

Summary



# African-American Business Enterprise Research Survey

PARTICIPATION FACTORS IN GOVERNMENT CONTRACTS AND PROCUREMENT

PREPARED BY

Institute for  
**Economic**  
Development

Center for **Community**  
and **Business Research**

The University of Texas at San Antonio

“The SMWVBO Contracting Conference is significant in that it sends a message to the entire community that everyone is welcome at the table. Our community is made up of thousands of small businesses, minority and others. When we all have equal access and we all pull together, our community is much stronger and diversified because of it.”

– County Judge Nelson W. Wolff

**UTSA** The University of Texas at San Antonio™

Institute for  
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Development



Center for **Community**  
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The University of Texas at San Antonio

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# African-American Business Enterprise Research Summary

PARTICIPATION FACTORS IN GOVERNMENT CONTRACTS AND PROCUREMENT



## “LINKING YOUR BUSINESS TO OPPORTUNITY”

Small, Minority, and Women-Owned Business Enterprise (SMWBE) Program

101 Nueva, Suite 112 San Antonio, TX 78205

[www.bexar.org](http://www.bexar.org)



BEXAR COUNTY JUDGE  
Honorable Nelson W. Wolff



BEXAR COUNTY COMMISSIONERS  
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SMALL, MINORITY, WOMEN, AND  
VETERAN OWNED BUSINESS ENTERPRISE  
Renee Watson, BBA, MPA, MCCA



BEXAR COUNTY MANAGER  
David L. Smith

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# Executive Summary

## Survey Purpose

The African American Business Enterprise Research Survey Study was conducted to provide information that can assist the County in its economic development efforts, namely identifying African American Business Enterprises (AABEs) in the Bexar County region, and gaining feedback from those companies concerning participation in procurement programs. The Survey focused on the 8-county San Antonio-New Braunfels MSA, of Bexar, Comal, Kendall, Bandera, Medina, Atascosa, Wilson and Guadalupe counties. The study analyzed both MSA and non-MSA responses to the survey.

Benefits include:

- Increasing the number of AABE bidders and potential for awards of the County's contracts for goods, commodities, services, construction and professional services
- Utilizing best practices to improve the outreach and data collection processes
- Identifying best practices to help build a business program to stimulate local AABE outreach, economic growth and development
- Identifying barriers and capacity issues related to procurement and certification processes
- Compiling recommendations based on survey responses
- Starting a sample directory that can be used online to increase the number of AABE bidders
- Increasing economic development in all segments of the County

The Survey Summary is organized into the following sections:

### I. INTRODUCTION

The purpose and benefits of the Survey are outlined

### II. AABE DEFINITION

A discussion of definitions that guide the Survey

### III. CERTIFICATION & OWNERSHIP IDENTIFICATION PROGRAMS

Coverage of certification and designation programs and agencies

### IV. BEXAR COUNTY SMWBE PROGRAMS

A review of programs, partners and other services

### V. METHODOLOGY

The procedures and activities used to conduct the Survey

### VI. ANALYSES & RESULTS SUMMARY

Analyses of the 2007 and 2012 U.S. Census Survey of Business Owners, quantitative analyses of the survey data, and qualitative analyses of outreach and survey comments

### VII. FINDINGS & RECOMMENDATIONS

Survey response issues organized into themes and topics along with recommendations

### X. BIBLIOGRAPHY

An extensive bibliography contains resources materials, additional materials, government websites and Bexar County resources used for the Survey.

A separate appendix includes a glossary, listings of industry sectors, research results and comments, extra content related to each section; and a separate addendum includes exhibits such as outreach materials and maps, as well as a directory list, and the surveys and codebooks.

## Survey and SBO Data Takeaways

The U.S. Census Survey of Business Owners (SBO) data shows that African American firms have a diverse market as defined by industry codes and that ***Bexar County has a larger share of Black Owned Business than any other geographic entity in the MSA***, including the City of San Antonio. Research data further demonstrates that African American firms are not constrained to residential enclaves within the County, putting the County as the primary go-to resource for those companies.<sup>1</sup>

While the Census documented approximately 7,000 AABEs within the 8-county MSA, the study identified 1,968 (~28% of Census identified) companies through various lists and outreach efforts. Survey results indicate that most survey participants were certified as minority, HUB, or small business. This suggests that most AABEs do not classify themselves with the designated certification and thus were not identified through certification lists. Additionally, more consistent programming and outreach efforts are needed to identify “hidden” AABEs.

Survey results indicate that most AABEs were under 10 years old, had sole proprietorship, and that most had either no or less than 5 part or full time employees. These AABEs generated most of their revenue from non-governmental agencies which implies that very few AABEs are contracting with any government agency customers.

AABEs expressed interest in contracting across all levels of government, yet few were certified, fewer registered to work with, and almost none had submitted a bid or been awarded. Potential explanations (based on the results) are that these organizations do not feel they can competitively bid on these contracts due to a lack of experience and lack of capacity. This issue is further supported by the large percent of AABEs that indicated they would be significantly impacted if an invoice of \$25,000 was not paid for six months by a customer. Half of the respondents are only suited to absorb a contract between \$5,000 and \$15,000.

It is apparent from survey data that AABEs display a wide range of exposure to working capital, resources, experience, and partners; however, it is clear that certain AABEs are much more equipped than others. Survey data implies a rather strong relationship between experience and barrier variables, thus indicating that AABEs are either generally very knowledgeable and sophisticated when seeking out and understanding government contracts, or would need considerable help to navigate the documentation posted and understand the response for proposal. Broad support for overhauling and modernizing the process and systems was found.

Qualitative material from the AABE survey responses and study outreach supported quantitative SBO data and survey results. Interviews with AABEs reiterated that they are not constrained to one area of the County, but are represented widely in all four precincts.

AABEs also showed a range of experience with government contracting from those who were interested, had or held government contracts, and those who viewed the process of bidding too cumbersome. AABEs consistently expressed a desire for mentorship programs. Capacity issues and small business difficulties (e.g. insufficient staff) were mentioned when discussing barriers to government contracting. Other comments related to the need for feedback on bids, desire for smaller bid packages, and subcontracting issues (e.g. tokenism of subcontractors, slow payment for services).

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<sup>1</sup> See “Section II AABE definition” for information on terminology

AABEs also noted similar capacity issues and difficulties small businesses face when trying to get into government contracting.

According to the Census SBO from 2007 to 2012, all firms with paid employees had a decrease of 2.44% in the MSA, a decrease of 1.05% in the county, and a decrease of 1.13% in the city. However, the total number of black-owned businesses with paid employees increased: 12.48% for the MSA, 23.8% for the county, and 17.53% for the city.

**Importantly, Bexar County outside of the City of San Antonio—this includes incorporated cities other than San Antonio as well as all unincorporated areas in the County—has a larger share of AABEs (as compared to total firms, according to the SBO) than any other geographic entity in the MSA, including the City of San Antonio: 5.34% (1,623 of 30,410) firms, making Bexar County the primary governmental representation for those firms.**

It should be noted that many businesses interviewed (see qualitative results section) would rather have one certification, such as “small”, to minimize paperwork and annual registration expenses. Some only got additional certifications if a particular contract required it, and did not renew that certification if they did not get the contract (due to burden of paperwork and expense). Many did not want to be labeled as AABE, perceiving it as a disadvantage to their business reputation.

AABEs get leads/information on contracts/procurements from a wide range of sources, with highest responses coming from online, other contactors, and other business owners- sources who they trust and who understand the vendor side. However, most get information from only one to three sources. That shows that most information comes from one side of the bidding process- the vendor side, and that customers, such as Bexar County, can bridge the information gap with better networking and information sources, and can build trust with better processes and information.

### Survey Comments

Survey participant comments followed three main themes: A. the process itself, B. the situation for small businesses, and C. information. Additionally, there was a very high rate of comment feedback and appreciation for providing the survey and conducting the study.

Reasons AABEs in the 8-county MSA felt they could not competitively bid on government contracts /procurements show that AABEs need help understanding the bidding process and how to write a competitive response for a proposal. Linking to responses on experience and barriers to working with county contracts, many AABEs state that they lack experience and knowledge along with organization and financial resources to competitively bid on government contracts. They also request more transparency in the bidding process at every step.

Overall recommendations based on survey responses:

- Design the system and process around small business participation.
- Use up-to-date technology to build and train a system reflecting a small business friendly process.
- Tailor education, information and staff-to-business interface on the updated system with a focus on the vendor as a participant and the public as an audience, not merely as an accounting mechanism.
- Institute a feedback process for submitted bids that includes 1) chain of bid submission receipt and review, with dates, and 2) bid decision review that documents reasons for award or decline of bid.
- Market consistently and constantly to the business community at large, to other customers, and

to the public, following up with constant and consistent activities and accountability and transparency to increase relationships and build trust that can increase participation and knowledge.

Comments are organized into topics under each theme:

I. Feedback from the surveys

1. Participation and feedback is welcome

A. Theme: The process itself

2. Topic: Poor RFP paperwork
3. Topic: Process is bad
4. Topic: Process is not fair
5. Topic: Process needs modernization
6. Topic: Lack of small business considerations
7. Topic: Tokenism of Subs
8. Topic: Poor money/risk considerations
9. Topic: Information
10. Topic: Assistance
11. Topic: Certification

II. Feedback from the study

D. Theme: Administration of survey and outreach

12. Topic: County participation
13. Topic: Study design
14. Topic: Survey and outreach

E. Theme: List material

15. Topic: Vendor, Customer, and Community Partner Lists
16. Topic: Website and technology

I. General feedback: Modernize and standardize procurement processes and tools in order to increase participation and performance.

- Make a standardized survey for all vendors regardless of certification potential and report an annual measuring tool to build trust, consistent feedback and performance.
- Maintain and increase outreach services.
- Overhaul and simplify the process and tools to reflect an inclusive working market, rather than a complex pieced-together system that creates constraints and barriers.
- Almost 100% of Bexar County businesses are small: design the system for small business rather than large business, and alter entry criteria and rating structures.
- Increase educational, outreach, and tool accessibility resources, and market extensively to customers and community partners as well as to vendors.

II. Research feedback: Upgrade, standardize, and simplify participation, performance, data and services.

- Clarify and consistently brand and market County feedback and information services, improving partner participation and regional outreach.
- Prioritize modernization of web, records, and data; normalize and create user-friendly directory and information resources with clear purpose.



# I. INTRODUCTION

## 1. What is the purpose of the African American Business Enterprise Research Survey?

Bexar County has recognized a gap in identifying qualified African American Business Enterprises (AABE) that can participate in Small, Minority and Women Owned Business Enterprise (SMWBE) contract programs in the Alamo region. Bexar County also recognizes the need to identify AABE that are eligible for assistance related to capacities and partnerships development and support for certification and application status in SMWBE contract programs. This Summary outlines research activities that were conducted to identify potential businesses interested in participating as a SMWBE/HUB/DBE vendor or interested in receiving information and assistance toward SMWBE/HUB/DBE technical certification and procurement opportunities.

Publication of these results and an electronic listing of AABE firms is at the discretion of Bexar County.

## 2. Why did the County decide to conduct an African American Business Enterprise Research Survey Study?

The County wants to build a business program to stimulate local African American Business Enterprise economic growth and development, and to reinforce economic development efforts toward the African American Business Enterprise community. The three main reasons the County has decided to conduct an African American Business Enterprise Research Survey is to accomplish the following:

- A. Identify African American Business Enterprise firms in the San Antonio- New Braunfels Metropolitan Statistical Area (MSA) <sup>2</sup> by conducting a survey of black-owned firms. The County desires to improve its outreach to Black-owned firms by conducting the survey of black-owned firms in the 8-county MSA.<sup>3</sup>  
<sup>4 5</sup>
- B. Identify the best practices, based on survey responses, for AABE (African-American Business Enterprises) participation in communities.<sup>6</sup>
- C. Improve outreach efforts toward the African American Business Enterprise community.<sup>7</sup>

## 3. How does the County benefit from this Survey Study?

There are many benefits of an African American Business Enterprise Research Survey. In addition to increasing economic development in all segments of the County, the three principal benefits are the following:

- A. Increase the number of potential AABE bids and awards of the County's contracts for goods, commodities,

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<sup>2</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement : Article 4.01; "local" is defined as Bexar County: headquartered, primary office, branch office, physical location, primary contractee, twelve months of operation in Bexar County, Bexar County Administrative Policy No. 8.0 Oct 1, 2004 Section 4

<sup>3</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 1.01

<sup>4</sup> Bexar County Administrative Policy No.8.0 Oct 1, 2004 Section 4: Minority owned is defined as at least 51% ownership

<sup>5</sup> The 12-county Workforce Development Area (WDA) was also discussed as a study region; however, due to issues with data units of measurement, the MSA was chosen.

<sup>6</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement Article 4.01.1.H

<sup>7</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 1.01

services, construction and professional services.<sup>8 9 10 11</sup>

- B. Utilize best practices to improve the outreach and data collection processes related to procurement opportunities.<sup>12</sup>
- C. Increase economic development in all segments of the county<sup>13</sup>

#### **4. What results from this Survey Study may assist Bexar County's Judge and Commissioners Court?**

- A. Identify AABE for procurement opportunities and compile a list of vendors who desire to be included in a directory.<sup>14 15 16</sup>
- B. Identify those businesses' core areas of expertise that may align with the procurement need categories used by Bexar County of Construction, Professional Services, Other services, Goods and Services, and Architecture & Engineering.<sup>17 18</sup>
- C. Identify business capacity related to the pursuit of procurement opportunities and describe<sup>19</sup> barriers to business participation in procurement opportunities.<sup>20</sup>
- D. Focus on the San Antonio-New Braunfels MSA.<sup>21 22</sup>
- E. Compile actionable recommendations from survey responses.<sup>23 24</sup>
- F. "Get Started" with the Court's 2013 mandate for procurement outreach<sup>25</sup>
- G. Identify the "top 10" suggestions and 3-5 themes expressed in survey responses.

The study includes information about:

- A. County certification processes and procurement processes, certification types, and certification agencies.
- B. Small, Minority, Women, and Veteran Owned Business Enterprise (SMWBE) programs and outreach.
- C. SMWBE partnerships and education related to certification and procurement opportunities.

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8 Bexar County Administrative Policy No. 8.0 Oct 1, 2004 Appendix A SMWBE Program Goals "The Commissioners Court established as a targeted goal that a minimum of 20% of all procurement dollars in the areas of Commodities, Equipment, Services (non-professional and operations), Maintenance and Construction are spent with minority and women-owned business enterprises, and a minimum of 30% of those procurement dollars are spent with small business enterprises." P. 11 of 20.

9 IBID Section 2

10 Bexar County Small, Minority, and Women owned Business Enterprise (SMWBE) Program FY 2010 – 2013 Strategic Plan; in years cited, AABE exhibits 0% in Bexar County expenditures with certified SMWBE, except for 2002: 10%, 2003: 1%, 2008: 1%, 2010: 1%, 2011: 30%.

11 IBID "Given the Federal law, the MWBE targets could not be implemented as part of a race-conscious program without a finding of discrimination in Bexar County contracting and procurement practices. A disparity study is the legal standard required to establish the factual predicate to implement any race and gender provisions of Policy 8.0. . . available data does not allow the County to initiate a race-conscious program. The county's data set was insufficient to identify disparity in individual industries as required by case law, and there was no evidence of discrimination." P. 3-4.

12 IBID Section A & D

13 Bexar County Economic Development Overview and Strategies, David Marquez, Executive Director, 2012: [http://home.bexar.org/ed/DOCS/BCEDD\\_Overview2012.pdf](http://home.bexar.org/ed/DOCS/BCEDD_Overview2012.pdf); Bexar County Small, Minority, and Women owned Business Enterprise (SMWBE) Program FY 2010 – 2013 Strategic Plan Section E.3

14 Not explicit in State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 1.01

15 IBID Not explicit 4.01 1.6

16 Bexar County Administrative Policy No.8.0 Oct 1, 2004 Section 6

17 Item not in contract; goal comment in meetings with Bexar County

18 Companies are associated with industrial sector (NAICS) codes, not commodity codes; some NAICS represent procurement areas of from one to all five of the Bexar County categories; for a listing, see the Appendix.

19 State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 4.01.1.B

20 Not explicit in State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 4.01 1.B

21 IBID 1.01 & 4.01.1

22 Due to company contact lists and the online survey format, the contacted survey sample included businesses, community partners, and customers in Texas and the United States

23 Item not in contract; verbal goal request comment in meetings with Bexar County

24 State of Texas County of Bexar SMWBE Strategy Evaluation Agreement Article 4.01.1.H

25 Item not in contract; verbal goal request comment in meetings with Bexar County

## 5. What other information is in the study?

- A. The study includes a comparison of United States Census data on black-owned businesses from the 2007 Survey of Business Owners, released in 2011, and the 2012 Survey of Business Owners, released in 2015-2016. The comparison identifies trends in ownership, proportion of black-owned business population to total business populations, revenues, and number of employees.<sup>26</sup>
- B. The study includes mapping of the area, of survey responses, and references to Bexar County Precinct level data.<sup>27</sup>
- C. Other information to assist Bexar County in assessing procurement outreach progress.<sup>28</sup>
- D. This Summary covers sources of data and data collection activities; study methods and analyses; Bexar County programs, partners, and procurement processes; certification information; and survey responses.

## 6. How did the County identify businesses that are available?

- A. The County partnered with The Center for Community and Business Research (CCBR) at The University of Texas at San Antonio Institute for Economic Development. CCBR conducted a broad-based, community outreach program and a search of the County's vendor listings and contract records, various certification listings, and trade and professional association lists to help identify businesses that are available. CCBR also contacted other procurement customers in the MSA, such as cities, counties, school districts, and utility districts for their vendor lists, and performed outreach with community partners, such as chambers of commerce, churches, and economic development offices. CCBR also used a purchased database to search for business listings, and obtained business information from survey responses and outreach.<sup>29 30</sup>
- B. The resulting 1) vendor lists compiled from customers and community members, 2) business listings compiled from the database search, and 3) business contacts from survey responses were verified where possible by phone, internet search, field observation, site visits, contacts, interviews with public/private partners, and other sources.<sup>31 32</sup>

## 7. What guidelines were used to help direct the African American Business Enterprise Research Survey, and how was the Study conducted?

- A. The Survey was conducted according to scientific method, under guidelines of objectivity and transparency; all research staff are certified by UTSA for no conflict of interest, and for national IRB certification by the national Collaborative Institutional Training Initiative (CITI).<sup>33</sup>
- B. The process of data gathering and surveying covered several key phases that included preparation, setup, surveying, assembling the results, writing, editing and delivery to Bexar County of a report and directory.<sup>34</sup>
- C. The survey was designed and administered to business owners, procurement customers, and community partners in the San Antonio - New Braunfels MSA under strict IRB protocol.
- D. GIS regional mapping used standard geo-location coding data and software procedures to illustrate verified data and geo-spatial locations of businesses, and other variables of interest, such as local governments and public agencies, associations and partners, industry patterns, and demographic information.<sup>35</sup>

<sup>26</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 4.01.4; contract states summary only, of available data.

<sup>27</sup> IBID 4.01.3

<sup>28</sup> Item not in contract; verbal goal request comment in meetings with Bexar County.

<sup>29</sup> NAACP San Antonio, Black Business Directory, and Alamo City Black Chamber of Commerce are identified as partners for the study.

<sup>30</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: 4.01.1.F

<sup>31</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Articles 4.01.1.F, G & 4.01.2

<sup>32</sup> Collection and use of survey responses and interviews adheres to Federal and UTSA Institutional Review Board mandates for confidentiality and voluntariness.

<sup>33</sup> IRB protocol 16-115N

<sup>34</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Exhibit A

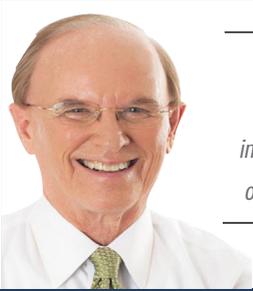
<sup>35</sup> Meets and exceeds State of Texas County of Bexar SMWBE Strategy Evaluation Agreement: Article 4.01.3

## 8. What industries and characteristics are addressed in the study?

- The African American Business Enterprise Research Survey Study focused on industries identified by the North American Industrial Classifications System (NAICS) that are commonly included in the areas of Construction, Professional Services, Other Services, Goods and Services, and Architecture & Engineering.<sup>36 37</sup>
- The survey included items about capacity and business relationships with local governments and public agencies such as cities, counties, special districts, public utilities, school districts, soil and water conservation districts, and other entities.
- The study region is the San Antonio- New Braunfels Metropolitan Statistical Area (MSA) of Bexar, Comal, Kendall, Bandera, Medina, Atascosa, Wilson and Guadalupe counties. The map below shows a gradient of AABE presence by percentage according to the 2012 Census Survey of Business Owners, with dark green as more, and light green as less; yellow signals as no data available.<sup>38</sup>



# African-American Business Enterprise Research Study

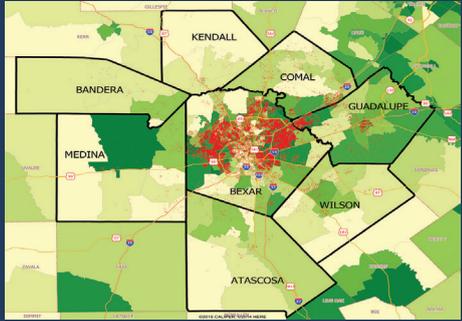


“Bexar County Commissioners Court is supportive of this study and aims to see increased opportunities for African-American owned businesses within our community.”

- NELSON WOLFF, BEXAR COUNTY JUDGE

BOOTH #102

The Bexar County Commissioners Court has commissioned UTSA's Center for Community and Business Research in addition to the Statistical Consulting Center to conduct an African-American Business Enterprise (AABE) Research Study for the San Antonio-New Braunfels MSA.



**LEGEND**

Black

7 and below

8 to 14

15 to 20

21 to 25

26 to 31

32 to 37

38 to 43

44 to 49

50 to 55

56 to 61

62 to 67

68 to 73

74 and above

Density of Black/African American

African American Population (3 Dist. - 3 Percent)

UTSA

CCBR 2012, 2013 Census 2014 ACS

THE PURPOSE OF THE STUDY IS TO:

- Identify AABE firms in the Alamo region and increase the number of AABE bidders for county contracts for goods, commodities, services, construction and professional services.
- Identify the best practices to stimulate local AABE outreach, economic growth, and development.
- Identify and guide AABE businesses to the appropriate certification(s) needed to conduct business with government agencies.
- Reinforce economic development efforts toward AABE community.

**GET INVOLVED:**

- Complete the business survey posted at [www.bexar.org/smwbe](http://www.bexar.org/smwbe) (Feb.-Mar. 2016)
- Participate in a telephone survey interview (Feb.-Mar. 2016)

- Provide membership lists from local business associations and community groups
- Provide contact information for other AABE



Institute for Economic Development  
The University of Texas at San Antonio

For information on the study contact the UTSA Center for Community and Business Research.  
[cbr@utsa.edu](mailto:cbr@utsa.edu) | 210.458.2750



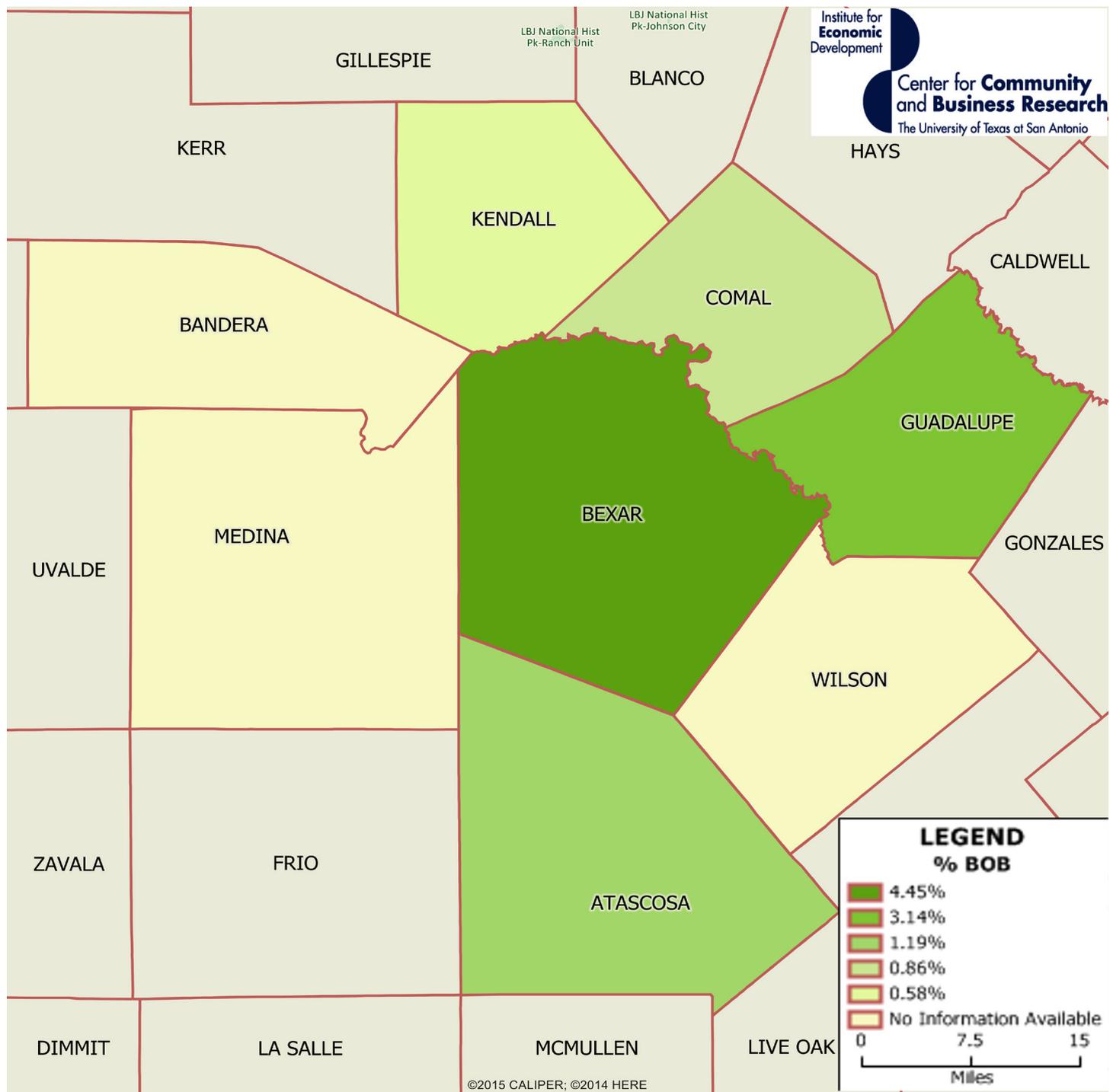




<sup>36</sup> As indicated by procurement records, contractor databases, and a various studies.

<sup>37</sup> This includes all 2-digit NAICS sectors except 22 Utilities, 55 Management of Companies/Enterprises, and 92 Public Administration; specific businesses were classified with 6-digit codes.

<sup>38</sup> It is important to note that samples for small population regions have some protective measures taken so that individuals cannot be discerned from the collected data.



**Figure 1: Range of Percent of AABE by County;**  
 Source: CCBR GIS, Census 2012 Survey of Business Owners (released 2015-2016)

## II. AABE DEFINITION

AABEs are distributed throughout Bexar County and closely match the distribution of business enterprises in general. It is important to note that the distribution of AABEs is not identical to the distribution of African-American population.

While there are multiple concentrations of African-American population in all four Bexar County Precincts, the distribution of AABEs closely follows the road network and the distribution of the total population of the County (not the residential distribution of just one racial or ethnic group).

In order for a business owner to receive an African American minority certification, the owner must prove that he or she is African American and holds at least 51% ownership in the company.<sup>39</sup> The definition of African American has changed over the years and is defined differently by various agencies and levels of government.<sup>40</sup> Below are AABE definitions as defined by specific agencies.

### 1. U.S. Census

#### Current U.S. Census definition

- Black or African American is “A person having origins in any of the Black racial groups of Africa.”<sup>41</sup>
- The Census Bureau’s definition is in turn based on the 1997 Office of Management and Budget (OMB) standards. These standards state that a person’s reporting of his or her race is based on self-identification (not on identification by others), and permit a person to report more than one race.

