

***ILLINOIS
DEPARTMENT OF
TRANSPORTATION***

DBE DISPARITY STUDY

February 24, 2012

The slide features a teal background with a collage of images at the top: a woman's face on the left, a man's face in the center, and a woman's face on the right. A city skyline is visible behind the man's face. The text 'MASON TILLMAN' is written in a large, white, outlined font across the top. In the top right corner, there is a logo consisting of a large 'M' above a vertical bar, which is above a horizontal bar containing the letters 'T' and 'A'.

MASON TILLMAN ASSOCIATES

Established in 1978

**Public Policy Research and Marketing
Professionals**

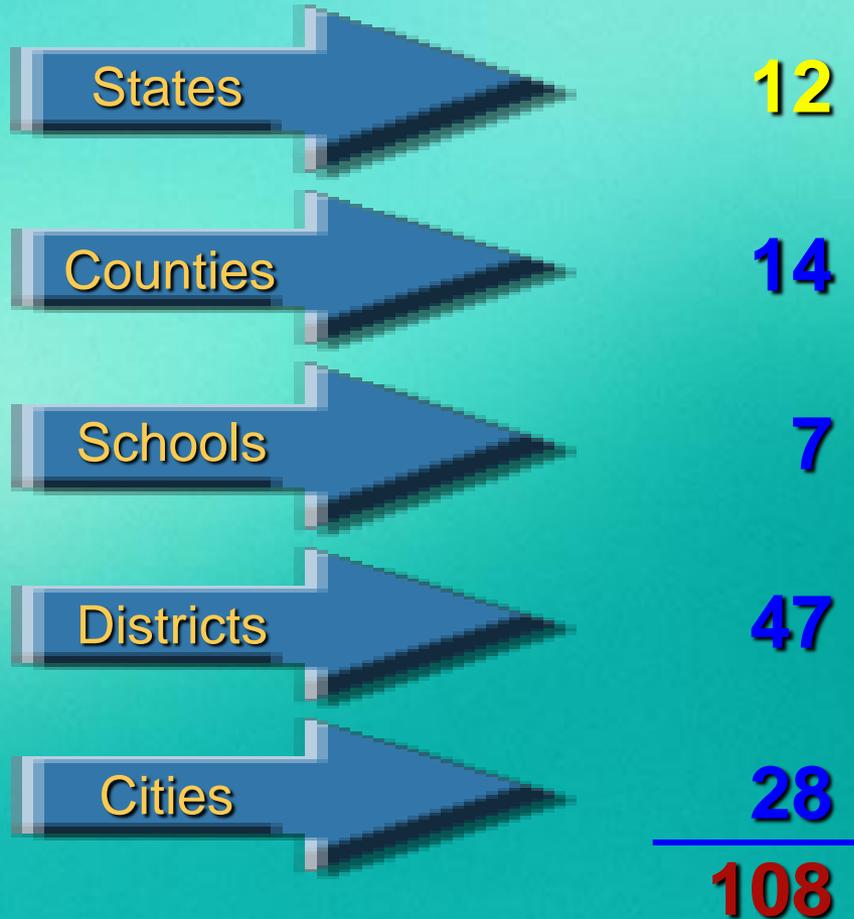
Award Winning Company

Service Divisions

- **Business Affirmative Action**
- **Corporate Communications**

DISPARITY STUDIES

One Hundred Eight On Time & Unchallenged





TRANSPORTATION CLIENTS

Alabama State Highway Department	Nashville International Airport, TN
Alameda-Contra Costa Transit, CA	New Jersey Transportation Authority
Bay Area Rapid Transit District, CA	New Orleans Regional Transit Authority, LA
Birmingham Area Metro Express, AL	New York Metropolitan Transit Authority
California Department of Transportation	Oakland International Airport, CA
Central Contra Costa Transit, CA	Regional Transit Authority - Seattle, WA
Dallas Area Rapid Transit, TX	Sacramento Regional Transit District, CA
Hillsborough County Aviation Authority, FL	San Francisco International Airport, CA
Illinois Department of Transportation	San Francisco Municipal Railway, CA
Indiana Department of Transportation	Seattle/Tacoma Airport, WA
Kansas City Area Transportation Authority, MO	Tennessee Department of Transportation
Los Angeles Airports Commission, CA	Texas Department of Transportation
Louisville Transit Authority, KY	Washington Department of Transportation
Metropolitan Transit Agency-Nashville, TN	Washington Metropolitan Area Transit Authority
Minneapolis/St.Paul International Airport, MN	Wayne County Airport Authority
Missouri Department of Transportation	United States Department of Transportation

108 Disparity Studies

CROSON STANDARD

State/Local

***Richmond v.
Croson***

Federal

***Adarand v.
Pena***

- **Compelling Purpose**
 - **Evidence of Systemic Racial Discrimination**
- **Narrowly Tailored**
 - **Remedy Documented Discrimination**
- **Update Periodically**
 - **Assess Effectiveness of Remedy**



