



FY 2020-2021

Historically Underutilized Business Program Report

About Austin ISD

Austin ISD educates more than 74,000 students and embraces 125 diverse school communities in one of the fastest-growing metroplexes in the country. In partnership with our families and our community, AISD's mission is to provide a comprehensive educational experience that is high-quality, challenging and inspires all students to make a positive contribution to society. We partner with world-class universities, innovative businesses, nonprofit organizations and engaged community leaders to prepare our students for college, career and life.

Austin ISD District Profile



EST. 1881

Austin ISD is the fifth-largest school district in Texas.



125 SCHOOLS

Austin ISD consists of elementary, middle, high, early college, academy, magnet, alternative and community schools.

74,871

Students

5,508

Classroom Teachers

1,569

Administrators &
Professional Staff

3,866

Bus Drivers, Custodians, Food
Service Staff & Educational Aides

A Message from the Chief Financial Officer

“

At Austin ISD, we create a diverse, equitable, and inclusive environment, that reflects the diverse communities we serve. The District is committed to developing valuable relationships with Historically Underutilized Businesses that are minority and women-owned.

Our HUB Program is a reflection of the District's values and it is fully endorsed and supported by the Board of Trustees. We are proud of the impact our program has made since its inception, and we're grateful for the ways our HUB vendors and diversity conscious contractors have helped to enable our success. ”

Eduardo Ramos,
Chief Financial Officer



A Message from the Executive Director of Contract & Procurement Services

“

Austin ISD Contract & Procurement Services is committed to providing fair and equitable opportunities for diverse vendors. These opportunities are in the areas of purchasing, professional services and construction. Our goal is to create a strategy that will focus on a diverse procurement. The intention is to have a more equitable environment as a leader within our community to encourage the growth of diverse businesses. This will have a positive economic impact in our community.

”

Annie Collier

Executive Director of Contract & Procurement Services



Our Historically Underutilized Business Program

The Austin Independent School District Board of Trustees approved the implementation of a formal Historically Underutilized Business (HUB) Program in 2016 to create opportunity and equitable access for minority- and women-owned business enterprises to bid on district procurement opportunities. A disparity study was conducted to initiate the development of the program and its aspirational HUB goals.

The HUB Program is committed to promoting a diverse vendor base. We engage HUB vendors with competitive qualifications, experience, capabilities, and pricing and aim to foster economic opportunities for HUB vendors. This is important because wealth-creating businesses stimulates economic growth in the community.



A Message from the HUB Program Director

“

Through our HUB Program, we aim to make meaningful contributions to the economic growth of minority and women-owned businesses. Representation matters so we operate from the perspective that our vendor base should be as diverse as the communities we serve. As our program continues to grow and evolve, we remain committed to providing resources that help drive the development and success of diverse businesses. ”



Dinita Caldwell

HUB Program Director

Diverse Business Organization Partnerships

We actively seek ways to promote the District and gain visibility within diverse organizations. The following organizations are partners:



HUB Program Business Outreach



In addition to our partnerships, the HUB Program team participates in several business conferences and networking sessions, serves as panelists at statewide and local virtual and in-person events, where we connect with minority and women-owned businesses and elevate our HUB program.



HUB Program Department



Gerald Green



**Contracts Relations
Coordinator**



Melfi Penn



**Contracts Relations
Coordinator**



Jesus Rodriguez



**Contracts Relations
Coordinator**



Cheryl Johnson



**Contracts Management
Specialist**



Latoya Edwards



Administrative Assistant

Building Our Business With HUB Vendors

TEESI  Engineering

**Texas Energy Engineering
Services, Inc. (TEESI)**



TEESI specializes in the delivery of energy efficient designs which was in line with AISD goals for 2017 Bond program. The projects resulted in reduced carbon footprint and modernization of equipment that was at the end of its useful life. The projects resulted in job opportunities for the local construction industry and encouraged environmentally friendly construction practices. With improved lighting and HVAC controls the learning environment at the facilities was greatly enhanced.