#### U.S. Census Survey of Business Owners definition <sup>42</sup>

A. Business ownership is defined as having 51 percent or more of the stock or equity in the business and is categorized by:

- Gender: Male; female; or equally male/female
- Ethnicity: Hispanic; equally Hispanic/non-Hispanic; non-Hispanic
- Race: White; Black or African American; American Indian or Alaska Native; Asian; Native Hawaiian or Other Pacific Islander; some other race; minority; equally minority/nonminority; nonminority
- Veteran status: Veteran; equally veteran/nonveteran; nonveteran
- Publicly held and other firms not classifiable by gender, ethnicity, race, and veteran status

B. Firms equally male-/female-owned, equally minority-/nonminority-owned, and equally veteran-/nonveteran-owned are counted and tabulated as separate categories.

C. Businesses can be tabulated in more than one racial group. This can result because:

- the sole owner reports more than one race;
- the majority owner was reported to be of more than one race;
- a majority combination of owners was reported to be of more than one race

<sup>39</sup> SCTRCA Policy and Procedure Manual.

<sup>40</sup> This is explained in further detail later in the AABE Definition section of this Summary. Here, AABE and BOB are interchangeable.

<sup>41</sup> U.S. Census Bureau. “Race: About”. <https://www.census.gov/topics/population/race/about.html>

<sup>42</sup> U.S. Census Bureau. “Survey of Business Owners and Self-Employed Persons (SBO)”. <http://www.census.gov/programs-surveys/sbo/about.html>

## 2. Small Business Administration (SBA)

Some minority groups are presumed to be socially<sup>43</sup> and economically disadvantaged<sup>44</sup> and can qualify for the 8(a) program. These groups include: African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Subcontinent Asian Americans.<sup>45</sup>

## 3. Bexar County

Bexar County uses the U. S. Census definition of African American.

The 2011 Bexar County disparity study defines African American Businesses as “businesses owned by male and female African Americans.”<sup>46</sup>

## 4. Other Agencies

### South Central Texas Regional Certification Agency

- According to The South Central Texas Regional Certification Agency (SCTRCA), origins in a black racial group can be proved through a birth certificate or a parent’s birth certificate that indicates the person’s race.<sup>47</sup>
- Prior to February 2016, SCTRCA used the following definition: “Persons having origins in any of the black racial groups of Africa as well as those identified as Jamaican, Trinidadian or West Indian”.<sup>48</sup>
- In March 2016 SCTRCA began to use the U.S. Census definition, but with the understanding that Afro-Caribbean persons “remain eligible since the groups have racial origins in Africa”.<sup>49</sup>

“The citation referencing the Small Business Act §2(f)(1)(A)(B)(C) is for reference to vendors seeking certification.

The citation identifies the designated groups that are identified in the Disadvantaged Business Program and the Business Enterprise Certification Program. . . . the designator of African American Business Enterprise (AABE) . . . is unique to the SCTRCA. The definition is the same as the socially disadvantaged definition of Black that’s included in the DBE Program.

DBE Definition:

49 CFR Part 26.5 What do the terms used in this part mean?

Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is—

(1) Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by case basis.

(2) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:

- (i) “Black Americans,” which includes persons having origins in any of the Black racial groups of Africa;

SCTRCA Business Enterprise Program

1.01 Group Member(s)

There are four ethnic categories into which group members may fall in accordance with the Small Busi-

43 <http://www.sba.gov/content/socially-disadvantaged-eligibility>

44 <http://www.sba.gov/content/economic-disadvantage-eligibility>

45 U.S. Small Business Administration. “Minority-Owned Businesses”. <https://www.sba.gov/starting-business/how-start-business/business-types/minority-owned-businesses>

46 Bexar County (2011). *Bexar County Disparity and Availability Study*. Final Report. December 2011. Mason Tillman Associates, Ltd. Accessed May 11, 2016. <https://www.bexar.org/DocumentCenter/Home/View/2189>

47 Phone conversation between Center for Community and Business Research and SCTRCA representative, May 5, 2016. This is confirmed by the SCTRCA Policy and Procedure Manual: Section 3.02.B.

48 July 11, 2016 email between Renee Watson and Dwayne Robinson

49 IBID

ness Administration’s identifiers. (Small Business Act §2(f)(1)(A)(B)(C).

They are African Americans, Hispanic Americans, Asian Americans, and Native Americans legally residing in or that are citizens of the United States of America or its territories. Within these categories, the SCTRCA recognizes the following classifications:

African American: Persons having origins in any of the black racial groups of Africa.”<sup>50</sup>

“The traditional definition of race and ethnicity is related to biological and sociological factors respectively. Race refers to a person’s physical characteristics, such as bone structure and skin, hair, or eye color. Ethnicity, however, refers to cultural factors, including nationality, regional culture, ancestry, and language.

Afro-Caribbeans are Caribbean people who trace their heritage to Sub-Saharan Africa in the period since Christopher Columbus’s arrival in the region in 1492. Other names for the group include African-Caribbean (especially in the UK branch of the diaspora), Afro-Antillean or Afro-West Indian. Between the 16th and 19th centuries, European-led triangular trade brought African people to work as slaves in the Caribbean on various plantations. Many Afro-Caribbeans also have non-African ancestry, such as European, South Asian, East Asian, Middle Eastern and Native American, as there has been intermarriage over the centuries.

- Afro-Jamaican
- Afro-Trinidadian
- Afro-Antiguan and Barbudan
- Afro-Bahamian
- Afro-Barbadian
- Afro-Cuban
- Afro-Costa Rican
- Afro-Dominican (Dominica)
- Afro-Guatemalan
- Afro-Haitian
- Afro-Honduran
- Afro-Puerto Rican
- Afro-Dominican (Dominican Republic)
- Afro-Grenadian
- Afro-Guyanese
- Afro-Kittian and Nevisian
- Afro-Nicaraguan
- Afro-Panamanian
- Afro-Saint Lucian
- Afro-Surinamese
- Afro-Vincentians
- Belizean Creole people
- Raizal, in the Archipelago of San Andrés, Providencia and Santa Catalina, presently the Colombian San Andrés y Providencia Department, off the Nicaraguan Miskito Coast
- British African-Caribbean community
- Caribbean Australian
- Caribbean Brazilian
- West Indian American
- Other members of the African diaspora in or from the Caribbean

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<sup>50</sup> June 28, 2016 Email correspondence between Renee Watson, SMWBE Program Coordinator, and Julio Fuentes, Executive Director SCTRCA

The U.S. Census Bureau must adhere to the 1997 Office of Management and Budget (OMB) standards on race and ethnicity which guide the Census Bureau in classifying written responses to the race question:

**White** – A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

**Black or African American** – A person having origins in any of the **Black racial groups of Africa**.

**American Indian or Alaska Native** – A person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment.

**Asian** – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

**Native Hawaiian or Other Pacific Islander** – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

The 1997 OMB standards permit the reporting of more than one race. An individual's response to the race question is based upon self-identification. The Census Bureau does not tell individuals which boxes to mark or what heritage to write in. For the first time in Census 2000, individuals were presented with the option to self-identify with more than one race and this continued with the 2010 Census. People who identify with more than one race may choose to provide multiple races in response to the race question. For example, if a respondent identifies as "Asian" and "White," they may respond to the question on race by checking the appropriate boxes that describe their racial identities and/or writing in these identities on the spaces provided.

## What is Race?

The data on race were derived from answers to the question on race that was asked of individuals in the United States. The Census Bureau collects racial data in accordance with guidelines provided by the U.S. Office of Management and Budget (OMB), and these data are based on self-identification.

The racial categories included in the census questionnaire generally reflect a social definition of race recognized in this country and not an attempt to define race biologically, anthropologically, or genetically. In addition, it is recognized that the categories of the race item include racial and national origin or sociocultural groups. People may choose to report more than one race to indicate their racial mixture, such as "American Indian" and "White." People who identify their origin as Hispanic, Latino, or Spanish may be of any race.

OMB requires five minimum categories: White, Black or African American, American Indian or Alaska Native, Asian, and Native Hawaiian or Other Pacific Islander.

## Reasons for collecting information on race

Information on race is required for many Federal programs and is critical in making policy decisions, particularly for civil rights. States use these data to meet legislative redistricting principles. Race data also are used to promote equal employment opportunities and to assess racial disparities in health and environmental risks."<sup>51</sup>

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51 June 28, 2016 Email correspondence between Renee Watson and Julio Fuentes, Executive Director SCTRA

## Other Texas County MWBE

### ***Travis County Contact:***

Historically Underutilized Business (HUB) Program Coordinator/DBE Liaison  
Sylvia Lopez  
(512) 854-4561  
Sylvia.Lopez@traviscountytexas.gov



### ***Dallas County Contact:***

Dallas County's M/WBE Program  
Patrece S. Richardson, Minority Business Officer  
(214) 653-6018  
patrece.richardson@dallascounty.org



### ***Harris County Contact:***

Harris County Transit, A Division of Harris County Community Services  
Dwight Wolf, DBE Compliance Officer  
713-578-2261



# III. CERTIFICATION & OWNERSHIP IDENTIFICATION PROGRAMS

In 2001, Bexar County formed the Small Minority and Women-Owned Business Enterprise (SWMBE) to assist businesses in procurements.<sup>52</sup> In 2007, the Bexar County Commissioners Court adopted the Texas Department of Transportation Local Area Management Program which established the Disadvantaged Business Enterprise (DBE) program. In 2008, Bexar County began using the Contract and Diversity Management System (a software program published by B2Gnow) in order to effectively manage the large amount of data needed to track the progress of SMWBE participants.<sup>53</sup>

Bexar County has implemented a policy to enhance procurement opportunities for small, minority and women-owned businesses. As noted in *The Resource*<sup>54</sup>, the targeted goal is that a minimum of 20% of all procurement dollars in the areas of Commodities, Equipment Services, Maintenance, Professional Services and Construction are to be spent with minority and women-owned businesses and/or a minimum of 30% of those procurement dollars are to be spent with small businesses.<sup>55</sup>

In order to reduce the burden on small firms, Bexar County accepts all certification designations from any bona fide certification organization. Accordingly, businesses can be certified as small, minority, women, and/or veteran owned business enterprises (SMWVBES) to provide them equal access as they do business with Bexar County.

## 1. Federal

### Federal Disadvantaged Business Enterprise (DBE): Texas Unified Certification Program (TUCP)

As part of the Federal Disadvantage Business Enterprise (DBE) Programs in Texas, the TUCP is a certification program that certifies DBEs for participation in federal transportation contracting projects across the State of Texas. Certifying partner agencies are:

- City of Houston, Office of Business Opportunity
- City of Austin, Small Business Development
- Corpus Christi Regional Transportation Authority
- North Central Texas Certification Agency
- South Central Texas Certification Agency
- Texas Department of Transportation

A DBE certification received from any of the six certifying partners is valid for any Texas entity receiving U.S. Department of Transportation (DOT) funding. Business location determines which of the six certifying agencies to submit an application.<sup>56</sup>

### Small Business Administration (SBA): 8(a) Program

The Small Business Administration (SBA) established the 8(a) Business Development Program. Firms that are owned and controlled by at least 51% by socially and economically disadvantaged individuals can receive assistance such as specialized business training, counseling, marketing assistance, and high-level executive develop-

<sup>52</sup> <http://www.bexar.org/381/About-SMWBE>

<sup>53</sup> <http://www.bexar.org/336/CDMS-History>

<sup>54</sup> <https://www.bexar.org/Archive.aspx?AMID=37&Type=&ADID=>

<sup>55</sup> Bexar County Administrative Policy No.8.0 Oct 1, 2004 Section 6

<sup>56</sup> <http://www.txdot.gov/inside-txdot/division/civil-rights/tucp.html>; For more info see: <http://www.txdot.gov/business/partnerships/dbe.html>

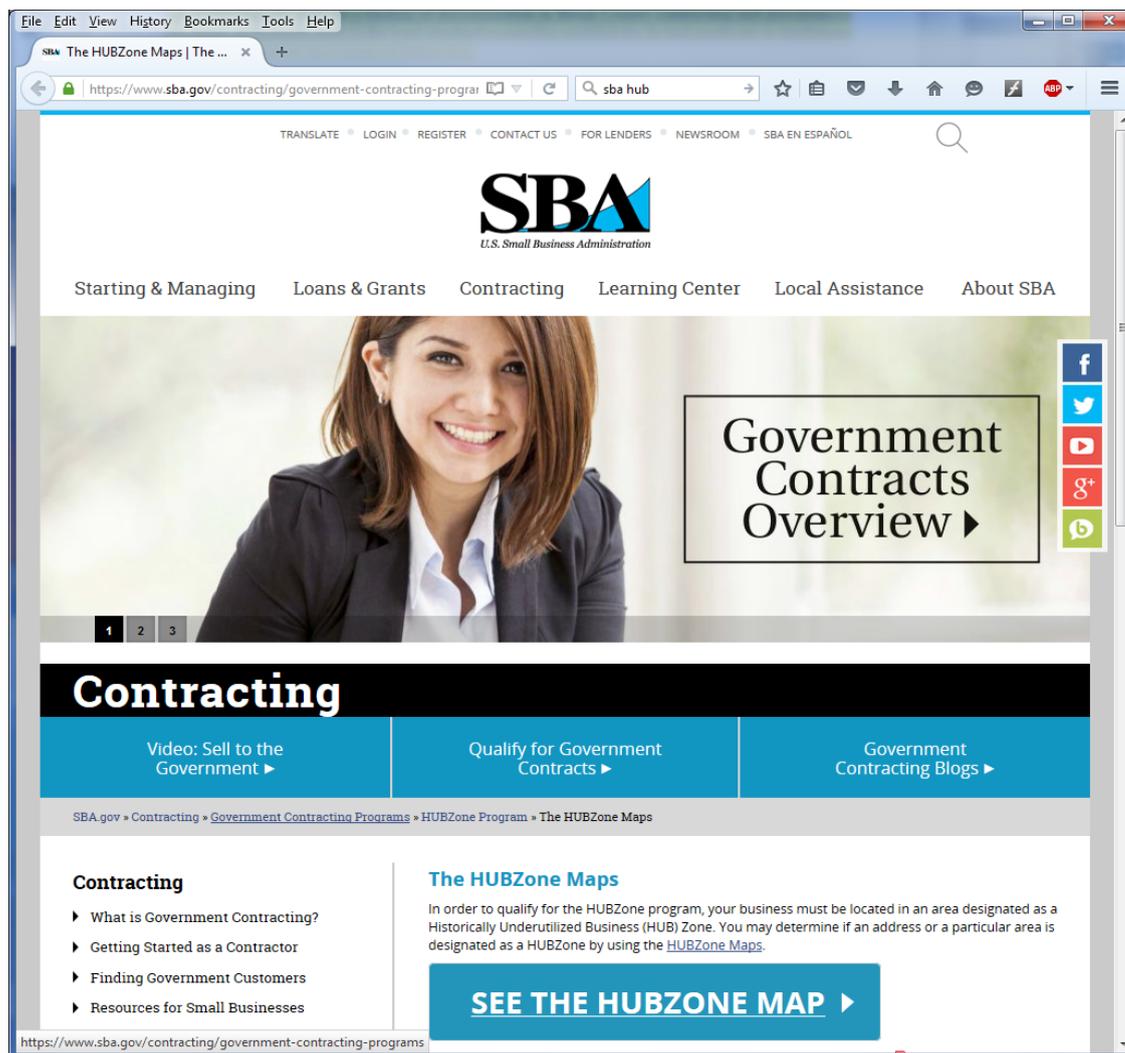
ment through the SBA or its resource partners. Program participants may also qualify for assistance in obtaining access to surplus government property and supplies, SBA-guaranteed loans and bonding assistance. Benefits can include participants receiving sole-source contracts, up to a ceiling of \$4 million for goods and services and \$6.5 million for manufacturing.<sup>57</sup>

### Service-Disabled Veteran-Owned Small Business Concern (SDVOSBC) Program

The Veterans Benefits Act of 2003 established a procurement program for Service Disabled Veteran-Owned Small Business Concerns (SDVOSBC), which gives procuring agencies the authority to set acquisitions aside for exclusive competition among service-disabled veteran-owned small business concerns, and the authority to make sole source awards to service-disabled veteran-owned small business concerns provided certain conditions are met.<sup>58</sup>

### Historically Underutilized Business Zones (HUBZone)

As part of the Small Business Reauthorization Act of 1997, the Historically Underutilized Business Zones (HUBZone) is a contracting program managed by the SBA that encourages economic development in distressed areas.<sup>59</sup> Three percent of federal contract dollars are required to be awarded to HUBZone-certified small businesses. To qualify as a HUBZone-certified business, businesses must meet eligibility requirements.<sup>60</sup> Within Bexar County there are 120 Census Tracts that qualify as a HUBZone (see figure below).<sup>61</sup>



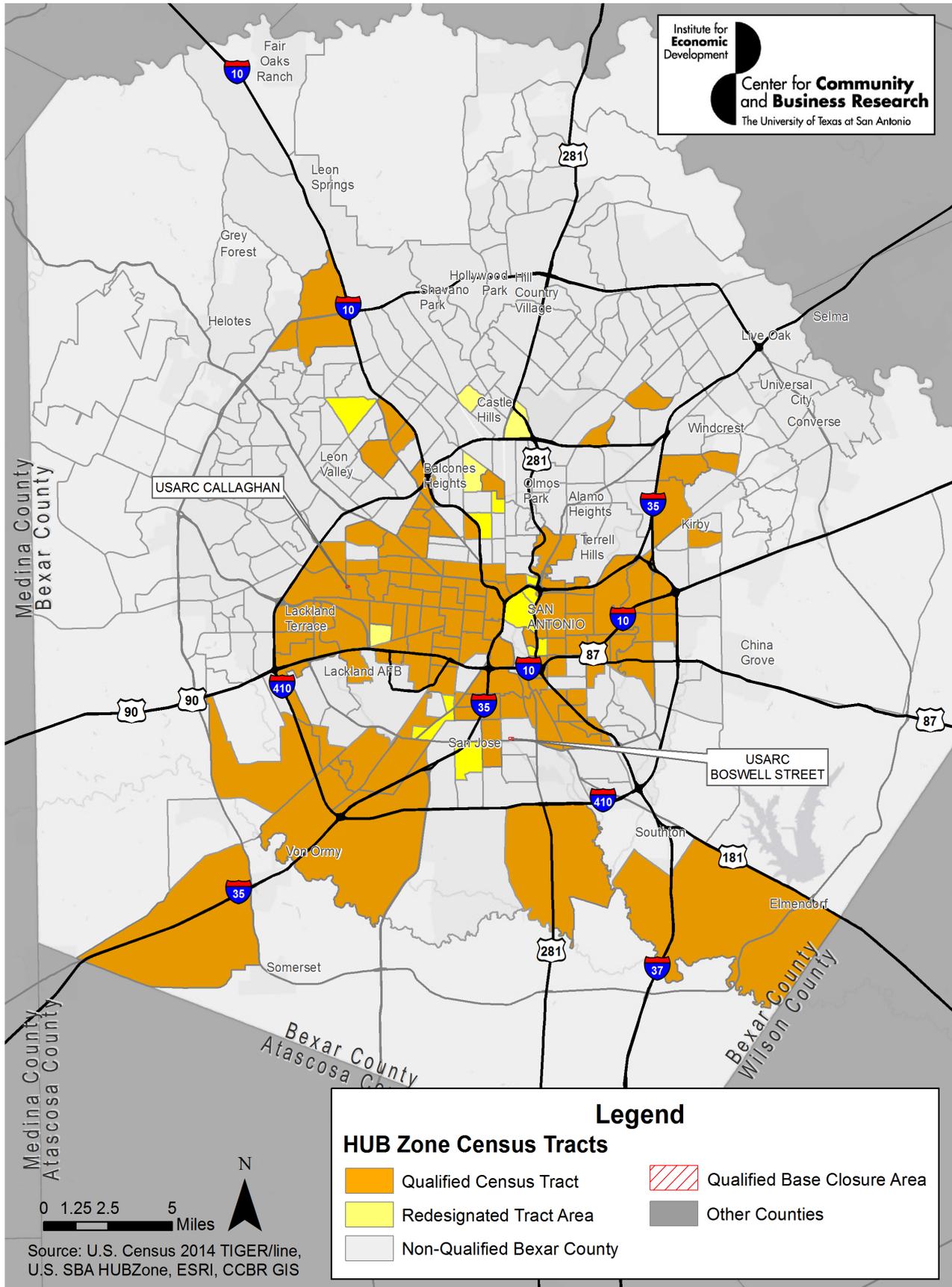
57 <https://www.sba.gov/contracting/government-contracting-programs/8a-business-development-program/about-8a-business-development-program>

58 <https://www.sba.gov/contracting/government-contracting-programs/service-disabled-veteran-owned-businesses>

59 <https://www.sba.gov/sites/default/files/files/HUBZone%20Quick%20Facts-1.pdf>

60 <https://www.sba.gov/media/training/hubzoneprimer/index.htm>

61 <http://map.sba.gov/hubzone/maps/>



**Figure 2: HUBZone Qualified Census Tracts in Bexar County;**  
 Source: CCB GIS, U.S. Small Business Administration (released 2012)

## 2. State

### Historically Underutilized Business (HUB) Program

The State Comptroller's office facilitates the statewide HUB Program with the goal of increasing procurement opportunities for minority, woman-owned, and service-disabled veteran-owned businesses.

Eligibility requirements are as follows:

- “a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas, and
- at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman and/or Service Disabled Veteran, who reside in Texas and actively participate in the control, operations and management of the entity's affairs.”<sup>62</sup>

HUB certification is free and is valid for four years. Businesses are registered on the Comptroller's HUB Directory.

## 3. Local

### The South Central Regional Certification Agency (SCTRCA)

As part of an interlocal Cooperation Agreement, the South Central Regional Certification Agency (SCTRCA) was created to provide a more efficient certification process and serves as the regional certifying agency for the South Texas area.<sup>63</sup> As the regional certifying agency, SCTRCA currently has a Memorandum of Agreement (MOA) with the Texas Comptroller where a Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE) may be eligible for HUB reciprocal certification.<sup>64</sup> SCTRCA offers different types of certification programs, each with their own respective eligibilities and needed documentation. SCTRCA offers the following certifications as seen in their certification application form although this is not their comprehensive list<sup>65</sup>:

**Small Business Enterprise (SBE):** “A business structure that is formed with the purpose of making a profit, which is independently owned and operated and which meets the United States Small Business Administration (SBA) size standard for a small business...”

**Woman-Owned Business Enterprise (WBE):** “A business structure that is owned, operated and controlled by one or more women who have a total of at least 51% or more ownership.”

**Veteran Business Enterprise (VBE):** “A business structure that is at least 51% owned, operated and controlled by an individual who served in the United States Armed Forces, and who was discharged or released under conditions other than dishonorable. *Please note: This certification type should not be confused with the Service Disabled Veteran designation available through the Small Business Administration.*” (Emphasis in original)

**Disabled Individual Business Enterprise (DIBE):** “A business structure that is at least 51% owned, operated and controlled by a Disabled individual [...] Disabled individual means a person (a) with one or more disabilities as defined by the Americans with Disabilities Act (ADA) and amendments thereto (for purposes of applicability under the certification statutes, ordinances, rules and regulations governing the State of Texas).”

**African American Business Enterprise (AABE):** “A business structure that is owned, operated, managed, and controlled by an African American member(s) who has at least 51% ownership.”

## 4. Private Sector

### Southwest Minority Supplier Development Council (SMSDC)

<sup>62</sup> <http://www.comptroller.texas.gov/procurement/prog/hub/>

<sup>63</sup> Counties include Atascosa, Bandera, Bexar, Caldwell, Comal, Frio, Goliad, Guadalupe, Hays, Karnes, Kendall, Kerr, McMullen, Medina, Uvalde and Wilson. <http://www.sctrca.org/applications.asp>

<sup>64</sup> <http://www.sctrca.org/>

<sup>65</sup> <http://www.sctrca.org/documents/New%20Application.pdf>

The Southwest Minority Supplier Development Council (SMSDC) is affiliated with the National Minority Supplier Development Council (NMSDC) and provides certification for minority business enterprises (MBEs). Eligibility requirements are as follows<sup>66</sup>:

- **“United States citizens.**
- **Minority businesses must be at least 51% minority-owned operated and controlled.** For the purposes of NMSDC’s program, a minority group member is an individual who is at least 25% Asian, Black, Hispanic or Native American.
- Minority eligibility is established via a combination of screenings, interviews and site visits. Ownership, in the case of a publicly-owned business, means that at least 51% of the stock is owned by one or more minority group members.
- **Must be a profit enterprise and physically located in the U. S. or its trust territories.**
- **Management and daily operations must be exercised by the minority ownership member(s).**”(Emphasis in original)

### **Women’s Business Enterprise National Council (WBENC)**

The Women’s Business Enterprise National Council (WBENC) is a non-profit certifying agency that validates businesses that are owned, controlled, and operated by women. In order to be certified as woman-owned, a business must be 51% owned, controlled, operated, and managed by a woman or women.<sup>67</sup>

## **5. Other Resources and Programs**

Various organizations can assist businesses with the certification process such as the SBDC’s Procurement Technical Assistant Center (PTAC).<sup>68</sup>

### **Small Business Development Center (SBDC): Procurement Technical Assistance Center (PTAC)**

The SBDC’s Procurement Technical Assistance Center specializes in assisting small, minority, veteran, and women-owned businesses with all levels of government procurement. Currently, PTAC services are available to the following counties: Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Hays, Karnes, Kendall, Kerr, La Salle, Medina, Travis, Williamson, Wilson, and Zavala.<sup>69</sup>

### **Mentor/Protégé Program in partnership with Associated General Contractors**

Bexar County’s Small, Minority, Women and Veteran Business Enterprise (SMWVBE) office in partnership with the Associated General Contractors of San Antonio developed a program to help develop new firms marketing, operations, and financial performance through a Mentor/ Protégé relationship.<sup>70</sup> The program is a two year commitment. Potential applicants must first complete a training program in addition to other requirements before being eligible as a Protégé.

### **Bexar County Definitions:**

#### **“Certification”**

A designation as a HUB, SBE, MBE, DBE, VBE, or WBE awarded by any authorized agency that a company is a 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.

#### **“Certification Agency”**

An authorized local, state, federal or private sector entity that provides certification services, which consist of vendor submittal of a certification application with supporting documentation, review, and often a personal interview or site visit to validate claims of SMWVBE status.

<sup>66</sup> <http://affiliate.nmsdc.org/smsdc/app/template/contentMgmt%2CCertificationCriteria.vm>

<sup>67</sup> <http://www.wbenc.org/certification-faqs/>

<sup>68</sup> PTAC: Washington Place, 215 S. San Saba, San Antonio, TX 78027, Phone: 210 458 2458, Fax: 210 458 2754

<sup>69</sup> <http://ptac.txsbdc.org/about-us/>

<sup>70</sup> <https://www.bexar.org/327/Mentor-Protg-Program>

## Designation and Certification Agencies

Bexar County has implemented a policy to enhance procurement opportunities for small, minority and women-owned businesses. As noted in *The Resource*<sup>71</sup>, the targeted goal is that a minimum of 20% of all procurement dollars in the areas of Commodities, Equipment Services, Maintenance, Professional Services and Construction are to be spent with minority and women-owned businesses and/or a minimum of 30% of those procurement dollars are to be spent with small businesses.<sup>72</sup>

Accordingly, businesses can be certified as small, minority, women, and/or veteran owned business enterprises (SMWVBEs) to provide them equal access as they do business with Bexar County.

In order to reduce the burden on small firms, Bexar County accepts SMWVBE certifications from federal, state, and local agencies and recognizes Small Minority and Women-Owned certifications issued by the following: South Central Texas Regional Certification Agency, Historically Underutilized Business, Southwest Minority Supplier Development Council, Women’s Business Enterprise Alliance, Small Business Administration, Disadvantaged Business, and others.

