

SMALL BUSINESS PROGRAM REPORT

FISCAL YEAR ENDING AUGUST 31, 2023

Introduction

The purpose of this report is to provide data analysis regarding the current procurement practices in relation to small businesses within Harris County and other areas. Suppliers are classified as Historically Underutilized Businesses (HUBs), Minority-Owned Businesses (MBEs), Small Business Enterprise (SBEs), and/or Women-Owned Businesses (WBEs). For the purposes of this report, the Procurement Services Division analyzed data for seventy-three (73) HUBs, MBEs, SBEs, and WBEs.

Overview

The Superintendent's purposeful intent is to support small business activity to maximize the fiscal resources in Harris County. The Procurement Services Division's primary goal is to procure goods and services in accordance with federal, state, and local guidelines, to promote ethical competition in its practice, and achieve the best value for the department.

Scope

The Procurement Services Division analyzed all disbursements processed by the HCDE Business Services Division via check or ACH for the FY2023 period beginning September 1, 2022, through August 31, 2023.

Methodology

The methodology included the following steps:

- 1** The Procurement Services Division exported all disbursements from PowerSchool eFinance (HCDE's ERP system) to identify data within the total scope of the report.
- 2** The initial analysis included coding each disbursement by type to eliminate expenditures to governmental entities, employee reimbursements (i.e., travel, mileage, etc.), and payments made to utility companies, and publicly traded businesses.
- 3** The second analysis included the identification of each small business to determine whether the supplier was classified as a HUB, MBE, SBE, or WBE.

The Report Results

Based on the data, the following assumptions can be made for FY2023:

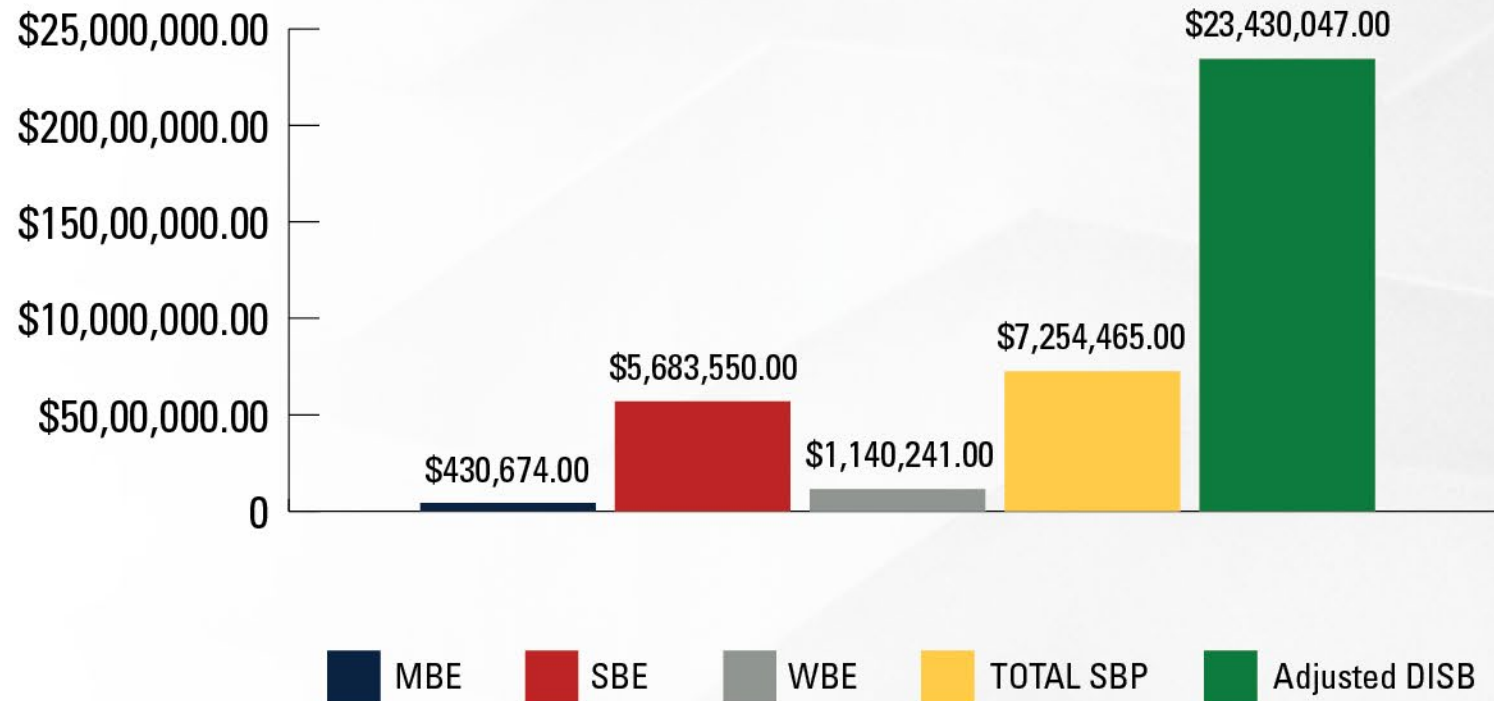
- 1** The total disbursements (including government, construction, etc.) were \$48 million for FY2023.
- 2** The total adjusted disbursements (excluding government, construction, etc.) were \$23.4 million.
- 3** Small businesses for FY2023 totaled \$7.3 million or **31%** of adjusted disbursements (73 vendors).
- 4** MBEs totaled \$430,674 or **2%** of adjusted disbursements (12 vendors).
- 5** SBEs totaled \$5,683,550 or **24%** of adjusted disbursements (48 vendors).
- 6** WBEs totaled \$1,140,241 or **5%** of adjusted disbursements (13 vendors).

