

City of Chicago RACIAL EQUITY ACTION PLAN

Department of Procurement Services (DPS)

Under the City of Chicago's Municipal Code (Ch. 2-4-100), all City of Chicago departments must create and maintain Racial Equity Action Plans (REAPs) "to articulate and guide strategy aimed at advancing equity and making it a permanent pillar in all departmental workstreams."

Progress on all REAPs are accounted for annually as a part of the City of Chicago's budget process. This document outlines the components of the REAP and ensures that all strategies are aligned to Chicago's citywide vision: ***All people and all communities have power, are free from oppression, and are strengthened by equitable access to resources, environments, and opportunities that promote optimal health and well-being. (HC2025)***

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THE CITY OF CHICAGO'S DEFINITION OF EQUITY

Equity is both an outcome and a process:

As an **outcome** equity results in fair and just access to opportunity and resources that provide everyone the ability to thrive. Acknowledging the present and historical inequality that persist in our society, equity is a future state we strive to create where identity and social status no longer predestine life outcomes.

As a **process**, equity requires a new way of doing business: one that

- (1) Prioritizes access and opportunities for groups who have the greatest need.
- (2) Methodically evaluates benefits and burdens produced by seemingly neutral systems and practices.
- (3) Engages those most impacted by the problems we seek to address as experts in their own experiences, strategists in co-creating solutions, and evaluators of success.

Further, our focus is on evaluating our own strategies, interventions and resources in a way that prioritizes those who are most negatively impacted by current policies, procedures & practices.


Racial equity focuses on the social construction of race and how it has been used (historically and presently) to unjustly distribute opportunity and resources based on a person's skin color, heritage, ethnicity, and/or national origin. Advancing racial equity requires an analysis of systemic racism inclusive of the ways harm is created at the individual, interpersonal, institutional, and structural levels. It also requires a commitment to dismantling systems that perpetuate racialized outcomes and rebuild systems that produce systemic inclusion.🔗

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The coordination of the development and implementation of City of Chicago REAPs is led by the Office of Equity and Racial Justice. For more information about REAPs and/or the work of the office visit www.chicago.gov/equity.



RACIAL EQUITY ACTION PLAN: Priority #1

The City of Chicago's Vision: All people and all communities have power, are free from oppression, and are strengthened by equitable access to resources, environments, and opportunities that promote optimal health and well-being. (HC2025) 



Citywide Priority Area & Desired Result:

EDUCATION: All Chicagoans gain meaningful knowledge and skills to thrive. 

Indicators Examined:

Community Data

Community Data consisted of Chicago demographics by race and neighborhood/ward

Program/Department Data

Internal data included the following:

1. Number of certified vendors
2. Types of certification (Minority/Women/Disadvantaged/Veteran-owned businesses (M/W/D/VBE))
3. Dollar value of awarded contracts
4. The City of Chicago Disparity Study for Construction Contracts 2021

Community Feedback and Narratives

The Department of Procurement Services' equity cohort team surveyed currently certified minority-owned businesses (MBEs, WBEs, DBEs, VBEs and ACDBEs). An analysis of the survey results detailed the following:

The most negatively impacted by the lack of contracting opportunities are the Black, Indigenous, and People of Color (BIPOC) community, specifically Blacks/African Americans. While Black individuals make up the majority in the number of businesses certified with the City, it's disproportionate to the number of contracts awarded to them.

Out of the 282 respondents to the survey, only 52.5% have bid on a City contract. When the other 47.5% were asked why they haven't bid, the majority (42.3%) stated they were unaware of contracting opportunities.

DPS also asked the survey participants what could the department do to improve opportunities for minority, women, veteran, and disadvantaged-owned businesses. Blacks, Hispanics/Latinos, and women stated the department's internal processes needed to be streamlined (in the areas of

bidding and certification) and more opportunities needed to be afforded to the BIPOC vendor community. Prompt and timely payments were another area of improvement that Hispanics/Latinos and women voiced. On the other hand, the majority of Black respondents stated that training is an area of improvement they felt was needed the most.

Define the Problem

Minorities and women continue to suffer discriminatory barriers. The disparity study and DPS' survey of certified vendors, further determined that race and gender continue to hinder minority and women-owned businesses from competing for contracts on a prime and subcontractor level. Some barriers can include but are not limited to racial harassment, exclusion from industry networks, barriers to access capital, and discriminatory perceptions.

Identify Root Causes to the Problem

Lack of resources and information historically have not been provided to Black and Brown people. Generational systemic racism and biases have prevented BIPOC people and businesses from participating fully and equitably in society. Although significant strides have been made to make our society more inclusive and equitable, marginalized populations continue to experience barriers to entry, and the disparity continues to surface in banking, contracting, bonding, etc.