Tumlinson Electric, LLC



By making the necessary improvements to the facilities included in the 2017 Bond package, it allows to alleviate some of the issues associated with student overcrowding. It gives a more welcoming, safe and inviting learning environment for the students of Austin ISD. It also allows for the future growth of Austin ISD so to meet the demands of the growing population in central Texas. New and updated infrastructure also allows for teachers and educators to introduce and implement new technology into their curriculums to allow students to have a more interactive and engaging learning environment.

Building Our Business With HUB Vendors (cont.)



BLGY Architecture



BLGY's selection to accomplish Blazier Intermediate Campus funded with 2017 bonds, the first ever AISD intermediate 3rd through eighth grade campus within AISD, was an opportunity that stood to further promote our firm. That successfully met assignment provided reinforcement of confidence of BLGY's ability to continue to accomplish first-of-its-kind achievements such as also AISD's first LEED SILVER-rated campus, Guerrero Thompson Elementary.



RYCARS Construction, LLC



The greatest thing our company has done as a result of being awarded over \$3M in contracts from the 2017 Bond is to reset the narrative about the professionalism and overall capabilities of HUB businesses. We were also able to provide opportunities to both certified HUB and uncertified minority owned businesses which has a multiplier effect.



Square One Consultants



We have been fortunate to be included in projects that have historically been awarded to large, national firms. Our Native American status has allowed us to be awarded work and hire several employees. We currently have 5 employees with our work for AISD

How We Measure Economic Impact

AISD's spending with its Historically Underutilized Businesses generates economic activity in its business network and their communities. Impact is measured through Economic Activity, Jobs supported, and Wages supported.



Economic Impact Metrics

Economic impact reports communicate the impact on the economy using these standard metrics: Production, Jobs, and Wages.



PRODUCTION

Measures the cumulative revenues of all businesses impacted through the program: Direct, Indirect and Induced.



JOBS

Created within AISD's business network and in the vendor's communities.



WAGES

Measures the cumulative earnings of the employees in the jobs supported through HUB vendor purchases.

Economic Impact Channels

AISD's spending with its vendors generates economic activity in its business network and their communities. These impacts can be categorized into three types. First, the Direct impacts are the jobs and payroll directly supported at AISD'S diverse vendors. Next, there are additional spin-off impacts. Indirect impacts occur in the lower tier vendors and Induced impacts occur at the local businesses that supply products to the employees and their families in the jobs supported in the business network.

Economic Impact Channels

AISD's purchases have a ripple effect on FY 2020-2021. The total economic impact is comprised of three components: Direct, Indirect and Induced.



DIRECT

This is the immediate impact of Historically Underutilized Businesses.



INDIRECT

Historically Underutilized Businesses purchases goods and services from other vendors, which creates a ripple effect through the economy.



INDUCED

The employees in the jobs created in the business network to satisfy AISD's purchases support additional jobs in their communities.



Impact Through HUB Vendors

The FY 2020-2021 economic impact of purchases from Historically Underutilized Business vendors.



PRODUCTION
\$56M



TOTAL JOBS SUPPORTED
346



TOTAL WAGES SUPPORTED
\$21M

Austin ISD 2017 Bond Program



The Austin ISD 2017 Bond Program is an investment in the district's facilities, teachers and staff, and students. Student success is the ultimate goal and the district's driving force.

On Nov. 7, 2017, a majority, 72 percent, of Austin voters passed Austin Independent School District's bond proposal for \$1,050,984,000 to create 21st-century learning spaces for all students. More than two years of intensive analysis, planning and work went into the bond, which is designed to replace, improve, renovate and equip facilities for our approximately 83,000 students and 12,000 employees. Every school benefits.

Key projects in the bond include:

- Constructing new or modernized campus facilities;
- Improvements to address overcrowding and critical needs; and,
- Districtwide improvements to technology for teachers and students and transportation.