Ongoing Efforts

The Procurement Services Division continues to promote small businesses participation by:

- 1** Reaching out to small businesses through vendor fairs and trainings
 - a. Quarterly Vendor Outreach meetings
 - b. Annual Supplier Showcase (iPASS)
- 2** Developing MOUs with Chambers of Commerce
- 3** Promoting small business participation through presentations at local, state, and national conferences, and Chambers of Commerce at large.

Summary of MBEs, SBEs and WBEs for FY2023



Classification	Disbursement
MBE	\$430,674
SBE	\$5,683,550
WBE	\$1,140,241
TOTAL SBPs	\$7,254,465

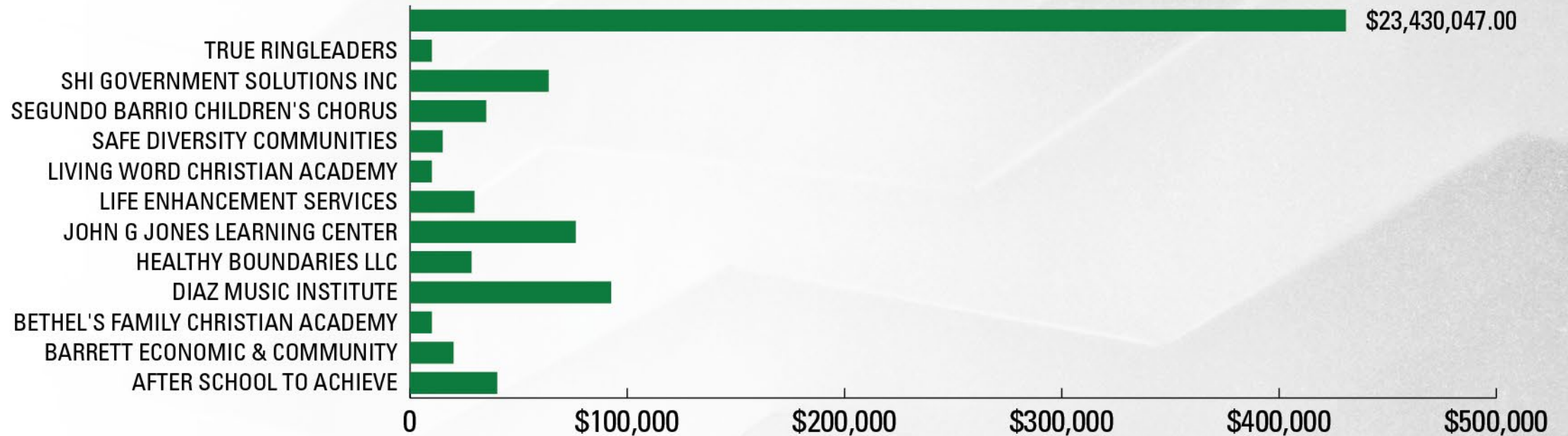
Summary of MBEs for FY2023

MBE businesses are at least 51 percent owned and controlled by one or more U.S. citizens belonging to certain ethnic minority groups. In the case of any publicly owned business, at least 51 percent of the stock is owned by one or more minorities, and one or more minorities must control the management and daily business operations.