Define Your Department's Opportunity

The DPS is the contracting, certification, and compliance authority for the City of Chicago. DPS has a great opportunity to influence economic development through contracting opportunities and contracting equity. Because historically, minority and women-owned businesses have been at a disadvantage when it comes to being awarded contracts, DPS is committed to expanding its reach. This can be done by strengthening the support provided to minority/women businesses to increase the number of awarded contracts.

RACIAL EQUITY ACTION PLAN: Priority #1

Our department will advance the following strategies:

1. Department Strategy: Better communicate and market the various programs and resources offered by the department to increase knowledge around contracting opportunities and available support.

Measures of Impact: Review information, resources, and tools sent and the frequency of it is disseminated.

| Actions | Implementation Plan | Timeline | Status |
|---|--|----------|--------|
| <p>1.1 Review ways to ensure that the vendors have the necessary information and tools to succeed.</p> | <ol style="list-style-type: none"> 1. Work with the Public Relations and Contracting Equity teams to assess what and how current information and tools are provided. 2. Identify a process for sharing information and tools. 3. Once a vendor has been approved for certification, include in their letter a list containing DPS' various resources and tools (e.g., links to DPS Alerts, the Buying Plan, workshops, etc.). | Q4 2023 | |
| <p>1.2 Increase awareness around redacted proposals that DPS publishes as a resource for vendors to review past submittals as a guide in developing their own bid/proposals.</p> | <ol style="list-style-type: none"> 1. Create content to include in workshops and training. 2. Determine if DPS can include a direct link to redacted proposals online. 3. Create a flyer/newsletter and partner with assist agencies and aldermen to share information with their members. Share on a regular basis (monthly, quarterly, etc.). | Q4 2023 | |

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| <p>1.3 Improve the website so that information is more readily accessible</p> | <ol style="list-style-type: none"> 1. Convene CPO, Public Relations, IT, and Contracting Equity teams to determine what changes are needed to ensure the website is easier to navigate. 2. Partner with AIS/IT to redesign DPS' website. 3. Engage stakeholders to understand user-end experience. 4. Launch updated site. | <p>Q2 2024</p> | |
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RACIAL EQUITY ACTION PLAN: Priority #1

Our department will advance the following strategies:

2. Department Strategy: Review current training and resources for opportunities for enhancement to help BIPOC firms and businesses better navigate City procurement process.

Measures of Impact: Conduct a survey at the end of each training to ask vendors if they felt the information was beneficial to their needs.

| Actions | Implementation Plan | Timeline | Status |
|--|---|----------|--------|
| <p>2.1 Review current trainings offered and look for ways to enhance them.</p> | <ol style="list-style-type: none"> 1. Review our Sister Agencies[current training modules and look for opportunities to elevate and enhance our current training to ensure that the Black/Brown vendor community is receiving the tools and knowledge needed to succeed to successfully bid and hopefully be awarded a contracting opportunity(ies). 2. Work with Contract Administration, Contracting Equity, Public Relations, and related units to do a deep dive review of current training and look for opportunities for enhancement and/or create new training. | Q4 2023 | |
| <p>2.2 Engage M/W/DBE certified vendors to understand what tools and resources would be helpful in trainings.</p> | <ol style="list-style-type: none"> 1. Convene/ meet with M/W/DBE certified vendors (e.g., virtual call, website, C2, DPS alerts, etc.). 2. Share findings for review of current training and determine additional training needed. 3. Review feedback and make updates to training(s) when possible. 4. Share updates with certified vendors. | Q4 2023 | |

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| <p>2.3 Send an annual survey to assess if enhancements actually addressed challenges raised</p> | <ol style="list-style-type: none"> 1. Review certified vendor survey to identify questions for any possible changes. 2. Create a sub-contractor survey to understand their experience. 3. Share surveys with certified vendors and sub-contractors. 4. Analyze feedback and determine if DPS' enhancements have improved vendor and contractors' overall experience. | <p>Q4 2024</p> | |
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RACIAL EQUITY ACTION PLAN: Priority #1

Our department will advance the following strategies:


3. Department Strategy: Provide information to BIPOC firms to increase the number of businesses that are completing the bidding process successfully.

