

The background features a light blue-grey gradient. It is decorated with several large, colorful circles and rings in teal, lime green, orange, and yellow. Some of these shapes have smaller circles inside them, creating a nested effect. Dashed lines in various colors (teal, green, yellow) arc across the page, connecting different parts of the graphic. The title is centered in a bold, dark blue-grey serif font.

Equity Procurement Analysis

By: Calvin Chen & Irene Tang

Who are we?



Calvin Chen (he/him)

Incoming Masters student at UC Berkeley studying Development Engineering.

Recently acquired a new love for comedy shows and cringe comedy.

Irene Tang (she/her)

Doctorate student at UChicago studying Computational/Cognitive Linguistics.

Has an affinity for mainstream sitcoms and long bike rides.



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1

Background

What is procurement, anyways?

A decorative graphic consisting of a large, light blue dashed circle that frames the central text. Various colored circles (blue, green, yellow, orange, red, pink) are scattered around the perimeter of the dashed circle, some solid and some hollow.

What is procurement?

Strategic handling of a business's purchasing needs

Steps include: identifying potential vendors, soliciting bids, vetting strategies, selecting vendors, negotiating contracts and payments

Procurement strategy is important—it determines whether an operation is affordable and profitable

Context of Procurement within the City of LA

Historically, we anticipate **annual expenditures** totaling around **\$5.1 billion** for the 2021-2022 fiscal year.

Following our commitment to social responsibility, we want to see how the city's contract sourcing is doing in terms of **social equitability** -- the first comprehensive analysis in over 20 years!

LABAVN

Los Angeles Business
Assistance Virtual Network

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Scope of Work

We analyze contract distributions of **disadvantaged (DBE), minority-owned (MBE), and women-owned business enterprises (WBE)** -- are there statistical discrepancies?

We also look at the **geographic distribution** of our vendors -- are we prioritizing local businesses?

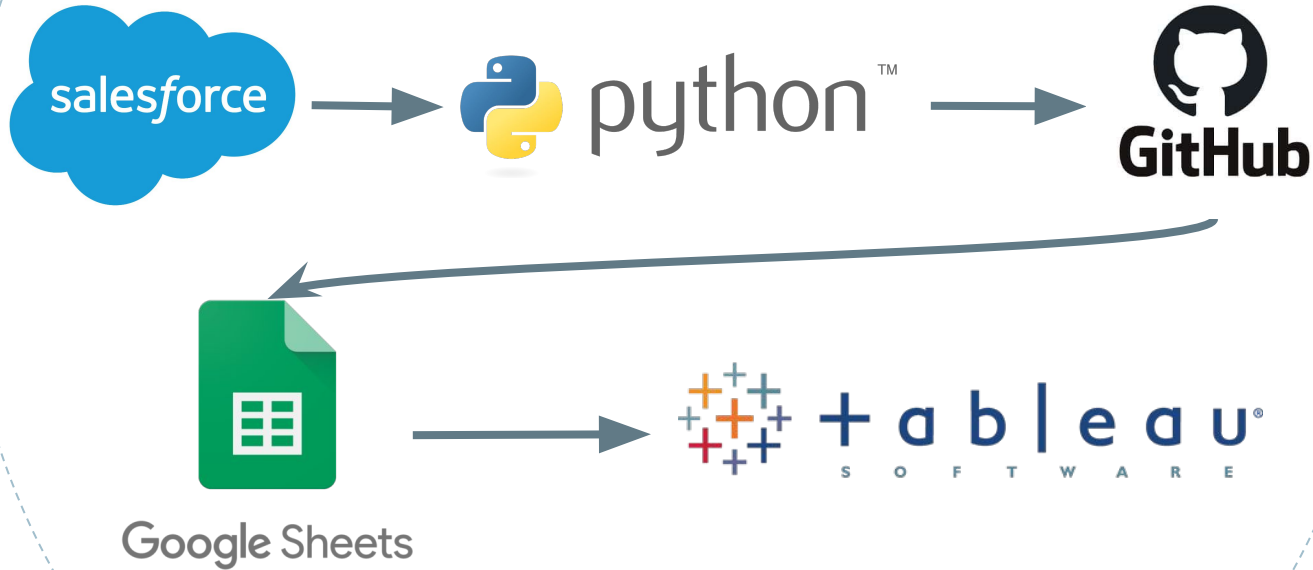
The background features a light gray dashed line forming a large circle. Various solid-colored circles in teal, lime green, orange, and pink are scattered around the perimeter. Some circles overlap, and some have dashed outlines of their own. A large teal circle with a white center is in the top left, and a large yellow circle with a white center is in the bottom right.

