



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

NCGrowth Anchor Institutions

2025 UNC Public Policy Capstone

Eleanor Bender, Juliet Rosa, Chanel Best,
Nicole Hill, Cole Kosowski, Manu Srinivas

April 14th, 2025

Table of Contents

- | | | | |
|---|------------------------|----|--------------------------------------|
| 1 | Project Description | 6 | State Case Studies |
| 2 | Methodology | 7 | Disparities Across Successful States |
| 3 | Spending Chart | 8 | Summary |
| 4 | Heatmap | 9 | Limitations |
| 5 | State Success Overview | 10 | Recommendations |



Project Description

- 15 Week nationwide policy analysis of anchor institutions' implementation of state-level economic development programs for historically underutilized businesses (HUBs).
- We used our findings on best practices to offer evidence based strategy recommendations for North Carolina anchor institutions to better achieve their own HUB goals.

Methodology

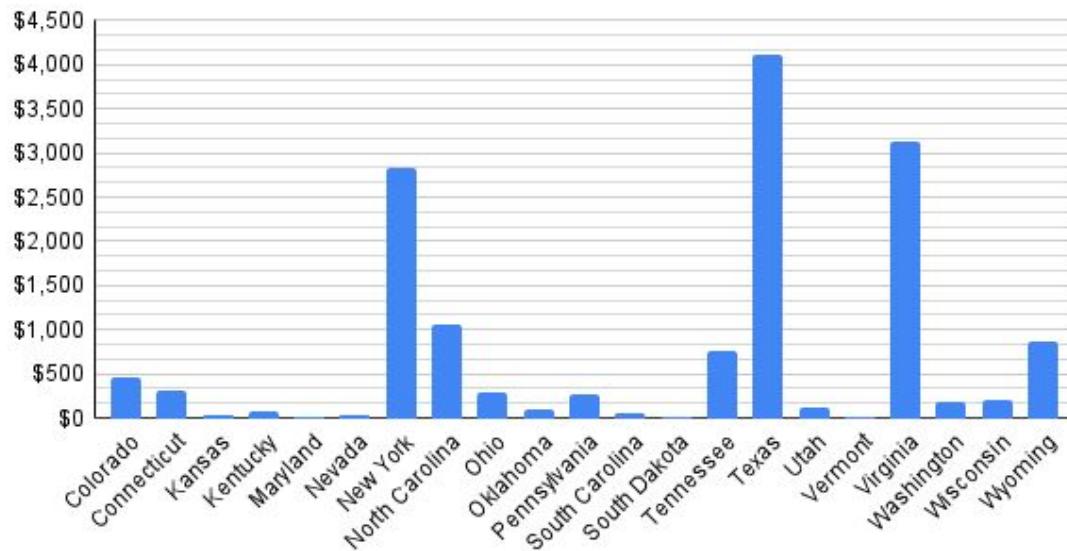
Our team employed a mixed methods research approach where we:

- Collected and organized state-level spending data from Disadvantaged Business Enterprise (DBE) programs.
- Calculated program success rates by comparing actual utilization to target goals ($\text{utilization} \div \text{target}$).
- Developed interactive data visualizations to enable easier cross-state comparison of spending performance.
- Identified and analyzed the top five states by utilization rate to examine successful strategies and key spending patterns.
- Conducted in-depth interviews with procurement officers from successful states to gain further insight on best practices.

Numeric Hub Spending By State

(States Where Information Was Available)

HUB Spending by State (millions \$USD)



