26.7 %	27.5 %	0 %	50 %	33.3 %	0 %	27.2 %
Neither	5	26	29	0	2	1	2	65
	16.7 %	28.9 %	28.4 %	0 %	14.3 %	16.7 %	40 %	26 %
Total	30	90	102	3	14	6	5	250

Table 11. On average, how many employees does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	2	10	19	0	1	0	0	32
	6.7 %	11.1 %	18.6 %	0 %	7.1 %	0 %	0 %	12.8 %
1-10	12	47	66	1	6	3	2	137
	40 %	52.2 %	64.7 %	33.3 %	42.9 %	50 %	40 %	54.8 %
11-30	9	18	9	1	4	1	3	45
	30 %	20 %	8.8 %	33.3 %	28.6 %	16.7 %	60 %	18 %
31-50	1	4	1	0	0	2	0	8
	3.3 %	4.4 %	1 %	0 %	0 %	33.3 %	0 %	3.2 %
51-75	3	2	1	0	2	0	0	8
	10 %	2.2 %	1 %	0 %	14.3 %	0 %	0 %	3.2 %
76-100	1	5	4	1	0	0	0	11
	3.3 %	5.6 %	3.9 %	33.3 %	0 %	0 %	0 %	4.4 %
101-300	2	3	1	0	1	0	0	7
	6.7 %	3.3 %	1 %	0 %	7.1 %	0 %	0 %	2.8 %
Over 300	0	1	1	0	0	0	0	2
	0 %	1.1 %	1 %	0 %	0 %	0 %	0 %	0.8 %
Total	30	90	102	3	14	6	5	250

Table 11. On average, how many employees does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>

Table 12. On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	5	11	17	1	1	0	0	35
	17.2 %	12.4 %	16.7 %	33.3 %	7.1 %	0 %	0 %	14.1 %
1-10	8	47	67	1	7	5	2	137
	27.6 %	52.8 %	65.7 %	33.3 %	50 %	83.3 %	40 %	55.2 %
11-30	9	17	10	0	3	1	3	43
	31 %	19.1 %	9.8 %	0 %	21.4 %	16.7 %	60 %	17.3 %
31-50	1	3	1	0	0	0	0	5
	3.4 %	3.4 %	1 %	0 %	0 %	0 %	0 %	2 %
51-75	2	1	2	0	2	0	0	7
	6.9 %	1.1 %	2 %	0 %	14.3 %	0 %	0 %	2.8 %
76-100	2	5	3	1	0	0	0	11
	6.9 %	5.6 %	2.9 %	33.3 %	0 %	0 %	0 %	4.4 %
101-300	2	4	1	0	1	0	0	8

Table 11. On average, how many employees does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
	6.9 %	4.5 %	1 %	0 %	7.1 %	0 %	0 %	3.2 %
Over 300	0	1	1	0	0	0	0	2
	0 %	1.1 %	1 %	0 %	0 %	0 %	0 %	0.8 %
Total	29	89	102	3	14	6	5	248

Table 13. What is the highest level of education completed by any owner of your company? Would you say:

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Some High School	0	0	2	0	0	0	0	2
	0 %	0 %	2 %	0 %	0 %	0 %	0 %	0.8 %
High School graduate	3	4	2	0	0	0	0	9
	10 %	4.4 %	2 %	0 %	0 %	0 %	0 %	3.6 %
Some College	3	12	15	0	1	0	1	32
	10 %	13.3 %	14.7 %	0 %	7.1 %	0 %	20 %	12.8 %
College Graduate	17	46	34	0	8	1	2	108
	56.7 %	51.1 %	33.3 %	0 %	57.1 %	16.7 %	40 %	43.2 %
Post Graduate Degree	5	25	41	2	5	3	2	83
	16.7 %	27.8 %	40.2 %	66.7 %	35.7 %	50 %	40 %	33.2 %
Trade or Technical Certificate	0	3	8	0	0	2	0	13
	0 %	3.3 %	7.8 %	0 %	0 %	33.3 %	0 %	5.2 %
Do Not Know	2	0	0	1	0	0	0	3
	6.7 %	0 %	0 %	33.3 %	0 %	0 %	0 %	1.2 %
Total	30	90	102	3	14	6	5	250

Table 14. What is the greatest number of years of experience that any owners in your company's line of business have?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
1-5	0	3	7	0	0	1	0	11
	0 %	3.3 %	6.9 %	0 %	0 %	16.7 %	0 %	4.4 %
6-10	0	2	16	0	0	0	1	19
	0 %	2.2 %	15.7 %	0 %	0 %	0 %	20 %	7.6 %
11-15	1	5	11	0	0	1	1	19
	3.3 %	5.6 %	10.8 %	0 %	0 %	16.7 %	20 %	7.6 %
16-20	3	8	18	0	1	1	0	31
	10 %	8.9 %	17.6 %	0 %	7.1 %	16.7 %	0 %	12.4 %
More than 20	26	72	50	3	13	3	3	170
	86.7 %	80 %	49 %	100 %	92.9 %	50 %	60 %	68 %
Total	30	90	102	3	14	6	5	250

Table 15. Which of the following categories best approximates your company's gross revenues for calendar year 2019? Your best estimate will suffice.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$100,000 or less	1	17	47	0	3	1	1	70
	3.3 %	18.9 %	46.1 %	0 %	21.4 %	16.7 %	20 %	28 %
\$100,001 - \$250,000	2	6	8	0	0	1	0	17
	6.7 %	6.7 %	7.8 %	0 %	0 %	16.7 %	0 %	6.8 %
\$250,001 - \$500,000	2	7	13	0	1	0	1	24
	6.7 %	7.8 %	12.7 %	0 %	7.1 %	0 %	20 %	9.6 %
\$500,001 - \$750,000	3	5	3	1	0	0	0	12
	10 %	5.6 %	2.9 %	33.3 %	0 %	0 %	0 %	4.8 %
\$750,001 - \$1,000,000	3	11	7	0	0	0	1	22
	10 %	12.2 %	6.9 %	0 %	0 %	0 %	20 %	8.8 %
\$1,000,001 - \$1,320,000	1	4	1	0	2	1	0	9
	3.3 %	4.4 %	1 %	0 %	14.3 %	16.7 %	0 %	3.6 %
\$1,320,001 - \$1,500,000	0	0	2	0	0	0	0	2
	0 %	0 %	2 %	0 %	0 %	0 %	0 %	0.8 %
\$1,500,001 - \$5,000,000	9	22	6	1	4	3	1	46
	30 %	24.4 %	5.9 %	33.3 %	28.6 %	50 %	20 %	18.4 %
	3	5	2	0	2	0	1	13

Table 15. Which of the following categories best approximates your company's gross revenues for calendar year 2019? Your best estimate will suffice.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$5,000,001 - \$10,000,000	10 %	5.6 %	2 %	0 %	14.3 %	0 %	20 %	5.2 %
\$10,000,001 - \$15,000,000	1	1	0	0	0	0	0	2
	3.3 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.8 %
\$15,000,001 - \$20,000,000	2	3	3	0	0	0	0	8
	6.7 %	3.3 %	2.9 %	0 %	0 %	0 %	0 %	3.2 %
\$20,000,001 - \$39,500,000	1	2	1	0	1	0	0	5
	3.3 %	2.2 %	1 %	0 %	7.1 %	0 %	0 %	2 %
Over \$39,500,000	1	0	1	0	0	0	0	2
	3.3 %	0 %	1 %	0 %	0 %	0 %	0 %	0.8 %
Don't Know	1	6	2	1	1	0	0	11
	3.3 %	6.7 %	2 %	33.3 %	7.1 %	0 %	0 %	4.4 %
Company Out of Business	0	1	6	0	0	0	0	7
	0 %	1.1 %	5.9 %	0 %	0 %	0 %	0 %	2.8 %
Total	30	90	102	3	14	6	5	250