2

Data Process + Demo

How did we go about generating the data we need to determine the equitability of the City of LA?

Data Pipeline



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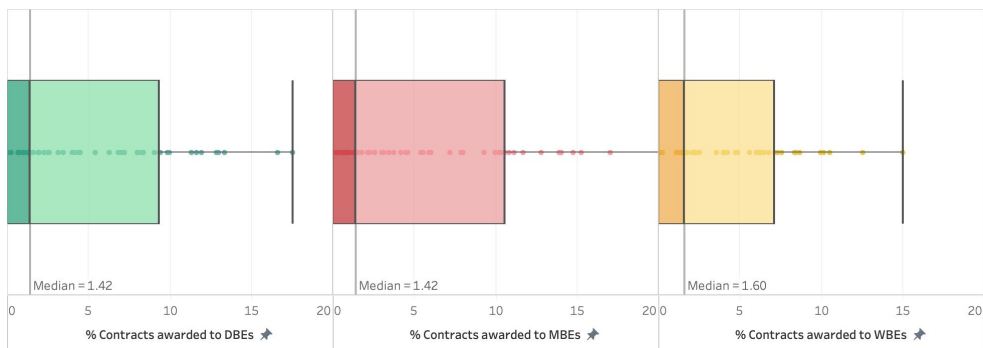
3

Findings and Recommendations

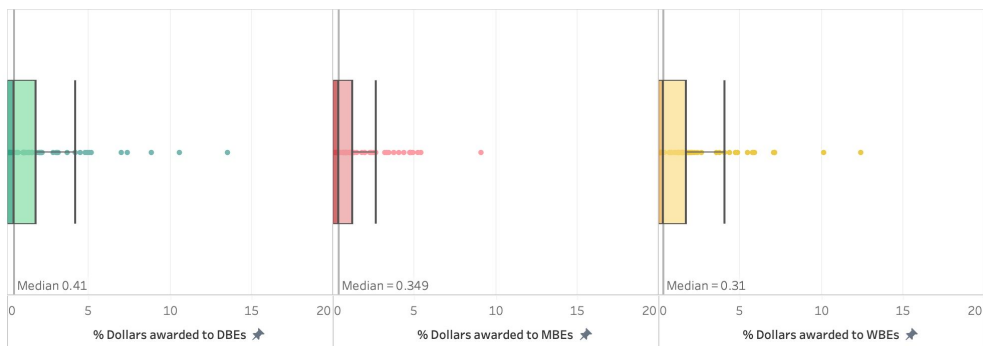
What story does LA's procurement illustrate and what action items do we recommend for the future?

Finding: DBE/MBE/WBEs win lower-value contracts

Percent of Contracts awarded to DBE/MBE/WBEs



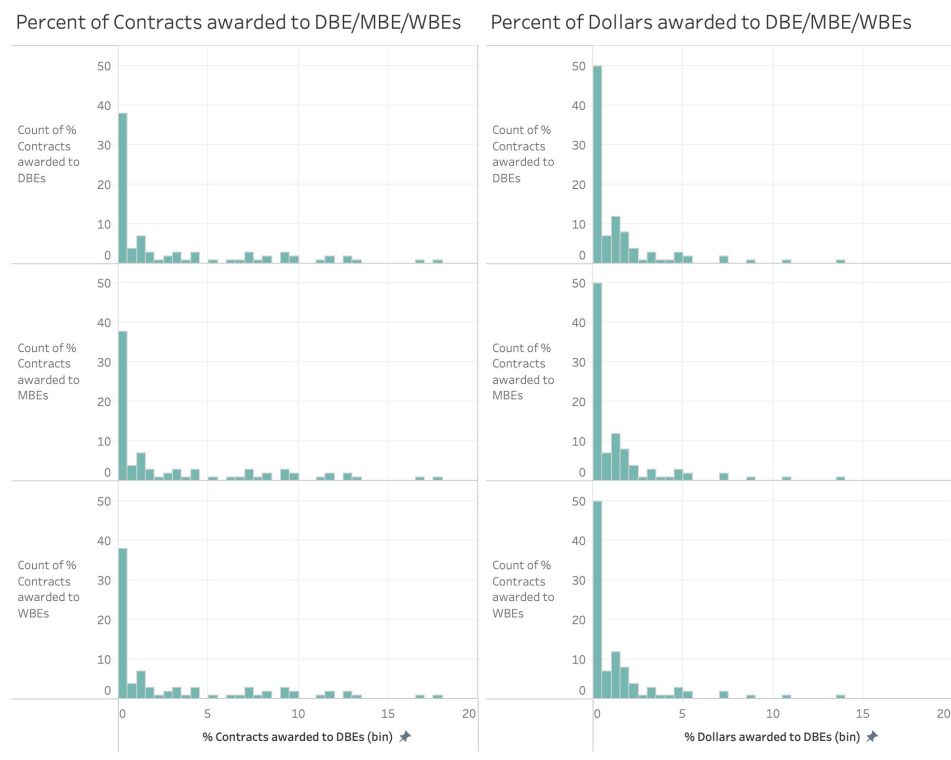
Percent of Dollars awarded to DBE/MBE/WBEs