Some States of Interest

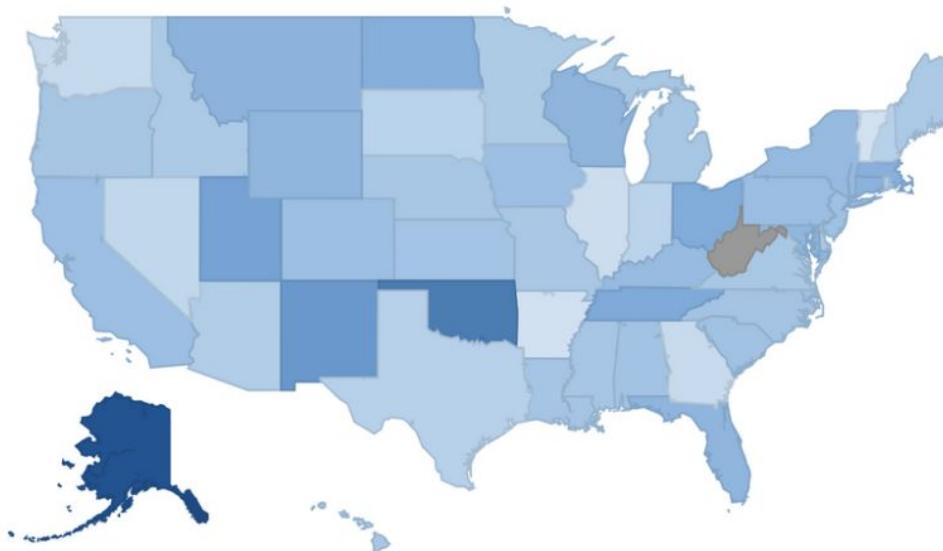
Virginia: Goal: 42%
Attainment: 32%

Texas: Goal: 22%
Attainment: 11%

Ohio: Goal: 15%
Attainment: 21%

Heatmap

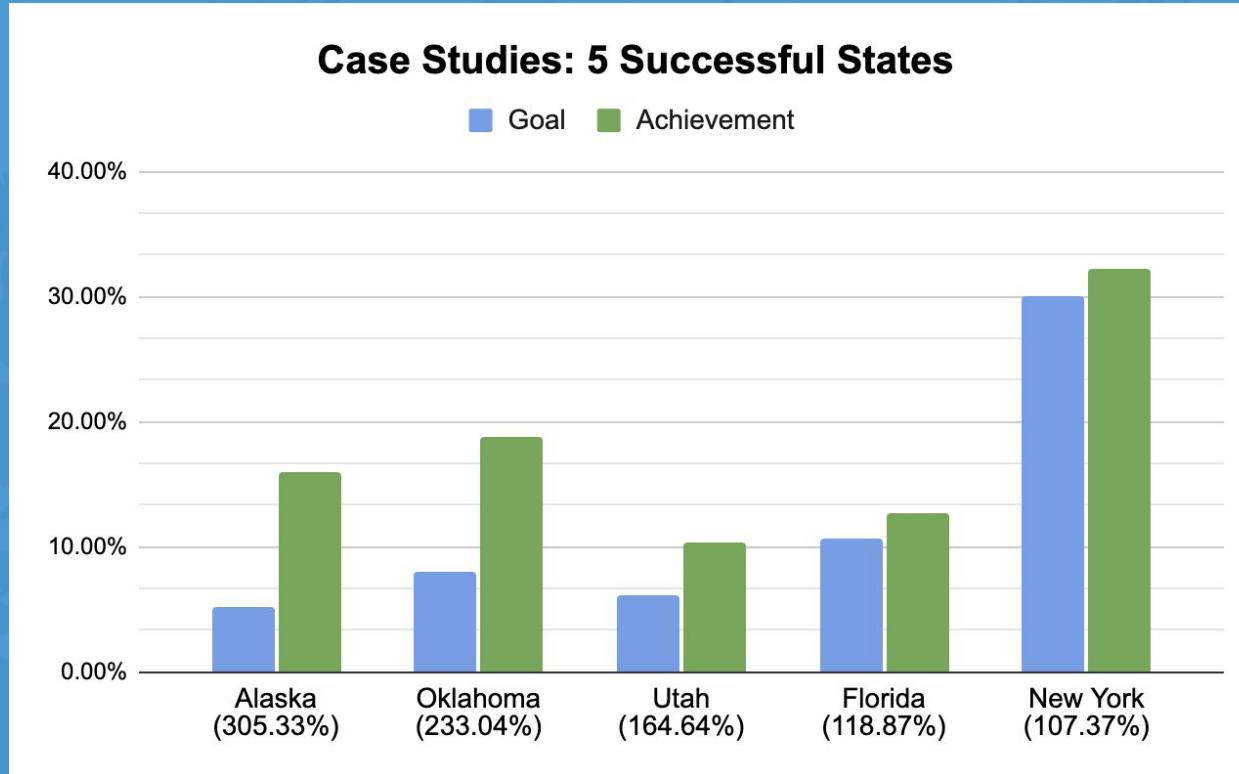
States by % HUB Goal Attainment



5.8%

305.3%

State Success Overview



Alaska



- **Success:** 305.33%
- **Who Oversees Program:** The Alaska Department of Transportation and Public Facilities
- **Who Awards Contracts:** Alaska Dept of Environmental Conservation and Federal Highway Administration
- **Key Program Strategies:**