**Table 1: Certifying Agencies and Associated Certification**

Certification	Agency
African American Business Enterprise (AABE)	SCTRCA
Airport Concessions Disadvantaged Business Enterprise (ACDBE)	SCTRCA, TUCP
American Indian Business Enterprise (AIBE)	SCTRCA
Asian Business Enterprise (ABE)	SCTRCA
Asian-Pacific American Business Enterprise (APABE)	SCTRCA
Disabled Business Enterprise (DIBE)	SCTRCA, TUCP
Disadvantaged Business Enterprise (DBE)	SCTRCA, TUCP
Emerging SBE (ESBE)	SCTRCA
Hispanic American Business Enterprise (HABE)	SCTRCA
Historically Underutilized Business (HUB)	Texas Comptroller
Lesbian Gay Bisexual Transgender-Owned Business Enterprise (LGBT-BE)	NGLCC
Minority Business Enterprise (MBE)	SCTRCA, SMSDC
Native American Business Enterprise (NABE)	SCTRCA
SBA-program for development for women-owned business (8M)	SBA
SBA-program for development of small business in HUB-Zones (8A)	SBA
Service-Disabled Veteran-Owned Business Enterprise (SDVOBE)	SBA
Small Business Enterprise (SBE)	SCTRCA/TUCP
Veteran-Owned Business Enterprise (VBE)	SCTRCA
Woman-Owned Business Enterprise (WBE)	SCTRCA/TUCP



71 Bexar County (2016b). *SMWBE – The Resource Newsletter*.

72 Bexar County Administrative Policy No.8.0 Oct 1, 2004 Section 6

**Table 2: Local Entities and Certification Acceptance**

Certifications	Bexar County	City of San Antonio	San Antonio Housing Authority	University Health System	San Antonio Water System	CPS Energy
African American Business Enterprise (AABE)	X	X	X	X	X	X
Airport Concessions Disadvantaged Business Enterprise (ACDBE)		X	X	X		X
American Indian Business Enterprise (AIBE)	X		X	X	X	
Asian Business Enterprise (ABE)	X	X	X	X	X	X
Asian-Pacific American Business Enterprise (APABE)	X		X	X	X	
Disabled Business Enterprise (DIBE)	X			X	X	X
Disadvantage Business Enterprise (DBE)	X	X	X			X
Emerging SBE (ESBE)	X	X				X
Hispanic American Business Enterprise (HABE)	X	X	X	X	X	X
Historically Underutilized Business (HUB)	X		X	X	X	X
Lesbian Gay Bisexual Transgender-Owned Business Enterprise (LGBTBE)	X					
Minority Business Enterprise (MBE)	X	X	X	X	X	X
Native American Business Enterprise (NABE)	X	X	X	X	X	X
SBA-program for development for women-owned business (8M)	X					X
SBA-program for development of small business in HUB-Zones (8A)	X					X
Service-Disabled Veteran-Owned Business Enterprise (SDVOBE)	X					X
Small Business Enterprise (SBE)	X	X	X	X	X	X
Veteran-Owned Business Enterprise (VBE)	X	X		X	X	X
Woman-Owned Business Enterprise (WBE)	X	X	X	X	X	X

Common certifications and designations at the federal, state, and regional levels:

***Federal Level – Small Business Administration***

- Small Business
- Woman-Owned Small Business
- Small Disadvantaged Business Enterprise [a program, not a certification, includes 8(a)]
- HUBZone
- Service-Disabled Veteran-Owned SB
- Veteran Owned SB

***U.S. Department of Transportation***

- Airport Concession Disadvantaged Business Enterprise (ACDBE) [49CFR Part 23]
- Disadvantaged Business Enterprise [49CFR Part 26]
- Small Business
- Texas Unified Certification Program [reciprocity program: firms may submit documentation for automatic certification]

***State Level – Texas Comptroller of Public Accounts***

- Historically Underutilized Businesses (HUB)
  - Apply online through Texas Comptroller of Public Accounts: free
  - Optional Registration (\$70 annual fee) for the Centralized Master Bidders List (CMBL)
- Firms can apply for HUB certifications through SCTRCA, but will not be CMBL registered

**Regional Level**

- Firms may apply for as many certifications as they qualify for (including HUB) in the submitted application <sup>73</sup>
- Businesses which are already federally certified [such as 8(a) or WOSB] may fill out a shorter application

**CERTIFICATION DESIGNATIONS**

African American Business Enterprise (AABE)	Minority Business Enterprise (MBE)
Asian American Business Enterprise (ABE)	Native American Business Enterprise (NABE)
Disabled Individual Business Enterprise (DIBE)	Small Business Enterprise (SBE)
Emerging Small Business Enterprise (ESBE)	Veteran-Owned Business Enterprise (VBE)
Hispanic American Business Enterprise (HABE)	Woman-Owned Business Enterprise (WBE)
Disadvantaged Business Enterprise (DBE)	

**Procurement Technical Assistance Center PTAC**

**Need F R E E Assistance?**

PTAC specializes in assisting small, minority, veteran, and women owned businesses with all levels of government procurement by providing free counseling and services.  
For more information: <http://ptac.txsbdc.org/>



South-West Texas Border  
**Small Business  
Development Center Network**  
Procurement Technical Assistance Center

UTSA SBDC Procurement Technical Assistance Center  
UTSA Downtown Campus - Durango Building  
501 W. César E. Chávez Blvd. | San Antonio, Texas  
Phone 210.458.2458 | [ptac.txsbdc.org](http://ptac.txsbdc.org)

<sup>73</sup> MBEs and WBEs may be eligible for HUB

## IV. BEXAR COUNTY SMWBE PROGRAMS

As with all counties in Texas, the Commissioners Court of Bexar County consists of the County Judge and four Commissioners; each Commissioner represents one of the four precincts of the County. According to the U. S. Census, the County has over 45,000 small businesses, and it has dedicated support systems for them<sup>74</sup>. Its SMWBE programs address multiple aspects within the government contract and procurement process.<sup>75</sup> One aspect is establishing partnerships with reliable firms; another is providing clear and effective assistance and information to potential and existing partners.

Bexar County has recognized that there are multiple sides to the government contract and procurement topic and has implemented a variety of support programs.<sup>7677</sup>

- One side is identifying businesses who can participate in procurement;
- A second side is having support systems in place to assist businesses in working with the County.

AABE companies have several important characteristics, which make them prime for adoption of government contract and procurement in its business portfolios.

- Almost all of these companies are entrepreneur-started;
- These companies tend to stay in business;
- These companies have longevity of experience in their sector.<sup>78</sup>

Additionally, AABEs are dispersed across the entire Bexar County region, with a *greater proportion of AABEs to total businesses being outside incorporated areas.*

### Local Context, Helpful Neighbors

Bexar County has several tools that other customers and regional vendors are able to access and use. This is important, as many smaller government organizations do not have the resources or staffing to deal with extensive programs, policy creation and enforcement, and other procurement activities, such as online posting, vendor lists, and vendor outreach. Although some governments do not like to cross jurisdiction boundaries, others have discovered that such cooperation can benefit their constituents as well as their structure and processes for government contracting and procurement.<sup>79</sup>

Services available to the region include:

- The ability of other government organizations to “piggyback” on County contracts in order to get volume pricing or access to goods and services allowing vendors who have those contracts to increase their market.
- Transparent online contract management system portal.
- Workshops, “meet the contractor” events, the annual SMWBE conference in December.
- Various listings and policies.

<sup>74</sup><http://www.bexar.org/>

<sup>75</sup>In 2001, Bexar County established the SMWBE program; In 2007, the Commissioners Court adopted the Texas Department of Transportation Local Area Management Program which is required to establish the Disadvantaged Business Enterprise (DBE) program.

<sup>76</sup>Bexar County (2011). Bexar County Disparity and Availability Study. Final Report. December 2011. Mason Tillman Associates, Ltd. Accessed May 11, 2016. <https://www.bexar.org/DocumentCenter/Home/View/2189>

<sup>77</sup> Bexar County (2016a). Small Minority & Women-Owned Business Enterprise Program. Bexar County, TX – Official Website. Accessed May 11, 2016. <http://www.bexar.org/129/SMWBEDBE-Program>

<sup>78</sup>Kellison, Kerwick, & Butler 2014

<sup>79</sup> Tunstall, T., Oyakawa, J., Eid, H., Martinez, A., 2015. Small Businesses and Their Impact on Texas. University of Texas at San Antonio Institute for Economic Development, for State of Texas Office of the Governor.; A takeaway from that study is that local context is important, but is “often an unacknowledged factor that can drive different development strategies”. Participants in that study noted that supporting regional cooperation would be beneficial. Likewise, participants noted that collaboration between communities can be fraught with issues, especially between cities and counties.

As Bexar County builds various tools and policies, the County provides a level of transparency not normally available:

- Records on contractors who pay subcontractors.
- Inclusion in certification and bidding of ‘non-employer’ businesses.
- Inclusion of businesses that are not registered with the state as corporations, such as sole proprietorships and partnerships.

## 1. Bexar County Outreach Programs

- Online software system called Contract and Diversity Management System (CDMS)<sup>80</sup>
- Training classes offered for all staff and employees to best implement and utilize the online program.
- Outreach events such as contracting conferences and seminars.
- Meet the Project Managers for Bexar County Projects and Facilities.
- Annual vendor fairs to create business networking opportunities.<sup>81</sup>
- Bexar County’s SWMBE Advisory Committee communicates with the Commissioners Court.<sup>82</sup>
- Bexar County divides contract work and procurement opportunities into small portions in order to encourage more SWMBE participation.
- Mentor/Protégé Program with training classes using mentors in order to collaborate with young firms on best businesses practices as well as with the Basics Program.<sup>83</sup>
- Staff training on SWMBE programs as well as updates on any changes.
- County Commissioners Precinct training events.
- Round tables on procurement opportunities.
- Awarding portions of contract work and procurement opportunities to multiple SWMBE firms.
- Hosting training events at the County Commission Precinct level.
- Holding business seminars and round-table events on procurement opportunities.
- Tax abatements to SMWBEs for a reduction of or exemption from taxes for a fixed period, depending on the circumstances.

## 2. Bexar County Website

- Variety of information for SWMBEs to utilize in their business practices.<sup>84</sup>
- Online newsletter called *The Resource* that provides information for SWMBEs.<sup>85</sup>
- Stakeholder Survey on the website for feedback from SWMBE owners.<sup>86</sup>

<sup>80</sup> Published by B2Gnow; used by Bexar County since 2008 in order to effectively manage the large amount of data needed to track the progress of SMWBE participants.

<sup>81</sup> <http://www.bexar.org/130/SMWBE-December-Conference>

<sup>82</sup> <http://www.bexar.org/388/Advisory-Committee>

<sup>83</sup> <http://www.bexar.org/327/Mentor-Protg-Program>

<sup>84</sup> IBID

<sup>85</sup> Bexar County (2016b). SMWBE – The Resource Newsletter. Bexar County, TX – Official Website. Accessed May 11, 2016. <http://www.bexar.org/Archive.aspx?AMID=37&Type=&ADID=>

<sup>86</sup> Bexar County. Stakeholder Survey. Bexar County TX – Official Website. Accessed May 11, 2016. <https://www.bexar.org/386/Stakeholder-Survey>

### 3. Bexar County Current Partnership Programs

Bexar County participates in the following SWMBE partnerships:

- Texas Business Opportunities Development Program (TBODP)
- SBDC Procurement and Technical Assistance Center (UTSA IED PTAC)
- Bonding and Education Program in partnership with the US DOT
- Mentor Protégé Program in partnership with the Associated General Contractors (AGC) San Antonio Chapter
- Technical Assistance to the Greater San Antonio Black Contractors Association
- Safety Training in partnership with the Hispanic Contractors Association de San Antonio
- Technology Seminar with the National Association of Women Business Owners
- Quarterly “Meet the Buyer” Seminars
- Events exhibitions and partnerships with area industry, trade and advocacy groups
- Trade groups and associations such as the AGC are involved in order to foster collaboration between companies in the same industry<sup>87</sup>
- Annual SMWVBO Contracting Conference
- Social media via Facebook<sup>88</sup> and Twitter<sup>89</sup> (@smwbe).

Bexar County works with various Chambers of Commerce in the community:<sup>90</sup>

- Alamo Asian-American Chamber of Commerce
- Alamo City Black Chamber of Commerce
- Alamo Heights Chamber of Commerce
- Christian Business Chamber of Commerce
- Greater San Antonio Chinese Chamber of Commerce
- Leon Valley Chamber of Commerce
- North San Antonio Chamber of Commerce
- San Antonio Chamber of Commerce
- San Antonio Hispanic Chamber of Commerce
- San Antonio LGBT Chamber of Commerce
- San Antonio Women’s Chamber of Commerce
- South San Antonio Chamber of Commerce
- Tri-County Chamber of Commerce
- West San Antonio Chamber of Commerce

Financial Assistance through the following:

- LiftFund
- Broadway National Bank
- Export-Import Bank of the US
- Firstmark Credit Union
- Frost
- Generations Federal Credit Union
- Randolph Brooks Federal Credit Union
- Security Service Federal Credit Union
- US Small Business Administration
- Wells Fargo
- Regents Capital-Equipment Financing

<sup>87</sup> <http://www.bexar.org/326/Education-Training>

<sup>88</sup> Bexar County. Government Organization. Accessed May 11, 2016. <https://www.facebook.com/CountyofBexar>

<sup>89</sup> Bexar County, Texas. Accessed May 11, 2016. <https://twitter.com/BexarCounty>

<sup>90</sup> <http://www.bexar.org/480/Chambers-Industry>

Best practices that Bexar County has engaged in to improve the functioning of the SMWBE Program:

- SMWBE calendar of events<sup>91</sup>
- Business resource listing<sup>92</sup>
- Financial assistance programs through various institutions<sup>93</sup>
- Technical assistance via non-profit organizations and institutions<sup>94</sup>
- Business education programs<sup>95</sup>

Other Financial Service Programs and Partnerships:

Technical Assistance (via agencies to help support small businesses; including UTSA, LiftFund, Alamo Colleges, SCORE)

The Basics Program: a ten week class designed to help small business contractors in understanding how to run a commercial construction business

Mentor Protégé Program: a two year commitment where the Protégés, mentors, and Associated General Contractors of American (AGC) work together to develop marketing, operations, and financial strategies for businesses.

San Antonio SCORE (non-profit organization that assists small businesses; partially funded by the SBA.

Bexar County Information Technology (BCIT)

## 4. Articles and Background

### “The Cities where African-Americans are doing the best economically”<sup>96</sup>

- In January 2015, Forbes Magazine ranked San Antonio eighth in the nation (tied with Miami, FL and Richmond, VA) in terms of the favorability of the economy for African-Americans.
- This is higher than any of the other large metropolitan areas in Texas (Austin, Houston, Dallas, and Ft. Worth).
- The majority of economic growth was due to small business with 50 or fewer employees.
- The city and its metropolitan area continue to grow in large part due to the increased funding and staff dedicated to the several consolidated military bases.
- The population growth attracts existing African-American businesses from elsewhere and also helps attract African-American entrepreneurs (many of whom are retired veterans) to start new businesses.

### “Best Places for Black-Owned Businesses 2015”

Study that scored Black-owned business success<sup>97</sup> and the health of each U.S. metro area’s economic environment<sup>98</sup> found San Antonio-New Braunfels MSA (eight counties) was 35<sup>th</sup> out of 107.<sup>99</sup>

91 <http://www.bexar.org/calendar.aspx?CID=22,27,28,29,30>,

92 <http://www.bexar.org/143/Starting-a-Business>

93 <http://www.bexar.org/324/Financial-Assistance>: financial assistance programs through various institutions such as LiftFund, Broadway National Bank, Export-Import Bank of the US, Frost Bank, Wells Fargo Bank, Firstmark Credit Union, Generations Federal Credit Union, Randolph Brooks Federal Credit Union, Security Service Federal Credit Union, US Small Business Administration, and Regents Capital Equipment Financing

94 <http://www.bexar.org/325/Technical-Assistance>: non-profit organizations and institutions such as SCORE, UTSA, and Alamo Colleges

95 <http://www.bexar.org/326/Education-Training>: includes ten-week program for small business contractors and a two-year mentor/protégé program assisted by the Associated General Contractors of America (AGC)

96 Kotkin, Joel. “The Cities where African-Americans are doing the best economically.” Forbes Magazine. January 15, 2015. Retrieved from <http://www.forbes.com/sites/joelkotkin/2015/01/15/the-cities-where-african-americans-are-doing-the-best-economically/#bad6272d1a05>

97 Black-owned business success’ (all from the U.S. Census Bureau Statistics of U.S. Businesses) represented 50% of the total score: (a) Percentage of total businesses which were black-owned accounted for 30% (the largest single metric in terms of weight); (b) Average revenue of black-owned businesses accounted for 10%; and (c) Percentage of black-owned businesses with paid employees accounted for 10%.

98 The ‘economic environment’ represented 50% of the total score: (a) Number of businesses per 100 people (from the U.S. Census Bureau Statistics of U.S. Businesses) accounted for 15%; (b) Black or African-American median income (from the U.S. Census Bureau American Community Survey) accounted for 15%; (c) Cost of living index (from the Council of Community and Economic Research) accounted for 15%; and (d) Unemployment rate (from the Bureau of Labor Statistics) accounted for 5%.

99 <https://www.nerdwallet.com/blog/small-business/best-places-for-black-owned-businesses/>

### “BE 100s 2014/2013”

One business in San Antonio consistently makes the list: Millennium Steel of Texas L.P., owned by Henry L. Jackson, about 61 employees, about \$190.5 million in revenue in 2013. Moved from 18th on the list in 2013 to 17th on the list in 2014. (Updated list in 2016 shows Millennium Steel of Texas at 16th for both 2015 and 2016).<sup>100</sup>

## 5. Bexar County Business Process Policies

Key state and local legislation sources regarding local government procurement include, but may not be limited to, the Texas Government Code, the Texas Local Government Code, the Texas Administrative Code and Bexar County Administrative Policies 8.0 and 8.1.<sup>101</sup>

These pieces of legislation are directly responsible for how race is addressed and treated in the realm of local government procurement in Bexar County.<sup>102</sup>

Bexar County uses the term “targeted goal”<sup>103</sup>, which is different from and should not be confused with a “set-aside.”<sup>104</sup>

There are no goals or points in the process of making individual awards.



100 Hazelwood, Janell. “BE 100s: Nation’s most successful Black-Owned Businesses.” Black Enterprise. July 2, 2014. Retrieved from <http://www.black-enterprise.com/small-business/be-100s-nations-most-successful-black-owned-businesses/>

101 The Texas Local Government Code states in 271.027 that “the governmental entity is entitled to reject any and all bids,” and that ultimately the “contract must be awarded to the lowest responsible bidder.” The Texas Government Code also states in 2161.181 that “a state agency...shall make a good faith effort to increase the contract awards for the purchase of goods or services that the agency expects to make during a fiscal year to [HUBs] based on rules adopted by the commission to implement the disparity study described by Section 2161.002(c). The “good faith effort” is defined in Title 34, Part 1, Chapter 20, Subchapter B, Rule §20.13 of the Texas Administrative Code.

102 The definition of both race/sex-neutral and race/sex-conscious measures can be found in the “State of Texas Disparity Study: A Report to the Texas Legislature by H.B. 2626, 73rd Legislature, December 1994” on page xxvi. According to Texas Government Code 2161.002(c), the aforementioned 1994 study was used to draft the rules by which Chapter 2161 of the Texas Government Code is administered.

103 The term “targeted goal” originates in Attachment A of the Bexar County Administrative Policy No. 8.0, whereas Chapter 2161 of the Texas Government Code only defines “goals” to satisfy the “good faith effort” requirement.

104 In regards to “set-asides,” Attachment A of the Bexar County Administrative Policy No. 8.0 states that the “County cannot award any points or set-asides for SMWBE in the procurement of goods or services unless it is to correct a documented disparity.” At the same time, it is stated in Section 2.2 of the same document that “nothing in [the] policy is to be construed to require the County to award a contract to other than the lowest responsible bidder as required by law and Bexar County policies and procedures.”

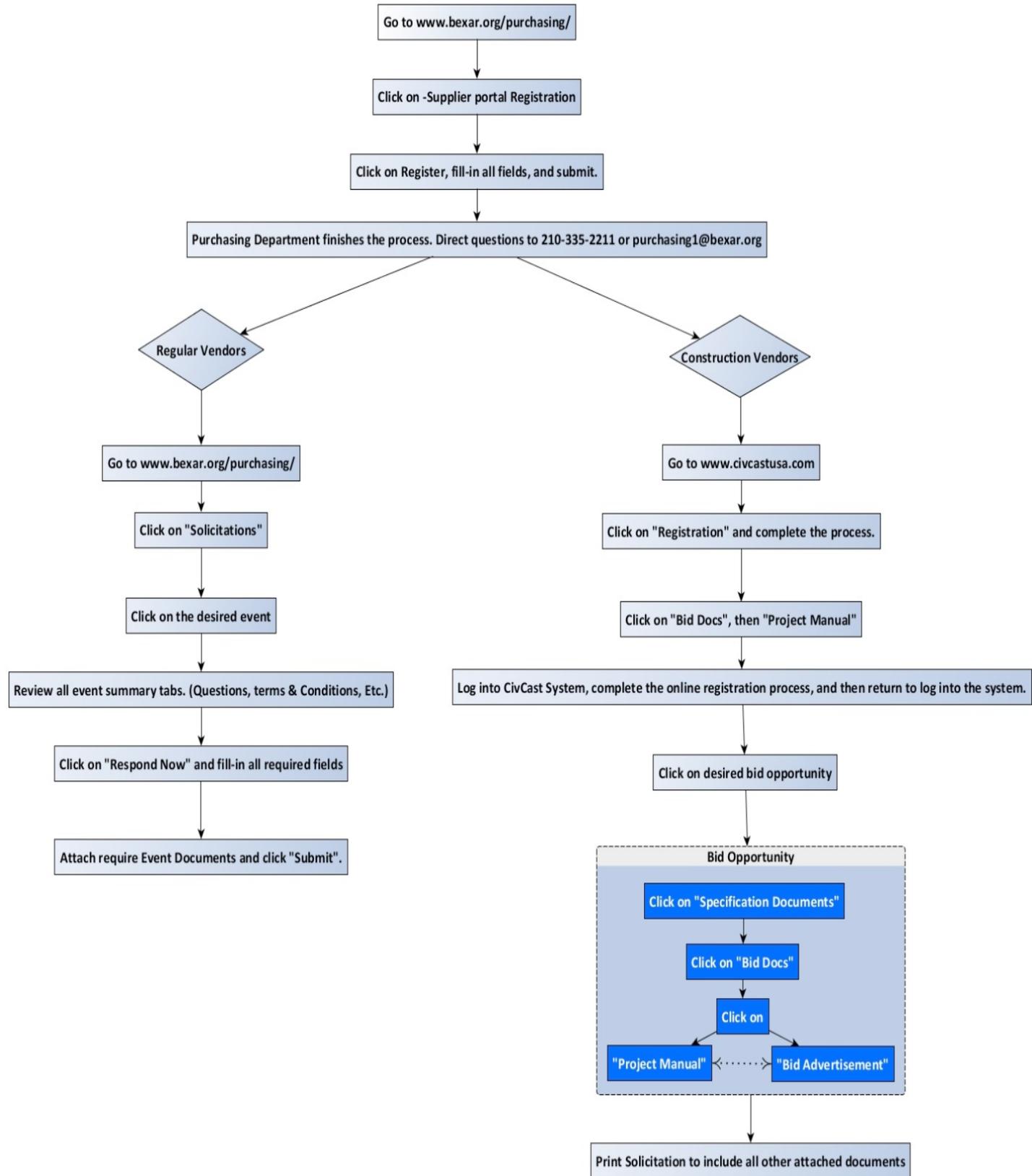


Figure 3: Bexar County Vendor Registration & Bidding Process; Source: CCBR

## V. METHODOLOGY

To discuss perceptions and realities of government contracting, a 360° view was utilized to explore narratives from a variety of viewpoints. Three distinct groups were categorized for this Survey study:

- 1) Business Owners: African American business owners, those who provided goods and services directly to the government by responding to solicitations and bidding
- 2) Customers: any government entity that purchased goods and services through solicitations
- 3) Community Partners: any organization that provided support (financial, networking, or certification agencies) to businesses that have government contracts

### Lists

Data on vendors was collected into listings for a 1) vendor directory, 2) calling to confirm contact information and promote survey participation, and 3) emailing the survey link, requesting participation. List building stages, and the list activities for each stage are detailed below.

#### Bexar County AABE Procurement Directory list

The directory will be posted on Bexar.org at the discretion of the Bexar County Commissioners Court.

The African American Business Enterprise directory list of 1,968 companies is comprised of:

- 389 AABEs that completed the survey stating that they wanted their information in a directory
- 882 from the Bexar County AABE vendor list reduced from 995 to 929 due to duplicates and missing contacts; many were duplicates previously identified from the customers and community partners request list; further reduced by 47 as Survey duplicates with County list; (6% of 774 AABEs that completed the survey, but did not opt in to the directory in the survey response)
- 731 from additional vendor lists

### List Building Stages

#### Stage 1: Requesting Customers and Community Partners Vendor Lists

Vendor lists were requested from cities, counties, school districts, utility districts, special districts and other government contract and procurement customers. Two tables below list 119 customers contacted of 150 customers identified, and 24 customers who sent requested data.

Many received lists were in unusable formats, such as pdf or images, and required manual reentry into usable digital spreadsheet format. Some data, such as thousands of photo images of DBA registrations were not usable. Other data did not include necessary or correct information.

Many counties and cities responded that they did not have the information requested as their entity did not categorize or classify accordingly.<sup>105</sup>

Others required an open records request, stated they used the Texas Comptroller's Historically Underutilized Business (HUB) Directory and Texas Centralized Master Bidders List (CMBL), or did not maintain a vendor list.

Another common response was reiterating that their respective entity abided by all regulated government procurement procedures.

Online database searches were conducted; online membership lists were downloaded if easily accessible; data was pulled from print materials and business cards.

#### Stage 2: Pulling business listings from a purchased database

4-digit NAICS were used to pull business listings for the MSA from AtoZ Business Database (AtoZ; A-Z).<sup>106</sup>

<sup>105</sup> A notable exception was found in New Braunfels, where all offices contacted (Chamber, City, SBDC, etc.) provided assistance and support, and also promoted each other's offices, as well as their local businesses and minority programs. Also notable was the easy-to-access and upfront displays of area information and references for assistance evident in the offices.

<sup>106</sup> <http://www.atozdatabases.com/search>; AtoZ compiles 30 million U.S. businesses, provides business related information, and is a triple-verified

CCBR used two databases within AtoZ, the “30 Million Business & Executives” database and the “2 Million NEW Businesses”. This resulted in 127,000 listings that were then cleaned of duplicates and missing or erroneous data to 59,809 listings.<sup>107,108</sup>

AtoZ data is not searchable by ethnic ownership designation.

### **Stage 3: Call Sampling, outreach, survey response (see: map below)**

Calls were sampled from vendor lists and from business listings in high African American density business zip codes, based on U.S. Census. AABEs were contacted by phone if 1) the AABE was identified as Black/African American by their certification or their ethnicity, 2) they had an address (zip code, city or county association) that was located within the 8-county MSA, and 3) a phone number was provided or obtained. A total of 771 African American businesses were identified.

Multiple email blasts based on newsletter, association, and vendor contact lists delivered information about the survey, along with survey links and researcher contacts. For most of the organizations ( $n = 61,453$ ) there was no way to determine if they were an AABE, so the survey was sent to all organizations. Of those sent emails, 17.3% ( $n = 10,766$ ) of the organizations actually opened the email. Of those organizations that opened the email, 10.3% ( $n = 1,103$ ) clicked on the link and 64.0% ( $n = 706$ ) provided unique, useable responses. Of those responses, 121 were AABE in the 8-county MSA, 268 were AABE outside the 8-county MSA, and 317 were non-AABE or unknown. For the purposes of this document, only AABE results were reported.

Identifying data was collected from survey responses, site visits and outreach events. 97.4% (114 of the 121 MSA AABE respondents) requested inclusion in a directory.

### **Call List Activities**

From the full sample that included all organizations ( $n=59,809$ )<sup>109</sup>; those organizations that completed the survey, unsubscribed, or were not located in zip codes designated as high density African American businesses based on data from the US Census were removed from the sample<sup>110</sup>. This resulted in a potential call list of 13,061 businesses/organizations. This list was used to locate possible AABE.

Next, all organizations that received the survey via one of our two email blasts or provided NAICS code descriptors that were not applicable to County needs or were governmental agencies were removed.

Lastly, any organization without a phone number to call was removed.

After these organizations were removed, the remaining sample size was 7,076 ( $n = 4,324$  from Bexar county and  $n = 2,752$  from non-Bexar counties).

Given the greater interest in Bexar County, 70% (or 700 calls) of the calls were targeted within Bexar County and the remaining 30% (or 300 calls) were targeted within other counties outside of Bexar County.

To ensure that zip codes with a larger number of businesses/organizations were appropriately represented a sample of 700 Bexar County businesses/organizations and 300 non-Bexar county businesses/organizations were proportionally sampled based on their zip code.

Of these 1,000 businesses/organizations, two duplicates had abbreviated names, leaving 998 unique companies. 883 were then called; 459 had no answer or bad numbers, leaving 424 answering.

Therefore, data were collected from 883 (88.5%) of the businesses/organizations in the sample.

