

SECTION IV.

Summary of Utilization and Disparity Analysis for Airport Contracts

The Federal DBE Program requires federal aid recipients to determine the percentage of the overall annual DBE goal that can be achieved through neutral means and the percentage, if any, to be achieved through race- and gender-based measures.

One way of examining what can be achieved through neutral means is to compare relative utilization of minority- and women-owned firms with the relative availability of MBEs and WBEs to perform that work, especially for transportation contracts that do not have DBE contract goals. This analysis can also identify any underutilization of specific MBE/WBE groups.

Section IV presents (a) MBE/WBE utilization in Airport contracts, (b) disparity analysis for FAA- and locally-funded contracts, (c) a statistical analysis of any identified disparities and (d) a summary of overall results.

A. Utilization Analysis

As outlined in Figure IV-1, “utilization” of minority- and women-owned firms refers to the percentage of contract dollars going to MBE/WBEs. BBC examined utilization of minority- and women-owned firms as prime contractors and subcontractors in Airport transportation contracts from 2003 through 2007. Results presented here include MBE/WBE utilization for (1) FAA-funded contracts, (2) locally-funded contracts and (3) all contracts as well as (4) results by MBE/WBE group.

BBC’s analysis of MBE/WBE utilization goes beyond what the Authority currently reports to the USDOT:

- In addition to utilization of certified DBEs, BBC examined utilization of minority- and women-owned firms including firms that are too large to be certified as DBEs and those that have never sought DBE certification. (Reasons for studying MBE/WBEs including those not currently certified as DBEs are discussed in Section III.) The disparity analysis performed at the end of this section focuses solely on minority- and women-owned firms, not DBE-certified firms.

Figure IV-1. Defining and measuring “utilization”

“Utilization” of minority- and women-owned firms refers to the share of contract dollars going to these MBEs and WBEs. BBC reports results for both certified DBEs (firms certified as disadvantaged business enterprises in the year of the specific contract and for all minority- and women-owned firms. BBC also examines results by race/ethnic/gender group.

Utilization is expressed as a percentage of prime contract and subcontract *dollars*. (“Prime contract dollars” are total contract dollars less the money identified as going to subcontractors.) For example, WBE utilization of 5 percent means that 5 percent of the contract dollars examined went to women-owned firms. Expressed another way, 5 cents of every contract dollar went to WBEs.

Information concerning utilization of minority- and women-owned firms is useful on its own, but is even more instructive when compared with a benchmark for the level of utilization expected given relative availability of minority- and women-owned firms for a particular set of contracts. BBC introduces this “disparity analysis” at the end of this section of the report.

- The study team collected data on subcontractor utilization in a consistent fashion for DBEs, MBE/WBEs and majority-owned firms to be able to accurately report the share of subcontract dollars that went to DBE and MBE/WBE firms for sets of contracts with and without DBE contract goals. Data collection procedures are summarized in Section II and explained in greater detail in Appendix A.

1. FAA-funded transportation contracts. BBC included 67 contracts in the disparity analysis for the Authority’s FAA-funded transportation contracts for 2003 through 2007. The study team was able to identify 256 subcontracts associated with these contracts. In total, BBC identified \$129 million of FAA-funded contract dollars for these 323 contract elements. Most of these dollars (\$110 million) were awarded prior to the Authority’s change in its DBE contract goals program in January 2006.

Minority- and women-owned firms obtained 4.0 percent of FAA-funded contract dollars from 2003 through 2007, as presented in Figures IV-2. DBE utilization for these contracts (3.3%) is shown in the bottom portion of the bar. The difference between DBE utilization and total MBE/WBE utilization (the statistic shown on top of the bar) corresponds to MBE/WBEs that were not certified as DBEs — 0.7 percent for these contracts.

2. Locally-funded contracts. BBC studied MBE/WBE utilization for 364 locally-funded transportation contracts for 2003 through 2007. Including subcontracts, there were 852 contract elements included in the analysis.¹

Figure IV-2 displays MBE/WBE utilization on locally-funded contracts and on FAA-funded contracts for 2003–2007. MBE/WBE utilization on locally-funded contracts was about 18 percent, considerably higher than FAA-funded contracts. Utilization of certified DBEs was about 4 percent for locally-funded contracts.