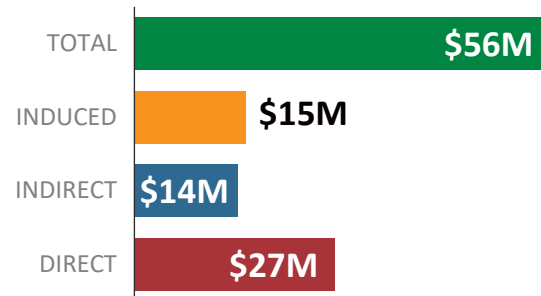


AISD 2017 Bond Program Making An Impact

TOTAL PRODUCTION

\$56M

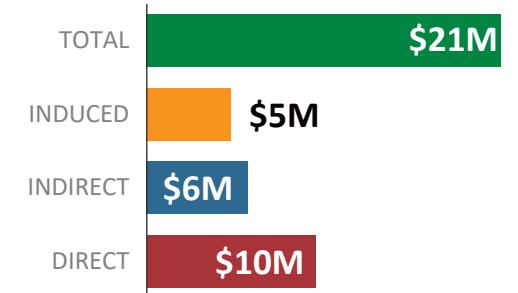
AISD purchased \$27M with HUB vendors. This spending resulted in the total impact of \$56M, which is broken down into \$27M Direct impact, \$14M Indirect impact and \$15M Induced impact.



TOTAL WAGES EARNED

\$21M

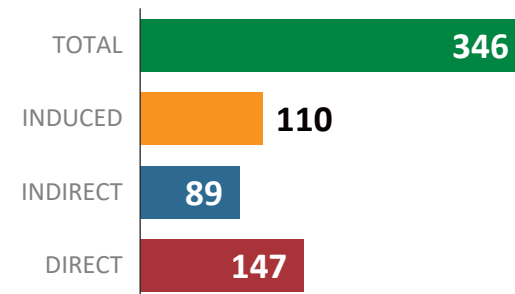
AISD's purchases from HUBs supported jobs throughout the business network that paid employees a total of \$21M in wages. Wages earned in the Direct, Indirect and Induced channels are estimated at \$10M, \$6M and \$5M respectively.



TOTAL JOBS SUPPORTED

346

AISD's HUBs spending supported an estimated 346 jobs. 147 of these were supported in the Direct channel, 89 jobs in the Indirect channel, and 110 jobs from the Induced channel.



IMPACT WITH HUBs

\$27M



Our Impact On Minority-Owned Businesses



SPEND

\$15.6M



JOBS SUPPORTED

89



WAGES SUPPORTED

\$6M

Note: Vendors are included in every category for which they qualify, and therefore, numbers may add up to greater than the total spend.

Our Impact On Women-Owned Businesses



SPEND

\$11.3M



JOBS SUPPORTED

58

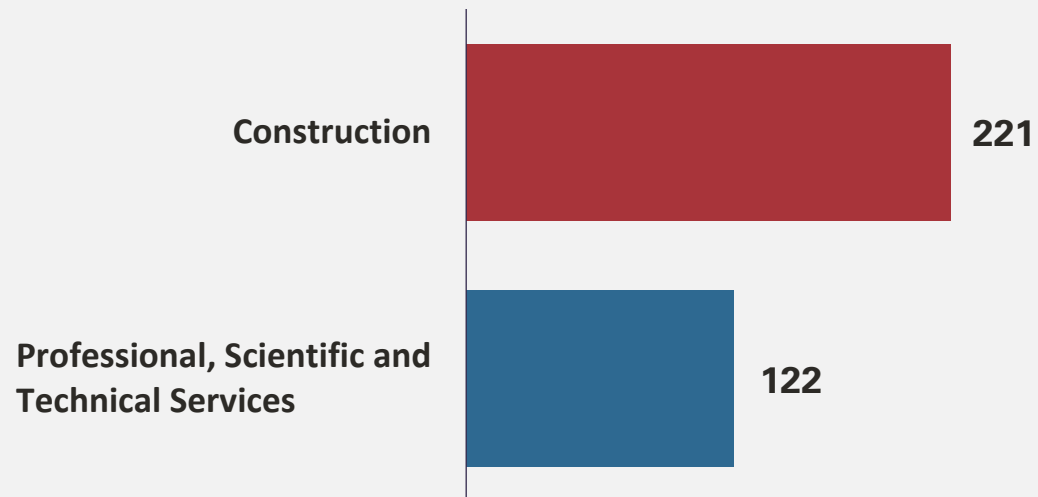


WAGES SUPPORTED

\$3.8M

Note: Vendors are included in every category for which they qualify, and therefore, numbers may add up to greater than the total spend.