Table 16. Which of the following categories best approximates your company's gross revenues for calendar year 2021? Your best estimate will suffice.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$100,000 or less	1	16	40	0	2	1	1	61
	3.3 %	17.8 %	39.2 %	0 %	14.3 %	16.7 %	20 %	24.4 %
\$100,001 - \$250,000	2	7	17	0	1	1	1	29
	6.7 %	7.8 %	16.7 %	0 %	7.1 %	16.7 %	20 %	11.6 %
\$250,001 - \$500,000	3	7	14	1	1	0	0	26
	10 %	7.8 %	13.7 %	33.3 %	7.1 %	0 %	0 %	10.4 %
\$500,001 - \$750,000	1	6	5	0	1	0	0	13
	3.3 %	6.7 %	4.9 %	0 %	7.1 %	0 %	0 %	5.2 %
\$750,001 - \$1,000,000	3	8	5	0	1	0	0	17
	10 %	8.9 %	4.9 %	0 %	7.1 %	0 %	0 %	6.8 %
\$1,000,001 - \$1,320,000	1	8	3	0	0	1	0	13
	3.3 %	8.9 %	2.9 %	0 %	0 %	16.7 %	0 %	5.2 %
\$1,320,001 - \$1,500,000	1	2	1	0	0	0	0	4
	3.3 %	2.2 %	1 %	0 %	0 %	0 %	0 %	1.6 %
\$1,500,001 - \$5,000,000	7	17	6	1	4	3	2	40
	23.3 %	18.9 %	5.9 %	33.3 %	28.6 %	50 %	40 %	16 %
	4	6	3	1	2	0	0	16

Table 16. Which of the following categories best approximates your company's gross revenues for calendar year 2021? Your best estimate will suffice.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$5,000,001 - \$10,000,000	13.3 %	6.7 %	2.9 %	33.3 %	14.3 %	0 %	0 %	6.4 %
\$10,000,001 - \$15,000,000	3	5	0	0	1	0	1	10
	10 %	5.6 %	0 %	0 %	7.1 %	0 %	20 %	4 %
\$15,000,001 - \$20,000,000	1	2	1	0	0	0	0	4
	3.3 %	2.2 %	1 %	0 %	0 %	0 %	0 %	1.6 %
\$20,000,001 - \$39,500,000	1	2	3	0	1	0	0	7
	3.3 %	2.2 %	2.9 %	0 %	7.1 %	0 %	0 %	2.8 %
Over \$39,500,000	1	0	1	0	0	0	0	2
	3.3 %	0 %	1 %	0 %	0 %	0 %	0 %	0.8 %
Don't Know	1	4	1	0	0	0	0	6
	3.3 %	4.4 %	1 %	0 %	0 %	0 %	0 %	2.4 %
Company Out of Business	0	0	2	0	0	0	0	2
	0 %	0 %	2 %	0 %	0 %	0 %	0 %	0.8 %
Total	30	90	102	3	14	6	5	250

Table 17. Is your company registered with Metro through iSupplier?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	29	70	72	3	9	3	2	188
	96.7 %	77.8 %	70.6 %	100 %	64.3 %	50 %	40 %	75.2 %
No	1	20	30	0	5	3	3	62
	3.3 %	22.2 %	29.4 %	0 %	35.7 %	50 %	60 %	24.8 %
Total	30	90	102	3	14	6	5	250

Table 18. Is your company registered with any other government entity (including but not limited to): State of Tennessee and Tennessee DOT?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	22	69	74	3	11	5	3	187
	73.3 %	76.7 %	72.5 %	100 %	78.6 %	83.3 %	60 %	74.8 %
No	8	21	28	0	3	1	2	63
	26.7 %	23.3 %	27.5 %	0 %	21.4 %	16.7 %	40 %	25.2 %
Total	30	90	102	3	14	6	5	250

Table 19. If you answered "No" to "is your company registered with Metro through iSupplier", why has your company not registered with Metro through iSupplier? Indicate all that apply. [Do not know how to register.]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	18	18	0	3	1	1	42
	100 %	90 %	60 %	0 %	60 %	33.3 %	33.3 %	67.7 %
Selected	0	2	12	0	2	2	2	20
	0 %	10 %	40 %	0 %	40 %	66.7 %	66.7 %	32.3 %
Total	1	20	30	0	5	3	3	62

Table 20. Did not know there was a registry?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	9	14	0	2	2	2	29
	0 %	45 %	46.7 %	0 %	40 %	66.7 %	66.7 %	46.8 %
Selected	1	11	16	0	3	1	1	33
	100 %	55 %	53.3 %	0 %	60 %	33.3 %	33.3 %	53.2 %
Total	1	20	30	0	5	3	3	62

Table 21. Do not see any benefit in registering?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	19	29	0	5	3	3	60
	100 %	95 %	96.7 %	0 %	100 %	100 %	100 %	96.8 %
Selected	0	1	1	0	0	0	0	2
	0 %	5 %	3.3 %	0 %	0 %	0 %	0 %	3.2 %
Total	1	20	30	0	5	3	3	62

Table 22. Do not want to do business with Metro?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	19	29	0	5	3	3	60
	100 %	95 %	96.7 %	0 %	100 %	100 %	100 %	96.8 %
Selected	0	1	1	0	0	0	0	2
	0 %	5 %	3.3 %	0 %	0 %	0 %	0 %	3.2 %
Total	1	20	30	0	5	3	3	62

Table 23. Do not want to do business with Metro?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	20	30	0	5	3	3	62
	100 %	100 %	100 %	0 %	100 %	100 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	1	20	30	0	5	3	3	62

Table 24. Do not see opportunities in my field of work?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	16	24	0	5	3	3	52
	100 %	80 %	80 %	0 %	100 %	100 %	100 %	83.9 %
Selected	0	4	6	0	0	0	0	10
	0 %	20 %	20 %	0 %	0 %	0 %	0 %	16.1 %
Total	1	20	30	0	5	3	3	62

Table 25. Do not believe the firm would be awarded a contract?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	19	26	0	5	3	3	57
	100 %	95 %	86.7 %	0 %	100 %	100 %	100 %	91.9 %
Selected	0	1	4	0	0	0	0	5
	0 %	5 %	13.3 %	0 %	0 %	0 %	0 %	8.1 %
Total	1	20	30	0	5	3	3	62

Table 26. Other (fill in blank)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	19	26	0	4	3	3	56
	100 %	95 %	86.7 %	0 %	80 %	100 %	100 %	90.3 %
Selected	0	1	4	0	1	0	0	6
	0 %	5 %	13.3 %	0 %	20 %	0 %	0 %	9.7 %
Total	1	20	30	0	5	3	3	62

Table 27. From July 1, 2017, through June 30, 2022, how many times has your company submitted bids or proposals for projects as prime contractor on: [Metro]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	11	48	68	2	12	5	3	149
	36.7 %	53.3 %	66.7 %	66.7 %	85.7 %	83.3 %	60 %	59.6 %
1-10	9	26	27	1	2	0	1	66
	30 %	28.9 %	26.5 %	33.3 %	14.3 %	0 %	20 %	26.4 %
11-25	2	6	3	0	0	0	0	11
	6.7 %	6.7 %	2.9 %	0 %	0 %	0 %	0 %	4.4 %
26-50	3	1	0	0	0	0	1	5
	10 %	1.1 %	0 %	0 %	0 %	0 %	20 %	2 %
51-100	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Over 100	0	2	0	0	0	0	0	2
	0 %	2.2 %	0 %	0 %	0 %	0 %	0 %	0.8 %
Do Not Know/NA	5	7	4	0	0	1	0	17
	16.7 %	7.8 %	3.9 %	0 %	0 %	16.7 %	0 %	6.8 %
Total	30	90	102	3	14	6	5	250

Table 28. Private Sector Projects

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	9	38	53	0	8	3	2	113
	30 %	42.2 %	52 %	0 %	57.1 %	50 %	40 %	45.2 %
1-10	2	17	30	1	5	1	2	58
	6.7 %	18.9 %	29.4 %	33.3 %	35.7 %	16.7 %	40 %	23.2 %
11-25	2	8	9	1	1	0	0	21
	6.7 %	8.9 %	8.8 %	33.3 %	7.1 %	0 %	0 %	8.4 %
26-50	3	6	2	0	0	0	1	12
	10 %	6.7 %	2 %	0 %	0 %	0 %	20 %	4.8 %
51-100	3	3	3	0	0	1	0	10
	10 %	3.3 %	2.9 %	0 %	0 %	16.7 %	0 %	4 %
Over 100	6	5	3	0	0	0	0	14
	20 %	5.6 %	2.9 %	0 %	0 %	0 %	0 %	5.6 %
Do Not Know/NA	5	13	2	1	0	1	0	22
	16.7 %	14.4 %	2 %	33.3 %	0 %	16.7 %	0 %	8.8 %
Total	30	90	102	3	14	6	5	250