3. All contracts. MBE/WBE utilization for the \$220 million in combined FAA- and locally-funded Airport contracts for 2003–2007 was 9.7 percent (see Figure IV-2). DBE utilization was 3.7 percent.

Figure IV-2.
MBE/WBE and DBE share of prime contract/subcontract dollars for SDCRAA transportation contracts 2003–2007, FAA vs. local funding

Note:

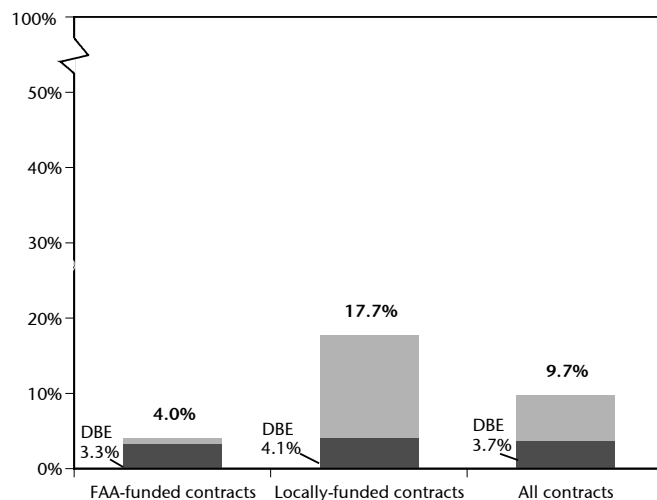
Certified DBE utilization.

Number of contracts/subcontracts analyzed is 323 for FAA-funded contracts, 852 for locally-funded contracts and 1,175 for all contracts.

For more detail and results by group, see Figures C-38, C-4 and C-35 in Appendix C.

Source:

BBC Research & Consulting from data on SDCRAA contracts.



¹ “Locally-funded” contracts are those without USDOT funds. As such, some contracts with state funding could be included.

4. Utilization of firms by race and gender group. Among MBE/WBEs, white women-owned firms received the largest share of prime/subcontract dollars examined in the disparity study — 5.1 percent of combined FAA- and locally-funded contract dollars. Utilization of Hispanic American-owned firms was 3.2 percent for combined FAA- and locally-funded contract dollars. Asian-Pacific American -owned firms received 1.0 percent of total contract dollars. Combined, African American-, Subcontinent Asian American- and Native American-owned firms received 0.3 percent of total contract dollars, as shown in Figure IV-3.

Figure IV-3 also examines utilization of DBEs by race/ethnicity and gender, and provides separate breakdowns of MBE/WBE utilization for FAA- and locally-funded contracts.

Figure IV-3.
MBE/WBE and DBE share of prime/subcontract dollars for transportation contracts, by race/ethnicity/gender, 2003–2007

	FAA-funded contracts	Locally-funded contracts	Total
MBE/WBEs			
African American-owned	0.1%	0.2%	0.1%
Asian-Pacific American-owned	0.6	1.6	1.0
Subcontinent Asian American-owned	0.2	0.1	0.1
Hispanic American-owned	0.8	6.7	3.2
Native American-owned	0.0	0.2	0.1
Total MBE	1.6%	8.7%	4.6%
WBE (white women-owned)	2.3	9.0	5.1
Total MBE/WBE	4.0%	17.7%	9.7%
DBEs			
African American-owned	0.1%	0.1%	0.1%
Asian-Pacific American-owned	0.6	0.2	0.4
Subcontinent Asian American-owned	0.2	0.1	0.1
Hispanic American-owned	0.4	3.1	1.5
Native American-owned	0.0	0.2	0.1
Total MBE	1.3%	3.6%	2.3%
WBE (white women-owned)	2.1	0.5	1.4
White male-owned DBE	0.0	0.0	0.0
Total DBE	3.3%	4.1%	3.7%

Note: Numbers rounded to nearest tenth of 1 percent. Numbers may not add to totals due to rounding.

For more detail, see Figures C-38, C-4 and C-35 in Appendix C.

Number of contracts/subcontracts analyzed is 323 for 2003–2007 FAA-funded, 852 for 2003–2007 locally-funded contracts and 1,175 overall.

