

BPDA Equitable Procurement Plan

May 2021

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| Recommendation | Adopt the following Equitable Procurement Plan ("EPP") to guide the Boston Planning & Development Agency ("BPDA") in updating its approach to inclusive procurement. |
| Desired Outcome | Historically underrepresented businesses, such as woman- and minority-owned businesses ("MWBEs") are equitably represented in BPDA's annual contract spend, as defined by the 2014-2019 BBC Disparity Study. |
| Proposed Timeline | Foundational work will begin immediately and continue through the end of Fiscal Year 2022 (FY22). Monitoring and updating will continue past FY22 until otherwise noted. |
| Most Impacted Departments | <ol style="list-style-type: none">1. Finance2. Office of Diversity, Equity, and Inclusion ("ODEI")3. Information Technology4. Legal |
| Guiding Documents | <ol style="list-style-type: none">1. BPDA 2015-2019 Disparity Study (BBC Research and Consulting)2. 2019 Mayor's Executive Order in Support of Equitable Procurement Procedures3. 2021 Mayor's Executive Order Establishing Equitable Procurement Goals |

The BPDA's mission is to plan and guide inclusive growth in our City. To do this effectively, the BPDA needs to ensure it embeds diversity and inclusivity in all activities, including contracting. BPDA staff have collaborated over the past several years to explore process improvements to enhance the procurement process. To maximize its effort in that space, the BPDA needed additional information.

In 2018, the City of Boston (hereinafter, the "City") launched a comprehensive disparity study to: (i) assess if there are structural gaps in government contracting; (ii) compile the necessary data, and (iii) obtain community feedback. The City commissioned Browne, Bortz & Coddington, Inc. d/b/a BBC Research & Consulting ("BBC") to conduct a disparity study. The disparity study aimed to determine whether barriers exist for local and small businesses, including women-owned businesses ("WBE") and minority-owned businesses ("MBE"), in City contracting. The BPDA, the Boston Water & Sewer Commission, and the Boston Housing Authority were included in this effort to build towards a City-wide effort toward equitable procurement. Each organization has unique characteristics and received its own set of recommendations. The BPDA's results indicated that there are disparities in multiple categories across Boston Redevelopment Authority ("BRA") and the Economic Development Industrial Corporation of Boston ("EDIC") spending.

Disparity Studies are essential to implementing measures to address racial disparities in government contracting. Once this data is collected, entities must continue improving their race-neutral measures, collecting more data, and maximizing efforts before embarking on race-conscious measures. Even though the BPDA aligns its plan of action with the City in this space, there are certain activities that the BPDA must engage in to focus directly on BRA and EDIC contracting opportunities. This plan will advance the BPDA's efforts.

The proposed Equitable Procurement Plan is composed of five initiatives:

1. **Procurement Process and Design:** Update procurement processes to expand the current pool of vendors that participate in contracting opportunities, including MWBEs.
2. **Community Outreach:** Meaningfully broaden community outreach efforts, better communicating upcoming procurements, and offering technical assistance.
3. **Data Collection:** Improve current procurement systems to capture better and analyze data and invest in technological advancements in support of the EPP.
4. **Reporting and Accountability:** Expand the monitoring and reporting of the BPDA contract portfolio. Establish an internal working group to sustain the work, directly charge the Chief Procurement Officer ("CPO") with reporting responsibilities and endow the CPO with authority to require EPP considerations at all purchasing levels.
5. **Resource Allocation:** Increase training and staffing to better equip the BPDA to act on the initiatives mentioned above successfully and to invest in technological advancements in support of Equitable Procurement.

Future Additional Considerations

There are a variety of measures that were considered but not included in preliminary recommendations. They are either outside of the legal framework or deemed infeasible to implement at this time. These recommendations could be implemented in the future if conditions change. The BPDA will also consider available information for Land Disposition projects in the future.