Table 29. Other Public Sector (non-Metro Projects)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	8	40	59	1	8	3	5	124
	26.7 %	44.4 %	57.8 %	33.3 %	57.1 %	50 %	100 %	49.6 %
1-10	6	24	32	0	3	0	0	65
	20 %	26.7 %	31.4 %	0 %	21.4 %	0 %	0 %	26 %
11-25	2	6	4	1	1	1	0	15
	6.7 %	6.7 %	3.9 %	33.3 %	7.1 %	16.7 %	0 %	6 %
26-50	2	4	2	0	1	1	0	10
	6.7 %	4.4 %	2 %	0 %	7.1 %	16.7 %	0 %	4 %
51-100	3	1	1	0	0	0	0	5
	10 %	1.1 %	1 %	0 %	0 %	0 %	0 %	2 %
Over 100	2	4	1	0	0	0	0	7
	6.7 %	4.4 %	1 %	0 %	0 %	0 %	0 %	2.8 %
Do Not Know/NA	7	11	3	1	1	1	0	24
	23.3 %	12.2 %	2.9 %	33.3 %	7.1 %	16.7 %	0 %	9.6 %
Total	30	90	102	3	14	6	5	250

Table 30. From July 1, 2017, through June 30, 2022, how many times has your company been awarded contracts to perform as a prime contractor: [Metro]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	14	56	84	3	12	4	3	176
	46.7 %	62.2 %	82.4 %	100 %	85.7 %	66.7 %	60 %	70.4 %
1-10	7	20	12	0	1	0	1	41
	23.3 %	22.2 %	11.8 %	0 %	7.1 %	0 %	20 %	16.4 %
11-25	2	3	0	0	0	0	1	6
	6.7 %	3.3 %	0 %	0 %	0 %	0 %	20 %	2.4 %
26-50	1	0	1	0	0	1	0	3
	3.3 %	0 %	1 %	0 %	0 %	16.7 %	0 %	1.2 %
51-100	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Over 100	0	3	0	0	0	0	0	3
	0 %	3.3 %	0 %	0 %	0 %	0 %	0 %	1.2 %
Do Not Know/NA	6	8	5	0	1	1	0	21
	20 %	8.9 %	4.9 %	0 %	7.1 %	16.7 %	0 %	8.4 %
Total	30	90	102	3	14	6	5	250

Table 31. Private Sector Projects

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	7	39	59	1	6	4	2	118
	23.3 %	43.3 %	57.8 %	33.3 %	42.9 %	66.7 %	40 %	47.2 %
1-10	2	21	27	1	7	0	2	60
	6.7 %	23.3 %	26.5 %	33.3 %	50 %	0 %	40 %	24 %
11-25	2	10	6	0	0	0	0	18
	6.7 %	11.1 %	5.9 %	0 %	0 %	0 %	0 %	7.2 %
26-50	3	3	3	0	0	1	1	11
	10 %	3.3 %	2.9 %	0 %	0 %	16.7 %	20 %	4.4 %
51-100	6	1	1	0	0	0	0	8
	20 %	1.1 %	1 %	0 %	0 %	0 %	0 %	3.2 %
Over 100	5	4	2	0	0	0	0	11
	16.7 %	4.4 %	2 %	0 %	0 %	0 %	0 %	4.4 %
Do Not Know/NA	5	12	4	1	1	1	0	24
	16.7 %	13.3 %	3.9 %	33.3 %	7.1 %	16.7 %	0 %	9.6 %
Total	30	90	102	3	14	6	5	250

Table 32. Other Public Sector (non-Metro Projects)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	9	44	65	1	8	3	5	135
	30 %	48.9 %	63.7 %	33.3 %	57.1 %	50 %	100 %	54 %
1-10	7	19	30	1	4	0	0	61
	23.3 %	21.1 %	29.4 %	33.3 %	28.6 %	0 %	0 %	24.4 %
11-25	1	10	1	0	0	1	0	13
	3.3 %	11.1 %	1 %	0 %	0 %	16.7 %	0 %	5.2 %
26-50	3	0	0	0	0	1	0	4
	10 %	0 %	0 %	0 %	0 %	16.7 %	0 %	1.6 %
51-100	1	1	1	0	0	0	0	3
	3.3 %	1.1 %	1 %	0 %	0 %	0 %	0 %	1.2 %
Over 100	2	3	0	0	0	0	0	5
	6.7 %	3.3 %	0 %	0 %	0 %	0 %	0 %	2 %
Do Not Know/NA	7	13	5	1	2	1	0	29
	23.3 %	14.4 %	4.9 %	33.3 %	14.3 %	16.7 %	0 %	11.6 %
Total	30	90	102	3	14	6	5	250

Table 33. From July 1, 2017, through June 30, 2022, how many times has your company submitted bids or proposals for projects as a subcontractor on: [Metro]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	12	54	63	2	10	5	4	150
	40 %	60 %	61.8 %	66.7 %	71.4 %	83.3 %	80 %	60 %
1-10	9	18	25	0	2	0	1	55
	30 %	20 %	24.5 %	0 %	14.3 %	0 %	20 %	22 %
11-25	3	3	8	1	2	0	0	17
	10 %	3.3 %	7.8 %	33.3 %	14.3 %	0 %	0 %	6.8 %
26-50	0	3	1	0	0	0	0	4
	0 %	3.3 %	1 %	0 %	0 %	0 %	0 %	1.6 %
51-100	1	1	1	0	0	0	0	3
	3.3 %	1.1 %	1 %	0 %	0 %	0 %	0 %	1.2 %
Over 100	0	1	0	0	0	0	0	1
	0 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.4 %
Do Not Know/NA	5	10	4	0	0	1	0	20
	16.7 %	11.1 %	3.9 %	0 %	0 %	16.7 %	0 %	8 %
Total	30	90	102	3	14	6	5	250

Table 34. Private Sector Projects

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	12	39	63	1	8	4	3	130
	40 %	43.3 %	61.8 %	33.3 %	57.1 %	66.7 %	60 %	52 %
1-10	3	17	22	1	6	0	1	50
	10 %	18.9 %	21.6 %	33.3 %	42.9 %	0 %	20 %	20 %
11-25	1	8	6	1	0	0	0	16
	3.3 %	8.9 %	5.9 %	33.3 %	0 %	0 %	0 %	6.4 %
26-50	0	3	5	0	0	0	0	8
	0 %	3.3 %	4.9 %	0 %	0 %	0 %	0 %	3.2 %
51-100	2	6	0	0	0	1	0	9
	6.7 %	6.7 %	0 %	0 %	0 %	16.7 %	0 %	3.6 %
Over 100	6	6	3	0	0	0	0	15
	20 %	6.7 %	2.9 %	0 %	0 %	0 %	0 %	6 %
Do Not Know/NA	6	11	3	0	0	1	1	22
	20 %	12.2 %	2.9 %	0 %	0 %	16.7 %	20 %	8.8 %
Total	30	90	102	3	14	6	5	250

Table 35. Other Public Sector (non-Metro Projects)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	11	37	63	2	7	3	4	127
	36.7 %	41.1 %	61.8 %	66.7 %	50 %	50 %	80 %	50.8 %
1-10	7	26	24	0	4	0	1	62
	23.3 %	28.9 %	23.5 %	0 %	28.6 %	0 %	20 %	24.8 %
11-25	0	6	5	1	2	1	0	15
	0 %	6.7 %	4.9 %	33.3 %	14.3 %	16.7 %	0 %	6 %
26-50	0	3	2	0	0	1	0	6
	0 %	3.3 %	2 %	0 %	0 %	16.7 %	0 %	2.4 %
51-100	2	1	2	0	0	0	0	5
	6.7 %	1.1 %	2 %	0 %	0 %	0 %	0 %	2 %
Over 100	3	4	2	0	0	0	0	9
	10 %	4.4 %	2 %	0 %	0 %	0 %	0 %	3.6 %
Do Not Know/NA	7	13	4	0	1	1	0	26
	23.3 %	14.4 %	3.9 %	0 %	7.1 %	16.7 %	0 %	10.4 %
Total	30	90	102	3	14	6	5	250

Table 36. From July 1, 2017, through June 30, 2022, how many times has your company been awarded contracts to perform as a subcontractor: [Metro]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	14	61	70	2	11	5	5	168
	46.7 %	67.8 %	68.6 %	66.7 %	78.6 %	83.3 %	100 %	67.2 %
1-10	9	15	25	0	3	0	0	52
	30 %	16.7 %	24.5 %	0 %	21.4 %	0 %	0 %	20.8 %
11-25	2	1	2	1	0	0	0	6
	6.7 %	1.1 %	2 %	33.3 %	0 %	0 %	0 %	2.4 %
26-50	0	2	0	0	0	0	0	2
	0 %	2.2 %	0 %	0 %	0 %	0 %	0 %	0.8 %
51-100	1	1	0	0	0	0	0	2
	3.3 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.8 %
Over 100	0	1	0	0	0	0	0	1
	0 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.4 %
Do Not Know/NA	4	9	5	0	0	1	0	19
	13.3 %	10 %	4.9 %	0 %	0 %	16.7 %	0 %	7.6 %
Total	30	90	102	3	14	6	5	250