Source: BBC Research & Consulting from data on SDCRAA contracts.

B. Disparity Analysis

Although some of the levels of utilization are very low for certain MBE/WBE groups, one must compare utilization with relative availability of firms for Airport transportation contracts to know whether or not these firms are “underutilized.” In addition, results for FAA-funded and locally-funded contracts may not be comparable due to differences in the types and sizes of the prime contracts and subcontracts involved in these projects.

The following disparity analysis controls for differences in types and sizes of prime contracts and subcontracts and how these factors affect relative availability of minority- and women-owned firms for a specific set of contracts. If disparities exist, disparity analysis helps to identify the types of contracts and subcontracts and the race/ethnicity/gender groups showing disparities. The discussion begins by explaining BBC’s methodology and then presents overall results.

1. Methodology. BBC compared percentage utilization of minority- and women-owned firms by race/ethnicity/gender with the share of contract dollars that would be expected to go to minority- and women-owned firms based on BBC availability analysis.

Example of a disparity analysis table. The balance of this section of the report, and the disparity results presented in the sections that follow, are based on the more than 50 detailed disparity tables found in Appendix C. Therefore, it is useful to describe the detailed analysis from which BBC draws results.

Figure IV-4 on page IV-6 presents an example of a disparity table from Appendix C (it is labeled Figure C-38 in Appendix C). This disparity table pertains to the Authority’s FAA-funded construction, engineering, and material and equipment contracts awarded for 2003 through 2007. It includes dollars for prime contractors and subcontractors. The parameters of the set of contracts being examined are noted in the heading of each table. Appendix C contains similar tables for different sets of contract elements. Each set of contract elements is for a specific:

- Funding source (all funding sources, FAA-funded or locally-funded);
- Type of work (combined contracts, all construction-related, all engineering-related, and material and equipment);
- Time period, which is how BBC determined whether or not the DBE contract goals program was in operation; and
- Contract role (combined prime/sub, only prime contracts, and only subcontracts).

Certain analyses focus on small contracts when noted. The final table in Appendix C presents availability information limited to potential DBEs (MBE/WBE firms that have not graduated from the DBE Program and did not appear to have revenue exceeding the size limits for DBE certification).

Utilization. Each of the disparity tables includes the same columns and rows, as discussed below.

- Column (a) notes the number of prime contracts and subcontracts in the set of contracting data under examination (in this case, 323 total contracts and subcontracts).

- Column (b) identifies the dollars examined in the set of contract elements. Because “prime contract dollars” refers to the dollars retained by the prime contractor after subtracting subcontract dollars, the combined prime/subcontract analyses equals the total contract amounts. Dollars are reported in thousands. This disparity table examines contract dollars totaling \$128,762,000.
- Column (c) provides dollars of utilization by group after pro-rating any money going to firms identified as MBEs for which specific race/ethnicity was not available (see footnote on Figure IV-4). In this disparity table, there were no contract elements for which race/ethnicity of an MBE firm could not be determined.
- Column (d) portrays relative utilization on a percentage basis. Each percentage in column (d) is calculated by dividing dollars going to that group in column (c) by the total dollars in the set of contracts or subcontracts as shown in row (1) of column (c).

Figure IV-4 also has rows for each firm type:

- “All firms” in row (1) pertains to combined majority-, minority- and women-owned firms.
- “MBEs” refers to all minority-owned firms, whether or not they are DBE-certified.
- “WBEs” are white women-owned firms.
- Data for individual minority groups add up to the total for MBEs (in some cases, numbers may not perfectly add due to rounding).

The bottom half of Figure IV-4 reports utilization for firms that were certified as DBEs. BBC included a row for white male-owned DBEs, though no such DBE-certified firms appeared to have received Authority contracts or subcontracts examined in this study. DBE utilization data reported in the bottom half of Figure IV-4 were prepared independently from the Authority and will not match DBE utilization reports prepared by SDCRAA.

Relative availability. BBC developed an estimate of relative availability of firms for each race/ethnicity/gender group following the procedures described in Section III. Availability results, represented as a percentage, provide a benchmark with which to evaluate relative utilization for that group for a particular set of contracts. BBC separately calculated relative availability for each group and set of contracts and subcontracts.

