



FEBRUARY 6, 2003

Metropolitan
Transportation
Authority

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Los Angeles, CA
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TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE *RS*
CHIEF EXECUTIVE OFFICER

FROM: MARIA A. GUERRA *MAG*
CHIEF OF STAFF

ACTION: SHARED RESPONSIBILITY PROGRAM

ISSUE

In June 2002, the Board directed the Chief Executive Officer to implement a "Shared Responsibility" Program, to involve executive management in meeting the Disadvantaged Business Enterprise (DBE) Annual Goal.

POLICY IMPLICATIONS

The Shared Responsibility Program will be implemented as a CEO initiative to clearly define executive management's commitment to MTA DBE Program policy and to align such policies with agency wide goals and objectives. Under the Shared Responsibility Program, and as part of the development of the annual DBE goal, MTA will set individual goals for each MTA Strategic Business Unit (SBU). The individual goals are based on the projected level of federal contracting opportunities and DBE availability identified for the upcoming fiscal year. The head of each SBU will be accountable for driving shared responsibility program objectives throughout their respective organizations and will strive to achieve their respective goals during the fiscal year.

Action Plan

The following plan of actions will promote and implement the Shared Responsibility Program across all MTA SBUs.

1. Executive Management Review

The heads of each SBU will be accountable for their performance in meeting their respective level of contracting opportunities. The CEO will conduct year-end

performance reviews to evaluate each SBUs performance. The shared responsibility initiative will be addressed at CEO staff meetings as a priority similar to the current Safety 1st and Prompt Bill Paying initiatives. The SBUs will be required to ensure that shared responsibility goals and objectives are an integral part of their respective project planning process and organizational objectives.

2. Develop Steering Committee

A Steering Committee comprised of executive management from each SBU will be established to monitor shared responsibility program performance, address challenges, lessons learned and to promote successes. The committee will meet semi-annually to review current goal achievement and to discuss progress for the remainder of the fiscal year. This forum will also provide SBUs the opportunity to discuss upcoming projects and targeted outreach requirements.

3. Program Measurement

Shared responsibility performance results will be measured against actual vs. projected level of DBE contracting opportunities achieved by each SBU and ultimately in meeting the MTA's annual goal. An internal tracking system will be designed to capture and report SBU performance at each organization level. Performance tracking will be linked to accounts payable, purchasing and the financial information system to accurately report goal achievement. The heads of each SBU will report to the Diversity & Economic Opportunity Department (DEOD) their level of effort in achieving their respective goal. All factors impacting goal achievement will be evaluated during the year-end management reviews.

SBUs are encouraged to actively attend local/national small business trade fairs and MTA sponsored outreach events. Additionally, SBUs will be encouraged to place advertisements in small business trade or business publications on upcoming projects to help identify potential DBE vendors in targeted areas. This level of participation will be measured as additional efforts taken by SBUs to meet the shared responsibility objectives.

4. Training/Internal Communication

Orientation and education training sessions will be conducted for the heads of each SBU, steering committee members and organizational department staff as designated. Promotion and agency-wide awareness of the shared responsibility initiative will be communicated via the MTA intranet and existing internal newsletters, brochures, etc. DEOD will review existing recognition programs to highlight agency-wide achievements.

Program Administration

The methodology used to establish the shared responsibility goals are consistent with Department of Transportation (DOT) annual goal setting requirements. MTA establishes the annual goal based on the total amount of federal funds MTA anticipates to expend in the

upcoming year and the number of ready, willing and able DBEs identified as available to participate. Likewise, as shown in Attachment A, goals established for each SBU will be determined based on the projected number of contracts to be procured with federal funds in the upcoming year multiplied by the current availability of DBE firms to participate on these contracts in the five designated contracting categories: Construction, Professional Services, Materials/Supplies, Equipment and Other. The goal established for each SBU will differ based on the total amount of federal funds budgeted and the varied number and type of contracts projected to be procured within the respective organizations. The level of federal funding and goal percentages detailed in Attachment A was calculated using the Fiscal Year (FY) 2002-2003 adopted budget as a sample to illustrate the methodology to be used in establishing shared responsibility goals for the next fiscal year.