Table 37. Private Sector Projects

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	12	41	63	1	6	4	5	132
	40 %	45.6 %	61.8 %	33.3 %	42.9 %	66.7 %	100 %	52.8 %
1-10	2	17	25	2	6	0	0	52
	6.7 %	18.9 %	24.5 %	66.7 %	42.9 %	0 %	0 %	20.8 %
11-25	2	7	3	0	0	0	0	12
	6.7 %	7.8 %	2.9 %	0 %	0 %	0 %	0 %	4.8 %
26-50	2	5	3	0	0	1	0	11
	6.7 %	5.6 %	2.9 %	0 %	0 %	16.7 %	0 %	4.4 %
51-100	2	4	0	0	0	0	0	6
	6.7 %	4.4 %	0 %	0 %	0 %	0 %	0 %	2.4 %
Over 100	4	4	4	0	1	0	0	13
	13.3 %	4.4 %	3.9 %	0 %	7.1 %	0 %	0 %	5.2 %
Do Not Know/NA	6	12	4	0	1	1	0	24
	20 %	13.3 %	3.9 %	0 %	7.1 %	16.7 %	0 %	9.6 %
Total	30	90	102	3	14	6	5	250

Table 38. Other Public Sector (non-Metro Projects)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	11	43	63	2	6	3	5	133
	36.7 %	47.8 %	61.8 %	66.7 %	42.9 %	50 %	100 %	53.2 %
1-10	7	24	26	1	5	0	0	63
	23.3 %	26.7 %	25.5 %	33.3 %	35.7 %	0 %	0 %	25.2 %
11-25	0	5	2	0	1	1	0	9
	0 %	5.6 %	2 %	0 %	7.1 %	16.7 %	0 %	3.6 %
26-50	1	2	2	0	0	1	0	6
	3.3 %	2.2 %	2 %	0 %	0 %	16.7 %	0 %	2.4 %
51-100	2	2	1	0	0	0	0	5
	6.7 %	2.2 %	1 %	0 %	0 %	0 %	0 %	2 %
Over 100	2	2	2	0	0	0	0	6
	6.7 %	2.2 %	2 %	0 %	0 %	0 %	0 %	2.4 %
Do Not Know/NA	7	12	6	0	2	1	0	28
	23.3 %	13.3 %	5.9 %	0 %	14.3 %	16.7 %	0 %	11.2 %
Total	30	90	102	3	14	6	5	250

Table 39. The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for Metro? (Check all that apply) [Pre-qualification requirements]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	25	77	70	3	10	6	4	195
	83.3 %	85.6 %	68.6 %	100 %	71.4 %	100 %	80 %	78 %
Selected	5	13	32	0	4	0	1	55
	16.7 %	14.4 %	31.4 %	0 %	28.6 %	0 %	20 %	22 %
Total	30	90	102	3	14	6	5	250

Table 40. Performance bond requirements

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	28	81	84	3	10	5	5	216
	93.3 %	90 %	82.4 %	100 %	71.4 %	83.3 %	100 %	86.4 %
Selected	2	9	18	0	4	1	0	34
	6.7 %	10 %	17.6 %	0 %	28.6 %	16.7 %	0 %	13.6 %
Total	30	90	102	3	14	6	5	250

Table 41. Excessive paperwork

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	23	66	72	3	11	5	3	183
	76.7 %	73.3 %	70.6 %	100 %	78.6 %	83.3 %	60 %	73.2 %
Selected	7	24	30	0	3	1	2	67
	23.3 %	26.7 %	29.4 %	0 %	21.4 %	16.7 %	40 %	26.8 %
Total	30	90	102	3	14	6	5	250

Table 42. Bid bond requirements

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	29	80	92	3	10	5	5	224
	96.7 %	88.9 %	90.2 %	100 %	71.4 %	83.3 %	100 %	89.6 %
Selected	1	10	10	0	4	1	0	26
	3.3 %	11.1 %	9.8 %	0 %	28.6 %	16.7 %	0 %	10.4 %
Total	30	90	102	3	14	6	5	250

Table 43. Financing

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	30	88	76	3	13	5	4	219
	100 %	97.8 %	74.5 %	100 %	92.9 %	83.3 %	80 %	87.6 %
Selected	0	2	26	0	1	1	1	31
	0 %	2.2 %	25.5 %	0 %	7.1 %	16.7 %	20 %	12.4 %
Total	30	90	102	3	14	6	5	250

Table 44. Insurance requirements

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	28	84	90	3	12	6	4	227
	93.3 %	93.3 %	88.2 %	100 %	85.7 %	100 %	80 %	90.8 %
Selected	2	6	12	0	2	0	1	23
	6.7 %	6.7 %	11.8 %	0 %	14.3 %	0 %	20 %	9.2 %
Total	30	90	102	3	14	6	5	250

Table 45. Bid specifications

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	28	77	82	2	12	6	3	210
	93.3 %	85.6 %	80.4 %	66.7 %	85.7 %	100 %	60 %	84 %
Selected	2	13	20	1	2	0	2	40
	6.7 %	14.4 %	19.6 %	33.3 %	14.3 %	0 %	40 %	16 %
Total	30	90	102	3	14	6	5	250

Table 46. Lack of access to competitive supplier pricing

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	27	82	77	3	13	4	4	210
	90 %	91.1 %	75.5 %	100 %	92.9 %	66.7 %	80 %	84 %
Selected	3	8	25	0	1	2	1	40
	10 %	8.9 %	24.5 %	0 %	7.1 %	33.3 %	20 %	16 %
Total	30	90	102	3	14	6	5	250

Table 47. Limited time given to prepare bid package or quote

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	29	79	72	3	10	5	1	199
	96.7 %	87.8 %	70.6 %	100 %	71.4 %	83.3 %	20 %	79.6 %
Selected	1	11	30	0	4	1	4	51
	3.3 %	12.2 %	29.4 %	0 %	28.6 %	16.7 %	80 %	20.4 %
Total	30	90	102	3	14	6	5	250

Table 48. Limited knowledge of purchasing/contracting policies and procedures

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	24	74	73	3	11	4	3	192
	80 %	82.2 %	71.6 %	100 %	78.6 %	66.7 %	60 %	76.8 %
Selected	6	16	29	0	3	2	2	58
	20 %	17.8 %	28.4 %	0 %	21.4 %	33.3 %	40 %	23.2 %
Total	30	90	102	3	14	6	5	250

Table 49. Language Barriers

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	30	90	102	3	14	6	5	250
	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	30	90	102	3	14	6	5	250

Table 50. Lack of experience

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	28	88	85	3	14	6	5	229
	93.3 %	97.8 %	83.3 %	100 %	100 %	100 %	100 %	91.6 %
Selected	2	2	17	0	0	0	0	21
	6.7 %	2.2 %	16.7 %	0 %	0 %	0 %	0 %	8.4 %
Total	30	90	102	3	14	6	5	250

Table 51. Lack of personnel

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	27	84	88	3	14	5	4	225
	90 %	93.3 %	86.3 %	100 %	100 %	83.3 %	80 %	90 %
Selected	3	6	14	0	0	1	1	25
	10 %	6.7 %	13.7 %	0 %	0 %	16.7 %	20 %	10 %
Total	30	90	102	3	14	6	5	250

Table 52. Contract too large

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	27	80	82	3	11	4	3	210
	90 %	88.9 %	80.4 %	100 %	78.6 %	66.7 %	60 %	84 %
Selected	3	10	20	0	3	2	2	40
	10 %	11.1 %	19.6 %	0 %	21.4 %	33.3 %	40 %	16 %
Total	30	90	102	3	14	6	5	250

Table 53. Contract too expensive to bid on

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	29	81	91	3	14	5	4	227
	96.7 %	90 %	89.2 %	100 %	100 %	83.3 %	80 %	90.8 %
Selected	1	9	11	0	0	1	1	23
	3.3 %	10 %	10.8 %	0 %	0 %	16.7 %	20 %	9.2 %
Total	30	90	102	3	14	6	5	250

Table 54. Selection process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	26	76	81	1	9	6	4	203
	86.7 %	84.4 %	79.4 %	33.3 %	64.3 %	100 %	80 %	81.2 %
Selected	4	14	21	2	5	0	1	47
	13.3 %	15.6 %	20.6 %	66.7 %	35.7 %	0 %	20 %	18.8 %
Total	30	90	102	3	14	6	5	250