Ethnic Minority Groups are people of Asian Pacific American, Asian Subcontinent America, African American, Hispanic American, and Native American descent.

There were 12 vendors classified as MBEs with a total disbursement of **\$430,673** in FY2023.

Summary of MBEs for FY2023



MBE businesses are at least 51 percent owned and controlled by one or more U.S. citizens belonging to certain ethnic minority groups. In the case of any publicly owned business, at least 51 percent of the stock is owned by one or more minorities, and one or more minorities must control the management and daily business operations. Ethnic Minority Groups are people of Asian Pacific American, Asian Subcontinent America, African American, Hispanic American, and Native American descent.

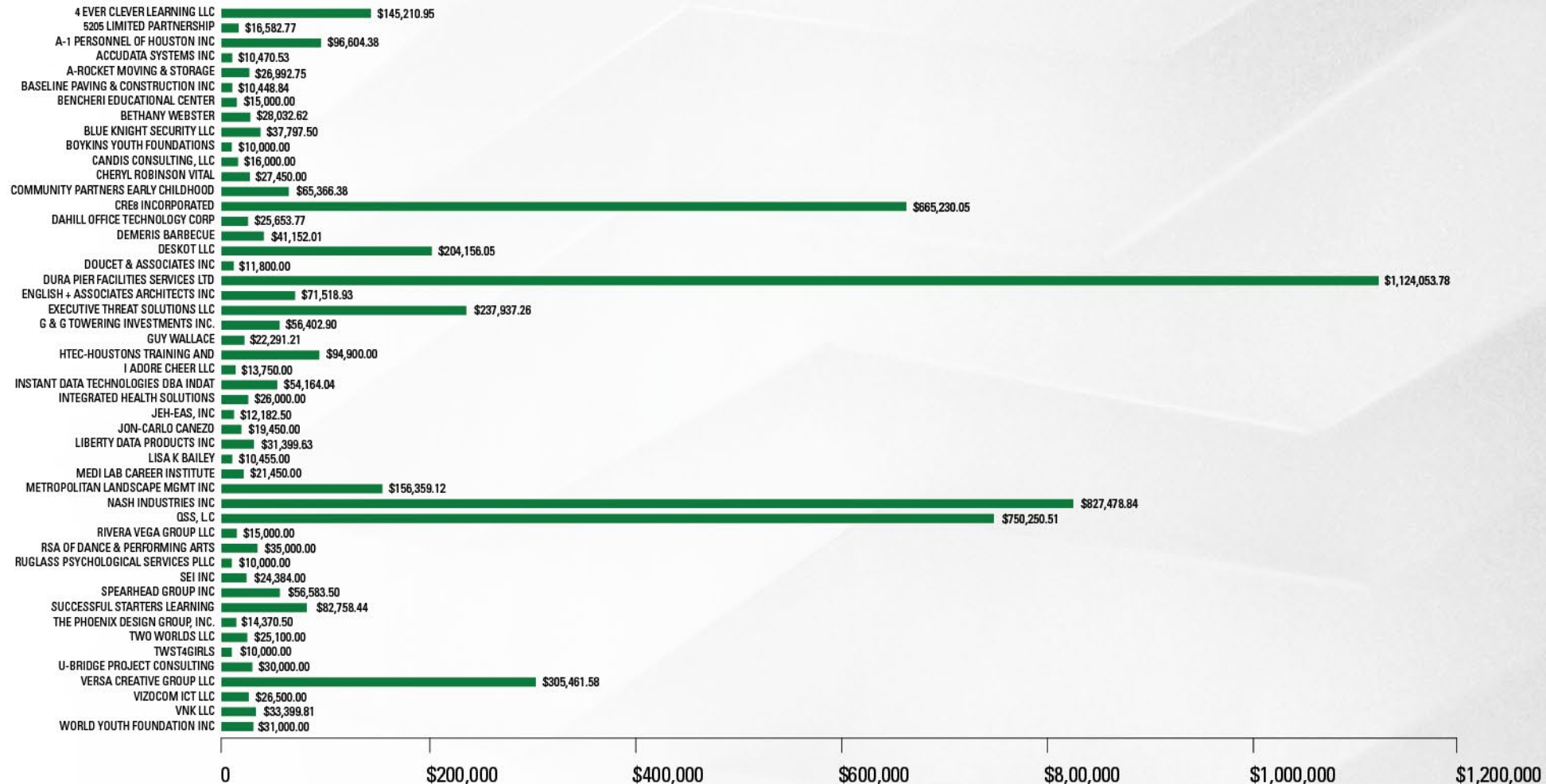
There were 12 vendors classified as MBEs with a total disbursement of **\$430,673** in FY2023.