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business database source

107 A full list of NAICS used is listed in the appendix to this Summary; NAICS are not exclusive to one procurement category; The results were manually selected and downloaded as excel files in batches of 1,000 business profiles as that was the maximum allowable download.

108 Data duplication flag used: business name, business address; information from duplicate entries was merged into single entry with SAS

109 Some business contact information was listed as outside the MSA.

110 Table of zip codes is in the appendix to this Summary.

### ***Results from Identified African American Businesses Call Wave***

A total of 1,489 companies came out of the nine compiled Customers and Community Partners' vendor lists with either ethnic (Black or African American) or certification identifiers (AABE).

After removing listed companies that had no available phone numbers (n=558), 931 companies remained. Of those 931 companies, there were 116 businesses that had the same name but different contact information, e.g. phone number, email address, physical address, and/or primary contact name was different. In order to accurately verify businesses, these duplicated business names were kept. There were 813 unique phone numbers and 140 duplicated business names.

Of the 1,489 listed companies:

- 762 were called: 738 had response notes (totals variance equals lack of comment)
  - 276 answered: 272 with response notes
    - 189 business names were verified: 160 had correct addresses
      - 4 businesses had a new company name
      - 15 businesses were no longer in business
      - 31 businesses had a wrong company name
    - 53 businesses identified as African American owned businesses: 51 were interested in the survey, 1 was not interested
    - 20 businesses identified as other minority owned businesses: 14 were interested in the survey, 5 were not interested
    - 23 businesses identified as non-minority owned businesses: 12 were interested in the survey, 8 were not interested
    - 180 businesses did not have any minority or non-minority identifiers: 54 businesses not identified as minority or non-minority were interested in the survey, 41 were not interested
  - 201 total number of business names were verified through human contact or voice recording
  - 261 rang but no answer: 239 with response notes
    - 205 voicemails were left
    - 56 unable to leave a voicemail
  - 226 had bad numbers, e.g. fax, disconnected, not in service: 226 had staff notes
- 9 were not called: 5 had staff judgment notes and 4 had no codeable information



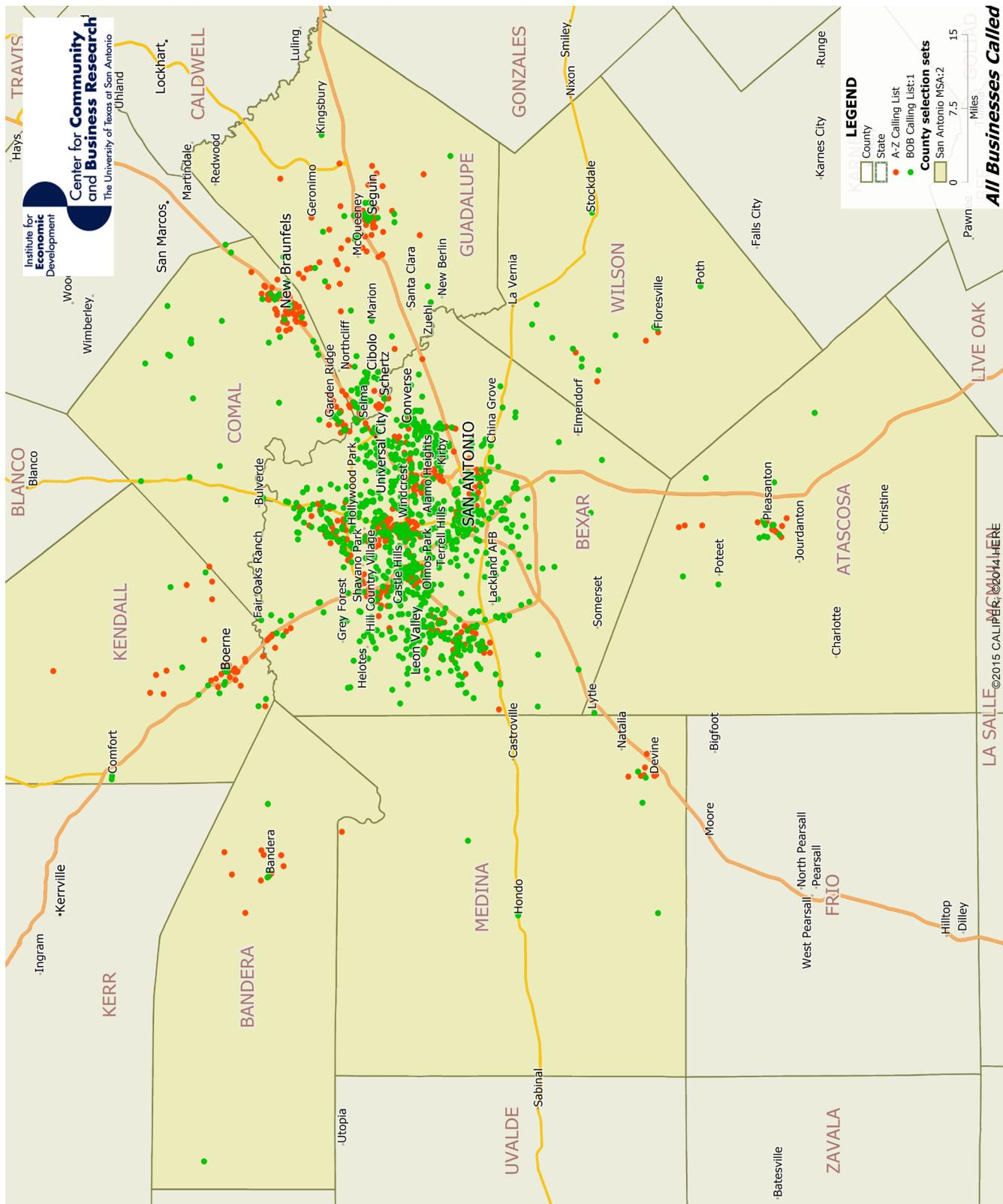


Figure 4: All businesses called, A-Z and Vendor listings ; Source: CCBR GIS

## Bexar County African American Business Enterprise Study

### GET INVOLVED! 360° VIEW

Complete the business survey at  
[www.bexar.org/smwbe](http://www.bexar.org/smwbe)

AABE Survey



- Participate in a telephone survey interview starting February through March
- Provide membership lists from local business associations and community groups
- Provide contact information for other African American Business Enterprises (AABE) or others you may know

For more info contact Dr. Dan Sass  
[smwbeSurvey@bexar.org](mailto:smwbeSurvey@bexar.org) (subject: AABE Study) | 210.458.7498

### *Results from AtoZ Database Call Wave*

Of the 1,000 listed companies, 2 were duplicates due to the companies' name being an abbreviated/shortened version of the full name, leaving 998 unique companies.

- 883 were called: 606 had response notes (totals variance equals lack of comment)
  - 424 answered: 369 with response notes
    - 299 business names were verified: 206 had correct addresses
      - 5 businesses had a new company name
      - 18 businesses were no longer in business
      - 32 businesses had a wrong company name
    - 15 businesses identified as African American owned businesses: 9 were interested in the survey, 7 were not interested
    - 71 businesses identified as other minority owned businesses: 45 were interested in the survey, 17 were not interested
    - 103 businesses identified as non-minority owned businesses: 43 were interested in the survey, 49 were not interested
    - 234 businesses did not have any minority or non-minority identifiers: 23 businesses not identified as minority or non-minority were interested in the survey, 94 were not interested
  - 325 total number of business names were verified through human contact or voice recording
  - 281 rang but no answer: 142 with response notes
    - 204 voicemails were left
    - 77 unable to leave a voicemail
  - 178 had bad numbers, e.g. fax, disconnected, not in service: 96 had staff notes
- 115 were not called and had staff judgment notes or were noted to have a technical issue.

### **Email list Activities**

From the list of targeted entities shown in the table below, 150 contacts were compiled, including purchasing directors, chambers of commerce, various business organizations, finance directors, city secretaries, county treasurers, county auditors and other procurement related employees.

Contact attempts were made via email or telephone requesting their list of AABE/DBE/HUB vendors or member list.

Requests began from October 2015 through January 2016. From the Customers and Community Partners' List Request, a total of nine lists had ethnic (Black or African American) or certification identifiers (AABE). Later, after the survey was completed, Bexar County added more lists.

Where possible, other publicly available data sources were used to confirm and triangulate information collected on African American owned businesses. 1,489 listings were found.

Prior to calling, an online business verification and email search was conducted. Contact information was then compiled to create the first wave of calling for the primary purpose of 1) survey participation with a secondary purpose of 2)

verifying African American owned businesses. After checking for duplicates and removing businesses with no available phone number, a total of 762 identified African American businesses were called.

**Table 3: List of Procurement Customers in 8-county MSA That Were Contacted for Vendor Lists**

Counties(12)	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, and Wilson
Cities (55)	Alamo Heights, Balcones Heights, Bandera, Boerne, Bulverde, Castle Hills, Castroville, China Grove, Christine, Cibolo, Converse, Devine, Dilley, Elmendorf, Fair Oaks Ranch, Floresville, Fredericksburg, Grey Forest, Helotes, Hill Country Village, Hollywood Park, Hondo, Jourdanton, Karnes City, Kenedy, Kerrville, Kirby, La Coste, La Ver- nia, Leon Valley, Live Oak, Lytle, Marion, Natalia, New Berlin, New Braunfels, Olmos Park, Pearsall, Pleasanton, Poteet, Poth, Runge, San Antonio, Schertz, Seguin, Selma, Shavano Park, Somerset, Stockdale, Terrell Hills, Universal City, Von Ormy, and Windcrest
Special Districts (5)	Alamo Community College District, Edwards Aquifer Authority, Guadalupe-Blanco River Authority, San Antonio River Authority, and University Health System
Public Utilities (3)	San Antonio CPS Energy, San Antonio VIA Metropolitan Transit Au- thority, and San Antonio Water System (SAWS)
School Districts (12)	Boerne ISD, Dilley ISD, East Central ISD, Edgewood ISD, Floresville ISD, Fredericksburg ISD, Kerrville ISD, Northeast ISD, Northside ISD, Pearsall ISD, San Antonio ISD, and Southwest ISD
Soil and Water Conserva- tion Districts (SWCD) (4)	Alamo SWCD, Atascosa County SWCD, Kendall County SWCD, and Kerr County SWCD
Others (20)	San Antonio Associated General Contractors, San Antonio Associated Builders and Contractors, Black Book, Alamo City Black Chamber of Commerce (CoC), San Antonio NAACP, West San Antonio CoC, Afri- can American CoC of San Antonio, San Antonio Growth on the Eastside (SAGE), San Antonio CoC, North San Antonio CoC, Bandera CoC, New Braunfels CoC, Texas Association of African American Chambers, Sistas in Business, South Central Texas Regional Certification Agency, Southwest Minority Supplier Development Council, LiftFund, George Gervin Youth Center, and Black Contractors Association: Dallas, Austin

The final base list was 62,277 emails encompassing all list materials, including customer and community partner vendor and member lists, professional data base lists and e-blast lists.

For most of the organizations (n = 61,453) there was no way to determine if they were an AABE, so the survey was sent to all organizations.

Of those sent emails, 17.3% (n = 10,766) of the organizations actually opened the email.

Of those organizations that opened the email, 10.3% (n = 1,103) clicked on the link and 64.0% (n = 706) provided unique, useable responses.

Of those responses, 121 were AABE in the 8-county MSA, 268 were AABE outside the 8-county MSA, and 317 were non-AABE or unknown.

**Table 4: Final Compilation of Received and Retrieved Lists**

Entity	Source	Identifier in List
<b>Cities</b>		
City of Balcones Heights	Contact	No
City of Cibolo	Contact	No
City of Kerrville	Contact	No
City of Fair Oaks Ranch	Contact	No
City of San Antonio	Database Search <sup>111</sup>	Yes
<b>Counties</b>		
Bexar County	Contact	Yes
Kerr County	Contact	No
<b>Others</b>		
Texas Minority Chambers and Contractors	Bexar County	No
Bandera Chamber of Commerce	Member Directory <sup>112</sup>	No
Castroville Chamber of Commerce	Member Directory <sup>113</sup>	No
San Antonio Chamber of Commerce	Contact	
Texas Unified Certification Program (TUCP) DBE & TxDOT SBE Directory	Database Search <sup>114</sup>	No
San Antonio Associated General Contractors	Contact	No
Edwards Aquifer Authority	Contact	Yes
South Central Texas Regional Certification Agency (SCTRCA)	Bexar County	Yes
Texas Comptroller HUB Directory	Database Search <sup>115</sup>	Yes
<b>Utilities</b>		
San Antonio Water System	Contact	Yes
CPS Energy	Contact	Yes
<b>School Districts, Colleges And Universities</b>		
Alamo Colleges	Contact	Yes
East Central ISD	Contact	No
2013 PurchCoop-All Categories	PACE Website	No
University of Texas at San Antonio	Contact	Yes
Schertz-Cibolo-Universal City ISD	Contact	No
Fredericksburg ISD	Contact	No

For the purposes of this Survey Summary only AABE results are reported<sup>116</sup>.

The graphic below shows one of the processes used to collect listings, verify them and conduct survey participation request waves for calling and for emailing.

111 <http://www.sanantonio.gov/purchasing/vendorinformation/cosavendorlisting.aspx> Searched on 10/19/2015 and 03/10/2015

112 <http://www.banderatex.com/membership-directory.html>

113 <http://www.chamberdata.net/webforms/onlinemenu.aspx?dbid2=txcas>

114 <https://txdot.txdotcms.com/FrontEnd/VendorSearchPublic.asp?TN=txdot&XID=2340>

115 <http://www.cpa.state.tx.us/procurement/pub/downloads/>

116 As per contract and discussions with Bexar County officials.

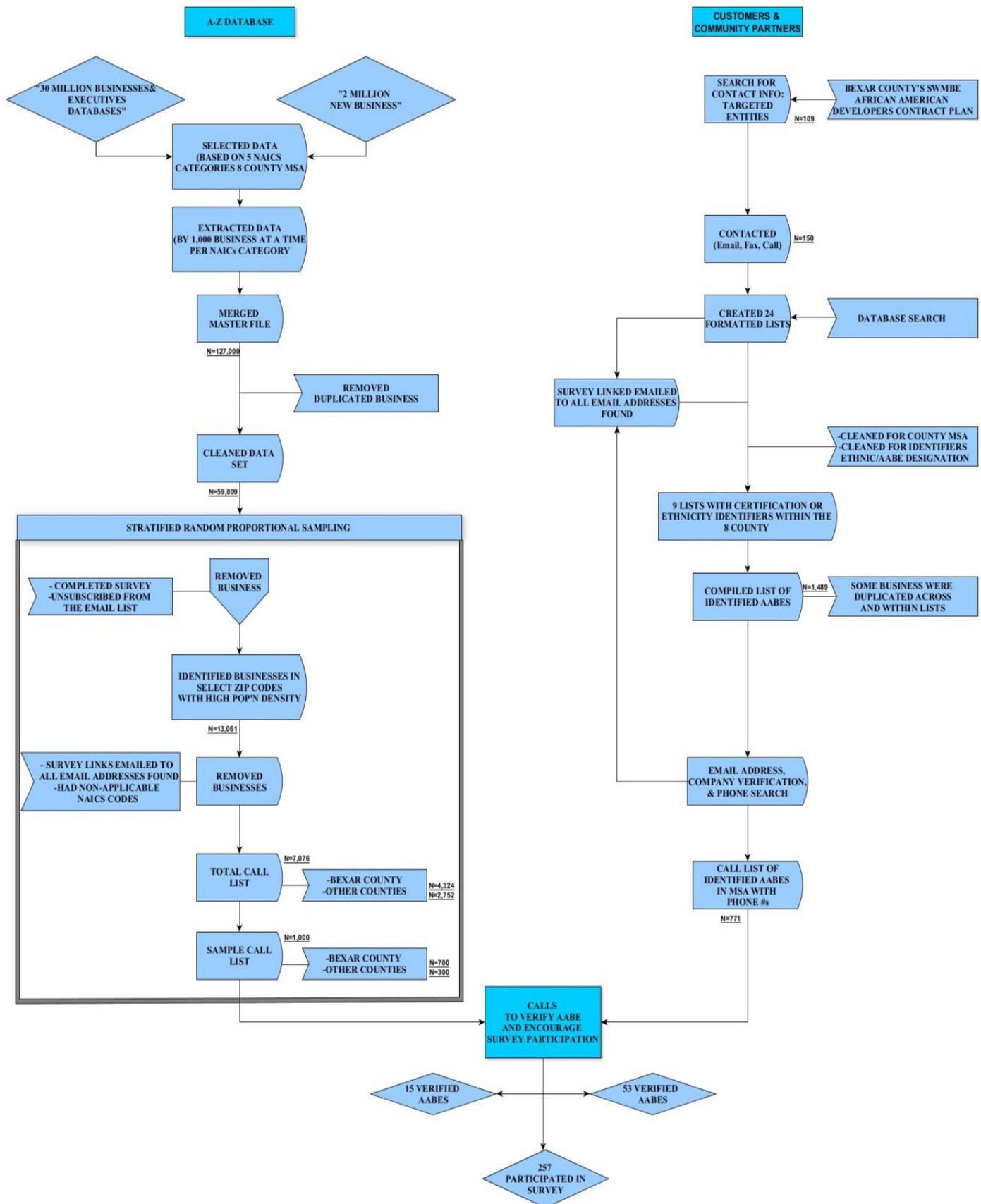


Figure 5: Flowchart of List-to-Email Process

## **Outreach**

Outreach events, informal interviews, and scheduled formal interviews were conducted from December 2015 through April 2016.

### ***Outreach***

In collaboration with Bexar County SMWBE and UTSA IED Procurement Technical Assistance Center (PTAC), outreach events included the following: Bexar County Business Conference, PTAC Open House, Bexar County's Meet the Purchasing Agent, Black Market Expo, Fair Contracting Coalition (FCC) monthly meeting, Friends of Sam Houston Breakfast, PTAC's Supplier/Vendor Breakfast, PTAC's "Understanding Government Contracting 101 for Vets" class.

### ***Field Observations***

Targeted areas for field visits were selected based on areas identified as having a high-density of African American population based on data from the US Census and identified African American owned businesses from the Customers and Community Partner List Request. Maps are in the Addendum.

Additionally, Guadalupe, Atascosa, Comal, Kendall, Medina and Bandera counties were visited. Field sites included: businesses, chambers of commerce, business assistance related organizations, community centers, and procurement offices of cities and counties.

### ***Interviews***

In order to better assist the County's desire to improve its outreach to black-owned businesses; it was important to explore narratives from Business Owners, Customers, and Community Partners.

Informal interviews were conducted on site during field observations and outreach events.

Interview topics covered:

- perceived barriers to government contracts
- issues with subcontracting
- business availability and capacity
- business collaborations,
- mentorships
- training needs
- certification process

The lack of trust identified from informal interviews necessitated that future formal interviews have an established relationship with the interview team. Thus, formal potential interviewees were selected with the assistance of UTSA IED Minority Business Development Agency Center (MBDA). Even with an established relationship in place, there were still concerns about anonymity and confidentiality. A total of 16 business owners were contacted for an interview, two participated. The two interviews were less than an hour in length. Due to aforementioned concerns, interviews were not recorded.

Notes were analyzed for themes and are addressed in the findings section of this Summary.

## Other Promotion Efforts

In collaboration with Bexar County SWMBE, promotion activities included:

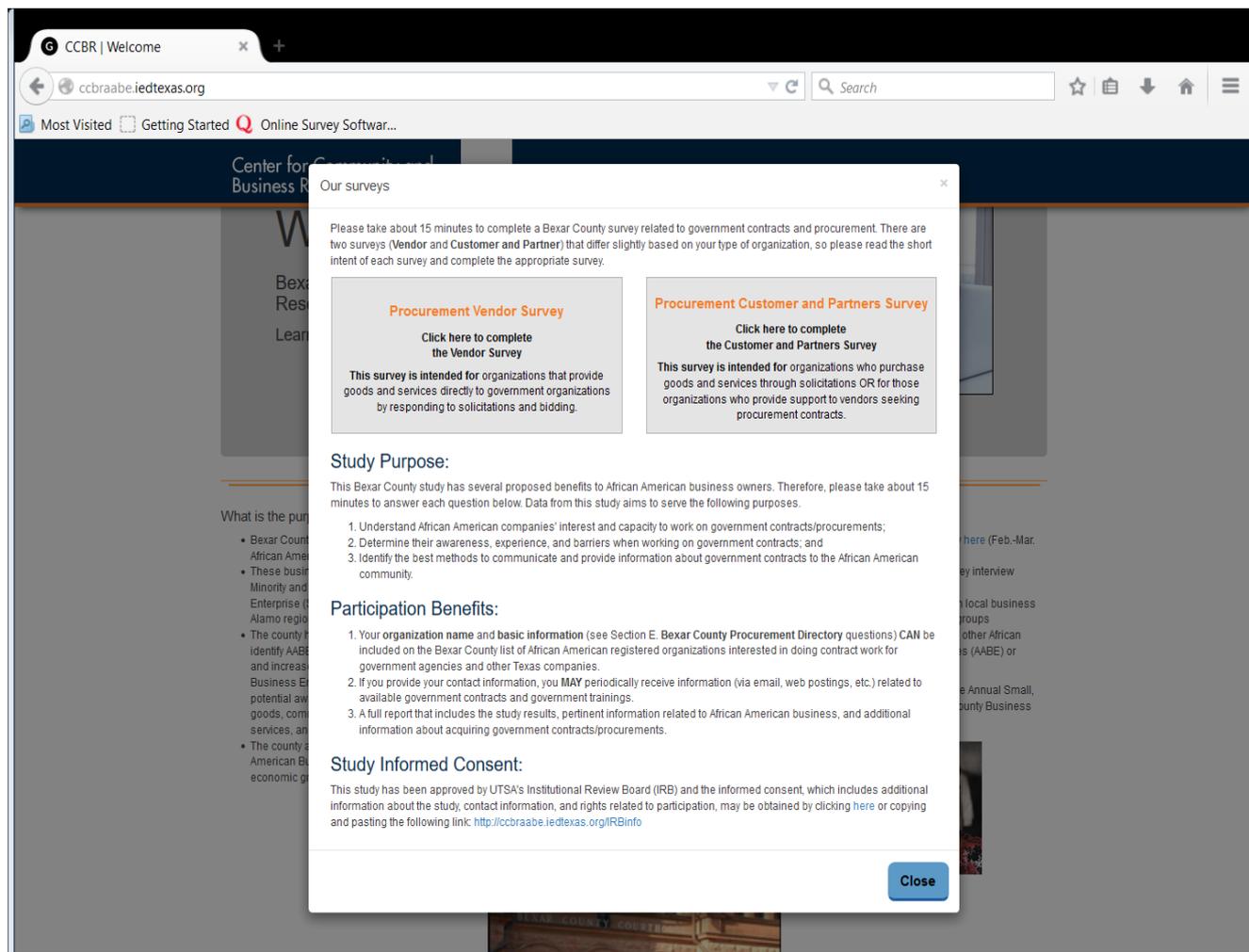
- a Survey launch event with community and business leaders
- a UTSA press release
- a radio spot provided courtesy of KROV
- a CCBR designed website for the Survey
- an AABE webpage hosted on Bexar SWMBE network
- email blasts for Community Partners to forward to their networks
- fact sheets
- informational brochures
- survey info cards<sup>117</sup>

## Website

CCBR built a website (ccbraabe.iedtexas.org) to assist with administration of the survey. The UTSA Institute for Economic Development hosted the website.

It includes a welcome page, survey pages, a social media page, and a SMWBE conference mapped-attended page.

Additional mock-ups for video and instruction tiles were designed for use on Bexar.org.

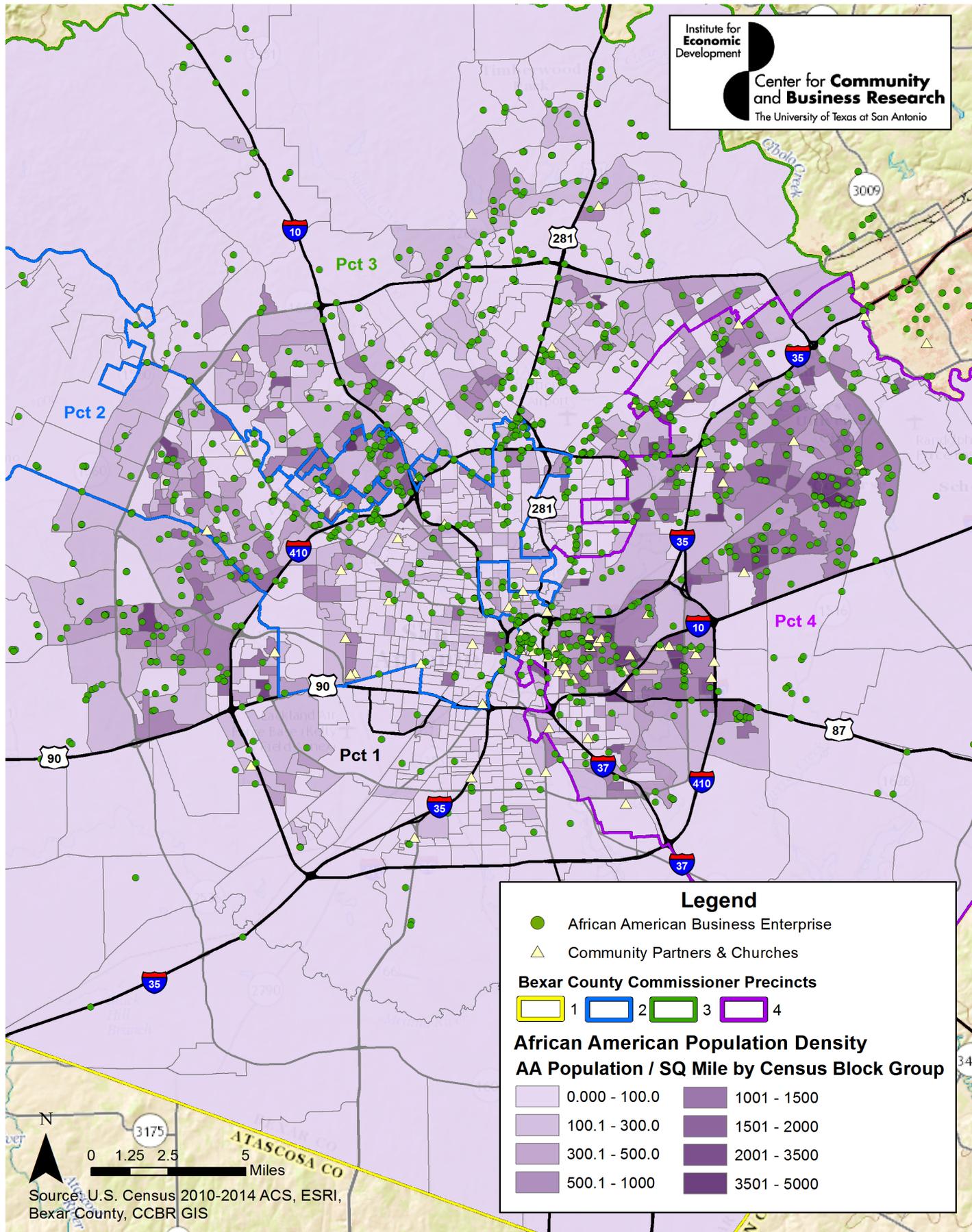


<sup>117</sup> Brochures and other materials related to outreach are in the Appendix.