Column (e) of Figure IV-4 reports relative availability for this disparity table:

- Based on the types of work involved in the prime contracts and subcontracts included in the Figure IV-4 analysis, plus the sizes of these contract elements when they were awarded, BBC estimated that 25.8 percent of FAA-funded contract dollars from 2003 through 2007 would be expected to go to minority- and women-owned firms after considering each firm’s specialization, interest and qualifications in prime versus subcontract work, geographic reach and bid capacity of firms to perform this work (and whether or not the firm was in business in the year of the contract).
- This result can be found in row (2) of column (e) in Figure IV-4.

Figure IV-4.
MBE/WBE utilization, availability and disparity analysis for prime contracts/subcontracts
on FAA-funded transportation contracts, 2003–2007

Firm Type	(a) Number of contracts (subcontracts)	(b) Total dollars (thousands)	(c) Total dollars after Unknown MBE allocation (thousands)*	(d) Actual utilization (column c / column c, row1) %	(e) Utilization benchmark (availability) %	(f) Difference (column d - column e) %	(g) Disparity index (d / e) x 100
(1) All firms	323	\$128,762	\$128,762				
(2) MBE/WBE	106	\$5,087	\$5,087	4.0	25.8	-21.8	15.3
(3) WBE	27	\$2,972	\$2,972	2.3	10.7	-8.4	21.5
(4) MBE	79	\$2,115	\$2,115	1.6	15.0	-13.4	10.9
(5) African American-owned	23	\$171	\$171	0.1	2.3	-2.2	5.7
(6) Total Asian American-owned	37	\$974	\$974	0.8	5.1	-4.3	14.9
(7) Asian-Pacific American-owned	21	\$721	\$721	0.6	4.6	-4.0	12.3
(8) Subcontinent Asian American-owned	16	\$253	\$253	0.2	0.5	-0.3	37.6
(9) Hispanic American-owned	19	\$969	\$969	0.8	7.5	-6.7	10.1
(10) Native American-owned	0	\$0	\$0	0.0	0.2	-0.2	0.0
(11) Unknown MBE	0	\$0					
(12) DBE-certified	94	\$4,284	\$4,284	3.3			
(13) Woman-owned DBE	20	\$2,648	\$2,648	2.1			
(14) Minority-owned DBE	74	\$1,636	\$1,636	1.3			
(15) African American-owned DBE	23	\$171	\$171	0.1			
(16) Total Asian American-owned DBE	37	\$974	\$974	0.8			
(17) Asian-Pacific American-owned DBE	21	\$721	\$721	0.6			
(18) Subcontinent Asian American-owned DBE	16	\$253	\$253	0.2			
(19) Hispanic American-owned DBE	14	\$490	\$490	0.4			
(20) Native American-owned DBE	0	\$0	\$0	0.0			
(21) Unknown DBE-MBE	0	\$0					
(22) White male-owned DBE	0	\$0	\$0	0.0			
(23) Unknown DBE	0	\$0					

Notes: Spreadsheet rounds numbers to nearest thousand dollars or tenth of one percent. WBE is white women-owned firms.

* Unknown MBE, Unknown DBE-MBE, and Unknown DBE dollars were allocated to MBE subgroups proportional to the known total dollars of those groups. For example, if total dollars of African American-owned firms (column b, row 5) accounted for 25 percent of total MBE dollars (column b, row 4), then 25 percent of column b, row 11 would be added to column b, row 5 and the sum would be shown in column c, row 5.

Source: BBC Research & Consulting Disparity Analysis.

Differences between utilization and availability. The first step in analyzing whether there was a disparity between the relative utilization of a particular group and its relative availability is to subtract percentage utilization from percentage availability.

- As reported in row (2), column (f) of Figure IV-4, MBE/WBE utilization was 21.8 percentage points below MBE/WBE availability.

It is sometimes difficult to interpret absolute differences between relative utilization and relative availability, especially when utilization and availability are relatively small. Therefore, BBC also calculated a “disparity index,” which divides percentage utilization by percentage availability and multiplies the result by 100. An index of “100” means that there is “parity” between relative utilization and availability for a particular group. An index below 100, particularly below 80, may indicate a substantial disparity.