Table 55. Not a Union Member

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	30	84	98	3	12	5	4	236
	100 %	93.3 %	96.1 %	100 %	85.7 %	83.3 %	80 %	94.4 %
Selected	0	6	4	0	2	1	1	14
	0 %	6.7 %	3.9 %	0 %	14.3 %	16.7 %	20 %	5.6 %
Total	30	90	102	3	14	6	5	250

Table 56. Not certified

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	30	89	94	2	12	5	5	237
	100 %	98.9 %	92.2 %	66.7 %	85.7 %	83.3 %	100 %	94.8 %
Selected	0	1	8	1	2	1	0	13
	0 %	1.1 %	7.8 %	33.3 %	14.3 %	16.7 %	0 %	5.2 %
Total	30	90	102	3	14	6	5	250

Table 57. Unfair competition with large firms

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	25	68	62	1	10	6	2	174
	83.3 %	75.6 %	60.8 %	33.3 %	71.4 %	100 %	40 %	69.6 %
Selected	5	22	40	2	4	0	3	76
	16.7 %	24.4 %	39.2 %	66.7 %	28.6 %	0 %	60 %	30.4 %
Total	30	90	102	3	14	6	5	250

Table 58. Lack of existing relationship with Metro

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	23	61	68	2	6	4	2	166
	76.7 %	67.8 %	66.7 %	66.7 %	42.9 %	66.7 %	40 %	66.4 %
Selected	7	29	34	1	8	2	3	84
	23.3 %	32.2 %	33.3 %	33.3 %	57.1 %	33.3 %	60 %	33.6 %
Total	30	90	102	3	14	6	5	250

Table 59. Other:

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	22	71	90	3	9	6	4	205
	73.3 %	78.9 %	88.2 %	100 %	64.3 %	100 %	80 %	82 %
Selected	8	19	12	0	5	0	1	45
	26.7 %	21.1 %	11.8 %	0 %	35.7 %	0 %	20 %	18 %
Total	30	90	102	3	14	6	5	250

Table 60. What is the amount of time that it typically takes to receive payment from Metro for your services on Metro projects from the date you submit your invoice?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
15 days or less	0	6	2	0	0	0	0	8
	0 %	17.6 %	11.1 %	0 %	0 %	0 %	0 %	10.8 %
16-30 days	7	8	5	0	0	0	0	20
	43.8 %	23.5 %	27.8 %	0 %	0 %	0 %	0 %	27 %
31-60 days	6	8	3	0	0	1	1	19
	37.5 %	23.5 %	16.7 %	0 %	0 %	50 %	50 %	25.7 %
61-90 days	2	2	0	0	0	0	1	5
	12.5 %	5.9 %	0 %	0 %	0 %	0 %	50 %	6.8 %
91-120 days	0	2	0	0	0	0	0	2
	0 %	5.9 %	0 %	0 %	0 %	0 %	0 %	2.7 %
Over 120 days	0	2	0	0	0	0	0	2
	0 %	5.9 %	0 %	0 %	0 %	0 %	0 %	2.7 %
Do Not Know/ Not Applicable	1	6	8	0	2	1	0	18
	6.2 %	17.6 %	44.4 %	0 %	100 %	50 %	0 %	24.3 %
Total	16	34	18	0	2	2	2	74

Table 61. What is the amount of time that it typically takes to receive payment from the prime contractor on Metro projects, from the date you submit your invoice?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
15 days or less	0	2	1	1	0	0	0	4
	0 %	6.9 %	3.1 %	100 %	0 %	0 %	0 %	4.9 %
16-30 days	0	4	8	0	0	0	0	12
	0 %	13.8 %	25 %	0 %	0 %	0 %	0 %	14.6 %
31-60 days	9	8	8	0	1	1	0	27
	56.2 %	27.6 %	25 %	0 %	33.3 %	100 %	0 %	32.9 %
61-90 days	3	7	3	0	1	0	0	14
	18.8 %	24.1 %	9.4 %	0 %	33.3 %	0 %	0 %	17.1 %
91-120 days	0	0	1	0	0	0	0	1
	0 %	0 %	3.1 %	0 %	0 %	0 %	0 %	1.2 %
Over 120 days	1	1	1	0	1	0	0	4
	6.2 %	3.4 %	3.1 %	0 %	33.3 %	0 %	0 %	4.9 %
Do not Know/ Not Applicable	3	7	10	0	0	0	0	20
	18.8 %	24.1 %	31.2 %	0 %	0 %	0 %	0 %	24.4 %
Total	16	29	32	1	3	1	0	82

Table 62. Is your company a certified Minority, Woman, Small, or Disadvantaged Business Enterprise (MWSDBE)?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	21	73	86	2	11	5	4	202
	70 %	81.1 %	84.3 %	66.7 %	78.6 %	83.3 %	80 %	80.8 %
No	9	17	16	1	3	1	1	48
	30 %	18.9 %	15.7 %	33.3 %	21.4 %	16.7 %	20 %	19.2 %
Total	30	90	102	3	14	6	5	250

Table 63. What is your certification? (Check all that apply) [MBE (Minority Business Enterprise)]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	1	9	74	2	10	4	3	103
	4.8 %	12.3 %	86 %	100 %	90.9 %	80 %	75 %	51 %
No	16	51	10	0	1	1	1	80
	76.2 %	69.9 %	11.6 %	0 %	9.1 %	20 %	25 %	39.6 %
N/A	4	13	2	0	0	0	0	19
	19 %	17.8 %	2.3 %	0 %	0 %	0 %	0 %	9.4 %
Total	21	73	86	2	11	5	4	202

Table 64. WBE (Women Business Enterprise)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	1	68	32	1	4	1	3	110
	4.8 %	93.2 %	37.2 %	50 %	36.4 %	20 %	75 %	54.5 %
No	16	5	44	0	7	2	1	75
	76.2 %	6.8 %	51.2 %	0 %	63.6 %	40 %	25 %	37.1 %
N/A	4	0	10	1	0	2	0	17
	19 %	0 %	11.6 %	50 %	0 %	40 %	0 %	8.4 %
Total	21	73	86	2	11	5	4	202

Table 65. SBE (Small Business Enterprise)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	20	49	57	2	6	4	3	141
	95.2 %	67.1 %	66.3 %	100 %	54.5 %	80 %	75 %	69.8 %
No	0	19	25	0	4	1	1	50
	0 %	26 %	29.1 %	0 %	36.4 %	20 %	25 %	24.8 %
N/A	1	5	4	0	1	0	0	11
	4.8 %	6.8 %	4.7 %	0 %	9.1 %	0 %	0 %	5.4 %
Total	21	73	86	2	11	5	4	202

Table 66. DBE (Disadvantaged Business Enterprise)

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	3	24	59	2	6	0	2	96
	14.3 %	32.9 %	68.6 %	100 %	54.5 %	0 %	50 %	47.5 %
No	14	35	21	0	4	4	2	80
	66.7 %	47.9 %	24.4 %	0 %	36.4 %	80 %	50 %	39.6 %
N/A	4	14	6	0	1	1	0	26
	19 %	19.2 %	7 %	0 %	9.1 %	20 %	0 %	12.9 %
Total	21	73	86	2	11	5	4	202

Table 67. If you answered "Yes" under SBE, are you Metro Nashville SBE approved?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	19	33	38	2	4	1	2	99
	90.5 %	45.2 %	44.2 %	100 %	36.4 %	20 %	50 %	49 %
No	1	16	24	0	4	3	1	49
	4.8 %	21.9 %	27.9 %	0 %	36.4 %	60 %	25 %	24.3 %
N/A	1	24	24	0	3	1	1	54
	4.8 %	32.9 %	27.9 %	0 %	27.3 %	20 %	25 %	26.7 %
Total	21	73	86	2	11	5	4	202

Table 68. Why is your company not certified as a Minority, Woman, Small, or Disadvantaged (MWSDBE)? [I do not understand the certification process]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	9	14	12	1	2	1	0	39
	100 %	82.4 %	75 %	100 %	66.7 %	100 %	0 %	81.2 %
Selected	0	3	4	0	1	0	1	9
	0 %	17.6 %	25 %	0 %	33.3 %	0 %	100 %	18.8 %
Total	9	17	16	1	3	1	1	48