ROWE v. NCDOT

- **Rowe Challenged State M/WBE Program, Not Federal DBE Program**
 - **NCDOT M/WBE Program Unconstitutional**
 - **M/WBE Program Not Narrowly Tailored**
- **Court Ruling**
 - **NCDOT State Program Unconstitutional as Applied to Asian Americans, Hispanic Americans and WBEs**
- **Application of Ruling**
 - **Applies to State M/WBE Program**
 - **Limited to Fourth Circuit, Does Not Apply to Federal DBE Programs**

NORTHERN CONTRACTING v. IDOT

- ***Northern Contracting Challenge***
 - ***IDOT Federal DBE Program Unconstitutional***
 - ***DBE Program Did Not Meet Strict Scrutiny Standard***
- ***Court Ruling***
 - ***IDOT Program Upheld as Constitutional***
- ***Application of Ruling***
 - ***Applies to IDOT DBE Program***
 - ***Program Constitutional and Requires DBE Combination of Women and Minorities***

WESTERN STATES v. WSDOT

- ***Western States Challenge***
 - **WSDOT DBE Program Unconstitutional**
 - **DBE Program Not Narrowly Tailored**
- ***Court Ruling***
 - **WSDOT Program Unconstitutional as Applied**
 - **Narrowly Tailored Standard Not Met**
 - **Limited Race-Conscious Remedies to Groups with Disparity**
- ***Application of Ruling***
 - **Applies to DBE Programs in the Ninth Circuit**
 - **Limited to Federally Funded Programs in Ninth Circuit**

DEFINITIONS OF INDUSTRIES STUDIED

- **Architecture**

- *Any professional service defined in Section 5 of the 1989 Illinois Architecture Practice Act*

- **Construction Services**

- *Building, altering, repairing, improving, and demolishing of any public structure or building, or other improvements to public real property. It does not include the routine operation or maintenance of existing structures, buildings, or real property*

- **Construction Related Professional Services**

- *Construction design, layout, inspection, support, feasibility, location study, research, development, planning, or other investigative study undertaken by a construction agency concerning construction or potential construction*

- **Engineering Services**

- *Any professional service defined in Section 4 of the Professional Engineering Practice Act of 1989 or Section 5 of the 1989 Structural Engineering Practice Act*



Illinois Business Profile

LOCAL BUSINESS PROFILE BY EMPLOYEES

Businesses	State of Illinois	United States
Fewer Than 5 Employees	55%	55%
Fewer Than 20 Employees	86%	86%
Fewer Than 100 Employees	97%	98%
More Than 500 Employees	0.02%	0.02%

2005 County Business Patterns

Minority-owned Businesses	16%	28%
Woman-owned Businesses	29%	17%

2002 Survey of Business Owners, Including Firms With No Paid Employees



Prime Contract Disparity Analysis

PRIME CONTRACT DISPARITY ANALYSIS

Under \$500,000

Ethnic/Gender Groups	Construction		Architecture and Engineering	
	Availability Percentage	Utilization Percentage	Availability Percentage	Utilization Percentage
African Americans	6.37%	0.64%	5.29%	2.28%
Asian Americans	1.90%	0.64%	7.83%	6.71%
Hispanic Americans	6.11%	0.90%	3.97%	2.40%
Native Americans	0.33%	0.07%	0.00%	0.00%
Caucasian Females	10.85%	6.00%	12.61%	9.56%
Non-Minority Males	74.45%	91.75%	70.30%	79.05%
DBEs	25.55%	8.25%	29.70%	20.95%
Non-DBEs	74.45%	91.75%	70.30%	79.05%

Red = Statistical Disparity



Subcontract Disparity Analysis

SUBCONTRACT DISPARITY ANALYSIS

January 2, 2006 – December 31, 2008

Ethnic/Gender Groups	Construction		Architecture and Engineering	
	Availability Percentage	Utilization Percentage	Availability Percentage	Utilization Percentage
African Americans	8.47%	1.88%	5.41%	3.66%
Asian Americans	1.12%	0.58%	9.32%	2.84%
Hispanic Americans	5.61%	2.62%	4.31%	0.56%
Native Americans	0.23%	0.01%	0.00%	0.00%
Caucasian Females	13.80%	5.56%	13.03%	7.90%
Non-Minority Males	70.76%	89.35%	67.94%	85.03%
DBEs	29.24%	10.65%	32.06%	14.97%
Non-DBEs	70.76%	89.35%	67.94%	85.03%

Red = Statistical Disparity



DBE Program Recommendations



DBE PROGRAM ENHANCEMENTS

- **Expand Unbundling Policy**
- **Use Direct Purchase Program for Construction**
- **Form Partnerships with Lending Institutions**
- **Verify DBE Subcontractor Payments**
- **Publish DBE Utilization Reports Quarterly**
- **Develop DBE Training Manual**
- **Develop Desk/Field Certification Audit Standards**



Next Steps



Who We Are
Services & Capabilities
Achievements

Work & Performance
Events & Milestones

THANK YOU!

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