Phase	Month	Week #	Milestone
Phase 1	Mid-October	<b>Preparation</b>	
		1	Contract Start Date; Project Planning; Staff Training Materials Preparation
		2	Identification of Customers and Community Partners; Secondary Data Collection: Vendor and Members' list
	November	3	Preparation of Outreach Materials and Conference Materials Development
		4	AtoZ Data NAICS Sector Selection Begins; Development of Slide Deck, Social Media Feed; Map Creations;
		5	Data Extraction: A-Z County Level Data; Survey Pilot Development; Conference Registration
		6	IRB Training Materials Preparation & Staff Training
		7	Creating General Questionnaire; Carto DB Development
	December	8	CCBR Team Conference Training & Further Website Development; Tableau Development; Twitter Feed
		9	Finalize Questionnaire; Bexar County SWMBE Conference Preparation
		10	Survey Pilot Testing Preparation & Staff Training
		11	Winter Holidays
12		Winter Holidays	
Phase 2	January	<b>Setup</b>	
		13	Pilot Debrief ; Advisory Meeting Preparation; Survey Rollout Preparations (Creation of Customers & Community Partners Survey, IRB, Method, Email Scripts)
		14	Data Merging: NAICS Master File; Survey Edits; Staff IRB Training; Customers & Community Partners List Formatting Begins
		15	Conference Mapping Data Compilation
	February	16	Received County Email Addresses for Survey Rollout; Networking Collaboration: Minority Business Development Agency Center (MBDAC): Outreach Scheduling with Bexar County; AtoZ Data Sorting; IRB Submitted
		17	Staff Meeting; Press Release Development; Preparation of Calling Materials
		18	IRB Approval; Bexar County & CCBR Website Updates; Survey Kickoff Preparation; Mapping of Zip Codes
		19	Outreach Preparation; Collaboration Meetings: MBDAC & Entrepreneurship Research
20	Outreach Preparation; End Customers and Community Partners List Request		
Phase 3	March	<b>Survey</b>	
		21	Email Issues: 1 <sup>st</sup> Email Wave; Study Interviews; Outreach Preparations; Cleaning Customers & Community Partners Vendor Lists; Travel Preparations
		22	2 <sup>nd</sup> Wave of Emailing; Outreach Preparation; Customer and Community Partners' Vendor Email Search
		23	3 <sup>rd</sup> Wave of Emailing; Unsubscribed List from 1 <sup>st</sup> Wave of Emailing ; Preparation of Staff Training Materials
		24	Staff Training: 1 <sup>st</sup> Wave of Calling; Mapping of Possible Field Sites
	April	25	4 <sup>th</sup> Wave of Emailing; Field Visits
		26	5 <sup>th</sup> Wave of Emailing; Field Visits; AtoZ Final Cleaning for 2 <sup>nd</sup> Wave of Calling
		27	6 <sup>th</sup> Wave of Emailing; Field Visits; 2 <sup>nd</sup> Wave of Calling ; Coding for 1 <sup>st</sup> Wave of Calling
		28	Field Visits
29	Survey Closed for Analysis		
Phase 4	May	<b>Assemble</b>	
		30	Analyses and Materials Compilation
		31	Delivery of Report and Supporting Data to Bexar County
Phase 5	June	<b>Publish</b>	
			Collaboration with Bexar County on Public Report Format

**Figure 6: Completed Tasks Calendar**

Original survey time period of February-March was extended one month through April to allow new email newsletter lists supplied by Bexar County to be used and allow registered responses from those.



**Figure 7: Map of Identified AABEs, Community Partners, Churches & African American Population - Bexar County; Source: CCBR GIS, 2010 Census**

## UTSA Survey

### Survey

Copies of the *Bexar County African American Business Enterprise Research Survey: Procurement Vendor Survey* and the *Bexar County African American Business Enterprise Research Survey: Procurement Customer and Partners Survey* are in the Addendum to this Summary, along with codebooks.

### Survey development

The survey was developed using a multistage process.

First and foremost, items were written and developed to meet the needs and requirements of the proposal between Bexar County and UTSA.

Second, a detailed literature search was conducted to identify other important factors for African American and other minority businesses. This literature search also uncovered several previously created surveys that were later modified to fit the needs of the current Survey.

From these two sources, Dan Sass (who earned his Ph.D. in Measurement and Statistics) and Raydel Tullous (who earned her Ph.D. in Management Science) created an initial survey draft.

This survey was then reviewed and critiqued by Sheryllynn Roberts (who earned her Ph.D. in Business Administration), along with several other experts in African American business.

Next, the survey was piloted twice with samples of African American business owners to determine if any important aspects were missing from the survey and to correct any concerns or confusions (e.g., if they did not understand a question) they may have had while completing the survey.

After making survey changes based on the aforementioned individual feedback, the last stage involved receiving final approval from Bexar County.<sup>118</sup>

### Survey sections:

Two survey versions were developed: one for vendors, and one for community partners and customers.<sup>119</sup>

They are almost identical, except where not logical; for example, questions about legal status reflect ownership structure for vendors, and type of organization for customers and community partners. Following an introduction and consent form, the survey sections are:

- A. Organization information
- B. Participant information
- C. Government Contracts and Interests
- D. Experience and Barriers to working with procurement contracts
- E. Bexar County procurement directory
- F. Organizational Capacity
- G. Experience with Government Contracts
- H. Methods of Communication
- I. Comments

### Survey Administration

The survey was posted on a website created by CCBR for administration of the survey.<sup>120</sup>

Links to the survey were emailed to the total list of vendors, customers and community partners where an email could be identified, as well as to 2 newsletter email blast lists.<sup>121</sup>

118 A protocol for the study was submitted to the Institutional Review Board (IRB) of UTSA and was approved, with a waiver. This process makes sure that the research will not harm those who participate in it, and will support confidentiality and voluntariness of participation. In other words, no identifiers are attached to data, for privacy, and no coercion is used to force participation. That helps support a spirit of honesty and trust, as well as and more reliable and valid answers for the questions. All staff were trained and certified under a nationally recognized board for human subjects research (CITI), and also were certified by UTSA in line with UT System standards in regards to conflict of interest.

119 Copies of the survey instruments and codebooks are in the Addendum of this Summary.

120 Welcome, banner, survey version, and other pages are illustrated in the Addendum.

121 One of these lists consisted of emails only, with no identifying information.

Calling scripts included mention of the survey and link, and a request to participate.

Survey access was made available at all outreach events with computer stations and tablets; if needed by participants, assistance was supplied by research staff.

Using three separately created emails lists, each sent about two or three weeks apart, potential participants were initially emailed to request their participation.

This initial email included information (e.g., purpose of the survey, rights as participants) about the survey, an informed consent, a link<sup>122</sup> to other sources about the study, and the actual survey link.

If after a week the survey was not completed, two reminder emails were sent to these participants encouraging them to complete the survey.

Participants were told that although identified data will be available to the Statistical Consulting Center (SCC), Center for Community and Business Research (CCBR), and Bexar County, only de-identified data would be made available in results reported to the public.

This process was followed for the three email lists.

While the survey was anticipated to take between 15 to 20 minutes complete, the actual average time to complete the survey was closer to 26 minutes.

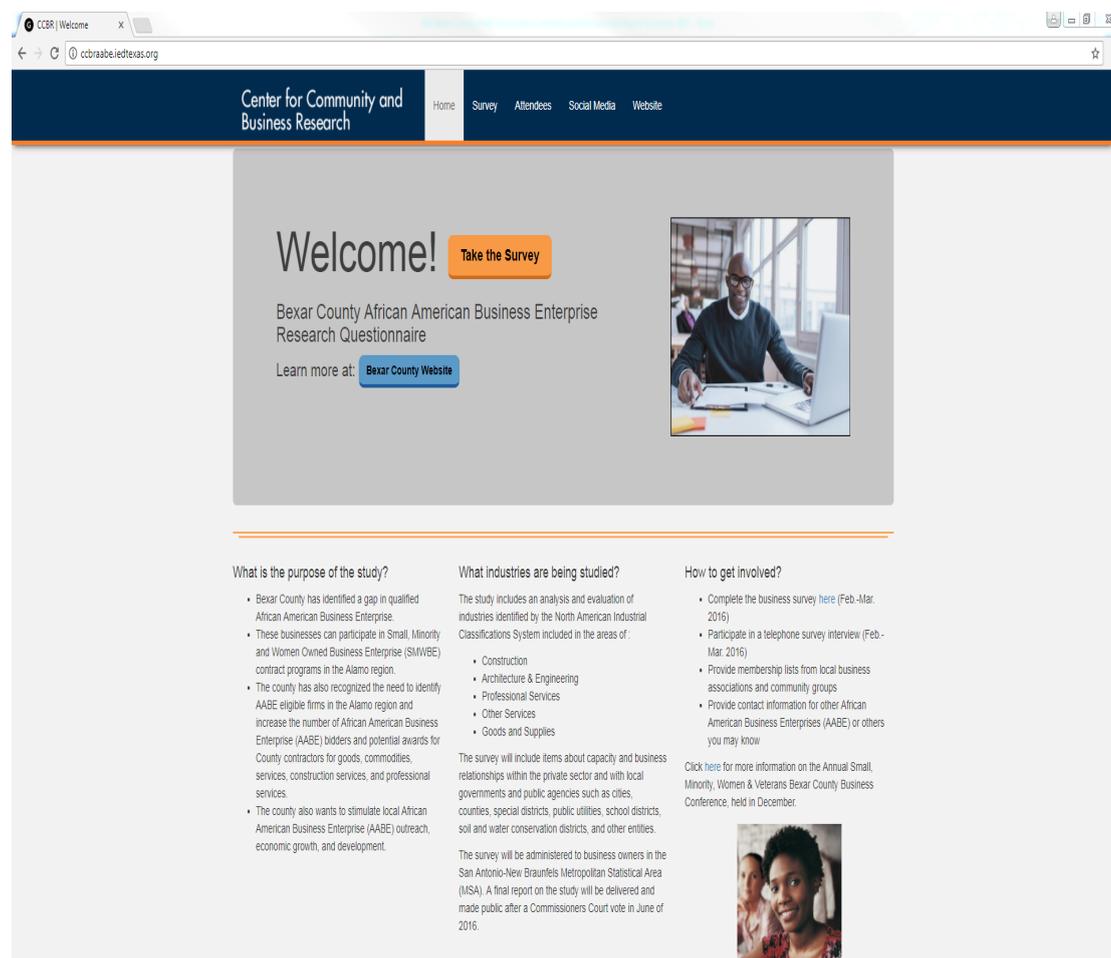


Figure 8: Website Welcome Page (ccbraabe.iedtexas.org); Source: UTSA Institute for Economic Development CCBR

122 <http://ccbraabe.iedtexas.org/>.

**About SMWBE**

- SMWBE Event Calendar
- SMWBE December Conference
- Previous Conferences
- Opportunity Link
- Bexar County Purchasing
- Your Business
- SMWBE/DDE Certification
- Compliance and Reporting
- Contract & Diversity Management System (CDMS)
- SMWBE Directory
- SMWBE Policy
- Disadvantaged Business Enterprise Program Policy
- Economic Development
- AABE Survey

**Get Involved! 360° view**  
 Do you provide goods and services directly to the government by responding to solicitations and bidding?  
 Are you a government entity that purchases goods and services through solicitations?  
[Complete the business survey here](#)

**African-American Business Enterprise Research Study**

*"Bexar County Commissioners Court is supportive of this study and aims to see increased opportunities for African-American owned businesses within our community."*  
 - NELSON WOLFE, BEXAR COUNTY JUDGE

The Bexar County Commissioners Court has commissioned UTSA's Center for Community and Business Research in addition to the Statistical Consulting Center to conduct an African-American Business Enterprise (AABE) Research Study for the San Antonio-New Braunfels MSA.

**THE PURPOSE OF THE STUDY IS TO:**

- Identify AABE firms in the Alamo region and increase the number of AABE bidders for county contracts for goods, commodities, services, construction and professional services.
- Identify the best practices to stimulate local AABE outreach, economic growth, and development.
- Identify and guide AABE businesses to the appropriate certification(s) needed to conduct business with government agencies.

**GET INVOLVED:**

- Complete the business survey posted at [www.bexar.org/smwbe](http://www.bexar.org/smwbe) (1/4 - 3/16/2014)
- Provide membership lists from local business associations and community groups

Figure 9: Bexar County Landing Page for AABE Survey; Source: <https://www.bexar.org/2075/AABE-Survey>

**Do you** provide goods and services directly to the government by responding to solicitations and bidding?

**Are you** a government entity that purchases goods and services through solicitations?

Complete the business survey at [bexar.org/smwbe](http://bexar.org/smwbe)

Bexar County African American Business Enterprise Study

Figure 10: Graphic Ad by Carl Booker Used in AABE Survey Promotional Materials; <http://www.blacksinsanantonio.com/>

# VI. ANALYSES & RESULTS SUMMARY

This analyses and results section summarizes information from the:

- 1) 2007 and 2012 US Census Survey of Business Owners.
- 2) Quantitative analyses of the AABE survey responses.
- 3) Qualitative material from the AABE survey responses and study outreach, including comments from participants in the Study.<sup>123</sup>

## 1. Federal Data: U. S. Census Survey of Business Owners (SBO)

Demographics data comes from a number of U.S. Census products. Most people are familiar with the decennial census, which takes place every 10 years and measures the U.S. population.<sup>124</sup> For businesses, the Survey of Business Owners (SBO) is designated for collection for years ending in 2 and in 7, allowing comparisons across five-year periods.

This section of the study looks at the 2007 AABE SBO data and compares it with the 2012 AABE SBO data, pertaining to black-owned businesses. The current census report, based on employment, tax and other information from several government agencies, shows that there are approximately 7,000 AABE in the 8-county MSA. Due to privacy concerns, public access to the business listings is not possible.

The following maps use data from government contracts and procurement vendor lists collected for this study, and shows African American (AA) business density dispersed across the entire Bexar County region as red dots, with exceptions in areas just west, southwest, and south east of the County center, and far south, east, and northwest.

The green gradient areas are African American (AA) population density in approximately two dozen areas, with greatest density in the central, east and northeast, but solid concentrations around the 410 and 1604 corridors, as well as various highway corridors. A precinct map follows.

**The SBO data shows that African American businesses have a diverse market and customer base, and are not constrained to residential enclaves.**

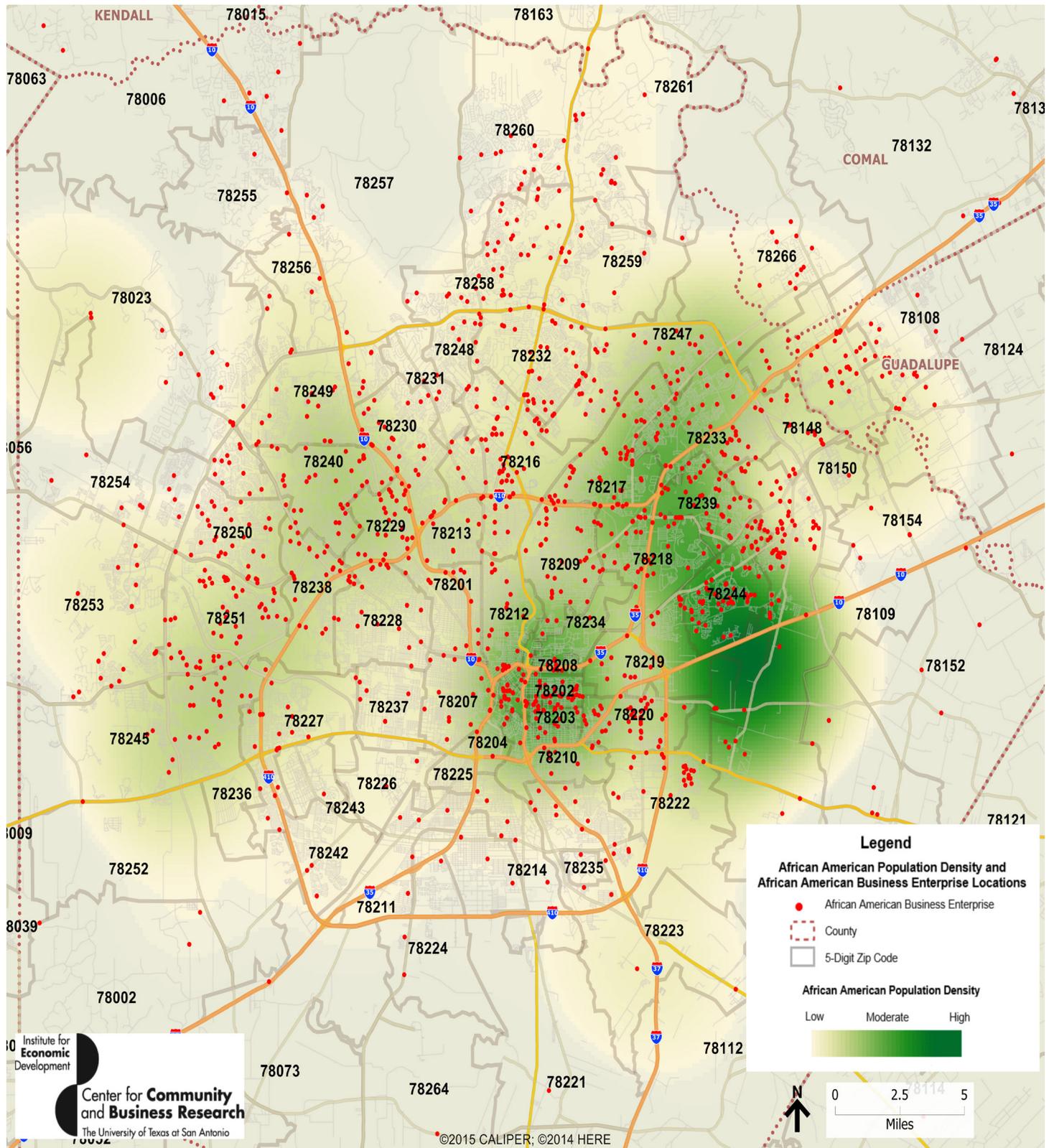
**It is important to note that there are multiple density areas of African American population across all Bexar County precincts; that the dispersion of African American businesses is spread across the entire precincts area; and that AABEs are not concentrated in one part of the County.**

**The documentation by the Census of about 7,000 AABE in the 8-county MSA and the ability of the study to identify approximately 2,000 AABE in the 8-county MSA through various lists and outreach efforts shows that most AABEs are not identified through certification lists. More and consistent programming is needed to identify and perform outreach to those “hidden” AABEs.**

***Bexar County—excluding the City of San Antonio—has a larger share of BOBs (as compared to total firms) than any other geographic entity in the MSA: 5.34% (1,623 of 30,410) firms.***

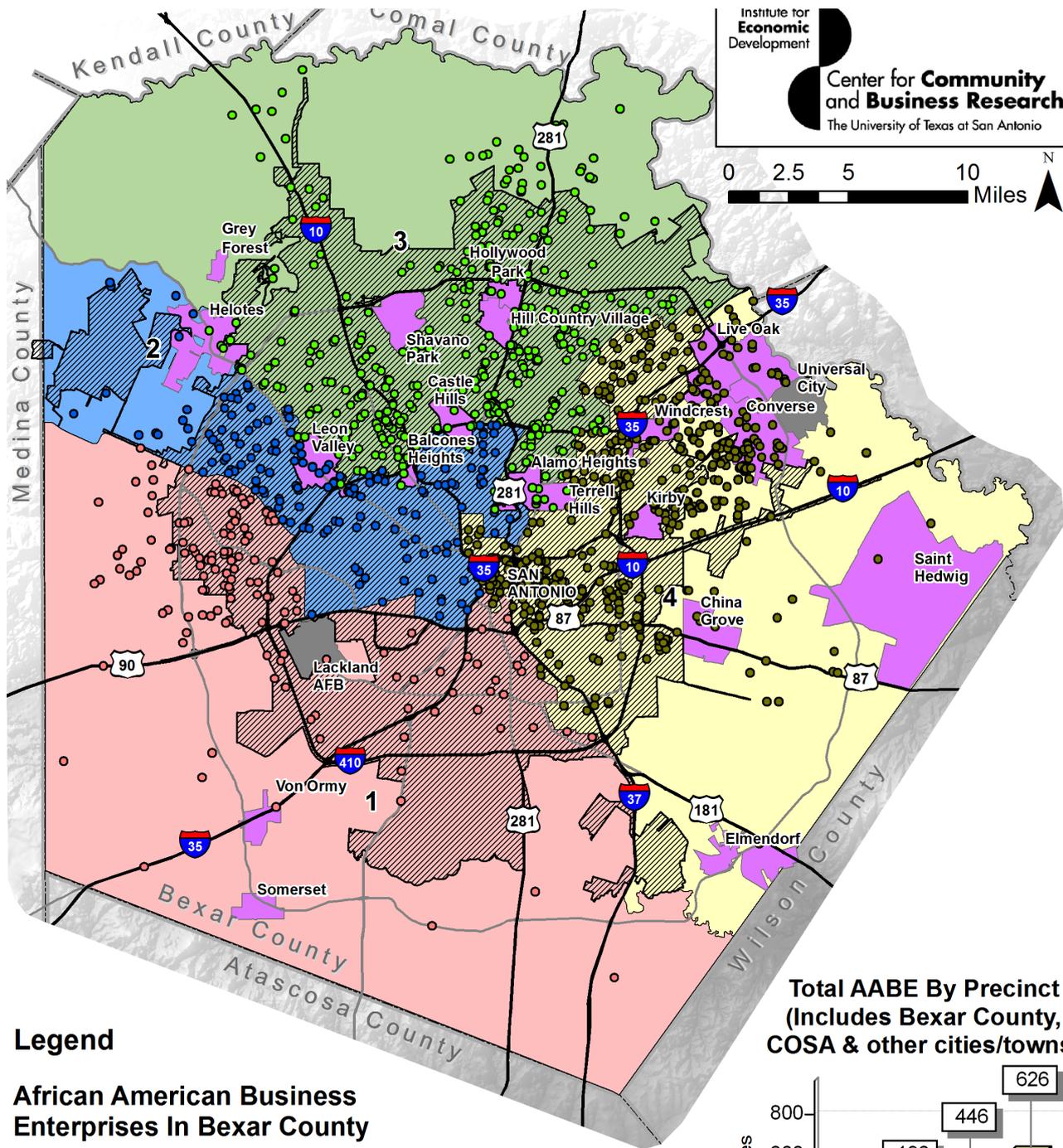
<sup>123</sup> Survey response comments are covered in the Findings and Recommendations section

<sup>124</sup> Other products are conducted every 3 or every 5 years as sample surveys, that is, they do not measure every person in that class, but a representative sample; that data is collected each year over the period and then averaged for the period. BOB and AABE are interchangeable terms in this section.



**Figure 11: African American Population Density (Green) and Identified AABEs (Red) (Prior To Verification);**

Source: CCBG GIS, CCBG AABE vendor list, 2010 Census



**Legend**

**African American Business Enterprises In Bexar County**

Precinct	Business	
1	Business in Pct 1	City of San Antonio
2	Business in Pct 2	Lackland AFB & Randolph A
3	Business in Pct 3	Other cities/towns
4	Business in Pct 4	

Source: U.S. Census Tiger/line, ESRI, Bexar County, CCBR GIS

**Figure 12: Bexar County Precinct Map;** Source: maps.Bexar.org

**In the MSA, the number of AABE with paid employees, and revenue of AABE with paid employees has declined from the 2007 SBO data to the 2012 SBO data.**

**However, the number of black-owned businesses in Bexar County has increased significantly since 2007, which translates into more tax dollars and wealth for the area. Increased outreach to these businesses may help increase the upward trend.**

### Comparison of 2007 and 2012 Survey of Business Owners, U.S. Census

The 2012 SBO data related to black-owned business began its release by the Census in December 2015, and is compared below with 2007 SBO data. Note that “black-owned business” is the term used for this data and combines two classifications: self-reported ownership that selects “black” as the only classification, and self-reported ownership that selects black and at least one other classification.

The regions of measurement are the San Antonio-New Braunfels Metropolitan Statistical Area (MSA), Bexar County, and the City of San Antonio (COSA). “Rest of county” region shown in following tables includes incorporated, non-incorporated and Designated Census Places (DCP) in Bexar County that are not COSA. Maps from the Census American Fact Finder at the end of this section illustrate those boundary regions.

### MSA and County-Level Statistics

The San Antonio-New Braunfels Metropolitan Statistical Area (MSA) had a total of 187,360 firms in 2012, and a total population of 2,239,222 according to the 2010-2014 American Community Survey 5-Year Average. When taken relative to the overall count for the MSA, the number of Black-Owned Businesses totaled 7,114 or 3.8% of the total firms. Similarly, the Black population (Black alone and Black in combination with any other races\*\*) totaled 168,561 or 7.53% of the total population. The table below compares numbers of businesses to number of population for the San Antonio-New Braunfels MSA.

**Table 5: Number of total, Black-owned businesses and total, black population in the 8 county MSA;** Source: Census 2012 SBO, 2010-2014 ACS 5 year average

NUMBER OF FIRMS AND POPULATION	Firms			Population		
	Total	BOBs**	% BOBs	Total	Black**	% Black
Metropolitan Statistical Area						
San Antonio-New Braunfels, TX MSA	187,360	7,114	3.80%	2,239,222	168,561	7.53%

Of the 7,114 Black Owned Businesses in the MSA in 2012, 586 (8.2%) were firms with paid employees and 6,528 firms (91.8%) are sole proprietorships. However, **the 586 firms with paid employees generated over \$355 million in revenue (an average of about \$606,000 per firm)**, while the **6,528 sole proprietorships generated \$141 million in revenue (an average of about \$21,700 per firm)**.

**Table 6: 8-County MSA Black-Owned business sales;** Source: Census 2012 SBO released 2015-2016

TYPE OF FIRM	Total firms	Sales/Receipts (\$1,000)	Avg. Sales/Firm (\$1,000)
Black-owned firms	7,114	496,568	69.8
“ Firms w/ paid	586	355,165	606.1
“ Firms w/o paid	6,528	141,404	21.7

The following three tables compare the number of businesses, type in terms of employee/non-employee business, and sales of businesses between 2007 and 2012 for black-owned businesses who participated in the census survey. The tables also compare those values to total businesses that participated in the census survey. This allows comparison to assess whether number of, employee type of, and sales of black-owned business went up or down at similar rates to total businesses during the same time period, and also whether one of those values, for example number of firms, went up or down compared to another value, such as sales.

**Table 7: Change in proportion of Black-Owned businesses, San Antonio Metropolitan Area, 2007-2012** ; Source: U.S. Census Bureau Survey of Business Owners, 2007 and 2012

<b>Total Firms and Black-Owned Firms, San Antonio-New Braunfels MSA, 2007-2012</b>						
<b>Subject</b>	<b>Total Firms</b>			<b>Black-Owned Firms</b>		
	<b>2007</b>	<b>2012</b>	<b>Change</b>	<b>2007</b>	<b>2012</b>	<b>Change</b>
Total number of firms	172,399	187,360	8.68%	5,821	7,114	22.21%
Total sales/receipts (\$ million)	\$144,232	\$282,168	95.63%	\$395	\$497	25.82%
Firms w/ paid employees	30,744	29,994	-2.44%	521	586	12.48%
Total sales/receipts (\$ million)	\$138,083	\$275,050	99.19%	\$305	\$355	16.39%
Firms w/o paid employees	141,656	157,367	11.09%	5,301	6,528	23.15%
Total sales/receipts (\$ million)	\$6,149	\$7,118	15.76%	\$90	\$141	56.67%

**Table 8: Change in proportion of Black-Owned businesses, Bexar County, 2007-2012;** Source: U.S. Census Bureau Survey of Business Owners, 2007 and 2012

<b>Total Firms and Black-Owned Firms, Bexar County, 2007-2012</b>						
<b>Subject</b>	<b>Total Firms</b>			<b>Black-Owned Firms</b>		
	<b>2007</b>	<b>2012</b>	<b>Change</b>	<b>2007</b>	<b>2012</b>	<b>Change</b>
Total number of firms	132,839	147,956	11.38%	5,019	6,581	31.12%
Total sales/receipts (\$ million)	\$125,501	\$258,382	105.88%	\$266	\$432	62.41%
Firms w/ paid employees	24,364	24,107	-1.05%	416	515	23.80%
Total sales/receipts (\$ million)	\$120,968	\$253,024	109.17%	\$191	\$313	63.87%
Firms w/o paid employees	108,475	123,849	14.17%	4,603	6,066	31.78%
Total sales/receipts (\$ million)	\$4,533	\$5,359	18.22%	\$75	\$119	58.67%

**Table 9: Change in proportion of Black-Owned businesses, City of San Antonio, 2007-2012;** Source: U.S. Census Bureau Survey of Business Owners, 2007 and 2012

<b>Total Firms and Black-Owned Firms, City of San Antonio, 2007-2012</b>						
<b>Subject</b>	<b>Total Firms</b>			<b>Black-Owned Firms</b>		
	<b>2007</b>	<b>2012</b>	<b>Change</b>	<b>2007</b>	<b>2012</b>	<b>Change</b>
Total number of firms	109,186	117,546	7.66%	3,870	4,958	28.11%
Total sales/receipts (\$ million)	\$116,494	\$246,966	112.00%	\$248	\$390	57.26%
Firms w/ paid employees	20,843	20,608	-1.13%	405	476	17.53%
Total sales/receipts (\$ million)	\$112,708	\$242,748	115.38%	\$186	\$306	64.52%
Firms w/o paid employees	88,343	96,939	9.73%	3,465	4,482	29.35%
Total sales/receipts (\$ million)	\$3,786	\$4,218	11.41%	\$62	\$83	33.87%

Although the total number of firms and the total number of black-owned businesses both increased between 2007 and 2012, the number of firms with paid employees was quite different.