- Column (g) in the disparity tables provides the disparity index for each group. For example, the disparity index of 15 means that overall MBE/WBE utilization for FAA-funded contracts was much lower than what would be expected given the relative availability of minority- and women-owned firms to perform that work.

Note that all percentages in the disparity tables were rounded to the nearest tenth of 1 percent after making all calculations. Percentages correctly add and subtract, even though the rounding may make actual sums appear to differ by one tenth of 1 percent. In addition, the disparity index is derived from the detailed data for percentage utilization and availability before any rounding.

Results when disparity indices are very large or when availability is zero. BBC applied the following rules when the disparity indices calculated were exceedingly large or could not be calculated because no firms were identified as available for the contracts under examination:

- When BBC’s calculations showed a disparity index exceeding 200, BBC reported an index of “200+.”
- When there was no utilization and 0 percent availability for a particular group for a set of contracts, BBC reported “parity” between utilization and availability (indicated by a disparity index of “100”).
- When BBC identified utilization for a group but 0 availability (which could occur for many reasons, including the fact that one or more utilized firms were out of business by the time of BBC’s availability survey), BBC reported a disparity index of “200+.”

The DBE utilization statistics at the bottom of Figure IV-4 are provided as reference. BBC did not conduct disparity analyses for certified DBEs for the reasons described in Section III.

2. Results. BBC summarizes results of the disparity analyses for (a) FAA-funded contracts, (b) locally-funded contracts and (c) all contracts using disparity indices for each MBE/WBE group. The types of graphs portraying disparity indices are also employed in Sections V and VI of the report.

a. FAA-funded contracts for 2003–2007. Figure IV-5 summarizes the results of the disparity analysis in Figure IV-4 using disparity indices by race/ethnic/gender group from column (g). A line down the center of the graph shows an index of 100, which indicates “parity” between relative utilization and relative availability for a group. Indices under 100 may indicate a disparity between utilization and availability. The graph ends at a disparity index of 200 even though, in some cases, disparity indices exceed 200. For reference, a line is drawn at an index of 80. Some courts use 80 as a threshold for what may indicate a substantial disparity.²

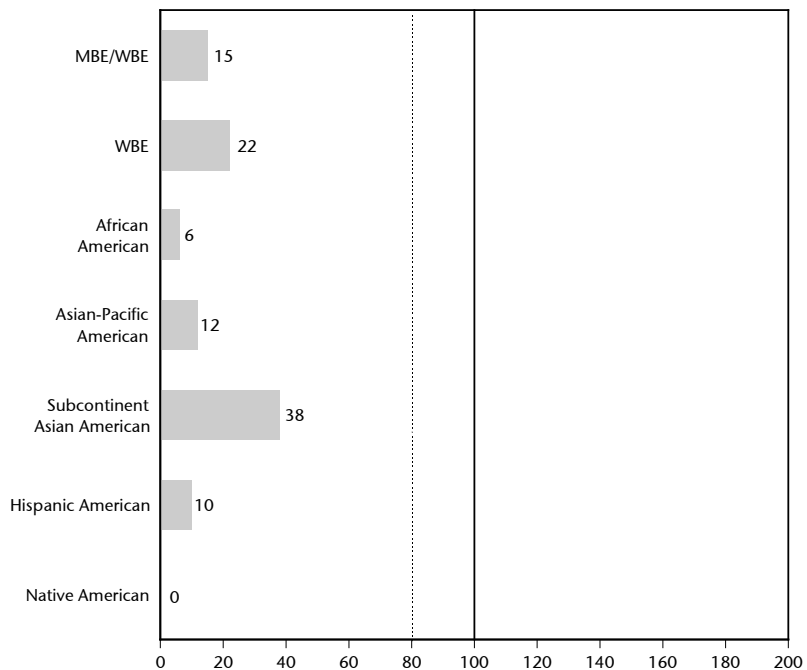
Overall, there was substantial disparity in the utilization of MBE/WBEs as a whole in the Airport’s FAA-funded contracts. The disparity index of 15 means that minority- and women-owned firms received about 15 cents out of every FAA-funded contract dollar that would be expected based on relative MBE/WBE availability for individual Airport prime contracts and subcontracts. There were substantial disparities for WBEs and each race/ethnic group of MBEs.