Measures of Impact: Conduct a review of the bids that have been received to determine if there has been an increased in the number of bids submitted by minority and women- owned businesses.

| Actions | Implementation Plan | Timeline | Status |
|--|--|----------------|--------|
| <p>3.1 Engage with Assist Agencies</p> | <ol style="list-style-type: none"> 1. Convene the Assist Agencies for a roundtable discussion on ways to alleviate the disparities faced by minority and women-owned businesses. Through this engagement with the Assist Agencies, we will be looking for ways to get more minority and women-owned businesses involved in the procurement process, how we can collaboratively, assist them in submitting responsive bids, and what types of capacity-building workshops/cohorts are needed. 2. Analyze and develop an action plan based on takeaways received from the roundtable. 3. Implement any action items and share updates with the Assist Agencies. | <p>Q4 2023</p> | |

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| <p>3.2 Restructure prebid conference to include information about the Office of Contracting Equity and IT (discuss compliance/certification; iSupplier)</p> | <ol style="list-style-type: none"> 1. Review current pre-bid and pre-proposal conference scripts with the Contracts Administration and Contracting Equity Units for ways to include more in-depth explanations of DPS' resources. Specialists would elaborate further on the role of the OCE and provide further information on the iSupplier to provide potential users with pertinent information needed to submit an online bid. Increase the amount of information provided to potential respondents at the conferences. 2. Develop a revised script in collaboration with the Contracts Administration and Contracting Equity teams. 3. Provide draft to the CPO and First Deputy for review and approval. 4. Provide pre-bid/pre-proposal conference script to the Procurement Specialists. | <p>Q3 2023</p> | |
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RACIAL EQUITY ACTION PLAN: Priority #2

The City of Chicago's Vision: All people and all communities have power, are free from oppression, and are strengthened by equitable access to resources, environments, and opportunities that promote optimal health and well-being. (HC2025) 



Citywide Priority Area & Desired Result:

CONTRACTING: All Chicagoans benefit from and can participate in economic business with the City of Chicago.

Indicators Examined:

Community Data

Community Data consisted of Chicago demographics by race and neighborhood/ward

Program/Department Data

Internal data included the following:

1. Number of certified vendors
2. Types of certification (Minority/Women/Disadvantaged/Veteran-owned businesses (M/W/D/VBE))
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Community Feedback and Narratives

The Department of Procurement Services' equity cohort team surveyed currently certified minority-owned businesses (MBEs, WBEs, DBEs, VBEs, and ACDBEs). An analysis of the survey results detailed the following:

The most negatively impacted by the lack of contracting opportunities are the BIPOC community, especially Blacks/African Americans (Blacks). While Blacks make up the majority in the number of businesses certified with the City, it's disproportionate to the number of contracts awarded to them.

Feedback from survey respondents stated they feel the contracting process is too cumbersome. They further stated that the department needs to find ways to streamline the certification and bidding processes.

Define the Problem

Minorities and women continue to suffer discriminatory barriers. The disparity study and the survey further determined that race and gender

continue to hinder minority and women- owned businesses from competing for contracts on a prime and subcontractor level.

Identify Root Causes to the Problem

Resources that have historically been provided to whites, but had not been granted to black and brown people. Also, the affected populations had been kept from various opportunities for so long, that now there's some hesitancy when various opportunities present themselves. Systemic racism and biases have prevented black and brown people and businesses from participating fully and equitably in society.

Define Your Department's Opportunity

The City is currently seeking to replace its current financial, human resources, and procurement system. This is an opportunity to review all current processes and look for opportunities to improve/streamline certification, E-procurement, and bid solicitation processes. This will ensure a more efficient procurement process for the vendor community.

RACIAL EQUITY ACTION PLAN: Priority #2

Our department will advance the following strategies:

1. Department Strategy: Reviewing current procurement processes and identify ways to help maximize efficiency.

Measures of Impact: Number of new vendors submitting on bid solicitations.

| Actions | Implementation Plan | Timeline | Status |
|--|---|----------|--------|
| 1.1 Review the processes of sister agencies and other major cities in the areas of procurement, certification, and compliance. | <ol style="list-style-type: none"> 1. Identify a person to review procurement processes of other entities. 2. Develop a list of areas where processes can be revamped, removed, or less cumbersome. 3. Provide feedback to senior management for discussion. | Q4 2023 | |
| 1.2 Work with the stakeholder departments such as Law, Budget, and User Departments on process pain points. | <ol style="list-style-type: none"> 1. Hiring positions such as specification writers and analysts to support the incoming system. 2. Build a new system that will be supportive of the new changes. 3. Revise business process mapping with the stakeholder departments. | Q3 2024 | |

RACIAL EQUITY ACTION PLAN: Priority #2


Our department will advance the following strategies:

2. Department Strategy: Evaluate how users navigate the DPS website to ensure that the information is easily and readily available for vendors.