- For firms overall with paid employees there was a decrease of 2.44% in the MSA, a decrease of 1.05% in the county, and a decrease of 1.13% in the city (this decrease in firms with paid employees occurred even though the total sales/receipts for firms with paid employees approximately doubled between 2007 and 2012 at each of the three geographic levels—MSA, county, city).
- As the total number of firms with paid employees decreased during this period, the total number of black-owned businesses with paid employees increased: 12.48% for the MSA, 23.8% for the county, and 17.53% for the city.
- This was less of an increase than that for all black-owned businesses (with or without paid employees); this represents a consistent difference between black-owned businesses with paid employees and non-black-owned businesses with paid employees.
- Despite the relatively low share of businesses with paid employees as part of all businesses, the businesses with paid employees consistently account for most of the sales and receipts.

**Table 10: Firms with paid employees, and revenue from those firms, as percent of total, 2007-2012;** Source: U.S. Census Bureau Survey of Business Owners, 2007 and 2012

Subject	2007		2012	
	Total	BOBs	Total	BOBs
<b>San Antonio-New Braunfels MSA</b>				
Firms w/ paid employees (% of total)	17.83%	8.95%	16.01%	8.24%
Revenue from firms w/p.e. (% of total)	95.74%	77.20%	97.48%	71.52%
<b>Bexar County</b>				
Firms w/ paid employees (% of total)	18.34%	8.29%	16.29%	7.83%
Revenue from firms w/p.e. (% of total)	96.39%	71.70%	97.93%	72.51%
<b>City of San Antonio</b>				
Firms w/ paid employees (% of total)	19.09%	10.47%	17.53%	9.60%
Revenue from firms w/p.e. (% of total)	96.75%	75.03%	98.29%	78.59%

### ***Black-owned Businesses in San Antonio-New Braunfels MSA by County, 2012***

Despite the plentiful data for Bexar County, the other seven counties in the MSA—Atascosa, Bandera, Comal, Guadalupe, Kendall, Medina, and Wilson Counties—do not have sufficient data for 2007 so that changes between 2007 and 2012 for those individual counties can be listed.

**Table 11: Black-Owned Businesses in San Antonio-New Braunfels Metropolitan Statistical Area by County, 2012;** Source: U.S. Census Bureau Survey of Business Owners, 2007 and 2012

<b>BLACK-OWNED BUSINESSES IN SAN ANTONIO-NEW BRAUNFELS MSA, 2012</b>					
<i>Ranked according to Black-Owned Businesses as % of Total Firms in County (last column)</i>					
<b>San Antonio-New Braunfels, TX MSA</b>	<b>Total Firms</b>	<b>% of MSA</b>	<b>BOB Firms</b>	<b>% of MSA</b>	<b>% of Firms</b>
Bexar County	147,956	78.97%	6,581	92.51%	4.45%
Guadalupe County	9,841	5.25%	309	4.34%	3.14%
Atascosa County	4,106	2.19%	49	0.69%	1.19%
Comal County	11,805	6.30%	101	1.42%	0.86%
Kendall County	5,328	2.84%	31	0.44%	0.58%
Rest of MSA (Bandera, Medina, Wilson)	8,324	4.44%	43	0.60%	0.52%
<b>Total for eight-county MSA</b>	<b>187,360</b>	<b>100.00%</b>	<b>7,114</b>	<b>100.00%</b>	<b>3.80%</b>
City of San Antonio*	117,546	62.74%	4,958	69.69%	4.22%
Rest of Bexar County*	30,410	16.23%	1,623	22.81%	5.34%

\* City of San Antonio and Rest of Bexar County together constitute Bexar County

- A key note here is that *the rest of Bexar County*—outside the City of San Antonio but inclusive of other incorporated and unincorporated areas in the County—*has a larger share of BOBs (as compared to total firms) than any other geographic entity in the MSA*, including the City of San Antonio: 5.34% (1,623 of 30,410) firms.
- The overwhelming majority of black-owned businesses in the MSA in 2012 are located in Bexar County: 92.5%. More specifically, 69.7% of all BOBs in the MSA are within the City of San Antonio, while another 22.8% of all BOBs are in the rest of Bexar County (excluding San Antonio).

### Comparing the Counties

- The City of San Antonio and Bexar County overall have relatively high percentages (4.22% and 4.45% respectively).
- The only other county in which black-owned businesses represent 3% or more of the total number of businesses is Guadalupe County, which has 3.14%.
- For Atascosa County, black-owned businesses represent 1.19% of the total number of businesses.
- Comal County has a percentage of 0.86%.
- Kendall County has a percentage of 0.58%.
- Bandera, Medina, and Wilson do not specify the number of black-owned businesses.

The total of the five other counties is subtracted from the MSA total to arrive at the percentage for the three counties combined (and labeled as “Rest of MSA”): 0.52%.

### Comparison with Other Texas MSAs

The table below compares the population and numbers related to black-owned businesses in the San Antonio-New Braunfels MSA with that of the three other large MSAs in the State of Texas: Austin-Round Rock, Dallas-Ft. Worth-Arlington, and Houston-The Woodlands-Sugar Land.

**Table 12: Black/African American Population in the Four Largest Metropolitan Statistical Areas (MSAs) in Texas and in the Eight Counties of San Antonio-New Braunfels MSA;** Source: U.S. Census Bureau, American Community Survey 2010-2014 Five-Year Averages

<b>BLACK/AFRICAN AMERICAN POPULATION SHARE</b>					
<b>Metropolitan Statistical Areas</b>	<b>Total</b>	<b>Black A*</b>		<b>Black B**</b>	
		<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Houston-The Woodlands-Sugar Land MSA	6,204,141	1,069,601	17.24%	<b>1,114,366</b>	<b>17.96%</b>
Dallas-Ft Worth-Arlington MSA	6,703,020	1,005,927	15.01%	<b>1,075,886</b>	<b>16.05%</b>
Austin-Round Rock MSA	1,835,016	133,978	7.30%	<b>152,825</b>	<b>8.33%</b>
San Antonio-New Braunfels MSA	2,239,222	145,284	6.49%	<b>168,561</b>	<b>7.53%</b>
<b>Counties (San Antonio-New Braunfels)</b>	<b>Total</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Atascosa County	46,343	330	0.71%	<b>550</b>	<b>1.19%</b>
Bandera County	20,642	93	0.45%	<b>117</b>	<b>0.57%</b>
Bexar County	1,789,088	131,053	7.33%	<b>151,479</b>	<b>8.47%</b>
Comal County	115,808	2,282	1.97%	<b>2,578</b>	<b>2.23%</b>
Guadalupe County	139,709	9,550	6.84%	<b>11,347</b>	<b>8.12%</b>
Kendall County	36,058	250	0.69%	<b>368</b>	<b>1.02%</b>
Medina County	46,965	1,025	2.18%	<b>1,185</b>	<b>2.52%</b>
Wilson County	44,609	701	1.57%	<b>937</b>	<b>2.10%</b>

\*Black A = Black Alone (one race)

\*\*Black B= Black Alone or in Combination with Other Races

NOTE: Since the U.S. Census Bureau 2012 Small Business Owners’ Survey gave each business owner the option of selecting (and thus self-identifying as) more than one race, and that those owners are thus included in the “Black or African American” category in the 2012 SBO along with owners who chose “Black or African American” alone, the demographic data from the ACS 2010-2014 Five-Year Average representing “Black Alone or in combination with other races” (the “Black B” columns in Table 9) will be used in the analysis of the demographic context of the 2012 SBO, hence the use of bold emphasis for the “Black B” columns within the table.

Specifically (quoted from the U.S. Census website):<sup>125</sup>

*Businesses could be tabulated in more than one racial group. This can result because:*

- a. The sole owner was reported to be of more than one race.
- b. The majority owner was reported to be of more than one race.
- c. A majority combination of owners was reported to be of more than one race.

*The detail may not add to the total or subgroup total because a Hispanic or Latino firm may be of any race, and because a firm could be tabulated in more than one racial group. For example, if a firm responded as both Chinese and Black majority owned, the firm would be included in the detailed Asian and Black estimates, but would only be counted once toward the higher level all firms' estimates.*

It is immediately apparent that the Houston-The Woodlands-Sugar Land MSA and the Dallas-Fort Worth-Arlington MSA have a higher share of Black/African American population (whether Black alone or in combination with other races) than the Austin-Round Rock MSA and the San Antonio-New Braunfels MSA. It is also apparent that these percentages correspond somewhat with the share of black-owned businesses; the Houston and Dallas metropolitan areas both have shares over 10% (15.09% and 12.60% respectively), while the Austin and San Antonio metropolitan areas are both below 4% (3.65% and 3.80%, respectively). Despite this wide discrepancy in the share of firms which are black-owned businesses, the share of revenue from black-owned businesses shows that of the four MSAs (Dallas-Ft Worth-Arlington is the highest with BOBs accounting for 0.48% of all sales, while San Antonio-New Braunfels is the lowest, with BOBs accounting for 0.18% of all sales.

**Table 13: Black-Owned businesses as a share of total firms and of total sales/receipts in the four largest MSAs in Texas ;** Source: U.S. Census Survey of Business Owners, 2012

Metropolitan Statistical Area	Firms			Sales/Receipts (\$ thousands)		
	Total	BOBs	% BOBs	Total	BOBs	% BOBs
Houston-The Woodlands-Sugar Land, TX MSA	606,867	91,589	15.09%	1,301,098,611	4,374,754	0.34%
Dallas-Ft Worth-Arlington, TX MSA	642,289	80,944	12.60%	894,698,052	4,271,004	0.48%
Austin-Round Rock, TX MSA	182,973	6,670	3.65%	233,425,043	676,352	0.29%
San Antonio-New Braunfels, TX MSA	187,360	7,114	3.80%	282,167,924	496,568	0.18%

In the table below, the population proportions are shown; that is, for a proportion of population it is expected that there will be a related proportion of businesses.<sup>126</sup> The difference between the expected proportion of businesses to population and the actual businesses to population is shown with an index. An index to help illustrate relative population to businesses can be expressed either as firms divided by population: the actual black owned firms are (e.g. Houston MSA, 84.02%) of expected black owned firms, or can be expressed as the ratio of actual firms to expected firms as 1:1.19. In the table below, a set of index columns helps to show the ratio of number of firms to number of population. Equal balance would be 100% for firms to population or 1 for population to firms. Atascosa is the only county that comes close to balance in the list below, but this may be due to measurement issues in the SBO data itself, as stated earlier.

<sup>125</sup> <http://www.census.gov/econ/sbo/methodology.html?2012>

<sup>126</sup> In terms of black ownership of businesses, Austin-Round Rock is the furthest behind in terms of business ownership reflecting the population of the MSA. The population of the MSA is 8.33% Black (alone or in combination with other races), while 3.65% of the total firms in the MSA are black-owned. This is a large absolute difference in terms of percentage (4.68% lower percentage of business ownership compared to percentage of the population), but the difference increases when expressed in relative terms (i.e. how much does ownership need to increase to match the share of the population?). In this case, the number of black-owned firms needs to increase by 128.46% to match the share of the population—in plain words, the number of black-owned firms needs to more than double to correspond with the share of the population. The exact number would be determined by multiplying the number of black-owned businesses (in the case of Austin-Round Rock: 6,670) by the relative difference, (in the case of Round Rock, -128.46%). This results in a shortfall of 8,568 firms (rounding down from 8,568.48), which means given the current population of the Austin-Round Rock MSA, there would need to be a total of 15,238 black-owned businesses (the current number plus the shortfall).

**Table 14: Black-Owned Businesses as a Share of Total Firms and of Total Sales/Receipts in the Four Largest MSAs in Texas and in the Eight Counties of San Antonio-New Braunfels MSA ; Source: U.S. Census Survey of Business Owners, 2012**

BUSINESS OWNERSHIP AND POPULATION	Firms			Population			Index	
	Total	BOBs**	% BOBs	Total	Black**	% Black	Firms/Pop.	Pop./Firms
<b>Metropolitan Statistical Area</b>								
Houston-The Woodlands-Sugar Land, TX MSA	606,867	91,589	15.09%	6,204,141	1,114,366	17.96%	<b>84.02%</b>	1.19
Dallas-Ft Worth-Arlington, TX MSA	642,289	80,944	12.60%	6,703,020	1,075,886	16.05%	<b>78.52%</b>	1.27
Austin-Round Rock, TX MSA	182,973	6,670	3.65%	1,835,016	152,825	8.33%	<b>43.77%</b>	2.28
San Antonio-New Braunfels, TX MSA	187,360	7,114	3.80%	2,239,222	168,561	7.53%	<b>50.44%</b>	1.98
<b>Counties (San Antonio-New Braunfels)</b>	<b>Total</b>	<b>BOBs**</b>	<b>% BOBs</b>	<b>Total</b>	<b>Black**</b>	<b>% Black</b>	<b>Firms/Pop.</b>	<b>Pop./Firms</b>
Atascosa County	4,106	49	1.19%	46,343	550	1.19%	100.55%	0.99
Bandera County*	*	*	*	20,642	117	0.57%	*	*
Bexar County	147,956	6,581	4.45%	1,789,088	151,479	8.47%	<b>52.53%</b>	1.90
Comal County	11,805	101	0.86%	115,808	2,578	2.23%	<b>38.43%</b>	2.60
Guadalupe County	9,841	309	3.14%	139,709	11,347	8.12%	<b>38.66%</b>	2.59
Kendall County	5,328	31	0.58%	36,058	368	1.02%	<b>57.01%</b>	1.75
Medina County*	*	*	*	46,965	1,185	2.52%	*	*
Wilson County*	*	*	*	44,609	937	2.10%	*	*
Rest of MSA (Bandera, Medina, Wilson)	8,324	43	0.52%	112,216	2,239	2.00%	<b>25.89%</b>	3.86

\*Black-Owned Business Data not available

\*\*Black Alone or with Other Races

**PURPOSE**  
The Survey of Business Owners (SBO) provides the only comprehensive, regularly collected source of information on selected economic and demographic characteristics for businesses and business owners by gender, ethnicity, race, and veteran status. Title 13 of the United States Code authorizes this survey and provides for mandatory responses.

**COVERAGE**  
Included are all nonfarm businesses filing Internal Revenue Service tax forms as individual proprietorships, partnerships, or any type of corporation, and with receipts of \$1,000 or more. The SBO covers both firms with paid employees and firms with no paid employees. The SBO is conducted on a company or firm basis rather than an establishment basis. A company or firm is a business consisting of one or more domestic establishments that the reporting firm specified under its ownership or control.

The data are compiled by combining data collected from businesses and business owners in the SBO with data collected from the main economic census and administrative records.

Business ownership is defined as having 51 percent or more of the stock or equity in the business and is categorized by:

- Gender: Male, female, or equally male/female
- Ethnicity: Hispanic, equally Hispanic/non-Hispanic; non-Hispanic
- Race: White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, some other race, minority, equally minority/nonminority, nonminority
- Veteran status: Veteran, equally veteran/nonveteran; nonveteran
- Publicly held and other firms not classifiable by gender, ethnicity, race, and veteran status

Firms equally male-female-owned, equally minority-nonminority-owned, and equally veteran-nonveteran-owned are counted and tabulated as separate categories.

Businesses can be tabulated in more than one racial group. This can result because:

- the sole owner reports more than one race;
- the majority owner was reported to be of more than one race;
- a majority combination of owners was reported to be of more than one race.

The detail may not add to the total or subgroup total because a Hispanic firm may be of any race, and because a firm can be tabulated in more than one racial group.

The sum of the subgroup detail for Hispanics, Asians, and Native Hawaiians and Other Pacific Islanders may not add to the total if no one subgroup owns a majority of the firm, but a combination of these subgroups owns a majority. In this case, the firm is included in the Hispanic, Asian, or Native Hawaiian and Other Pacific Islander estimate, but is not included in any of the subgroup estimates.

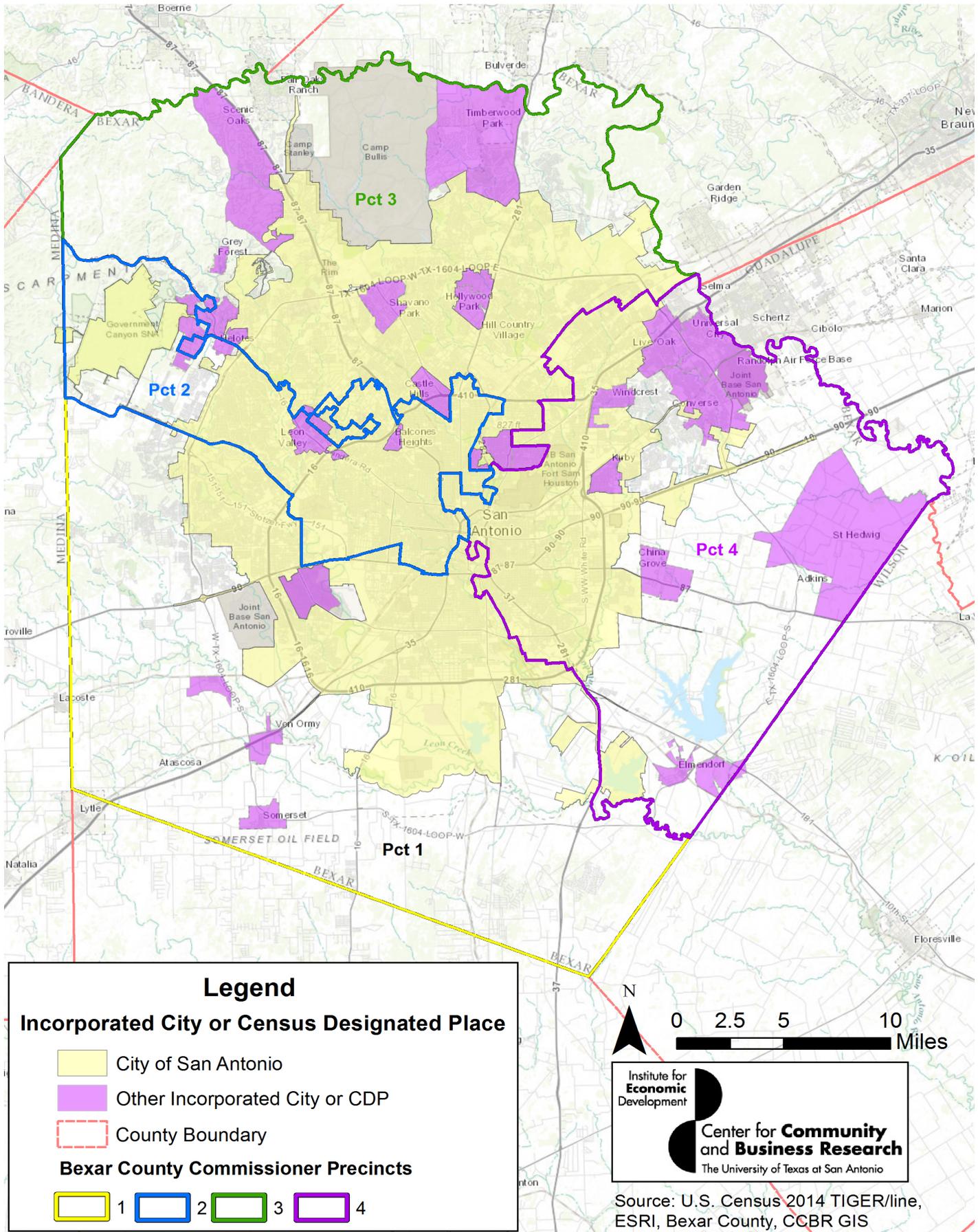


Figure 13: Incorporated City or Census Designated Place; Source: American Fact Finder, U.S. Census

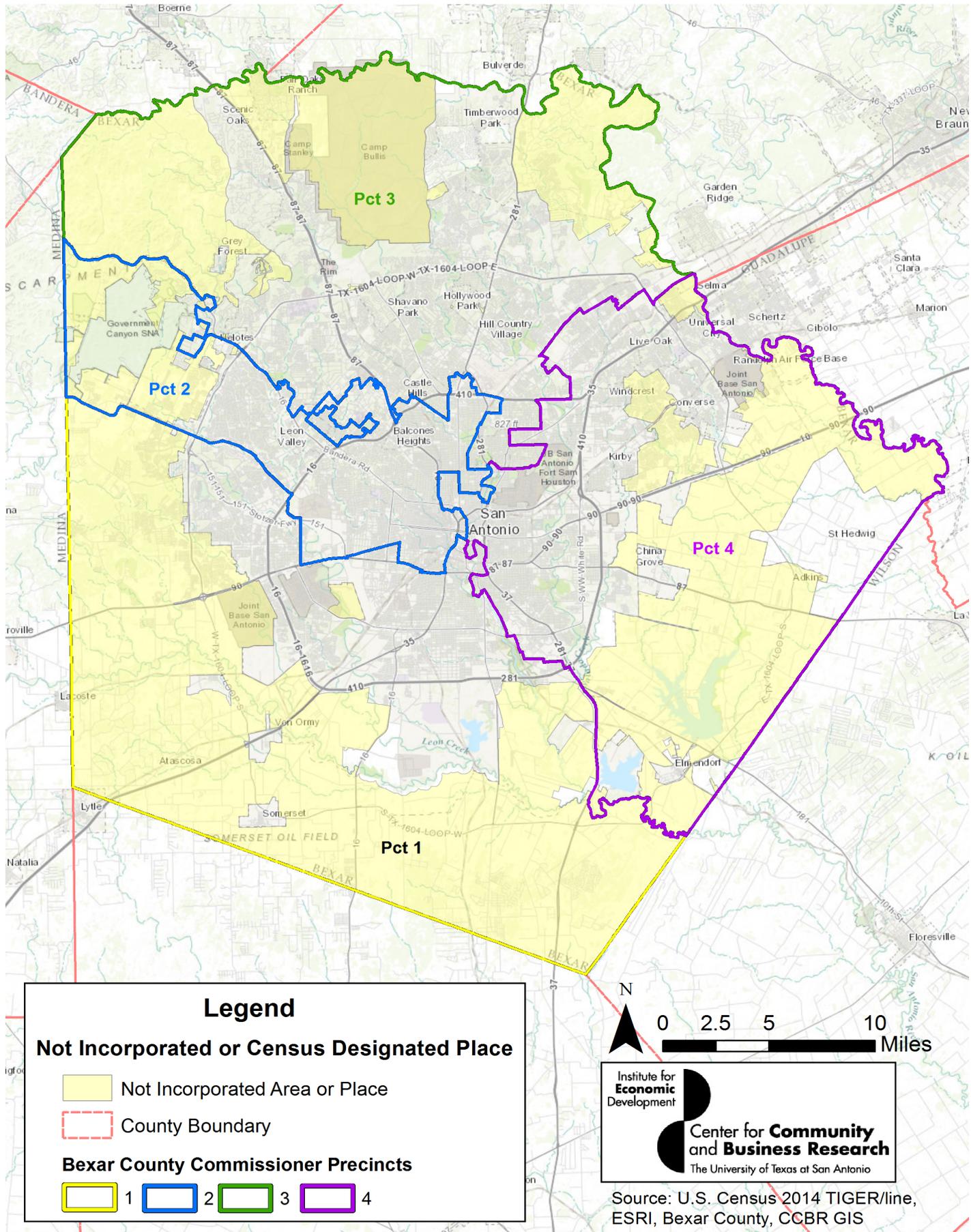


Figure 14: Not Incorporated City or Census Designated Place; Source: American Fact Finder, U.S. Census

### TOTAL NUMBER OF FIRMS IN SAN ANTONIO-NEW BRAUNFELS MSA WITH AND WITHOUT PAID EMPLOYEES

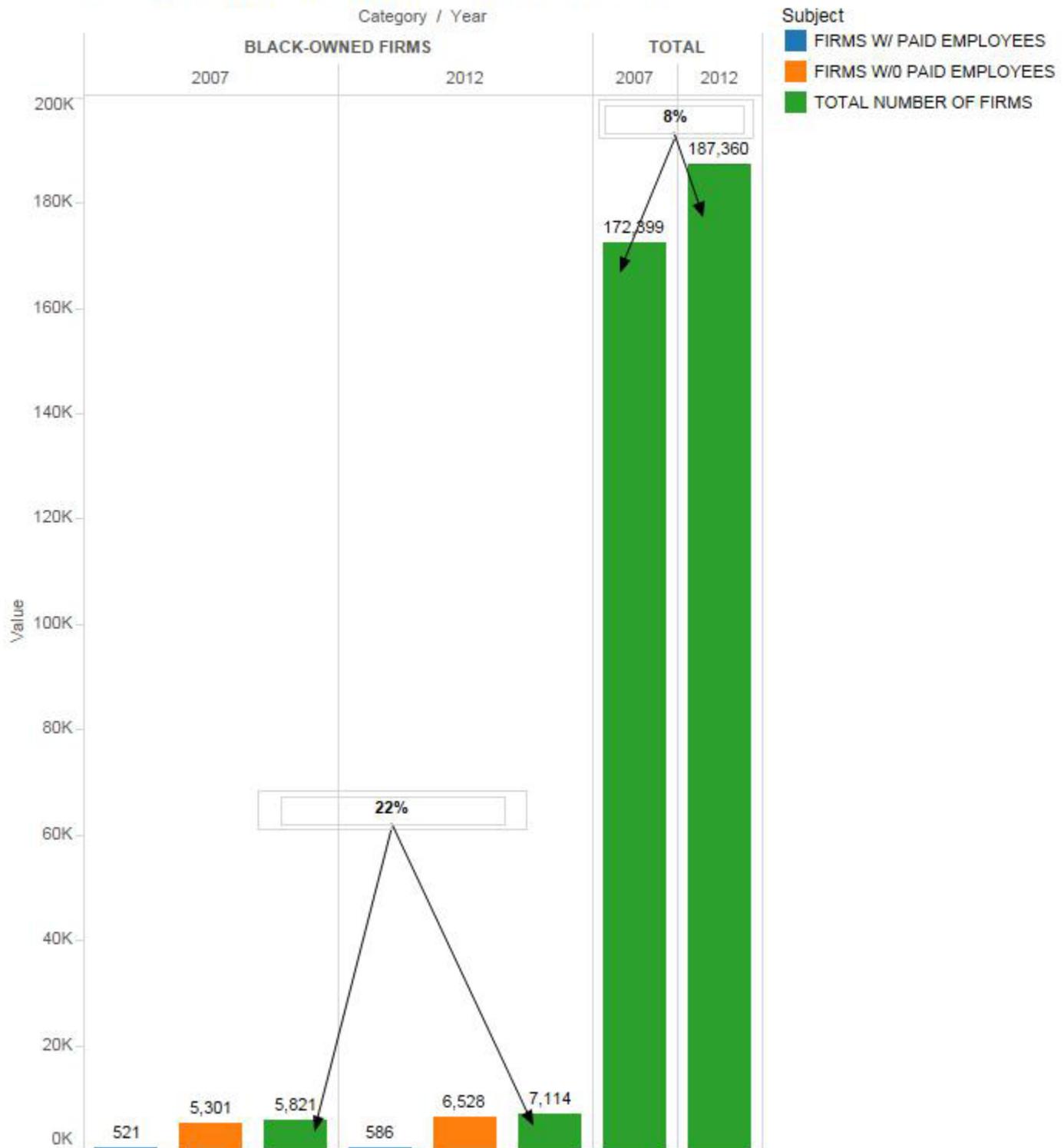
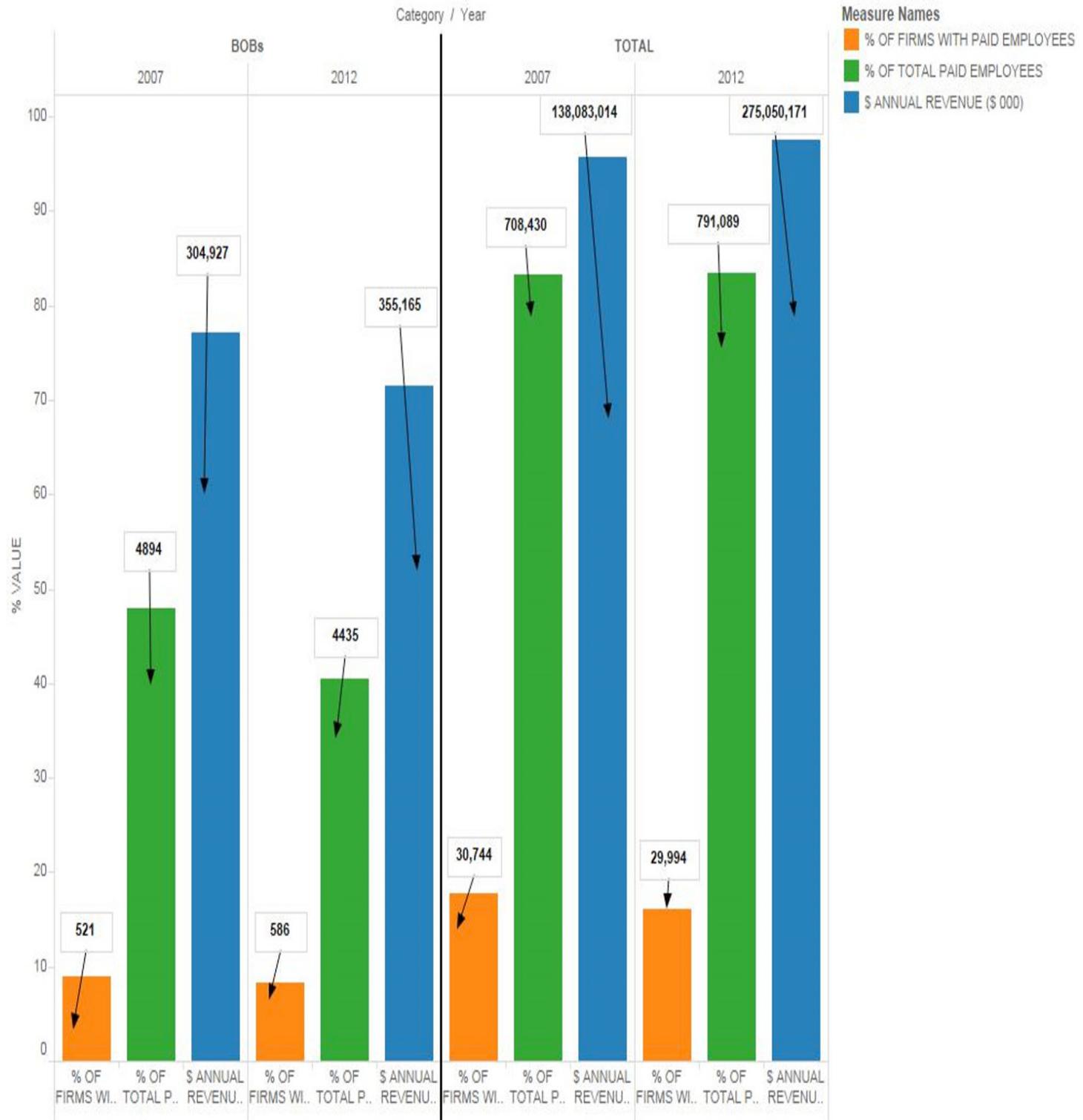