Most of the FAA-funded contracts dollars examined in this study were awarded prior to when SDCRAA discontinued use of its DBE contract goals/good faith efforts program for FAA-funded contracts. Therefore, the disparities identified in Figure IV-5 indicate that, even with the DBE contract goals/good faith efforts program, there were disparities in utilization of minority- and women-owned firms on Airport FAA-funded contracts. Section V of this report examines FAA-funded contracts before and after the change in implementation of the DBE contract goals/good faith efforts program.

Figure IV-5.
Disparity indices for MBE/WBE utilization as prime contractors and subcontractors on FAA-funded transportation contracts, 2003–2007

Note:
 Number of contracts/subcontracts analyzed is 323.
 For more detail, see Figure C-38 in Appendix C.

Source:
 BBC Research & Consulting.



² A disparity index below 80 has been accepted as evidence of adverse impact. See e.g., *Rothe Development Corp v. U.S. Dept of Defense*, 545 F.3d 1023, 1041; *Eng’g Contractors Ass’n of South Florida, Inc. v. Metropolitan Dade County*, 122 F.3d at 914, 923 (11th Circuit 1997); *Concrete Works of Colo., Inc. v. City and County of Denver*, 36 F.3d 1513, 1524 (10th Cir. 1994).

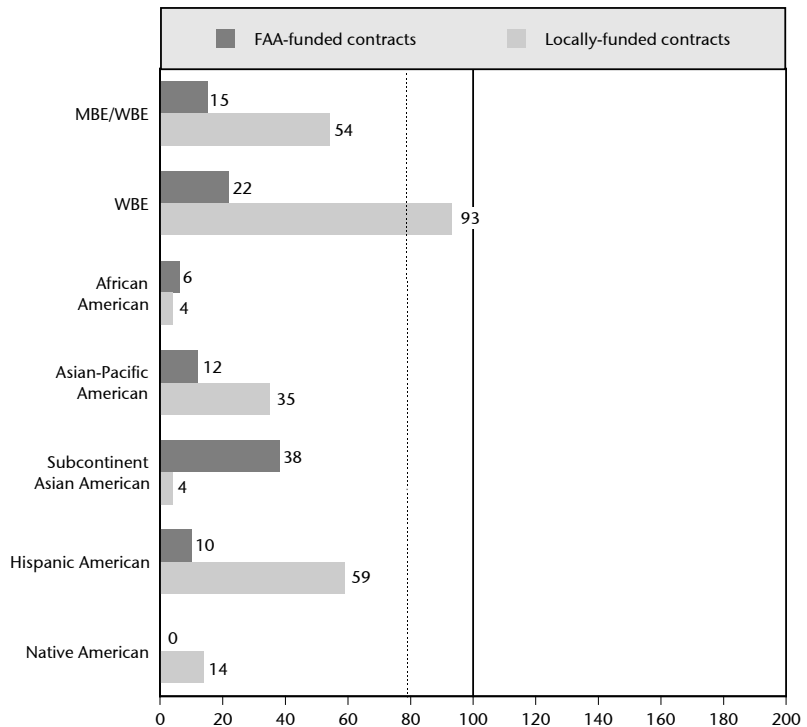
b. Locally-funded contracts 2003–2007. BBC examined \$92 million of locally-funded contracts from 2003 through 2007 that were similar in work type to the FAA-funded contracts included in the study. The Authority did not apply any form of contract goals to locally-funded contracts.

As previously noted in Figure IV-2, a greater share of contract dollars (17.7%) went to MBE/WBEs than found for FAA-funded contracts. This level of overall utilization of minority- and women-owned firms was about one-half of what would be expected based on relative MBE/WBE availability for this work (disparity index of 54). There were substantial disparities for African American-, Asian-Pacific American-, Subcontinent Asian American-, Hispanic American- and Native American-owned firms (disparity indices ranging from 4 for African American-owned firms to 59 for Hispanic American-owned firms). Utilization of WBEs (9.0%) was about the same as what would be expected from the availability analysis for WBEs (9.6%). The disparity index for WBEs was 93.

