

**BOARD AGENDA ITEM**

January 23, 2024

***SUBJECT:***

Semi-Annual Update on Minority Business Enterprise Utilization Plan

***BACKGROUND INFORMATION:***

The School Board approved the then-proposed Minority Business Enterprise (MBE) Utilization Plan, in accordance with the South Carolina Consolidated Procurement Code, at its July 18, 2023, meeting. That plan requires a semi-annual reporting in January and July. The plan must be updated annually for any changes no later than July 30.

***ADMINISTRATIVE CONSIDERATION:***

In compliance with MBE semi-annual reporting requirements, the Administration and Procurement department provide the following:

- a. Number of minority firms solicited;  
Total = 25 for the period of July 1, 2023, through December 31, 2023
- b. Number of minority bids received;  
Total = 2 for the period of July 1, 2023, through December 31, 2023
- c. Total dollar amount of funds expended on contracts awarded to minority firms certified pursuant to Section 11-35-5230 of South Carolina Code of Laws;  
Total = \$1,199,551.94 for the period of July 1, 2023, through December 31, 2023
- d. Total dollar amount of funds expended, less exclusions.  
Total = \$23,225,708 for the period of July 1, 2023, through December 31, 2023  
[Note: School districts have the discretion to determine which expenditures to include or exclude in this analysis. After much consideration of various expenditures' attributes, exclusions were identified. The District should have the ability to amend its inclusions or exclusions as necessary as it continue to refine its MBE Utilization Plan and reporting of its results.]

The District's MBE Utilities Plan goal is to spend a minimum of 10% of controllable procurements with MBE firms. Through December 31, 2023, this percentage stands at 5.2%. This percentage will be skewed some by the large expenditures associated with ESSER dollars that will expire in September 30, 2023. Many ESSER-related expenditures are spent on State-contract items.

***RECOMMENDATION:***

Accept the MBE semi-annual reporting for information only.

***ATTACHMENT:***

1. Minority Business Report for July 1, 2023 – December 31, 2023
2. Exclusions for determining percentage of MBE expenditures

***PREPARED BY:***

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**QUARTERLY MINORITY REPORT**  
 October 1, 2023–December 31, 2023

VENDOR NUMBER	VENDOR NAME	1st QUARTER EXPENDITURES	2nd QUARTER EXPENDITURES	YEAR TO DATE EXPENDITURES	TYPE OF SUPPLIES
33802	Caraway Fire & Safety		\$3,366.92	\$3,366.92	Maintenance
36219	The Flooring Connection		\$39,875.00	\$39,875.00	Floors
16166	Hoskins Supply Co		\$789.00	\$789.00	Athletics
46220	Pinnacle Communications		\$6,134.35	\$6,134.35	Telecommunications Equipment
44929	Cardiac Life	\$1,174.85	\$38,058.94	\$39,233.79	AED Supplies
40739	CC&I Services	\$22,867.50	\$11,020.00	\$33,887.50	Facilities Ground Testing/Inspection
45503	Manage Mindfully Inc	\$55,540.40		\$55,540.40	Educational
34033	PenServ Plan Services	\$1,438.75	\$1,638.75	\$3,077.50	Professional Services
46214	Summit Solutions	\$280,517.27	\$608,706.68	\$889,223.95	Technology
33139	United Auto & Diesel	\$53,331.05	\$18,484.33	\$71,815.38	Maintenance Repairs
46234	Pro Kitchen Online	\$29,913.04	\$8,306.44	\$38,219.48	Kitchen Equipment
47413	Washington Tutoring Services	\$1,625.00	\$3,168.75	\$4,793.75	Student Services
35290	Wilson and Associates Turf	\$7,984.96	\$5,609.96	\$13,594.92	Field Maintenance
		<b>\$454,392.82</b>	<b>\$745,159.12</b>	<b>\$1,199,551.94</b>	

Section 5240 (2) of the District's Procurement Code mandates that the Procurement Department submit progress reports semi-annually that contain the following information:

- (a) number of minority firm solicited - 25
- (b) number of minority bids received - 2
- (c) total dollar amount of funds expended on contracts awarded to minority firms certified pursuant to Section 11-35-5230 of the South Carolina Code of Laws - \$745,159.12
- (d) total dollar amount of funds expended – \$23,225,708 (based on current inclusions/exclusions)

## Exclusions for determination of the MBE percentage

The following items are among the exclusions for determining the proportion of MBE expenditures to expenditures of the whole:

### **Funds**

400 – Debt Service

57x, 58x, 59x – Capital Funds (these are previously award construction contracts paid from 8%, \$90 million, and 1% sales tax funds)

600 – School Food Service (due to our move to a food service management contract)

7xx – Pupil Activity (7xx funds; these funds are school level funds and are not budgeted at the District level)

### **Functions**

258 – SROs and contracted security

### **Objects**

1xxxxx – Salaries and related items

2xxxxx – Fringe benefits and related items

311000 – Substitute teacher service

316000 – Data processing

317000 – Statistical services

318000 – Audit services

319x00 – Legal services

324000 – Property insurance

325000 – Rentals

331000 – Student transportation

332000, 380000 – Travel

339000 – Other transportation

340000 – Telephone

37x000 – Tuition due to other districts/entities

470000 – Energy

6xxxxx – Redemption of principal, interest, discounts on bonds, dues/fees

7xxxxx – Transfers, indirect costs, etc.