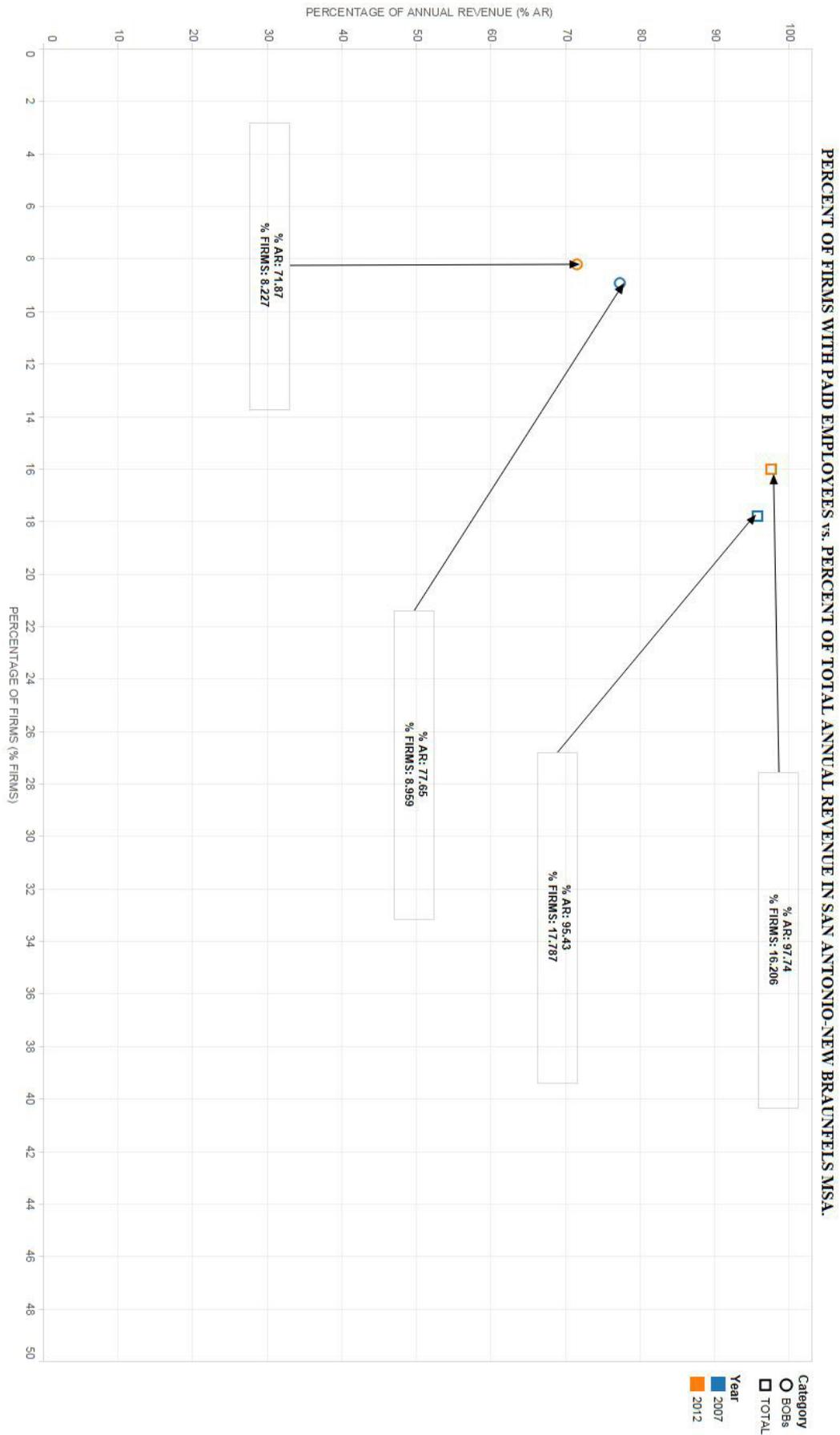
Figure 15: Total Number of Firms and Black Owned Firms in San Antonio - New Braunfels MSA with and without Paid Employees in 2007 and 2012; Source: CCBR; US Census, Survey of Business Owners

## PERCENT OF FIRMS WITH PAID EMPLOYEES AND ASSOCIATED ANNUAL REVENUE

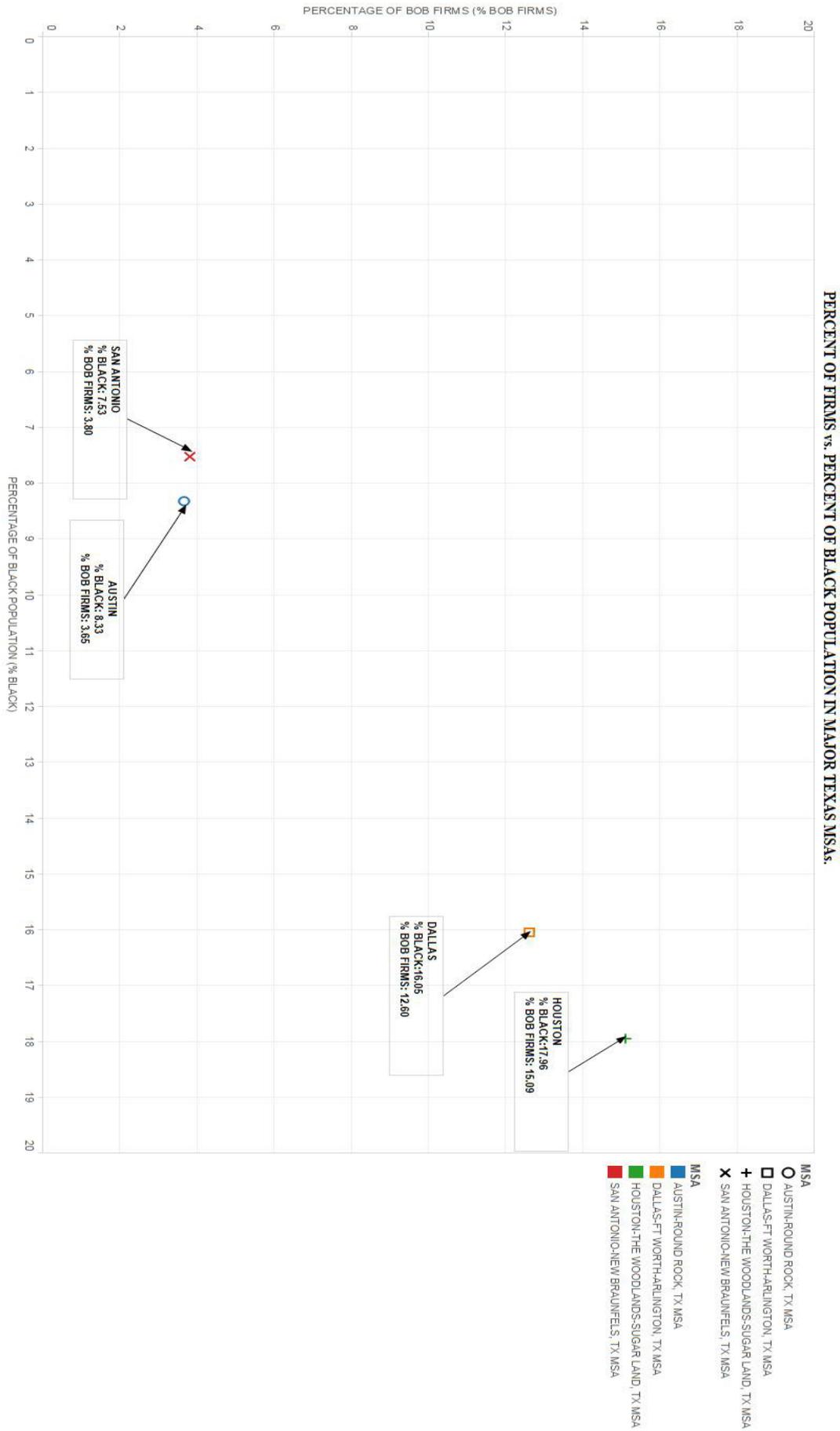


NUMBERS ARE ACTUAL TOTAL FIRMS AND TOTAL ANNUAL REVENUE

**Figure 16: Percent of Black Owned Firms and of Total Firms with Paid Employees and Associated Annual Revenue in San Antonio - New Braunfels MSA; Source: CCBP; US Census, Survey of Business Owners**



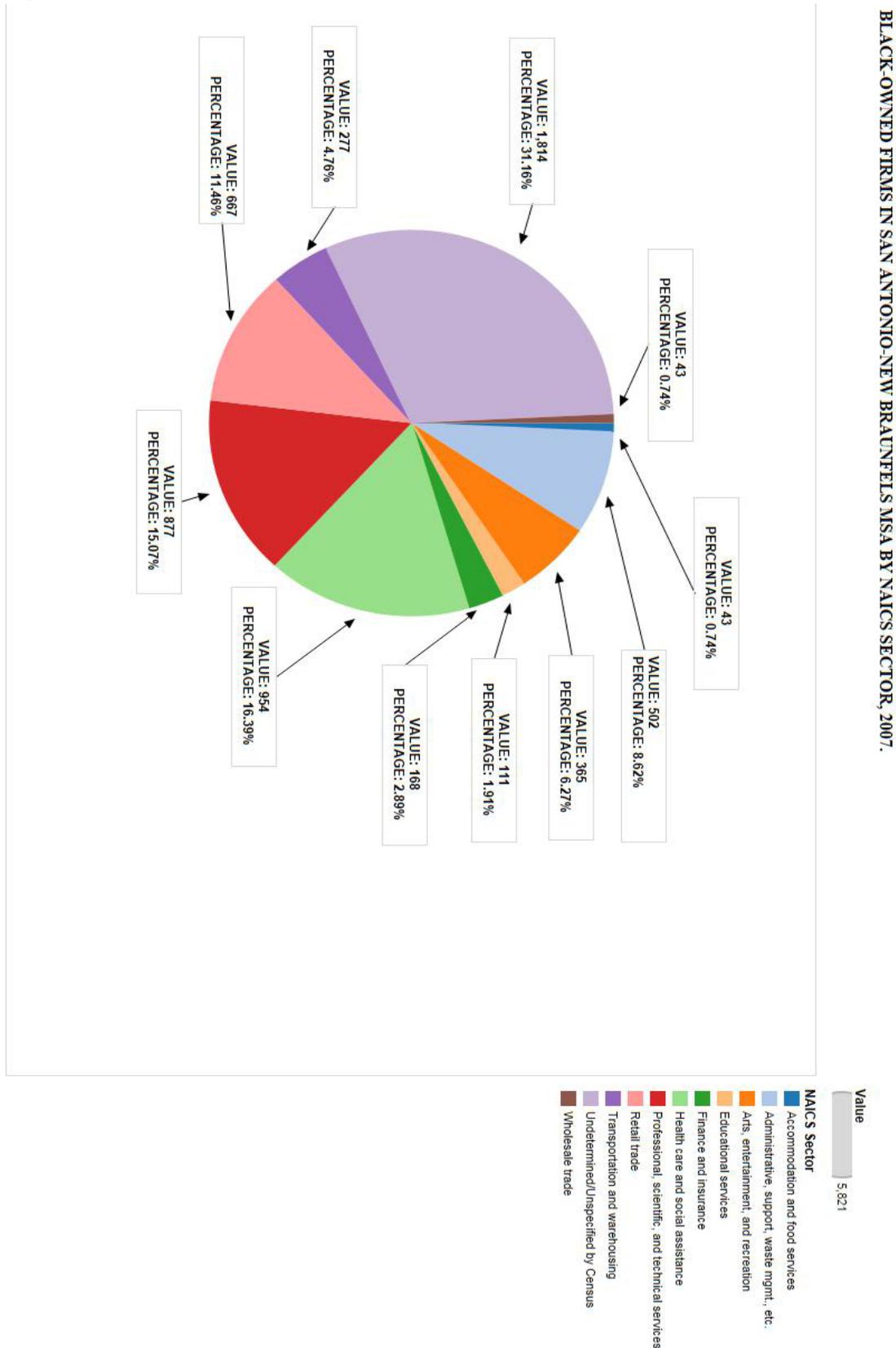
**Figure 17: Percent of Total and Black Owned Firms with Paid Employees vs. Percent of Annual revenue in San Antonio - New Braunfels MSA:** Source: CCB; US Census, Survey of Business Owners



**Figure 18: Percent of Black Population vs. Percent of Black Owned Firms in Major Texas MSAs;** Source: CCBP; US Census, Survey of Business Owners

## Industrial Sectors Data (NAICS)

The pie charts shown here compare the percentages of companies that are listed in various industrial sectors. In 2007, there was a large number of “undetermined”, which has been classified in 2012, reflecting changes in the design of the newest version of the SBO. Differences in industrial groups show improvement and changes made to the SBO categories from 2007 to 2012.



**Figure 19: 2007 Percent of Businesses per NAICS;** Source: CCB; US Census, 2007 Survey of Business Owners

BLACK-OWNED FIRMS IN SAN ANTONIO-NEW BRAUNFELS MSA BY NAICS SECTOR, 2012.

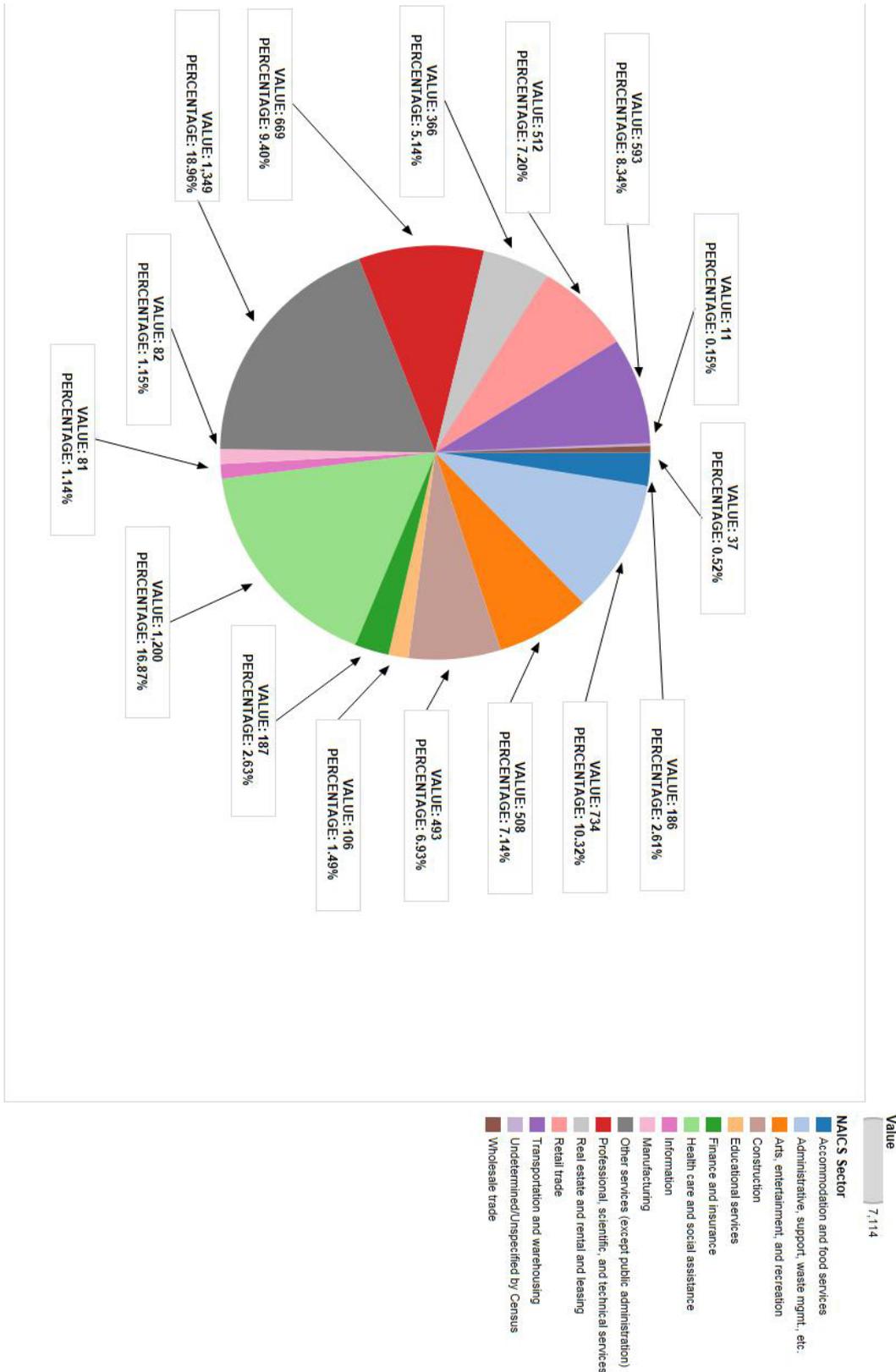


Figure 20: 2012 Percent of Businesses per NAICS; Source: CCBP; US Census, 2012 Survey of Business Owners

It is important to note that the tracked industrial sectors may serve from one to five of the procurement categories. See color-coded bridge appendix p12-18 for NAICS associations with procurement product/service categories. Because companies move across classifications over time and SBO sector estimates reflect that movement; also because SBO continues to expand its categories to reflect industrial growth; and because industrial sectors of companies do not reflect the actual products and services they offer, SBO industrial sectors DO NOT align between SBO surveys and DO NOT align with products and service categories.

## 2. AABE Survey Quantitative Report

### Data collection

#### General information

The results are reported as responses from the 8-county MSA, from outside the MSA, and AABE, as non-AABE, and as all organizations.

The survey was designed to take about 20 minutes; majority of respondents took 11-30 minutes, with outside MSA taking longer than MSA.

Of responses, 1/3 (228 of 706) were from Bexar, 1/3 (115 of 389) of AABE were from Bexar, and 95% (115 of 121) of AABEs were from the MSA.

A possible driving factor in participation was the opportunity to be listed in a procurement directory.

#### Demographics

Gender was relatively equal; age distribution showed average age of 49.

Average work week was about 46 MSA – 49 outside MSA hours. Note, the large standard deviation indicates there was a very wide variety of time dedicated to managing/running the organizations.

Tenure as an AABE was mostly under 10 years, most had one owner, and most had either no or less than 5 part or full time employees.

A large percent hold a bachelor's or graduate degree.

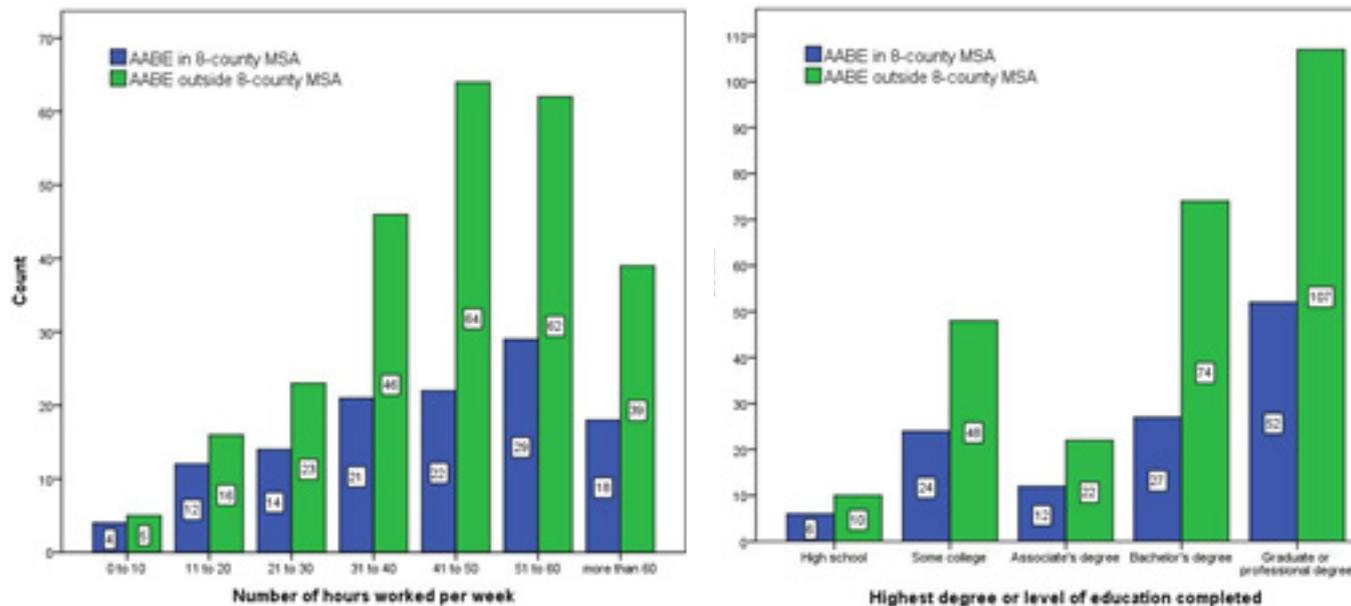


Table 15: AABEs Legal Status by Region

Provides the AABEs legal status by region, with most AABEs comprised of sole proprietorships and LLCs. These results were consistent in and outside the 8-county MSA.					
	AABEs in 8-county MSA			AABEs outside 8-county MSA	
	<i>n</i>	%		<i>n</i>	%
Sole proprietorship	32	26.4	Sole proprietorship	71	26.5
LLC	61	50.4	LLC	114	42.5
Corporation	9	7.4	Corporation	38	14.2
S-Corporation	12	9.9	S-Corporation	35	13.1
Partnership	2	1.7	Partnership	7	2.6
Unknown	1	0.8	Unknown	0	0.0
Other	3	2.5	Other	1	0.4
Missing	1	0.8	Missing	2	0.7

Table 16: AABE Industry Classification

<b>Indicates the classification that best describes the AABE, with the results suggesting that most AABEs provided professional services, general services, and construction.</b>				
Classification	<i>AABEs in 8-county MSA</i>		<i>AABEs outside 8-county MSA</i>	
	<i>n</i>	<i>%</i>	<i>n</i>	<i>%</i>
Architecture & Engineering	3	2.5	12	4.5
Construction	12	9.9	31	11.6
Finance, insurance, and real estate	3	2.5	8	3.0
Goods and Supplies	4	3.3	23	8.6
Retail trade	1	.8	5	1.9
Mining	2	1.7	1	.4
Professional services	37	30.6	80	29.9
Services	32	26.4	35	13.1
Transportation, communication, and utilities	2	1.7	13	4.9
Wholesale trade	0	0.0	9	3.4
Other (please specify)	23	19.0	50	18.7

**Workforce**

Results suggest that most AABEs’ revenue generated is from non-governments agencies, which implies that very few AABEs are working with any government agencies.

Table 17: AABE Workforce by Racial Classification

<b>Provides the AABE workforce by racial classification. As seen here, most AABEs tend to hire either African American or Hispanic employees.</b>					
# of AABE employees	<i>Racial classification</i>				
	African Americans	Asian	Caucasian	Hispanic	Other
<b>AABE in 8-County MSA</b>					
1 to 5	74	7	26	31	31
6 to 10	7	1	2	11	11
More than 10	3	1	7	7	7
<b>AABE outside 8-County MSA</b>					
1 to 5	175	25	72	81	81
6 to 10	26	1	10	7	7
More than 10	14	1	7	4	4

**Certifications**

Certifications received were mostly for minority, HUB, and small business. Only 70 in MSA, and 32 outside MSA were AABE certified.

**It should be noted that many businesses interviewed (see qualitative results section) would rather have one certification, such as “small” to minimize paperwork and annual registration expenses. Some only got additional certifications if a particular contract required it, and did not renew that certification if they did not get the contract (due to burden of paperwork and expense). Many did not want to be labeled as AABE, seeing that as a disadvantage to their business reputation.**

Most were not aware that Bexar County was creating a procurement directory, but most desired to have their information included.

### Bids and Awards

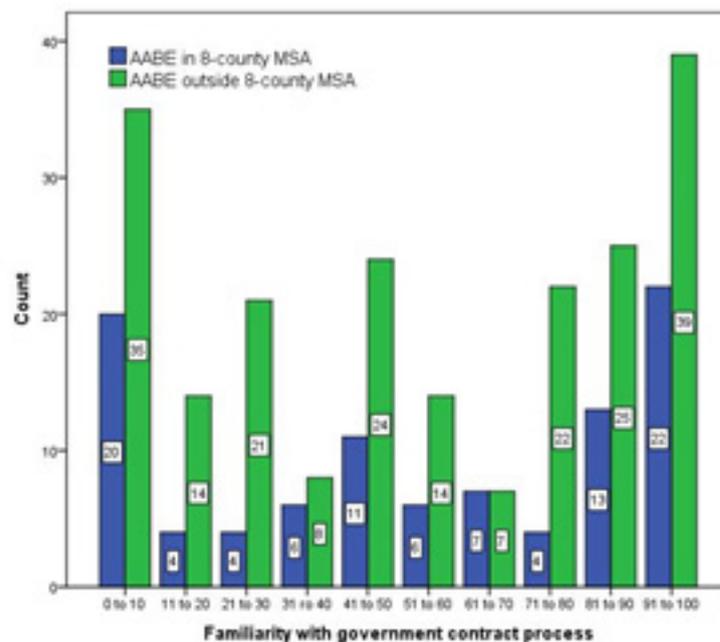
While AABEs expressed interest in contract work with each of the MSA counties, State, Federal and the private sector, few were certified, fewer registered to work with, and almost none had submitted a bid or been awarded.

1-5 range of contracts bid or awarded for various levels of government was mostly 1-5 for those who bid or were awarded, but the vast majority had no bids or awards.

One potential explanation (based on the results) is that these organizations do not feel they can competitively bid on these contracts due to a lack of experience and lack of capacity.

However, almost all respondents said they were extremely interested in working on government contracts and interested in learning more about government contracts; on a scale of 1 to 100, most responses registered from 91-100.

Responses on AABE familiarity (0-100) with government contracts/procurements had a very wide range.