Figure IV-6.
Disparity indices for
MBE/WBE utilization as
prime contractors and
subcontractors on FAA-
and locally- funded
transportation contracts,
2003-2007

Note:
 Number of contracts/subcontracts analyzed is 323 for FAA-funded and 852 for locally-funded contracts.
 For more detail, see Figures C-38 and C-4 in Appendix C.

Source:
 BBC Research & Consulting.

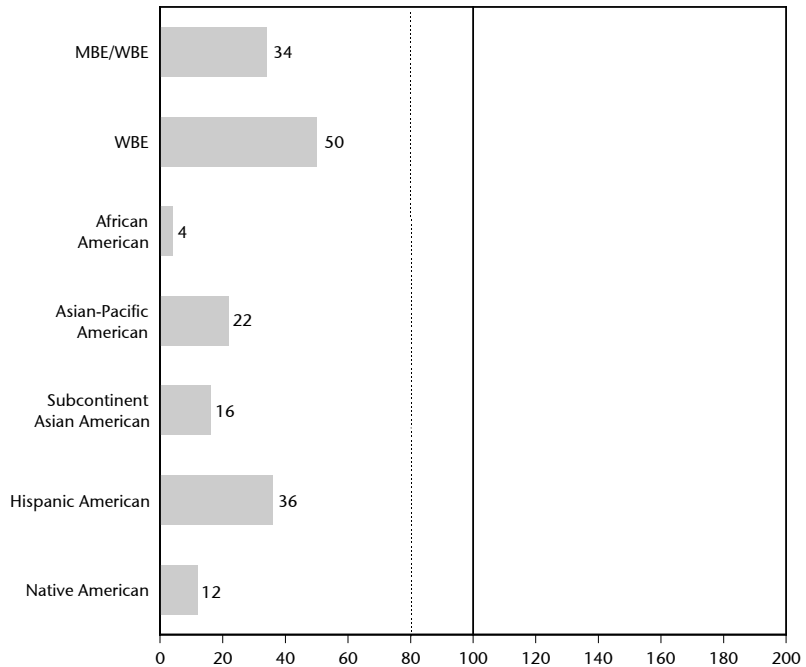


c. **All contracts.** Figure IV-7 shows combined results for FAA- and locally-funded contracts for 2003 through 2007. Overall, MBE/WBEs received 10 percent of SDCRAA contract dollars, substantially less than the 29 percent expected based on relative availability for SDCRAA transportation prime contracts and subcontracts (disparity index of 34). There were substantial disparities for WBEs and each MBE race/ethnic group.

Figure IV-7.
Disparity indices for
MBE/WBE utilization as
prime contractors and
subcontractors on FAA-
and locally-funded
transportation contracts,
2003–2007

Note:
 Number of contracts/subcontracts analyzed is 1,175.
 For more detail, see Figure C-35 in Appendix C.

Source:
 BBC Research & Consulting.



BBC next explored why the above disparities might be occurring. The statistical analysis below examines the likelihood that these disparities may have occurred by random chance in the procurement process.

The following report section (Section V) examines other possible factors behind these disparities using information including disparity analyses contained in Appendix C. Tables in Appendix C provide utilization, availability and disparity analyses for different types of Airport contracts (construction, engineering, and materials and equipment), contract roles (prime contracts and subcontracts), sizes of Airport contracts, and time periods (before and after the Authority changed its implementation of the DBE contract goals/good faith efforts program).

C. Analysis of Statistical Significance of Any Disparities

Statistical significance of any disparities relates to the degree a researcher can reject “random chance” as a cause of the disparities. Often, chance in sampling of data is the factor that researchers consider in determining statistical significance of results. However, BBC attempted to contact every firm in Southern California in the set of firms identified by Dun & Bradstreet as doing business within relevant subindustries, as described in Appendix B. Further discussion of sampling as it relates to availability results is presented in Figure IV-8.

The utilization analysis also approaches a “population” of contracts. Therefore, any disparity found when comparing overall utilization with availability would be “statistically significant.” BBC used a more sophisticated analytical tool to examine statistical significance of disparity results.

The discussion below explains (1) methodology (Monte Carlo simulation), and (2) results of the analysis of statistical significance.