Summary of SBEs for FY2023

SBEs are businesses that do not exceed the size standard for the product or service it is providing as measured by its employment and/or business receipts in accordance with the U.S. SBA numerical size standards. These standards are defined and noted in FAR 52.219-8, 13 CFR Part 121 and 13 CFR 121.410.

There were 48 vendors classified as SBEs with a total disbursement of **\$5,683,550** in FY2023.

Summary of SBEs for FY2023

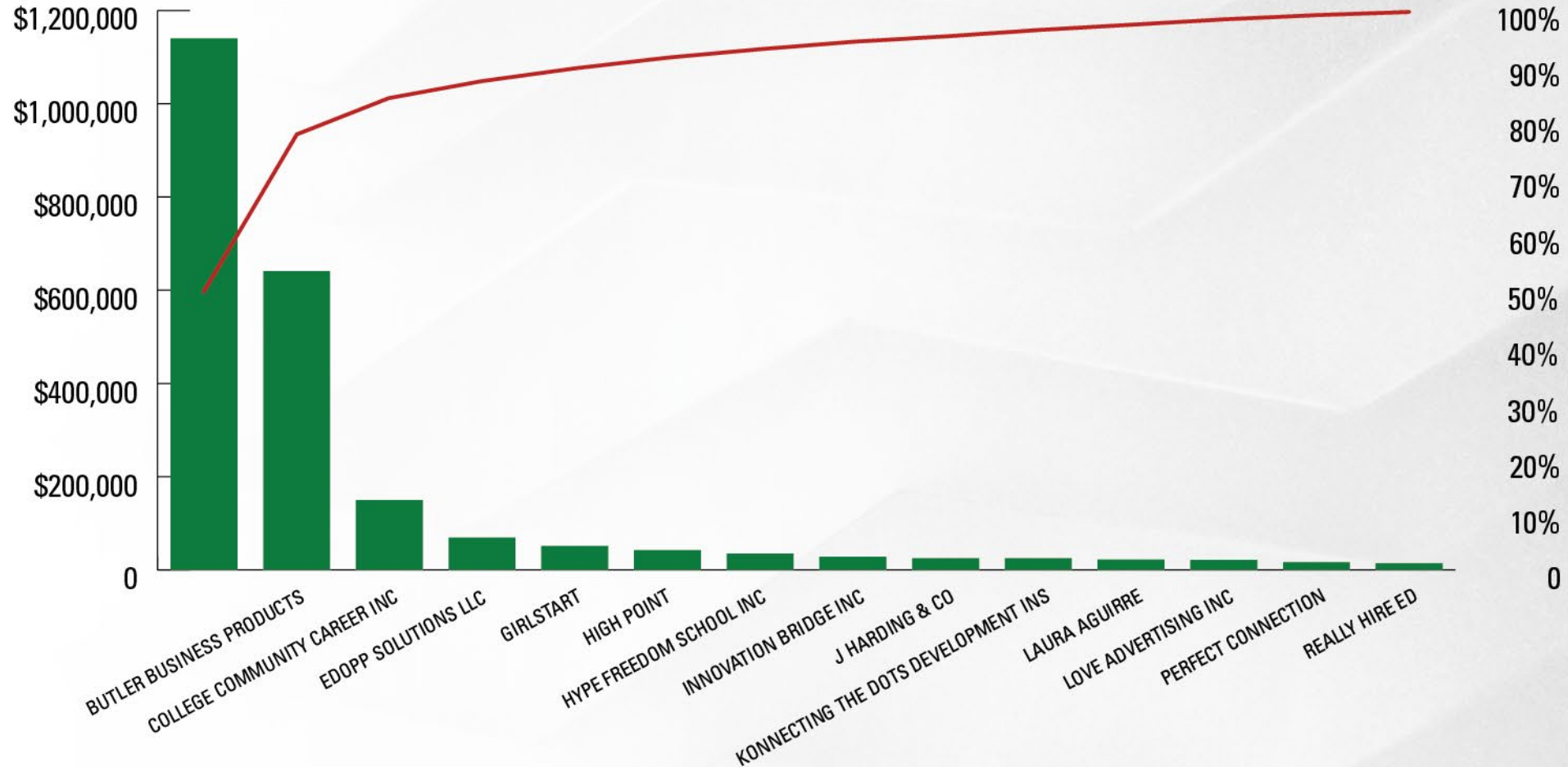


Summary of WBEs for FY2023

WBE businesses are at least 51 percent owned and controlled by one or more U.S. citizens who are female gender. In the case of any publicly owned business, at least 51 percent of the stock is owned by one or more women and one or more women must control the management and daily business operations. For Federal contracting regulations see FAR 52-219-8.

There were 13 vendors classified as WBEs with a total disbursement of **\$1,140,241** in FY2023.

Summary of WBEs for FY2023



Small Business Program for Construction

Target 15%

AB East

- Contract Amt \$12,348,500
- SBP Amt \$1,879,557
- Percent Achieved 15.2%

Adult Ed Center

- Contract Amt \$14,123,065
- SBP Amt \$6,051,690
- Percent Achieved 42.85%

Hp East

- Contract Amt \$7,705,147
- SBP Amt \$4,029,198
- Percent Achieved 52.29%



It is the policy of Harris County Department of Education not to discriminate on the basis of race, color, national origin, gender, limited English proficiency, or handicapping condition(s) in its programs.

The Harris County Department of Education (HCDE) is dedicated to providing high-quality, cost-effective educational services to school districts, educators, government and non-profit organizations in Harris County.

Through schools for students with profound special needs, Head Start early childhood education, school-based therapy services and afterschool programs, HCDE supports all area school districts in meeting the needs of uniquely challenged learners while saving them millions of dollars each year through shared services. The Department is an innovative leader of literacy and workforce development programming for adult learners across the county. HCDE also provides various other educational support services including professional development for educators, school safety programs, educator certification, records management, and a national purchasing cooperative.

HCDE impacts an average of 150,000 students and educators each year. Using fees for service, grants, and the purchasing cooperative, HCDE turns one dollar of property taxes into five dollars of services.

HCDE is separate and distinct from other agencies of Harris County. The Department's primary service area covers 1,788 square miles but also provides support to school districts, education service centers and other governmental agencies across Texas and the nation.

6300 Irvington Blvd.
Houston, TX 77022
713-694-6300
www.hcde-texas.org