Recommendation:

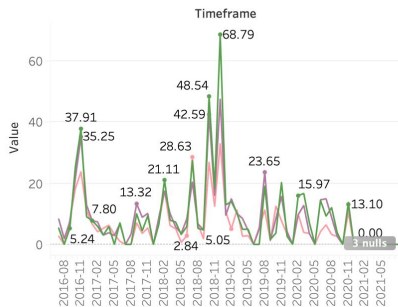
Emphasize/target DBE, MBE, WBEs with higher-value contracts (incentive?)

Finding: DBE/MBE/WBEs win lower-value contracts

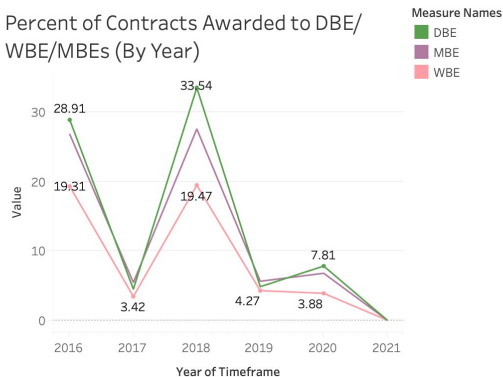


Finding: 2016 and 2018 saw spikes in DBE/WBE/MBE contracting

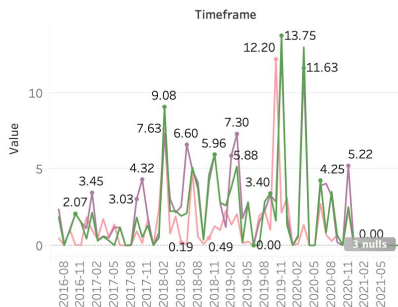
Percent of Contracts Awarded to DBE/
WBE/MBEs (By Month)



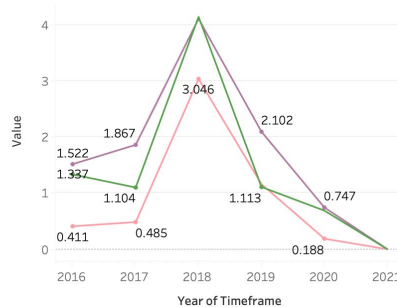
Percent of Contracts Awarded to DBE/
WBE/MBEs (By Year)



Percent of Dollars Awarded to DBE/WBE/
MBEs (By Month)



Percent of Dollars Awarded to DBE/WBE/
MBEs (By Year)



