

**Subject: DMF - Disparity Study**

**FY 2023 Proposed Budget  
Budget Work Session Follow-up**

**4/7/2022**

The following information is provided in response to a request made by Mr. Dorsey by email on 03/30/2022, regarding the following question:

*Please provide more information on this piece in the proposed budget "...use of \$500,000 in ARPA funds to conduct a disparity study to determine if there are inequities in our public procurement practices." (page 12)*

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The disparity study referenced in the proposed budget will inform the County about whether the current approach to procuring goods and services results in equitable outcomes for all classes of business, including small, women, and minority owned (SWaM) businesses. The study will provide a detailed demographic breakdown of the vendors who have both participated in the County's solicitation process, as well as those who have secured contracts. The study will also provide a detailed demographic breakdown of vendors who serve our regional marketplace as a baseline to measure our past results against. The results will be broken down and studied across different categories of goods, services, and commodities. This level of evaluation is necessary to understand specifically where we may have inequitable outcomes and where we should focus future efforts to close any gaps.

Completion of a disparity study is not only an important step in improving our understanding of where we may have unintended equity gaps, it is also legally the first step the County must take towards the development of future procurement policies aimed at actively closing these gaps. Procurement policies that establish participation goals for certain classes of businesses, or "set asides" or "bonus" points for businesses, must be grounded in a disparity study that demonstrates the traditional full and open procurement process has not produced equitable results for all classes of business.

This study was approved for funding by the County Board in the Fall of 2021 during the allocation of ARPA funds and the Manager has included these one-time funds in the base budget for FY 2023.