Procurement Process and Design

| Action | Action Description | Guiding Document |
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| Small purchase solicitation mandate | Require staff to seek three (3) or more written or digital quotes for purchases ranging \$5,000-\$10,000 and require that one of those businesses be a small business or economically disadvantaged business. | BBC Disparity Study |
| Minimum quote mandate for solicitations for quotes | Require staff seek five (5) or more written quotes for purchases ranging \$10,000-\$25,000, and seek seven (7) or more written quotes for purchases between \$25,000- \$50,000. The CPO may require that some of those businesses be small businesses. | BBC Disparity Study |

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| Advertising requirements | The BPDA CPO may require staff to issue advertisements for 30B procurements that are \$25,000-\$50,000 (in addition to minimum solicitation requirements). | BBC Disparity Study |
| Small business set asides | The CPO will consider availability data and select eligible opportunities to be aside for small prime contracts for small business bidding. | BBC Disparity Study |
| Increase visibility into subcontractors | Develop a method for BPDA to capture and collect information about subcontractors on construction procurement. | Staff Recommendation |
| Unbundling of large contracts | Implement more robust sourcing strategy starting at budget request to assess needs and determine reasonable opportunities to unbundle procurement to attract such opportunities to small business as directed by Procurement and ODEI. | BBC Disparity Study |
| ODEI embedded in the budgeting process | As of the FY22 Budget Process, the Director of ODEI has joined every department budget meeting. Budget and ODEI staff are preparing additional equity tools for FY23 development. | 2019 Executive Order |

Community Outreach

| Action | Action Description | Guiding Document |
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| Expand community outreach process | Staff in the Office of Diversity, Equity and Inclusion and Finance departments take the lead to coordinate outreach on a project-by-project basis. Roles and responsibilities will include preserving the close partnership with the City of Boston and other public entities in the region. | BBC Disparity Study |
| Establish capacity building and technical assistance programs | The BPDA is currently leveraging a grant to hire professional services to customize and assist in implementing a technical assistance program to facilitate preparing small and underrepresented businesses to navigate the procurement process. | BBC Disparity Study – Living Cities Accelerator |

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| Publish a buying plan | To address the barrier of time, staff recommend adopting a best practice of publishing a list of upcoming opportunities publicly for vendors to have more preparation time. | Staff Recommendation |
| Website improvements | Explore user interface improvements, better coordinate with the City online functions, and various other efforts to build towards online bidding. | Staff Recommendation |

Data Collection

| Action | Action Description | Guiding Document |
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| Improvements to the BPDA requisition system | Modify information fields; add questions and tiers; and look at routing processes to address BBC recommendations around data collection. | BBC Disparity Study, Staff Recommendation |
| Evolution of the BPDA contract and vendor management system | The Finance department plans to update its financial systems. Requirements will include functionality known to support this work. | BBC Disparity Study, Staff Recommendation |
| Better connection with current certification lists (list management across organizations) | BPDA staff will establish a centralized certified business list along with data management protocols to ensure leveraging the most up to date data. | BBC Disparity Study, 2019 Executive Order |
| List of non-certified businesses | By tracking entities that may be seeking certification, the BPDA may provide additional technical assistance opportunities. | Staff Recommendation |

Reporting and Accountability

| Action | Action Description | Guiding Document |
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| The CPO will convene and formalize the Equitable Procurement Working Group | There is a current iteration of this group. The intent is to preserve this group within the BPDA to foster progress through reporting and accountability. | 2019 Executive Order |
| Require that there be EPP reporting provided to the Board every quarter | Along with the Director of Finance's existing requirements to provide financial updates to the Board, reports on progress and data concerning activities within this plan will be required. | Staff Recommendations, Executive Orders |

Resource Allocation

| Action | Action Description | Guiding Document |
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| Perform Agency-wide procurement training | Upon adopting the plan, Finance staff will conduct uniform procurement training and training on the EPP. Once all existing staff are trained, staff will archive and develop additional material for internal staff to sustain the EPP. | 2019 Executive Order |
| Staffing within Office of Diversity Equity and Inclusion | Additional staff for ODEI will be included in the FY22 budget recommendation, along with other departmental roles and responsibilities to support EPP. | 2019 Executive Order |
| Hire a vendor management staff member | FY22 will include a request for a Vendor and Supplier Diversity Specialist to advance the EPP. | 2021 Executive Order |
| Hire additional contract management personnel | FY22 will include a request for a Vendor and Supplier Diversity Specialist to advance the EPP. | Staff Recommendation |