AABEs get leads/information on contracts/procurements from a wide range sources, with highest responses coming from online, other contractors, and other business owners- sources who they trust and who understand the vendor side.

Also, most get information from only one to three sources.

That shows that most information comes from one side of the bidding process- the vendor side, and that customers, such as Bexar County need to bridge the information gap with better networking and information sources.

- Most AABEs reported using a business email to communicate with their clients. <sup>127</sup>
- 23% of responding AABEs do not have websites.
- Of those that have websites, most have information only.
- Only 30 respondents have interactive/ecommerce websites that can allow them to effectively conduct business (e.g., sell or purchase items) or advertise online.

“Social media and internet communications used” responses proportionate to number of responders was low. The preference to use social media to learn more about contracts and training was similar.

<sup>127</sup> However, pertaining to list collection of emails, many listings recorded non-business domain email addresses only, for example Gmail.

The most frequent social media reported were Facebook, and LinkedIn, with high use of phone text. Email and website were also reported as high use. Given the low rate of digital media use, AABEs may be depending on face to face and voice phone.

Some organizations still use a personal email account to communicate with customers. While not explored here, these findings could relate to the type and size of the organization. Nevertheless, these results suggest that technology may be a major barrier to a significant number of organizations.

AABEs reported Cable and Fiber being the most popular internet access. To accompany those providers, many also had a wireless system. However, in proportion to overall number of responders, the number of reports was low.

**Experience and barriers to working with government contracts**

A fair number of AABEs did not answer questions regarding their experience searching for, understanding, gaining information, and applying for county contracts. Thus it is unknown whether they simply did not want to answer or did not have any experience to answer these questions.

Regardless, there can be improvement on the part of customers such as Bexar County in providing information and assistance.

All MSA AABE responses on the 0-100 scale were under 30 related to experience with: Clarity of online information related to contractors, Ease of completing the required documentation, Sufficiency of online information related to contractors, Sufficiency of time to complete proposal, Adequacy of contract advertising, Assistance/Guidance completing contracts, Frequency of trainings on how to complete contracts, and Relationship with government contracting agencies.

The following information addresses the Bexar County procurement process from the initial request to vendor payment:

Step	Performed By:
Identify requirements and obtain funding	User Department ("Department") (may have assistance from Purchasing)
Define/finalize requirements	Department and Purchasing
Submit requisition outlining requirements to Purchasing / Verify Funding	Department / Auditor
Solicit, advertise and generate Purchase Orders and Contracts from requisition and send to vendor	Purchasing
Deliver good/service as outlined in contract and submit invoice	Vendor
Receive good/service and verify completeness against contract	Department (with coordination from Purchasing – especially for fixed assets)
Document receipt of good/service	Department
Match invoice and generate payment	Auditor
Submit payment claim to Commissioners Court for approval	Auditor
Approve payment of claim	Commissioners Court
Disburse payment of claim	County Treasurer

**Figure 21: Exhibit on Bexar Procurement Process;** Source: How to do Business with Bexar County, <http://www.bexar.org/DocumentCenter/View/1087>

All outside-MSA AABEs responses on the 0-100 scale were around or under 30 related to awareness of those items.

It is clear that certain AABEs are much more equipped (e.g., have more experience navigating the response for proposal and other online information) than others.

The correlations<sup>128</sup> in Table 18 imply rather strong relationships between all the experience and barrier variables, thus indicating that AABEs are either generally very knowledgeable and sophisticated when seeking out or understanding government contracts or would need considerable help to navigate the documentation posted and understand the response for proposal.

Moreover, those sophisticated AABEs generally find the training, information posted, and support offered by the government adequate, whereas less sophisticated AABEs clearly need more assistance and feel the services provided by the government are inadequate.

**Table 18: Correlations Between Experiences and Barriers**  
**Provides the correlations between AABEs experiences and barriers when working on government contracts for AABE in the 8-county MSA**

Quality and awareness variables	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.
1. Sufficiency of online information related to contractors	--														
2. Clarity of online information related to contractors	.91	--													
3. Ease of completing the required documentation	.73	.78	--												
4. Sufficiency of time to complete proposal	.62	.71	.78	--											
5. Relationship with government contracting agencies	.68	.70	.72	.69	--										
6. Frequency of trainings on how to complete contracts	.51	.57	.70	.72	.74	--									
7. Adequacy of contract advertising	.73	.73	.75	.68	.76	.67	--								
8. Assistance/Guidance completing contracts	.57	.64	.75	.80	.67	.80	.73	--							
9. Contract/procurement availability	.73	.65	.57	.55	.54	.64	.68	.69	--						
10. Contract/procurement procedure	.72	.69	.70	.59	.61	.71	.73	.70	.86	--					
11. Government resources available to organizations	.64	.59	.66	.60	.69	.75	.66	.76	.79	.84	--				
12. Advisory services	.62	.52	.63	.53	.51	.58	.56	.74	.71	.71	.78	--			
13. Government sponsored online material	.65	.56	.62	.52	.52	.71	.63	.77	.76	.76	.84	.85	--		
14. Government sponsored training courses	.58	.49	.54	.58	.40	.58	.51	.76	.69	.64	.76	.80	.89	--	
15. Non-Government sponsored training courses	.44	.45	.59	.58	.52	.73	.49	.76	.60	.60	.69	.66	.70	.67	--

128 Note, a correlation measures the strength and direction of the relationship between two variables, with correlations near zero indicating the variables have no relationship with each other and correlations of -1 and 1 indicating the variables are perfectly correlated in a negative and positive direction, respectively. Based on Cohen' (1988) tentative guidelines, correlations of [.10], [.30], and [.50] are considered small, medium, and large, respectively.

### Experience with government contracts and certification process

Responses provide useful findings connected to contract/procurement promoting, simplicity of navigating the contract and certification process, ease of accessibility to getting questions answered and completing the contract process, and difficulty becoming a certified vendor.

Results suggest there is a wide range of perceptions related to the contract and certification process, and indicate the ease of gaining information about government contract/procurement opportunities and level of satisfaction working with their government contracts appears rather neutral.

A large number responded “not applicable” to level of satisfaction, as they did not go after government contracts.

### Organization capacity

It is apparent from data that AABEs display a wide range of exposure to working capital, resources, experience, and partners; however, the one issue that influences a large proportion of the AABEs is working capital. The results indicate that a very large percent of the organizations would be significantly impacted if an organization did not pay an invoice of \$25,000 for six months, with 43.5% providing a score 90 or above. This is further supported by the results, as about half (50.4%) of organizations are only suited to absorb a contract between \$5,000 and \$15,000.

Associated with that, results suggest a wide range of ideal contract sizes for these organizations.

Interestingly, a rather large percent (38.2%) of organizations prefer contracts less than \$50,000; However, a sizeable number (n = 55, 50.0%) of organizations prefer contracts larger than \$100,000.

MSA AABE responses related to Inadequate staff, Insufficient working capital, Lack of supply chain resources, and Lack of understanding of government contracts, Limited equipment, shortage of partners and shortage of qualified contractors were not seen generally as barriers, with most scores out of the 0 (Not at all a Barrier) to 100 (Complete Barrier) range falling under 30.

A notable exception was Insufficient working capital, and Limited experience preparing bids and proposals, with about half of participants scoring those over 30.

Qualitative survey responses are discussed in the Findings & Recommendations section.<sup>129</sup>

In general, AABE companies do not have problems running their businesses on a daily basis or staying in business, but they see the bidding process, experience requirements, and working capital requirements as barriers to entering the government contracts market.



**Figure 22: Graphic Banner by Carl Booker used in AABE Survey promotional materials;**

Source: <http://www.blacksinsanantonio.com/>

<sup>129</sup> The full report analyses and tables of comments are in the Appendix.

### 3. AABE Outreach Qualitative Report

The content in this section is derived from staff notes and debriefs worked up under academic standards for ethnographic and field work interviews, field observations, and site visits. Respondent names were not recorded to protect privacy. Many interviewees were eager to connect the research team with others they thought would be interested in participating, as well as other events to attend.

Interview topics covered perceived barriers to government contracts, issues with subcontracting, business availability and capacity, business collaborations, mentorships, training needs, and certification process.

Field site visits occurred by identifying areas with high densities of African American owned businesses and locations of community.

Overall responses are grouped below for each category (business owners, customers, and community partners) by outreach events, field site visits, and formal interviews where applicable.

#### Business Owners

##### *Outreach events*

Issues related to government contracting included capacity in terms of the lag time between completion of their portion of a project and payment.

Business owners voiced their frustrations with receiving no feedback from customers as to what they are doing incorrectly with government bidding.

Collaboration among other business owners, knowledge of contracting processes, and the type of businesses that government agencies sought out were among other issues that surfaced.

##### *Formal interviews*

Interview topics covered capacity issues, access to capital, certifications, collaboration, experience with business oriented groups, mentoring opportunities, and the disconnect between social and business oriented spheres.

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Respondents stated that capacity and access to capital was not only a barrier for African American owned businesses but for all small emerging businesses.

Respondents discussed how certifications are not helpful. In fact, both respondents wanted to be known for the quality of their work rather than an AABE designation.

While there was interest in collaborating with other businesses, respondents made it known that collaboration was fraught with issues. One example was the issue of subcontracting and being held to the same bond and insurance requirements even though receiving only a small percent of the total contract.

There was also the issue of slow payment processes, e.g., the subcontractor would have to wait until a project is completed to receive payment.

Respondents believed there was not much recourse for small minority businesses when a prime contractor did not follow through with original subcontractors after a contract was awarded.

Respondents suggested small business support agencies advocate on behalf of small minority businesses.

Respondents voiced the need for more mentoring programs for emerging small businesses.

The issue of representation was brought to light. One respondent noted that the African American community does not only exist on the “Eastside” of San Antonio and that current business and community leaders do not represent the community outside of the “Eastside”.

## **Customers**

### ***Outreach events***

Customers who attended outreach events encouraged small businesses to register as vendors and to keep a look out for upcoming projects.

They offered insights into how to bid and win contracts.

They also seemed willing to answer questions.

However their answers remained broadly ambiguous when it came to specific negative issues such as why a business owner failed to win a bid.

### ***Field site visits***

Customers outside of Bexar County mostly reiterated that their respective purchasing departments followed proper government procedures and guidelines, which seemed to be a deflective response.

This appeared to lack transparency and full disclosure about their respective contracting processes.

After describing the goals of this Survey, some customers were more open and helpful in answering questions.

Most informal interviewees were cautious/hesitant to answer questions regarding their procurement processes either due to lack of sufficient authorization or to lack of knowledge.

Customers used either local newspaper ads or vendor e-letters in getting bid information out.

Smaller government entities utilized internal staff for their needs and only solicited bids for larger projects or new machinery purchases.

Furthermore, these same smaller government entities were more likely to have long-term contracts in place rather than shorter contracts, e.g., one county had working contracts with an engineer for over 20 years.

## **Community Partners**

Community partners were either 1) not interested providing any assistance or 2) really receptive to the study and agreed to send out information to their wider network.

Often times, when speaking to those receptive to the study, these community partners tended to be ones that bridged the gap of information and knowledge pertaining to small businesses.

Community partners that served more as a business networking function with paid membership tended to be less inclined to send out Survey materials to their members when field visits were conducted.

### ***Outreach events***

Some Community Partners voiced concerns as to how to connect the Survey with its intended audience.

Other reoccurring comments from community partners regarding African American businesses navigating government procurement processes were the lack of 1) education, 2) information, and 3) familiarity with those agencies that help businesses.

Community Partners that were actively engaged in assisting small businesses supported the Survey and offered assistance in promoting the Survey to their network.

### ***Field site visits***

Community partners that acted as a bridge or business advocacy group in terms of business education were receptive to the Survey and agreed to send out information to their wider network.

Community partners with a mission of business networking and paid memberships were less inclined to send out Survey materials to their members when field visits were conducted.

## **Other Interactions**

When requesting vendor and member lists from Customers and Community Partners, many counties and cities responded that they did not have the information requested as their entity did not categorize or classify accordingly.

Others responded with requiring open records request, stated they used the Texas Comptroller's Historically Underutilized Business (HUB) Directory and Texas Centralized Master Bidders List (CMBL), or did not maintain a vendor list.

Another common response was a reiterated statement that their respective entity abided by all regulated government procurement procedures.

Figure 23: SMWBE Conference December 2015



# VII. FINDINGS & RECOMMENDATIONS

## Overall recommendations

Small businesses, whether measured as small either by employee size or by revenue, make up close to 100% of all businesses in Bexar County. However, according to survey responses, the procurement system is not built for small business participation, with bias and complexity built in, with the time and cost burden great, with an application process judged as not fair, and with the needs of small business to stay in business not considered. Additionally, respondents state transparency, technology, staffing, resources, and innovation are sorely lacking.

Overall hot topics (highlighted “theme” table column) in survey responses included bad process, lack of fairness and transparency, lack of small business sensitivity, and need for education and assistance.

Overall recommendations based on survey responses:

- Design the system and process around small business participation.
- Use up-to-date technology to build and train a system reflecting a small business friendly process.
- Tailor education, information and staff-to-business interface on the updated system with a focus on the vendor as a participant and the public as an audience.
- Market consistently and constantly to the business community at large, to other customers, and to the public, following up with constant and consistent activities to increase relationships and build trust in order to build participation and knowledge.
- Many responses related to cheating, inequity and other issues of unfair practices, thus it is recommended that the Court to conduct an investigation to understand allegations.

## General response themes

This section summarizes the comments listed verbatim in the Analyses and Results section. They are organized as I. Feedback from the surveys<sup>131</sup>, and II. Feedback from the study activities.

These are outlined below, listing main themes in the procurement process and the study activities, topics in those themes, and issues related to those topics.

Where appropriate, recommendations for each topic as suggested by survey responses are listed in the tables below.

1. Participation and feedback is welcome

A. Theme: The process itself

2. Topic: Poor RFP paperwork
3. Topic: Process is bad
4. Topic: Process is not fair
5. Topic: Process needs modernization

B. Theme: The situation for small businesses

6. Topic: Lack of small business considerations
7. Topic: Tokenism of Subs
8. Topic: Poor money/risk considerations

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<sup>131</sup> State of Texas County of Bexar SMWBE Strategy Evaluation Agreement Article 4.01.1.H

C. Theme: Information

9. Topic: Information

10. Topic: Assistance

11. Topic: Certification

D. Theme: Administration of survey and outreach

12. Topic: County participation

13. Topic: Study design

14. Topic: Survey and outreach

E. Theme: List material

15. Topic: Vendor, Customer, and Community Partner Lists

16. Topic: Website and technology

I. General feedback: Modernize and standardize procurement processes and tools in order to increase participation and performance.

- Make a standardized survey and report an annual measuring tool to build trust, consistent feedback and performance.
- Maintain and increase outreach services.
- Overhaul and simplify the process and tools to reflect an inclusive working market, rather than a complex pieced-together system that creates constraints and barriers.
- Almost 100% of Bexar County businesses are small: design the system for small business rather than large business, and alter entry criteria and rating structures.
- Increase educational, outreach, and tool accessibility resources, and market extensively to customers and community partners as well as to vendors.

II. Research feedback: Upgrade, standardize, and simplify participation, performance, data and services.

- Clarify and consistently brand and market feedback and information services, improve partner participation and regional outreach.
- Prioritize modernization of web, records, and data; normalize and create usable directory and information resources with clear purpose.



Figure 24: Black Market Expo 2016

**Theme Topic Issues Recommendations**

I. General feedback: Modernize and standardize procurement processes and tools in order to increase participation and performance.

1	Topic: Participation and feedback is welcome		Maintain and increase outreach services
	Input	'Good survey'; 'thank you'; interested in directory	Continue feedback/survey system; build directory system
	Trust	Lack of trust/belief that County wanted or would use information	Market more with SMWBE Director as spokesman
	Motivation	Why does the County care? Why interest in a sub group when 'small business' and bad process are the real issues?	Market precinct commissioner responsibility to non-incorporated areas; fix the system

**A. The process itself**

Overhaul and simplify the process and tools to reflect an inclusive working market, rather than a complex pieced-together system.

2	Topic: Poor RFP paperwork		Better designed and written RFP paperwork bid process
	Poor RFP paper	Poorly written rfp; opaque, unclear, lack clarity, language is confusing; the paperwork is hard to follow and burdensome	Simplify and standardize pre-bid demos, bid timing, forms, and language; post everything in one place
3	Poor RFP design	Poor time allotment for paperwork and involvement, demonstrations, poor design, poor information; separate and simplify scope and request	Lengthen announcement and prep time, separate and simplify design and scope, clear award criteria
	Poor RFP process	Award inequity, no flexibility in bid paperwork/process	Simplify criteria, make all processes transparent
	RFP burden/lack	RFP paperwork burden on business, limited or lack of opportunity	Automate, redesign, market
	Topic: Process is bad		Better designed bid and award process
	Bad process	Cumbersome process, "ridiculous paperwork", "giant maze", too many criteria, cumbersome to read	Simplify processes, streamline
Costly	Hassle- no reward, waste of time and money, time consuming, expensive, not easy	Cut time and cost overhead/burden	
Suspicious	Lack of transparency, needs improvements in system design	Create transparency	

4	Topic: Process is not fair	Investigate allegations
Fairness issues	Unfair: treatment, practices, sub system, bid field; large co only, red tape, requirements, unfair system, unequal playing field	
Exclusionary	Exclusionary/closed network, bias to current vendors, barriers to entry and new bus, territory protectionism, "rigged", lack of diversification in solicitations, withholding ID to small bus, 'good ole boy network', no requirement for large co to use small co	
Poor monitoring and access	Lack of access, lack of transparency, no access to process and bids, access denied, actual practices on subs not reported to gov by contractor, lack of transparency on bid winners	
Selection issues	Poor rating and selection, subjective rating, no vetting of credentials, selection based off relationship, use of single ins agency- agency should not have award veto power, award to bus who didn't bid, "sole source"; lack of feedback	
5	Topic: Process needs modernization	Perform user study to understand bottlenecks and barriers in order to modernize technology and assistance tools
Trust	Lack of trust, trust issues: government, other bus, bias	Use tech to allow public view of process and decisions
Price policy	Overdependence on price policy criteria, biased system, policy price over quality, unfair bidding process based on price	Assess and compute other criteria for awards
Innovation	Innovation, antiquated methods, system needs innovation improvement, lack of innovation, complexity and not transparent, lack of system capacity and education, send bid link not bid attachment (direct link, not multiple sign-on)	Modernize system technology and tools; get rid of multiple 'sign-ons', use auto-populate feature for forms, redesign website with all tools in one place, all information in one place, etc.

**B. The situation for small businesses**

Almost 100% of Bexar County businesses are small: design the system for small business rather than large business, and alter entry criteria	
6	<p>Topic: Lack of small business considerations</p> <p>Bias vs small business</p> <p>Bias vs small business survival</p> <p>Bias vs small bus resources</p>
7	<p>Topic: Tokenism of Subs</p> <p>Tokenism</p> <p>Supply chain</p> <p>Age/size discrimination</p> <p>Relationships</p>
8	<p>Topic: Poor money/risk considerations</p> <p>Capital</p> <p>Bonding</p>
	<p>Design system and process for small business considerations</p> <p>Redesign bids and work schedule for small bus performance, allow 'new entry/new bus' incentives, alter experience criteria</p> <p>Use payroll and supply cards, pay subs directly, require timely payment accountability, make payment system transparent</p> <p>Streamline and automate procurement bid/award/performance accounting systems</p> <p>Provide tools and processes reflecting sub issues</p> <p>Create sub feedback system for reporting</p> <p>Incentivize small business engagement, allow/require sub input into bids and performance</p> <p>Simplify and standardize information and reporting flows, clarify legal statutes, regulations, policies online in one easily navigable information resource</p> <p>Incentivize sub participation and reporting, enforce system transparency and accountability</p> <p>Orient risk tools to small business and market County financial partnerships more aggressively</p> <p>Design bids for small business participation</p> <p>Adjust small business requirements for bonding/insurance; require financial partner accountability for small business</p>

contracts, insurance almost impossible, insurance indemnification requirements are almost impossible to obtain	participation; integrate financial network tools into modernized system/process
Pay time Time to pay is too long, slow payout process, county pay record is over 60 days- not business sensitive, effects of not getting paid, pre-pay cards for employees	Streamline payment process, integrate pay-card system
Barrier Need monetary reg, banks only work with large business and personal net worth, 3-5 year period too hard for small bus, too costly	Reassess financial partnerships and criteria for small business considerations

### C. Information

Increase educational, outreach, tool accessibility resources and market extensively to customers and community partners as well as vendors.

9	Topic: Information	Improve, increase, and report information flows
	Experience	Adjust experience requirements
	Learning	Simplify information resources, classes, activities and meetings; market community partner services aggressively, require transparent education services accountability and reporting from partnerships
	Award follow through	Update and report criteria and award contexts, incorporate two-way communication/feedback
10	Topic: Assistance	Simplify and train assistance and information resources
	Help	Incorporate partner/mentor expertise into system (not just a link to or a logo on a webpage); use County partnerships more aggressively for business practice (not social philosophy)
	Network	Incorporate and incentivize network/relationship building into system
	Content	Create one-stop access to all necessary information, solicitations, resource relationships, and assistance
	Communication	Make communication options clear, transparent, fast, accurate, and responsive; train staff in customer service, technology and system; use feedback reporting for communication and service performance rating, make data accessible and in usable formats
11	Topic: Certification	Simplify certification use
	Points	Investigate pros and cons of points for small business
	Worth	Assess time/money/registration and paperwork costs and

requirements and lack of value-return in terms of small business; work with agencies and state to simplify and reduce costs and requirements and to change annual renewal requirement and costs  
 Use single “umbrella” certification criteria based on any certification as qualifiable certification

Standardization  
 Focus on small not sub group, not enough cert overlap, have needs/barriers but not a minority

II. Research feedback: upgrade, standardize, and simplify participation, performance, data and services.

**D. Procurement study**

Clarify and consistently brand and market feedback and information services, improving partner participation and regional outreach.

12	Topic: County participation	Alignment Scope creep and constantly changing parameters, contract discrepancies, client requests not in contract and often changing and unreasonable; seemed to be underlying political or other motivations such as budget support, need to prove discrimination for an agenda, lack of understanding of legal data access/use Poor, missing, or undelivered information from county, spotty or no communication or miscommunication, Lack of communication, lack of support, lack of partner activities, lack of partners for outreach, lack of understanding of research standards, lack of adherence to schedule, lack of timely and usable data, lack of county staff knowledge on how to use County resources and tech.	Decide one clearly defined goal for project and stick to it; suggestion: small business participation in procurement Follow standard contract practices; clarify desired goal in writing and in one version; clarify internal motivations, political and otherwise, in writing, clarify legal parameters Supply usable information in a timely manner, promptly and clearly communicate, include all necessary county personnel throughout project, stay within contracted study parameters Require partner participation related to sponsorship, train and assign staff for future research project participation, update and standardize materials related to project, deliver all materials on front end of project
13	Topic: Study design	Survey tool Some question designs were difficult to answer, survey as link was not accessible to non-computer-using participants, subgroup label on survey led to minimized participation Time period and materials Survey period was too short, materials continued to be supplied after project stages were closed, materials often were not in usable formats, marketing and partner activity was minimal, other surveys competed for attention Trust, reporting Study feedback, potential uses, and motivation were suspect by potential	Standardize, market, and make reporting transparent Shorten and redesign survey, rename/target for entire audience, incorporate print and phone based methods Brand and keep survey open all year with Dec-Feb promotion period, market reporting and improvements, maintain and operate within schedule, log data materials and update data formats to usable state, allow sufficient time and funding for all project activities Standardize report summary format for annual and long

	and performance	participants minimizing responses, metrics for comparisons were not public or were lacking, conflicting assumptions about study based on social philosophy by some, business practices by others	term analyses; clarify business practice focus of study, brand and market consistently
	Fairness, info and process as topics	Survey was designed under labels of vendor capacity, availability, certification, barriers, subgroups, etc., but responses focused on County lack of fairness, bad processes and poor information.	Design study in terms of reassessment of County systems from small business and user perspective; monitor fairness, transparency, usability, sufficiency of systems and staff
14	Topic: survey and outreach		Make outreach and feedback system a priority
	Philosophy and action	Lack of accountability for partner participation and sponsorship, mixed message of social philosophy versus business practices muddled understanding and minimized participation	Increase and promote variety of County-partner activities based on business participation, education and networking, tie into redesigned information systems
	Procedure	County staff lacks training in research methods/practices, and legality pertaining to data, and in communication and customer service	Train County staff in research methods/practices, and legality pertaining to data, and in communication and customer service

**E. List data**

Prioritize modernization of web, records, and data; normalize and create usable directory and information resources with clear purpose.

15	Topic: Vendor, Customer, and Community Partner Lists		Clarify policy, use and marketing of list data
	Resources	Current purchased lists, variety of County lists, and lists from other sources generally have errors, missing data and unusable formats <sup>132</sup> ; lists do not reflect actual business listings; county did not prepare government to government contacts for lists, or provide policy on lists or assess legality of list source access, such as sales tax	Use County taxing authority and government powers to build and vet lists, do not depend on 3rd party provision of lists, provide policy and legal standards for list access and use, use technology to standardize formats and data access
	Records	Records are in a variety of software and systems	Standardize records, open to public view/input; build partner trust relationships with other customers; market County tool services
16	Topic: website and technology		Modernize digital tools and services
	Web	Website is complex and difficult to use, development was not supported by County staff (failure to call back or perform tasks)	Simplify web content and usability design; update browser and tools to current standards, implement development train staff and hire modern tech
	Staff	County tech is old and staff are not trained to use tech and web	
	Services	Number/type of classes and extent of services is not clear or normalized and is generally unknown by businesses and partners	Build partner trust relationships with other customers; normalize and market County services and tools

<sup>132</sup> For example, one set of data from the County was thousands of pages of DBA registration images, two other sets of data received late in the study were lists consisting of thousands of emails only.

## Conclusion

Regarding the survey comments, an important note must be made.

Normally, comment fields at the end of surveys, as this one was, are blank and participants have little to add or to say; if they do leave a note, it is briefly stated in a handful of words.

However, in this survey a great number of participants left not just brief comments, but entire sections of feedback. The research team interprets this as evidence of an engaged vendor population interested in business opportunities and a sign that the work of the survey- to reach out and connect with the survey population- succeeded.

Not only were comments made on topics, but even if the participant did not have a comment, they left a “no”, “no thank you”, or other gracious response, such as “no, thank you for considering our information”, “no, thanks for doing this”, and “no, everything was good.” This almost never occurs in “last comment” survey response opportunities; again, this is positive concerning outreach. Out of 234 comment responses, 153 were statements, and 81 were courtesy “no ...” statements.

On the part of community partners and other customers, however, results were quite different.

From the large list of community partners contacted, only 34 survey responses were recorded.

Only a few customers provided usable and extensive vendor list data: notably, electric and water utilities CPS and SAWS; and only one region exhibited an all-round positive opportunity and network environment with multiple acknowledgments of other community partners: New Braunfels.

School districts, cities, other counties often were defensive and suspicious in response to queries for vendor data and certification use; not many responded, and generally data from those sources was not in usable format.

Community partners such as chambers of commerce and service organizations barely participated in response or in outreach activities; those with membership fees were least amenable to participating. Also notable was the lack of activity and participation of study sponsors and of community leaders. Two very active exceptions were the Fair Contracting Association, and UTSA Procurement and Technical Assistance Center (PTAC), both of which went above and beyond supporting the study outreach.

This study was undertaken to help identify African American Business Enterprises (AABE) in the 8- county San Antonio-New Braunfels Metropolitan Statistical Area (MSA), funded by Bexar County and UTSA.

The study conducted a survey to understand capacity and availability issues, as well as barriers to and interest in government contracting and procurement participation.

The study was able to identify businesses interested for inclusion on a bexar.org vendor list, and was able to confirm that AABEs have an important presence across all of Bexar County, not just in incorporated areas, and operate across the entire MSA, not in concentrated residential pockets.

The research compiled issues and recommendations from a broad set of participants; one important request is for customers to reach out more to potential vendors, continuing the development of programs and outreach.

Other minority groups, such as Native Americans, also requested study.

Bexar County continues to pursue procurement structure and process improvements, but more can be done; a large proportion of AABE are in unincorporated areas served primarily by the County.

Considering the large amounts of government spending undertaken by various customers, such as Bexar County, the potential use of procurement toward economic development is great. Hopefully the information gained by this study will strengthen those efforts to that end, as well as efforts of customers, community partners and procurement-interested vendors across the MSA.

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