Table 69. We do not meet one or more of the requirements for certification

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	15	15	0	2	0	1	33
	0 %	88.2 %	93.8 %	0 %	66.7 %	0 %	100 %	68.8 %
Selected	9	2	1	1	1	1	0	15
	100 %	11.8 %	6.2 %	100 %	33.3 %	100 %	0 %	31.2 %
Total	9	17	16	1	3	1	1	48

Table 70. Certification is too expensive

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	9	13	12	1	2	1	1	39
	100 %	76.5 %	75 %	100 %	66.7 %	100 %	100 %	81.2 %
Selected	0	4	4	0	1	0	0	9
	0 %	23.5 %	25 %	0 %	33.3 %	0 %	0 %	18.8 %
Total	9	17	16	1	3	1	1	48

Table 71. I do not want governmental agencies to have information about my company

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	9	16	15	1	3	1	1	46
	100 %	94.1 %	93.8 %	100 %	100 %	100 %	100 %	95.8 %
Selected	0	1	1	0	0	0	0	2
	0 %	5.9 %	6.2 %	0 %	0 %	0 %	0 %	4.2 %
Total	9	17	16	1	3	1	1	48

Table 72. I have not had time to get certified/the process is too time-consuming

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	9	12	11	1	3	1	1	38
	100 %	70.6 %	68.8 %	100 %	100 %	100 %	100 %	79.2 %
Selected	0	5	5	0	0	0	0	10
	0 %	29.4 %	31.2 %	0 %	0 %	0 %	0 %	20.8 %
Total	9	17	16	1	3	1	1	48

Table 73. Certification does not benefit and/or will negatively impact my company

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	9	15	14	1	3	1	1	44
	100 %	88.2 %	87.5 %	100 %	100 %	100 %	100 %	91.7 %
Selected	0	2	2	0	0	0	0	4
	0 %	11.8 %	12.5 %	0 %	0 %	0 %	0 %	8.3 %
Total	9	17	16	1	3	1	1	48

Table 74. Do not understand how certification can benefit my company

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	8	9	10	1	2	1	1	32
	88.9 %	52.9 %	62.5 %	100 %	66.7 %	100 %	100 %	66.7 %
Selected	1	8	6	0	1	0	0	16
	11.1 %	47.1 %	37.5 %	0 %	33.3 %	0 %	0 %	33.3 %
Total	9	17	16	1	3	1	1	48

Table 75. Between July 1, 2017, through June 30, 2022, did your company apply and receive any of the following? [Business start-up loan?]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never Applied	29	89	90	3	14	5	3	233
	96.7 %	98.9 %	88.2 %	100 %	100 %	83.3 %	60 %	93.2 %
Applied, Never Approved	1	0	11	0	0	0	1	13
	3.3 %	0 %	10.8 %	0 %	0 %	0 %	20 %	5.2 %
Applied, Some Approved	0	0	1	0	0	1	1	3
	0 %	0 %	1 %	0 %	0 %	16.7 %	20 %	1.2 %
Applied, All Approved	0	1	0	0	0	0	0	1
	0 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.4 %
Total	30	90	102	3	14	6	5	250

Table 76. Operating capital loan?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never Applied	26	77	77	2	10	5	1	198
	86.7 %	85.6 %	75.5 %	66.7 %	71.4 %	83.3 %	20 %	79.2 %
Applied, Never Approved	0	1	10	0	1	0	1	13
	0 %	1.1 %	9.8 %	0 %	7.1 %	0 %	20 %	5.2 %
Applied, Some Approved	0	1	6	0	0	0	2	9
	0 %	1.1 %	5.9 %	0 %	0 %	0 %	40 %	3.6 %
Applied, All Approved	4	11	9	1	3	1	1	30
	13.3 %	12.2 %	8.8 %	33.3 %	21.4 %	16.7 %	20 %	12 %
Total	30	90	102	3	14	6	5	250

Table 77. Equipment loan?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never Applied	20	80	84	2	12	6	3	207
	66.7 %	88.9 %	82.4 %	66.7 %	85.7 %	100 %	60 %	82.8 %
Applied, Never Approved	0	0	7	0	0	0	1	8
	0 %	0 %	6.9 %	0 %	0 %	0 %	20 %	3.2 %
Applied, Some Approved	0	0	2	0	0	0	0	2
	0 %	0 %	2 %	0 %	0 %	0 %	0 %	0.8 %
Applied, All Approved	10	10	9	1	2	0	1	33
	33.3 %	11.1 %	8.8 %	33.3 %	14.3 %	0 %	20 %	13.2 %
Total	30	90	102	3	14	6	5	250

Table 78. Commercial/Professional liability insurance?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never Applied	8	31	45	2	5	3	2	96
	26.7 %	34.4 %	44.1 %	66.7 %	35.7 %	50 %	40 %	38.4 %
Applied, Never Approved	0	0	5	0	0	0	1	6
	0 %	0 %	4.9 %	0 %	0 %	0 %	20 %	2.4 %
Applied, Some Approved	1	2	5	0	1	0	0	9
	3.3 %	2.2 %	4.9 %	0 %	7.1 %	0 %	0 %	3.6 %
Applied, All Approved	21	57	47	1	8	3	2	139
	70 %	63.3 %	46.1 %	33.3 %	57.1 %	50 %	40 %	55.6 %
<i>Total</i>	30	90	102	3	14	6	5	250

Table 79. PPP (Paycheck Protection Program loan)?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never Applied	7	33	43	1	6	1	1	92
	23.3 %	36.7 %	42.2 %	33.3 %	42.9 %	16.7 %	20 %	36.8 %
Applied, Never Approved	1	2	6	0	0	0	1	10
	3.3 %	2.2 %	5.9 %	0 %	0 %	0 %	20 %	4 %
Applied, Some Approved	2	5	14	0	0	1	0	22
	6.7 %	5.6 %	13.7 %	0 %	0 %	16.7 %	0 %	8.8 %
Applied, All Approved	20	50	39	2	8	4	3	126
	66.7 %	55.6 %	38.2 %	66.7 %	57.1 %	66.7 %	60 %	50.4 %
<i>Total</i>	30	90	102	3	14	6	5	250

Table 80. What was the largest commercial loan you received from July 1, 2017 through June 30, 2022?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
\$50,000 or less	1	12	29	0	3	1	2	48
	3.3 %	13.3 %	28.4 %	0 %	21.4 %	16.7 %	40 %	19.2 %
\$50,001 - \$100,000	5	2	8	1	1	1	1	19
	16.7 %	2.2 %	7.8 %	33.3 %	7.1 %	16.7 %	20 %	7.6 %
\$100,001 - \$300,000	5	10	10	0	1	1	0	27
	16.7 %	11.1 %	9.8 %	0 %	7.1 %	16.7 %	0 %	10.8 %
\$300,001 - \$500,000	3	3	3	0	2	0	1	12
	10 %	3.3 %	2.9 %	0 %	14.3 %	0 %	20 %	4.8 %
\$500,001 - \$1,000,000	2	2	2	0	0	0	1	7
	6.7 %	2.2 %	2 %	0 %	0 %	0 %	20 %	2.8 %
\$1,000,001 - \$3,000,000	1	3	1	0	1	0	0	6
	3.3 %	3.3 %	1 %	0 %	7.1 %	0 %	0 %	2.4 %
\$3,000,001 - \$5,000,000	0	0	1	0	0	0	0	1
	0 %	0 %	1 %	0 %	0 %	0 %	0 %	0.4 %
\$5,000,001 to \$10,000,000	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
	0	1	0	0	0	0	0	1

Table 80. What was the largest commercial loan you received from July 1, 2017 through June 30, 2022?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Over \$10,000,000	0 %	1.1 %	0 %	0 %	0 %	0 %	0 %	0.4 %
Do Not Know/ Not Applicable	13	57	48	2	6	3	0	129
	43.3 %	63.3 %	47.1 %	66.7 %	42.9 %	50 %	0 %	51.6 %
Total	30	90	102	3	14	6	5	250

Table 81. How many times has your company been denied a commercial (business) bank loan from July 01, 2017, through June 30, 2022?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
None	23	63	43	2	9	3	3	146
	76.7 %	70 %	42.2 %	66.7 %	64.3 %	50 %	60 %	58.4 %
1-10	2	3	30	0	1	1	2	39
	6.7 %	3.3 %	29.4 %	0 %	7.1 %	16.7 %	40 %	15.6 %
11-25	0	0	3	0	0	0	0	3
	0 %	0 %	2.9 %	0 %	0 %	0 %	0 %	1.2 %
26-50	0	0	2	0	0	0	0	2
	0 %	0 %	2 %	0 %	0 %	0 %	0 %	0.8 %
51-100	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Over 100	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Do Not Know/ Not Applicable	5	24	24	1	4	2	0	60
	16.7 %	26.7 %	23.5 %	33.3 %	28.6 %	33.3 %	0 %	24 %
Total	30	90	102	3	14	6	5	250