Measures of Impact: Monitor the number of hits the site receives and monitor if vendors are able to access the most requested information more easily.

| Actions | Implementation Plan | Timeline | Status |
|---|---|----------|--------|
| 2.1 Review the current website to determine its ease of use for vendors looking for how to business and/or get certified with the city. | Analyze the website and determine ways to make it easy to use for the vendor community. | 3Q 2024 | |
| 2.2 Look for opportunities to update the site and ensure that the site can be easily navigated by vendors. | Work with internal IT staff and AIS on recommendations and determine the best approach to implementing website updates. | 3Q 2024 | |

RACIAL EQUITY ACTION PLAN: Priority #3

The City of Chicago's Vision: All people and all communities have power, are free from oppression, and are strengthened by equitable access to resources, environments, and opportunities that promote optimal health and well-being. (HC2025) 



Citywide Priority Area & Desired Result:

ECONOMIC DEVELOPMENT: All Chicagoans are economically self-sufficient, can build wealth, and thrive.

Indicators Examined:

Community Data

Community Data consisted of Chicago demographics by race and neighborhood/ward

Program/Department Data

Internal data included the following:

1. Number of certified vendors
2. Types of certification (Minority/Women/Disadvantaged/Veteran-owned businesses (M/W/D/VBE))
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The most negatively impacted by the lack of contracting opportunities are the BIPOC community, especially Blacks/African Americans (Blacks). While Blacks make up the majority in the number of businesses certified with the City, it's disproportionate to the number of contracts awarded to them.

Feedback from survey respondents stated they feel there are not enough contracting opportunities made available to them.

Define the Problem

Minorities and women continue to suffer discriminatory barriers. The disparity study and DPS' survey of certified vendors, further determined that race and gender continue to hinder minority and women-owned businesses from competing for contracts on a prime and subcontractor level.

Some barriers can include but are not limited to racial harassment, exclusion from industry networks, barriers to access capital, and discriminatory perceptions.

Identify Root Causes to the Problem

Lack of resources and information, historically have not been provided to Black and Brown people. Generational systemic racism and biases have prevented BIPOC people and businesses from participating fully and equitably in society. Although significant strides have been made to make our society more inclusive and equitable, marginalized populations continue to experience barriers to entry and the disparity continues to surface in banking, contracting, bonding, etc.

Define Your Department's Opportunity

Contract reform creates more opportunities for minority and women-owned businesses to participate in the procurement process, which could lead to reducing the wealth gap along race and gender lines.

RACIAL EQUITY ACTION PLAN: Priority #3

Our department will advance the following strategies:

1. Department Strategy: Unbundling User Departments scope of services to increase the number of contracting opportunities afforded to minority and women-owned businesses

Measures of Impact: Increase in the number of Target Market contracts put out to bid.

| Actions | Implementation Plan | Timeline | Status |
|--|--|----------|--------|
| 1.1 Work with User Departments on their scopes of work and identify opportunities for unbundling | 1. Assisting User Departments in reviewing their projects to determine whether portions of the scope could be unbundled. 2. Continue to work with departments to create bid packages that are manageable for certified M/WBE businesses. | Ongoing | |
| 1.2 Limiting the number of awards that can be awarded to one vendor. | 1. Work with departments on incorporating limitation language in specifications. 2. Set a maximum number of areas that can be awarded to any one vendor to allow for the possibility of more black and brown- businesses being awarded contracts. | Q4 2023 | |

RACIAL EQUITY ACTION PLAN: Priority #3

Our department will advance the following strategies:

2. Department Strategy: Implementing shorter term contracts to provide more opportunities to M/WBE businesses. Shorter contract terms allow for more flexibility as it pertains to vendor performance, access to other vendors and staying current with market trends and best practices.

Measures of Impact: Analyze if shorter term contracts allow more vendors to enter into contracts.

| Actions | Implementation Plan | Timeline | Status |
|---|---|----------|--------|
| 2.1 Reduce contracts from 5+ years to less than five years. | 1. Inform departments in order for them to plan accordingly. 2. Implement policies and procedures. | Q4 2023 | |

RACIAL EQUITY ACTION PLAN: Priority #3

Our department will advance the following strategies:

3. Department Strategy: Review current Task Order and JOC processes to ensure a fair and open process.

Measures of Impact: Increase number of minority firms being awarded Target Market/JOC contracts.

| Actions | Implementation Plan | Timeline | Status |
|---|---|----------|--------|
| 3.1 Review the Task Order and JOC program and procedures both internally/externally | <ol style="list-style-type: none"> 1. Create a rotating pool to ensure that all vendors within a qualified pool are utilized, specifically minority businesses. 2. Hold departments accountable for ensuring that all vendors, in a qualified pool, are being utilized. | 3Q 2023 | |
| 3.2 Develop an electronic Task Order and JOC process | <ol style="list-style-type: none"> 1. Work with IT and AIS to determine if processes can be automated to ensure and expedited and fair program. | 3Q 2024 | |
| 3.3 Create a Task Order and JOC Unit | <ol style="list-style-type: none"> 1. Speak with leadership about establishing such a unit. 2. Continue to hold departments accountable for ensuring that all vendors, in a qualified pool, are being utilized. | 4Q 2024 | |