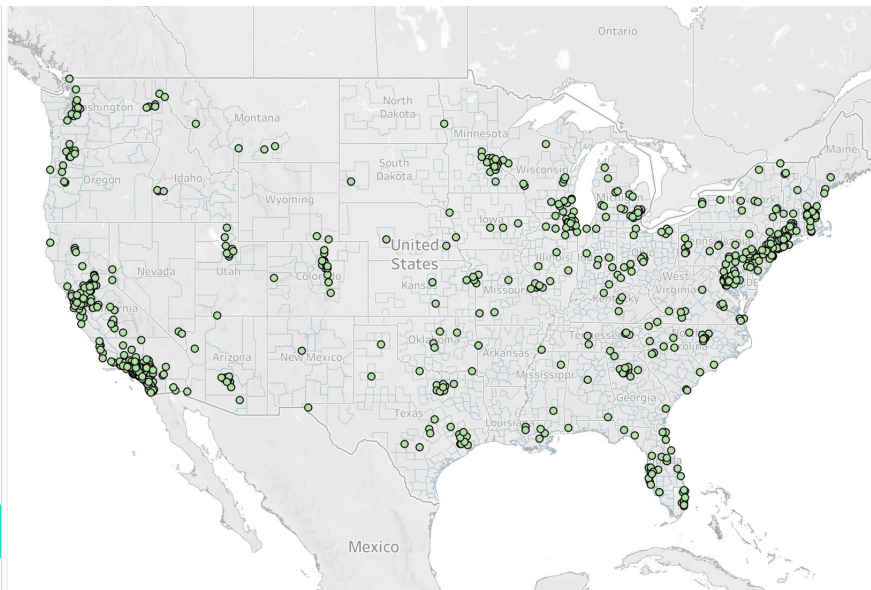
Takeaway:

This reflects current contractor cycles! (every 2-3 years is a new contracting cycle).

Interesting to note how the data is reflecting real-life trends in this case.

Finding: City is contracting a lot outside of LA City/County

Locations of LA's contractors



Number of Contracts Awarded to Each Region

Contracts with bid due date July 2016 - August 2021 in NAICS sectors with 100+ posted opportunities

LA City	1,938 (15.6%)
LA County (excluding City)	4,771 (38.5%)
CA (excluding county and city)	3,514 (28.4%)
Out-of-state	2,167 (17.5%)
Total	12,390 (100%)

Finding: City is contracting a lot outside of LA City/County

Industries with business needs that may be handled locally				Listing of Active Businesses Los Angeles - Open Data Portal
NAICS Code	Industry	Number of opportunities	Number of businesses in LA City	Number of businesses in LA County (excl. City)
811310	Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	156	129	281
423990	Other Miscellaneous Durable Goods Merchant Wholesalers	126	1,419	1,246
541990	All Other Professional, Scientific, and Technical Services	125	7,306	5,625
238990	All Other Specialty Trade Contractors	124	1,862	3,593
444190	Other Building Material Dealers	100	147	295

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4

Next Steps/Misc.

What's next for this project? What else did we not cover yet in this presentation?

Next Steps

- ⦿ Automating pipeline using Google Cloud Platform
 - Designating + onboarding someone to for maintaining scripts
- ⦿ Present insights to other LA departments to highlight recommended changes to making the procurement process more equitable

With more time, we would have...

- ⦿ Continued more in-depth analysis
- ⦿ Analyze other aspects of the procurement process
 - ⦿ Do DBEs, MBEs, and WBEs face a disadvantage when it comes to learning about these opportunities?
- ⦿ Designed public-facing tools to make it easier for anyone to understand the city's procurement data

Related Attachments

- ◎ [Google Sheet of collected data \(from pipeline\)](#)
- ◎ [Statement of Work](#)
- ◎ [Project Documentation](#)
- ◎ [Data Project/CPO Inter-Departmental Correspondence](#)



Wow, that was a **fantastic
presentation, Irene and Calvin!**

Wait... is there still **more?**

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5

Bonus!

Things we took away this summer...
because why not talk about it? It's
our presentation, after all.

What did we learn this summer?

1. Learned about the inner workings of city processes
2. Learned what independent contractors do
3. Learned what procurement is!
4. How to automate and connect different applications together
5. A lot of practice with data wrangling
6. That Mayor Garcetti casually hosts BBQs in his backyard

Thank you, to...

- ◎ **Jeremy and Nick** for constantly supporting us throughout our variety of technical difficulties with this project
- ◎ **Daniel** for popping in to some of our calls and giving some us great insights
- ◎ **Shannon** for giving us great mentorship about how to be leaders in our work
- ◎ **Preston** for your constant technical mentorship and check-ins of our well-beings and workloads this summer
- ◎ **Eva** for being the most wonderful manager and guiding us through city processes and projects this summer. We couldn't have succeeded this summer without you!
- ◎ **Andrew** for meeting with us numerous(!!) times this summer and always giving us direction and clarity throughout the entirety of this project (and showing us your most wonderful cats!) (and introducing us to Ikea as a lunch spot). You've constantly taught us the impact we can make as city employees, and we are incredibly grateful for your mentorship.

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Thank You