

## Examples of Disparity Study Scope Considerations

What components to include in the study?

Plan Components	Necessary for federal DBE program requirements?	Options for this study?	How for public works?	How for goods and services?	Important to courts?	Notes / Questions
<b>Typical Federal Disadvantaged Business Enterprise (DBE) Program Disparity Study</b>						
1	<b>A legal review</b> discussing relevant case law and legal standards					
2	An empirical <b>assessment of the appropriate geographic market</b> relevant to an agency's contracting activity					
3	An empirical <b>assessment of the appropriate product markets</b> relevant to an agency's contracting activity					
4	<b>DBE Availability.</b> An estimate of the fraction of the businesses within the geographic and product markets that are owned by DBEs					
5	<b>DBE Utilization.</b> An estimate of the percentage of all prime contract and subcontract dollars earned by DBEs					
6	<b>Public Sector Disparity Ratios.</b> statistical comparison of public sector utilization to availability					
7	<b>Private Sector Disparity Ratios.</b> Econometric analyses of DBEs' success, relative to non-DBEs' in the market area, holding nondiscriminatory factors constant in the market area					
8	Econometric <b>analysis of DBEs' access to capital and credit</b> , relative to non-DBEs, holding balance sheet and creditworthiness information constant					
9	<b>Anecdotal Evidence.</b> Qualitative evidence from DBEs and non-DBEs concerning experiences in the					

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relevant marketplace, including experiences of institutionalized discrimination and/or individual disparate treatment, gathered through surveys, personal interviews or public meetings						
10 <b>Effectiveness of race neutral measures.</b> Qualitative and/or quantitative analysis of the effectiveness of race-neutral measures to address low DBE participation in public contracting						
11 <b>Recommendations for improving the DBE program.</b> Review of existing policies and procedures related to DBE participation, with recommendations for improving program effectiveness and legal compliance						
12 <b>Recommendations for DBE program goal setting</b>						
13 <b>Assessment of the portion of the DBE program goals to be met through race and gender-neutral measures</b>						
<b>Other components</b>						
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### Scope Filter Questions

- What questions do we want to answer?
- Do we have the data to answer those questions?
  - Enough data to learn
  - Enough data to act where there are significant operational, legal and financial risks?
  - Enough data for certain actions to withstand legal challenge?
- What can we afford?

### Many more choices and complexity than the typical disparity study

Typical Transportation Construction Program study	This study
One agency	Many agencies
A project and contract focus	Agency contracts, statewide master contracts for goods and services, non-contract purchases A mix of project and non-project procurements
Physical work tends to mean local presence of market	Market boundaries less clear More challenge to identify and confirm firms available for doing business with the state
Focus tends to be on two or three major product markets (e.g. construction services and architectural and engineering services)	All product markets have the potential to be considered
One agency's set of data systems	Potential for multiple data sources/systems in multiple agencies
Industry norms around prime/subcontractor relationships and reporting	Such norms exist for public works; not for goods and services