Table 82. Of the items your company was denied, what was the denial reason? (Please check all that apply) [Business start-up loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	0	12	0	0	0	2	15
	100 %	0 %	100 %	0 %	0 %	0 %	100 %	93.8 %
Selected	0	0	0	0	0	1	0	1
	0 %	0 %	0 %	0 %	0 %	100 %	0 %	6.2 %
Total	1	0	12	0	0	1	2	16

Table 83. Insufficient Business History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	0	8	0	0	1	2	12
	100 %	0 %	66.7 %	0 %	0 %	100 %	100 %	75 %
Selected	0	0	4	0	0	0	0	4
	0 %	0 %	33.3 %	0 %	0 %	0 %	0 %	25 %
Total	1	0	12	0	0	1	2	16

Table 84. Confusion about Process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	0	12	0	0	0	1	14
	100 %	0 %	100 %	0 %	0 %	0 %	50 %	87.5 %
Selected	0	0	0	0	0	1	1	2
	0 %	0 %	0 %	0 %	0 %	100 %	50 %	12.5 %
Total	1	0	12	0	0	1	2	16

Table 85. Credit History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	4	0	0	1	1	6
	0 %	0 %	33.3 %	0 %	0 %	100 %	50 %	37.5 %
Selected	1	0	8	0	0	0	1	10
	100 %	0 %	66.7 %	0 %	0 %	0 %	50 %	62.5 %
Total	1	0	12	0	0	1	2	16

Table 86. Do Not Know

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	0	10	0	0	0	2	13
	100 %	0 %	83.3 %	0 %	0 %	0 %	100 %	81.2 %
Selected	0	0	2	0	0	1	0	3
	0 %	0 %	16.7 %	0 %	0 %	100 %	0 %	18.8 %
Total	1	0	12	0	0	1	2	16

Table 87. N/A

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	0	11	0	0	1	2	15
	100 %	0 %	91.7 %	0 %	0 %	100 %	100 %	93.8 %
Selected	0	0	1	0	0	0	0	1
	0 %	0 %	8.3 %	0 %	0 %	0 %	0 %	6.2 %
Total	1	0	12	0	0	1	2	16

Table 88. Of the items your company was denied, what was the denial reason? (Please check all that apply) [Operating capital loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	2	16	0	1	0	3	22
	0 %	100 %	100 %	0 %	100 %	0 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	0	2	16	0	1	0	3	22

Table 89. Insufficient Business History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	2	12	0	0	0	3	17
	0 %	100 %	75 %	0 %	0 %	0 %	100 %	77.3 %
Selected	0	0	4	0	1	0	0	5
	0 %	0 %	25 %	0 %	100 %	0 %	0 %	22.7 %
Total	0	2	16	0	1	0	3	22

Table 90. Confusion about Process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	2	16	0	1	0	2	21
	0 %	100 %	100 %	0 %	100 %	0 %	66.7 %	95.5 %
Selected	0	0	0	0	0	0	1	1
	0 %	0 %	0 %	0 %	0 %	0 %	33.3 %	4.5 %
Total	0	2	16	0	1	0	3	22

Table 91. Credit History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	1	6	0	1	0	2	10
	0 %	50 %	37.5 %	0 %	100 %	0 %	66.7 %	45.5 %
Selected	0	1	10	0	0	0	1	12
	0 %	50 %	62.5 %	0 %	0 %	0 %	33.3 %	54.5 %
Total	0	2	16	0	1	0	3	22

Table 92. Do Not Know

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	1	13	0	1	0	2	17
	0 %	50 %	81.2 %	0 %	100 %	0 %	66.7 %	77.3 %
Selected	0	1	3	0	0	0	1	5
	0 %	50 %	18.8 %	0 %	0 %	0 %	33.3 %	22.7 %
Total	0	2	16	0	1	0	3	22

Table 93. N/A

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	2	14	0	1	0	3	20
	0 %	100 %	87.5 %	0 %	100 %	0 %	100 %	90.9 %
Selected	0	0	2	0	0	0	0	2
	0 %	0 %	12.5 %	0 %	0 %	0 %	0 %	9.1 %
Total	0	2	16	0	1	0	3	22

Table 94. Of the items your company was denied, what was the denial reason? (Please check all that apply) [Equipment loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	9	0	0	0	1	10
	0 %	0 %	100 %	0 %	0 %	0 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	0	0	9	0	0	0	1	10

Table 95. Insufficient Business History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	6	0	0	0	1	7
	0 %	0 %	66.7 %	0 %	0 %	0 %	100 %	70 %
Selected	0	0	3	0	0	0	0	3
	0 %	0 %	33.3 %	0 %	0 %	0 %	0 %	30 %
Total	0	0	9	0	0	0	1	10

Table 96. Confusion about Process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	9	0	0	0	0	9
	0 %	0 %	100 %	0 %	0 %	0 %	0 %	90 %
Selected	0	0	0	0	0	0	1	1
	0 %	0 %	0 %	0 %	0 %	0 %	100 %	10 %
Total	0	0	9	0	0	0	1	10

Table 97. Credit History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	3	0	0	0	1	4
	0 %	0 %	33.3 %	0 %	0 %	0 %	100 %	40 %
Selected	0	0	6	0	0	0	0	6
	0 %	0 %	66.7 %	0 %	0 %	0 %	0 %	60 %
Total	0	0	9	0	0	0	1	10

Table 98. Do Not Know

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	9	0	0	0	1	10
	0 %	0 %	100 %	0 %	0 %	0 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
<i>Total</i>	0	0	9	0	0	0	1	10

Table 99. N/A

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	0	6	0	0	0	1	7
	0 %	0 %	66.7 %	0 %	0 %	0 %	100 %	70 %
Selected	0	0	3	0	0	0	0	3
	0 %	0 %	33.3 %	0 %	0 %	0 %	0 %	30 %
<i>Total</i>	0	0	9	0	0	0	1	10

Table 100. Of the items your company was denied, what was the denial reason? (Please check all that apply) [Commercial/Professional liability insurance?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	2	10	0	1	0	1	15
	100 %	100 %	100 %	0 %	100 %	0 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	1	2	10	0	1	0	1	15

Table 101. Insufficient Business History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	2	8	0	1	0	1	13
	100 %	100 %	80 %	0 %	100 %	0 %	100 %	86.7 %
Selected	0	0	2	0	0	0	0	2
	0 %	0 %	20 %	0 %	0 %	0 %	0 %	13.3 %
Total	1	2	10	0	1	0	1	15

Table 102. Confusion about Process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	2	9	0	1	0	0	13
	100 %	100 %	90 %	0 %	100 %	0 %	0 %	86.7 %
Selected	0	0	1	0	0	0	1	2
	0 %	0 %	10 %	0 %	0 %	0 %	100 %	13.3 %
Total	1	2	10	0	1	0	1	15

Table 103. Credit History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	2	7	0	1	0	1	12
	100 %	100 %	70 %	0 %	100 %	0 %	100 %	80 %
Selected	0	0	3	0	0	0	0	3
	0 %	0 %	30 %	0 %	0 %	0 %	0 %	20 %
Total	1	2	10	0	1	0	1	15

Table 104. Do Not Know

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	0	1	10	0	1	0	1	13
	0 %	50 %	100 %	0 %	100 %	0 %	100 %	86.7 %
Selected	1	1	0	0	0	0	0	2
	100 %	50 %	0 %	0 %	0 %	0 %	0 %	13.3 %
<i>Total</i>	1	2	10	0	1	0	1	15

Table 105. N/A

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	1	4	0	0	0	1	7
	100 %	50 %	40 %	0 %	0 %	0 %	100 %	46.7 %
Selected	0	1	6	0	1	0	0	8
	0 %	50 %	60 %	0 %	100 %	0 %	0 %	53.3 %
<i>Total</i>	1	2	10	0	1	0	1	15

Table 106. Of the items your company was denied, what was the denial reason? (Please check all that apply) [Paycheck Protection Program Loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	3	7	20	0	0	1	1	32
	100 %	100 %	100 %	0 %	0 %	100 %	100 %	100 %
Selected	0	0	0	0	0	0	0	0
	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Total	3	7	20	0	0	1	1	32