The Shared Responsibility Program will be effective for Federal Fiscal Year 2004 (FFY04) beginning October 1 through September 30. DEOD is responsible for DBE Program administration and Shared Responsibility Program implementation. DEOD will track and report progress toward goals and will communicate performance results to the CEO. DEOD will support SBUs by providing extended outreach efforts to target DBE firms for participation on their respective projects. DEOD will report the results on shared responsibility for the previous FFY in February of each year.

NEXT STEPS

Staff will move forward to implement the Shared Responsibility Program and will report back to the Board in conjunction with the DBE Annual Goal.

ATTACHMENT(S)

- A. Shared Responsibility Goal Methodology (Sample)

Prepared by: Tashai R. Smith, Manager, DEOD

SHARED RESPONSIBILITY GOAL METHODOLOGY (Sample)

MTA Annual Overall Goal

MTA Annual Overall Goal	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 81,265,789	\$ 47,106,247	\$ 2,130,894	\$ 112,140	\$ 56,264,437	\$ 186,879,508 *
% of total Federal \$ by category	43.49%	25.21%	1.14%	0.06%	30.11%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	21% = Overall Goal
Apply overall goal of 21%	\$ 16,727,387	\$ 9,696,140	\$ 438,614	\$ 23,082	\$ 11,581,221	\$ 38,466,444

Level of Projected Federal Contracting Opportunities by Strategic Business Unit

Chief of Staff Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 51,950	\$ 131,555	\$ 19,188	\$ 77,330	\$ 736,948	\$ 1,016,971
% of total Federal \$ by category	5.11%	12.94%	1.89%	7.60%	72.47%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	24% = Organization Goal
Apply organization goal of 24%	\$ 12,498	\$ 31,649	\$ 4,616	\$ 18,604	\$ 177,295	\$ 244,663 = Level of Projected Contracting opportunities

Support Services Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 2,039,448	\$ 1,384,090	\$ 1,645,148	\$ 18,331	\$ 8,952,126	\$ 14,039,144
% of total Federal \$ by category	14.53%	9.86%	11.72%	0.13%	63.77%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	20% = Organization Goal
Apply organization goal of 20%	\$ 417,397	\$ 283,270	\$ 336,699	\$ 3,752	\$ 1,832,157	\$ 2,873,274 = Level of Projected Contracting opportunities

Transit Operations Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 38,419,203	\$ 45,108,155	\$ 400,000	\$ 3,842	\$ 29,004,779	\$ 112,935,979
% of total Federal \$ by category	34.02%	39.94%	0.35%	0.00%	25.68%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	23% = Organization Goal
Apply organization goal of 23%	\$ 8,673,334	\$ 10,183,400	\$ 90,302	\$ 867	\$ 6,547,979	\$ 25,495,883 = Level of Projected Contracting opportunities

Countywide Planning & Dev. Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 1,572,529	\$ -	\$ -	\$ -	\$ 2,617,393	\$ 4,189,921
% of total Federal \$ by category	37.53%	0.00%	0.00%	0.00%	62.47%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	19% = Organization Goal
Apply organization goal of 19%	\$ 299,618	\$ -	\$ -	\$ -	\$ 498,699	\$ 798,318 = Level of Projected Contracting opportunities

Communications Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 392,279	\$ -	\$ -	\$ -	\$ 236,558	\$ 628,837
% of total Federal \$ by category	62.38%	0.00%	0.00%	0.00%	37.62%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	17% = Organization Goal
Apply organization goal of 17%	\$ 67,408	\$ -	\$ -	\$ -	\$ 40,650	\$ 108,058 = Level of Projected Contracting opportunities

Construction Project Management Business Unit	Construction	Equipment	Mat/Supplies	Other	Prof. Services	Total
Federal \$ with contracting opportunities	\$ 38,790,381	\$ 482,447	\$ 66,558	\$ 12,637	\$ 14,716,633	\$ 54,068,656
% of total Federal \$ by category	71.74%	0.89%	0.12%	0.02%	27.22%	
Relative DBE availability in category	0.14353737	0.301195034	0.119833729	0.440479672	0.21876785	17% = Organization Goal
Apply organization goal of 17%	\$ 6,418,291	\$ 79,826	\$ 11,013	\$ 2,091	\$ 2,435,027	\$ 8,946,249 = Level of Projected Contracting opportunities

TOTAL **\$ 38,466,444**

* Figures based on Final FY2002-2003 Adopted Budget.