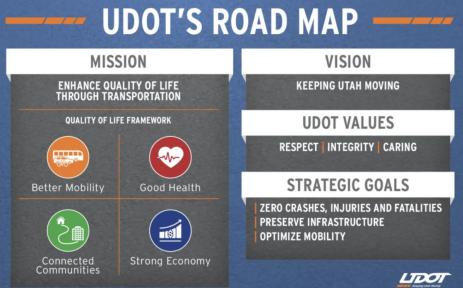
- Virtual DBE conference annually
- 3 statewide training and networking events every year
- DBE WEBPAGE: Govology webinars and Capability Statement Help

Oklahoma



- **Success:** 233.04%
- **Who Oversees Program:** Oklahoma Department of Transportation
- **Who Awards Contracts:** All offices who fall under the FDOT agency (ex: aviation, public transit, construction offices)
- **Key Program Strategies:**
 - DBE Supportive Services Program
 - Coordinate with ODOT's pre-construction branch to increase DBE participation in non-construction contracts.
 - Directly recruit DBE applicants

Utah



- Success: 164.64%
- Who Oversees Program: The Utah Department of Transportation
- Who Awards Contracts: Office of Small and Disadvantaged Businesses, Federal Highway Administration, Federal Aviation Administration, Office of the Secretary
- Key Program Strategies:
 - Open and Transparent Introductory Guidelines
 - Public outreach events to connect with potential and current vendors
 - Nearly 100% of participation from race-conscious strategy.
- Interview Insights:
 - “Providing the requirements upfront has made it so that it's a more trusted partnership as well moving forward.” - Windy Aphayrath (Chief Procurement Officer)

Florida



DISADVANTAGED BUSINESS ENTERPRISE (DBE) SUPPORTIVE SERVICES



The Florida Department of Transportation (FDOT) offers essential support services to Disadvantaged Business Enterprises (DBEs) engaged in or aspiring to engage in business with FDOT. These Supportive Services encompass activities and resources strategically crafted to further the development and ultimate self-sufficiency of DBEs, empowering them to excel in competitive bidding for contracts and subcontracts.

DBE CERTIFICATION **DBE SUPPORT** **DBE OPPORTUNITIES**



We're dedicated to supporting your DBE certification journey! Click below to explore valuable insights and resources for a successful start. Learn more about our DBE Certification Program.

Our DBE Supportive Services offer vital assistance in areas like matchmaking, capacity building, bid matching, and more. To learn more and request information contact us today!

Click below to discover FDOT contracts scheduled for letting, including prequalification opportunities for small businesses as part of the Business Development Initiative.

[DBE CERTIFICATION PROGRAM](#) [CONTACT US](#) [JOBS TO BID](#)

- **Success:** 118.87%
- **Who Oversees Program:** Florida Department of Transportation
- **Who Awards Contracts:** All offices who fall under the FDOT agency (ex: aviation, public transit, construction offices)
- **Key Program Strategies:**
 - Decentralized goal setting program with a Central Office and 7 districts
 - Business Development Initiative
 - Focus on addressing under concentration of DBEs in certain business areas

New York



- **Success:** 107.37%
- **Who Oversees Program:** New York Division of Minority and Women's Business Development
- **Who Awards Contracts:** All NYS government agencies and authorities.
- **Key Program Strategies:**
 - Sail Through Summer Program: Easy/transparent certification process
 - Initiative for Inclusive Entrepreneurship: Gives MWBEs access to growth capital
 - Eliminating MWBE Certification Backlog: Resulted in 87% wait-time reduction
- **Interview Insights:**
 - "Addressing potential obstacles in advance can be achieved by clearly defining goals and objectives from the outset ensures that individuals do not waste their time and energy, and positions them for success." -Morgan Shute (NYS Procurement Council Clerk)

Disparities Across Case Studies

- **Main Issues:** **1)** Most successful states still see a significantly disproportionate number of contracts awarded to non-minority women. **2)** Native Americans & Hispanics remain underutilized. **3)** Black owned businesses experience large pay gaps when they are contracted.
 - **White women** receive the largest percent of HUB contracts.
 - **Hispanic** and **Native American** owned businesses are the most disproportionately underutilized across states.
 - **Black** and **Asian** owned businesses typically receive a higher proportion of HUB contracts compared to their representation in the population.
 - In states like Alaska, **black owners make the least earnings** compared to white male owners across all minority groups by significant gaps (101.3% less earnings).

Summary

- **The 5 states (New York, Utah, Oklahoma, Florida, Alaska) outperformed their goals because of, but not limited to:**
 - In-depth trainings
 - Networking events
 - Decentralized goal setting
- **Opportunities for Growth:**
 - Implementing strategies to allow HUBS to become prime contractors instead of subcontractors
 - Preparing for Potential Turn of Legislation

Limitations

- Each state had varying levels of information available for different fiscal years.
- Gaps in documentation:
 - Certain documentation and reports were not accessible or not published.
- A limited timeline and a small team size restricted the depth of investigation into every potential source.
- Certain officials who had specific information did not answer interviews or emails.