Table 107. Insufficient Business History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	3	7	16	0	0	1	1	28
	100 %	100 %	80 %	0 %	0 %	100 %	100 %	87.5 %
Selected	0	0	4	0	0	0	0	4
	0 %	0 %	20 %	0 %	0 %	0 %	0 %	12.5 %
Total	3	7	20	0	0	1	1	32

Table 108. Confusion about Process

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	3	7	19	0	0	1	0	30
	100 %	100 %	95 %	0 %	0 %	100 %	0 %	93.8 %
Selected	0	0	1	0	0	0	1	2
	0 %	0 %	5 %	0 %	0 %	0 %	100 %	6.2 %
Total	3	7	20	0	0	1	1	32

Table 109. Credit History

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	3	7	18	0	0	1	1	30
	100 %	100 %	90 %	0 %	0 %	100 %	100 %	93.8 %
Selected	0	0	2	0	0	0	0	2
	0 %	0 %	10 %	0 %	0 %	0 %	0 %	6.2 %
Total	3	7	20	0	0	1	1	32

Table 110. Do Not Know

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	2	4	13	0	0	0	1	20
	66.7 %	57.1 %	65 %	0 %	0 %	0 %	100 %	62.5 %
Selected	1	3	7	0	0	1	0	12
	33.3 %	42.9 %	35 %	0 %	0 %	100 %	0 %	37.5 %
Total	3	7	20	0	0	1	1	32

Table 111. N/A

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Not Selected	1	3	13	0	0	1	1	19
	33.3 %	42.9 %	65 %	0 %	0 %	100 %	100 %	59.4 %
Selected	2	4	7	0	0	0	0	13
	66.7 %	57.1 %	35 %	0 %	0 %	0 %	0 %	40.6 %
Total	3	7	20	0	0	1	1	32

Table 112. From July 1, 2017, through June 30, 2022, how often has your company experienced any racial, gender, or ethnicity discriminatory behavior from the private sector (i.e., non-governmental entities)?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never	25	58	17	1	2	3	2	108
	83.3 %	64.4 %	16.7 %	33.3 %	14.3 %	50 %	40 %	43.2 %
Seldom	1	16	17	1	4	1	1	41
	3.3 %	17.8 %	16.7 %	33.3 %	28.6 %	16.7 %	20 %	16.4 %
Often	0	3	25	0	1	0	2	31
	0 %	3.3 %	24.5 %	0 %	7.1 %	0 %	40 %	12.4 %
Very Often	0	0	8	0	0	0	0	8
	0 %	0 %	7.8 %	0 %	0 %	0 %	0 %	3.2 %
Do Not Know	4	13	35	1	7	2	0	62
	13.3 %	14.4 %	34.3 %	33.3 %	50 %	33.3 %	0 %	24.8 %
Total	30	90	102	3	14	6	5	250

Table 113. From July 1, 2017, through June 30, 2022, how often has your company experienced any racial, gender, or ethnicity discriminatory behavior from Metro government?

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Never	24	64	37	2	5	3	2	137
	80 %	71.1 %	36.3 %	66.7 %	35.7 %	50 %	40 %	54.8 %
Seldom	1	6	18	0	1	0	1	27
	3.3 %	6.7 %	17.6 %	0 %	7.1 %	0 %	20 %	10.8 %
Often	0	0	8	0	0	0	1	9
	0 %	0 %	7.8 %	0 %	0 %	0 %	20 %	3.6 %
Very Often	0	1	3	0	0	1	0	5
	0 %	1.1 %	2.9 %	0 %	0 %	16.7 %	0 %	2 %
Do Not Know	5	19	36	1	8	2	1	72
	16.7 %	21.1 %	35.3 %	33.3 %	57.1 %	33.3 %	20 %	28.8 %
Total	30	90	102	3	14	6	5	250

Table 114. Do you believe there is an informal network of prime and subcontractors doing business with Metro that monopolizes the public contracting process? Informal network is defined as firms that have an advantage due to their relationships inside Metro.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Yes	8	46	85	2	11	3	4	159
	26.7 %	51.1 %	83.3 %	66.7 %	78.6 %	50 %	80 %	63.6 %
No	22	44	17	1	3	3	1	91
	73.3 %	48.9 %	16.7 %	33.3 %	21.4 %	50 %	20 %	36.4 %
Total	30	90	102	3	14	6	5	250

Table 115. Please tell us if you strongly agree, agree, neither agree nor disagree, disagree or strongly disagree with each of the following statements: [Sometimes, a prime contractor will contact a minority or woman owned business to ask for quotes but never give the proposal sufficient review to consider giving that firm the award.]

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Strongly agree	1	15	44	1	4	1	3	69
	3.3 %	16.7 %	43.1 %	33.3 %	28.6 %	16.7 %	60 %	27.6 %
Agree	0	25	30	0	5	1	1	62
	0 %	27.8 %	29.4 %	0 %	35.7 %	16.7 %	20 %	24.8 %
Neither agree nor disagree	20	38	26	1	5	4	0	94
	66.7 %	42.2 %	25.5 %	33.3 %	35.7 %	66.7 %	0 %	37.6 %
Disagree	6	8	1	1	0	0	1	17
	20 %	8.9 %	1 %	33.3 %	0 %	0 %	20 %	6.8 %
Strongly disagree	3	4	1	0	0	0	0	8
	10 %	4.4 %	1 %	0 %	0 %	0 %	0 %	3.2 %
Total	30	90	102	3	14	6	5	250

Table 116. Sometimes, a prime contractor will include a minority or woman owned business as a subcontractor on a bid to meet participation goals, then drop the company as a subcontractor after winning the award.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Strongly agree	0	10	34	1	4	1	3	53
	0 %	11.1 %	33.3 %	33.3 %	28.6 %	16.7 %	60 %	21.2 %
Agree	0	19	28	1	3	2	1	54
	0 %	21.1 %	27.5 %	33.3 %	21.4 %	33.3 %	20 %	21.6 %
Neither agree nor disagree	18	49	36	1	7	3	0	114
	60 %	54.4 %	35.3 %	33.3 %	50 %	50 %	0 %	45.6 %
Disagree	6	7	3	0	0	0	0	16
	20 %	7.8 %	2.9 %	0 %	0 %	0 %	0 %	6.4 %
Strongly disagree	6	5	1	0	0	0	1	13
	20 %	5.6 %	1 %	0 %	0 %	0 %	20 %	5.2 %
Total	30	90	102	3	14	6	5	250

Table 117. In general, minority or woman owned businesses tend to be viewed as less competent than non-minority male-owned businesses by non-minority/women prime contractors.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Strongly agree	0	11	46	1	4	1	4	67
	0 %	12.2 %	45.1 %	33.3 %	28.6 %	16.7 %	80 %	26.8 %
Agree	1	23	30	1	4	3	0	62
	3.3 %	25.6 %	29.4 %	33.3 %	28.6 %	50 %	0 %	24.8 %
Neither agree nor disagree	17	41	24	1	6	2	0	91
	56.7 %	45.6 %	23.5 %	33.3 %	42.9 %	33.3 %	0 %	36.4 %
Disagree	6	8	1	0	0	0	1	16
	20 %	8.9 %	1 %	0 %	0 %	0 %	20 %	6.4 %
Strongly disagree	6	7	1	0	0	0	0	14
	20 %	7.8 %	1 %	0 %	0 %	0 %	0 %	5.6 %
Total	30	90	102	3	14	6	5	250

Table 118. I believe that some non-minority prime contractors only utilize minority and women owned businesses when there is a goal that they are required to meet or demonstrate good faith efforts.

	<i>Owners' Minority Status</i>							
Responses	Non-Minority	Woman	African American	Native American	Asian-American	Hispanic American	Multi-Racial or Bi-Racial	<i>Total</i>
Strongly agree	2	20	57	1	6	1	4	91
	6.7 %	22.2 %	55.9 %	33.3 %	42.9 %	16.7 %	80 %	36.4 %
Agree	5	44	34	1	5	3	0	92
	16.7 %	48.9 %	33.3 %	33.3 %	35.7 %	50 %	0 %	36.8 %
Neither agree nor disagree	16	20	10	1	3	2	0	52
	53.3 %	22.2 %	9.8 %	33.3 %	21.4 %	33.3 %	0 %	20.8 %
Disagree	5	4	0	0	0	0	1	10
	16.7 %	4.4 %	0 %	0 %	0 %	0 %	20 %	4 %
Strongly disagree	2	2	1	0	0	0	0	5
	6.7 %	2.2 %	1 %	0 %	0 %	0 %	0 %	2 %
Total	30	90	102	3	14	6	5	250