Top Industries With Supported Jobs



NOTE: Jobs are assigned to industries included in the North American Industry Classification System (NAICS) that was developed by the federal government.



Economic Impact By Campus

Campus	HUB Spend	Total Production*	Total Jobs*	Total Wages*
Electrical Work at Various Campuses	\$7.8M	\$16.9M	103	\$6.0M
Akins High School & Graham Elementary School Roof Improvements	\$3.1M	\$6.8M	41	\$2.4M
Sunset Valley Elementary School Renovations and Other Campuses	\$3.1M	\$6.7M	41	\$2.4M
2017 Bond Program Management Services	\$1.7M	\$3.6M	25	\$1.6M
Districtwide Audio Visual System Upgrades	\$1.7M	\$3.5M	25	\$1.6M
Districtwide Fire Alarm Upgrades and Sprinkler Repair at Central Warehouse	\$1.2M	\$2.6M	16	\$932.1K
Districtwide Office Furniture for Campuses and Facilities	\$1.2M	\$1.4M	2	\$111.9K
Dobie Middle School and Palm Elementary School Renovations	\$976.2K	\$2.1M	13	\$748.0K
Digital Transformation and Management Services at Various Campuses	\$832.3K	\$1.7M	12	\$771.9K
2017 Bond Program Augmentation Services	\$710.7K	\$1.5M	10	\$659.2K
Classroom Furniture at Various Campuses	\$540.4K	\$603.5K	1	\$49.9K

* Impact from Direct, Indirect, and Induced



Appendix: Economic Impact Modeling

Economic impact modeling is a standard tool used to quantify the economic contribution of an investment or company. This modeling uses an “Input-Output” economic model to estimate the number of times each dollar of “input,” or direct spend, cycles through the economy in terms of “indirect and induced output,” or additional spend, personal income, and employment.

There are several Input-Output models used by economists to estimate multiplier effects. supplier.io employed the IMPLAN input-output model in developing estimates of spend, income and employment impacts. This model, initially developed by the U.S. Department of Agriculture, examines inter-industry relationships in local, regional, and national economies.

The Input-Output multipliers are derived from a comprehensive and complex set of inputs based on the collection of business and employment data. Indirect impacts of economic activity in a targeted geographic area are calculated by applying multiplier coefficients to the direct impact spending. Since most of the businesses in the study are considered as local businesses, each supplier was assumed to have operations primarily in one state. These multipliers consider an amount of “leakage” from the state economy because some wages and expenditures will be spent outside of the state. The economic activity is calculated by state and these state-level results are aggregated to determine the national totals.

Analysis performed by supplier.io

Assumptions

This analysis relies on the following assumptions:

For suppliers that have multiple locations, all impact is evaluated at the headquarters location. This may overestimate the impact in the headquarters state and underestimate the impact in other states.

For suppliers that provide services in multiple NAICS code, unless otherwise indicated, all impact is calculated using the supplier's primary NAICS code.

A supplier impact is assumed to be localized within a state.

The model predicts impact results based on industry averages and is an aggregate across all companies.

The calculations cannot be applied to individual companies and may differ from actual jobs and incomes at specific companies.

References

This report is based on an analysis of data provided by the customer and information from the following sources:

US Government Revenues: http://www.usgovernmentrevenue.com/total_2014USrt_17rs1n

IMPLAN (<https://implan.com>)

United States GDP: <http://www.tradingeconomics.com/united-states/gdp>

RIM II User Guide - A essential tool for regional developers

and planners: https://www.bea.gov/sites/default/files/methodologies/RIMSII_User_Guide.pdf

Input-Output Models for Impact Analysis: Suggestions for Practitioners Using RIMS II

Multipliers <https://www.bea.gov/system/files/papers/WP2012-3.pdf>



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