Recommendations

- 1. Educational Webinars and Networking Conferences for HUBs**
 - Offer training, technical assistance, and networking opportunities to strengthen HUB capacity and connect vendors with anchor institutions
- 2. Decentralized Contracting and Goal Setting**
 - Empower local agencies to set realistic, context-specific goals and manage contracts more effectively, as modeled by Florida and Utah
- 3. Employ Race-Conscious Methodologies & Promote Equal Pay**
 - Use race conscious goal-setting methods to eliminate contract disparities and encourage equitable contract award amounts.
- 4. Increase Certification Transparency and Contract Accountability**
 - Establish clear, upfront contracting requirements and enforce transparency to promote fairness and reduce barriers for HUB participation.

Bibliography

(Sources for full Heat Map and Spending Chart can be found in intermediate deliverables and Final Portfolio)

Alaska:

Alaska Department of Transportation & Public Facilities. (2021, March). Alaska DOT&PF disparity study: Final report. Retrieved from
<https://dot.alaska.gov/cvrlrts/pdfs/Alaska-DOTPF-1-0-Final-Report-March-2021.pdf>

Alaska Department of Transportation & Public Facilities. (n.d.). Alaska Uniform Certification Program. Retrieved from
<https://dot.alaska.gov/cvrlrts/aucp.shtml>

Urban Institute. (n.d.). State and local finance initiative: Alaska. Retrieved from
<https://www.urban.org/policy-centers/cross-center-initiatives/state-and-local-finance-initiative/projects/state-fiscal-briefs/alaska>

Alaska Department of Transportation & Public Facilities. (n.d.). Alaska DOT&PF FTA FFY2021-2023 DBE goal methodology. Retrieved from <https://dot.alaska.gov/cvrlrts/pdfs/Alaska-DOTPF-FTA-FFY2021-2023-DBE-Goal-Methodology.pdf>

Alaska Department of Transportation & Public Facilities. (2024). Alaska DOT&PF FHWA Disadvantaged Business Enterprise Program Plan. Retrieved from
<https://dot.alaska.gov/cvrlrts/pdfs/Alaska-DOTPF-FHWA-Disadvantaged-Business-Enterprise-Program-Plan-2024.pdf>

Bibliography

Oklahoma:

Oklahoma Department of Commerce. (n.d.). Minority Business Certification Programs. Retrieved from

<https://www.okcommerce.gov/wp-content/uploads/Minority-Business-Certification-Programs.pdf>

Oklahoma Department of Transportation. (2024, November). Pre-construction DBE reports. Retrieved from

<https://oklahoma.gov/content/dam/ok/en/odot/civil-rights/commitment-reports/pre-construction-dbe-reports/2024/November%202024.pdf>

Utah:

Utah Code. (n.d.). Title 63G, Chapter 6A. Retrieved from

https://le.utah.gov/xcode/title63g/chapter6a/C63G-6a_1800010118000101.pdf

Utah Department of Transportation: Disadvantaged Business Enterprise Goal. (n.d.). Retrieved from

https://drive.google.com/file/d/1PCkNZelwmlWva0lZY_JV8IRdLrKN9tns/view

U.S. Department of Transportation. (n.d.). Summary forecast. Retrieved from

<https://www.transportation.gov/osdbu/procurement-assistance/summary-forecast?page=1>

Bibliography

Florida:

Florida Department of Transportation. (n.d.). Equal Opportunity Office civil rights programs. Retrieved from
<https://www.fdot.gov/equalopportunity/civilrightsprograms.shtm>

Florida Department of Transportation. (n.d.). DBE Plan. Retrieved from <https://www.fdot.gov/equalopportunity/dbe-plan>

Florida Department of Transportation. (n.d.). DBE goal. Retrieved from <https://www.fdot.gov/equalopportunity/dbegoal>

New York:

Empire State Development. (n.d.). Doing business in NY: MWBE. Retrieved from <https://esd.ny.gov/doing-business-ny/mwbe>

New York State Archives. (n.d.). LGRMIF MWBE compliance. Retrieved from
<https://www.archives.nysesd.gov/grants/lgrmif-mwbe-compliance>

New York State Division of Minority and Women's Business Development. (2024). FY23-24 annual report. Retrieved from
<https://esd.ny.gov/sites/default/files/media/document/FY23-24-DMWBD-Annual-Report.pdf>