**Figure IV-8.
Confidence intervals for
availability measures**

BBC conducted telephone interviews with more than 11,000 business establishments—a number of completed interviews that is often or “generally” considered large enough to be treated as a “population,” not a sample. BBC’s analysis of the confidence interval around the estimate of MBE/WBE representation among all firms available for Airport transportation work, 38.1 percent, is accurate within about +/-1.7 percentage points at the 95 percent confidence level (BBC applied the finite population correction factor when determining confidence intervals). At this level of accuracy in the availability analysis, a disparity index of 96 could technically be “statistically significant.” (By comparison, most survey results for proportions reported in the popular press are +/- 5 percentage points.)

1. Methodology for the Monte Carlo simulation. There are many opportunities in the sets of prime contracts and subcontracts BBC analyzed for minority- and women-owned firms to be awarded work. Some contract elements involve large dollars and others may be only a few thousand dollars. Monte Carlo analysis is a useful tool because there are many individual chances at winning work and each has a different payoff.

The technique works as follows:

- The statistical analysis starts by examining an individual contract element (a prime contract or subcontract).
 - BBC’s availability database provides information on individual firms “available” for that contract element based on type of work, prime versus subcontract role, size of the prime contract or subcontract, and location of the work. Each firm meeting those criteria was assumed to have an equal chance of receiving that contract element.
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- The Monte Carlo simulation randomly chooses a firm for a contract element from the pool of available firms for that element. For example, the odds of a woman-owned firm receiving that contract element are equal to the number of women-owned firms available for that work divided by the total number of firms available for that contract element.
 - A single Monte Carlo simulation run repeats the above process for all other elements in that set of contracts. The output of a single Monte Carlo run is simulated utilization of minority- and women-owned firms, by group, for that set of contract elements for that run.
 - The Monte Carlo simulation is then repeated 1 million times for each set of contracts.
 - BBC applied a 95 percent confidence level statistical standard, which is equivalent to a “two standard deviation test” sometimes applied by the courts when evaluating statistical significance.³ Applying a two-tailed test, the maximum number of simulations that could equal or fall below actual utilization is 25,000 out of 1 million, or 2.5 percent of total simulation runs, for a result to be statistically significant.

³ See, e.g., *Eng’g Contractors Ass’n*, 122 F.3d at 914, 917, 923.

2. Results. Output of a Monte Carlo simulation is the number of runs out of 1 million that produce a result observed in the actual data. As shown in Figure IV-9, there were no runs out of 1 million that replicated the disparity found for MBE/WBEs for locally-funded contracts. One can safely reject chance in contract awards as the explanation for the overall disparity for locally-funded contracts.

Figure IV-9.
Statistical significance of disparities in overall MBE/WBE utilization

	All contracts 2003-2007
Disparity index	34
Number of simulation runs out of 1 million that replicated observed disparity	0
Odds of observing disparity occurring due to "chance"	Less than 0.01%
Reject chance in awards of contracts as a cause of disparity?	Yes

Source: BBC Research & Consulting.

D. Summary

Key information from MBE/WBE utilization, availability and disparity analyses includes:

- MBE/WBE utilization was higher on the 2003–2007 locally-funded contracts examined in this study (18%) compared with FAA-funded contracts (4%) including both prime contractor and subcontractor utilization.
- MBE/WBE utilization on Airport FAA-funded contracts for 2003 through 2007 was substantially below MBE/WBE availability for FAA-funded contracts for 2003–2007 (26%). The DBE contract goals program was in place for most of the FAA-funded contract dollars examined for this period.
- Similarly, MBE/WBE utilization on Airport locally-funded contracts for 2003–2007 (18%) was also lower than MBE/WBE availability for this work (33%).
- The Authority’s utilization of WBEs, African American-, Asian-Pacific American-, Subcontinent Asian American-, Hispanic American- and Native American-owned firms fell below what would be expected based on the availability of these firms for Airport work for both FAA- and locally-funded contracts.
- Random chance in the procurement process can be rejected as an explanation for the disparities observed for MBE/WBEs overall for Airport contracts.

This information, alone, may not be sufficient for the Authority to make decisions as to future implementation of the Federal DBE Program. Using additional disparity analyses and other research, BBC explores in the following section of the report why any disparities may be occurring.