

DEPARTMENT OF LAW

Minority & Women's Business Opportunity Office

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INTRODUCTION

Purpose

The Minority and Women's Business Opportunity Office (MWBOO) is responsible for the Certification of Minority Business Enterprises and Women's Business Enterprises, maintaining a directory of certified business enterprises, investigating alleged violations of Article 5, Subtitle 28, certifying compliance with Article 5, Subtitle 28 of the City code before contracts are submitted to the Board of Estimates for award, setting MBE and WBE participation goals on contracts, and establishing certain annual goals for MBE and WBE participation.

Annual Goals Summary

The purpose of the annual goals is to aid the City in its evaluation of the effectiveness of the City's MBE/WBE program. The goals are not and may not be quotas. These goals reflect the availability of minority and women-owned businesses in the Baltimore City Market Area. These goals are meant as a target with the intent that when the new disparity study is done, it would show that minority and women's businesses had been utilized to the level of the goal. In short, it would measure the City's progress toward eliminating the MBE/WBE utilization disparity.

MBE and WBE participation goals for individual contracts will continue to be set on a contract-by-contract basis based upon the availability of MBEs and WBEs to provide the services required for each contract, the feasibility to segment the required services, the level of utilization of these firms on past City contracts, and the adverse effect on non-MBE and non-WBE businesses.

Information from the new Disparity Study will be used to determine the continuing need for the program including the setting of annual goals. Baltimore City started its new disparity study October 29, 2020 and the conclusion of this study will provide recommendations to improve the program, establishment of new goals, and suggested resources to help program efficiency/effectiveness.

<u>Staffing</u>

- Chief
- Deputy Chief
- (3) Compliance Officers One employee acquired by transfer from Department of Finance in October 2020
- Claims Investigator
- Secretary III

"Fairness is what justice really is" - Potter Stewart

Problems

The Minority and Women's Business Opportunity Office (MWBOO) continued to encounter some challenges with internal operations. See below:

(1) Limited staffing

- a. MWBOO currently services all City agencies for compliance monitoring as well as MBE/WBE certification management for small minority owned business owners in the geographical market area. The task orientation associated with department operations is robust and requires adequate staffing to meet the demands for each agency and the MBE/WBE population. The current staff diligently performs outstanding service to complete tasks but there is a deficiency with providing adequacy due to the absence of key positions such as the following:
 - (3) additional Compliance Officers
 - (1) additional Claims Investigator
 - (1) Intake Coordinator

(2) High volume certification processing

a. MWBOO currently processes an average of 75 to 100 (plus) certifications each month which includes new, renewals, MDOT, and expansion of services. This was a high demand for the limited staff at MWBOO in 2020 and the year ended with an application backlog.

(3) Manual/paper-based processing

a. In 2020, MWBOO executed about 75% manual processing and paper-based file management. This antiquated method does prevent timely processing for compliance reviews and MBE/WBE certifications. In the Spring/Summer of 2020 MWBOO began meeting with B2G to organize compliance software migration. This software will be used for certification and compliance processing and will provide high level efficiency for the department.

(4) Lack of compliance software

a. In Spring/Summer 2020, MWBOO facilitated a series of project planning sessions with B2G to launch a Citywide compliance software. The migration rollout was scheduled for October 2020, but due to lack of proper project planning there was a delay and MWBOO had to revise the project plans and ensure proper input was incorporated from the Mayor's Office/Chief of Staff and Baltimore City Office of Technology. The pursuit of the B2G software remains underway.

(5) Change in leadership

a. MWBOO endured another leadership transition in September 2020, which was the second impact since the previous leadership change in 2018. This greatly compressed departmental operations. This lack of stability almost prevented MWBOO from making the proper upgrades and innovations. A new Chief was appointed to MWBOO in late November 2020 and the department was able to make positive strides by implementing immediate changes to advance daily productivity.

(6) Receiving backlog and time sensitive requests from agencies

a. MWBOO encountered a severe backlog with compliance reviews between January through August 2020, which were due to internal department challenges. In November 2020, MWBOO was able to efficiently complete its own internal backlog but still

encountered backlog requests from agencies, which resulted from productivity impediments within those agencies. This prevented MWBOO from rendering urgent attention to time sensitive items and the user agency backlogs increased the work demand for MWBOO routine tasks.

(7) Introduction of COVID-19 Pandemic

a. February 2020 marked the need for emergency changes with all City agencies because of COVID-19 pandemic. This crisis prevented staff from reporting to work sited, the need for immediate technology resources to accommodate teleworking, social distancing, and high-risk factors associated with exposure to the virus. Since MWBOO staff never worked remotely, there were some challenges with adjustments to the sudden shift in workflow. Lastly, this teleworking requirement forced MWBOO to implement cloud-based programs to create efficiency with a virtual workplace.

2020 MBE/WBE Data Statistics

January 1, 2020 to December 31, 2020

TOTAL CERTIFIED BUSINESSES	281
TOTAL MBE'S	138
TOTAL WBE'S	95
TOTAL M/WBE'S	48
TOTAL MDOT	42
TOTAL NEW APPLICATIONS	69
TOTAL RENEWAL APPLICATIONS	175
TOTAL EXPANSION OF SERVICES	4

Overall total active minority and women owned businesses: 1,606

Current MBE/WBE businesses operate within the following market area:

- Baltimore City
- Baltimore County
- Anne Arundel County
- Howard County
- Carroll County
- Queen Anne's County
- Harford County

Recommendations

(1) Continue compliance software migration

- a. MWBOO will continue efforts to implement compliance software. The initial phases will include a program pilot with three (3) agencies (namely Department of Transportation, Department of General Services, and Baltimore City Recreation and Parks). This pilot will be facilitated for a period of 10 months to measure the effectiveness of software. After pilot phase, MWBOO will gradually integrate other agencies and ensure training is facilitated for users as well as prime contractors and MBE/WBE subcontractors.
- b. There will be efforts to identify consistent (annual) funding for software since the goal is for this migration to be a permanent Citywide innovation.

(2) Continue increase of staffing resources

- a. Efforts will continue to identify resources for additional staffing
- b. Additional funding will be needed for staff augmentation

(3) Continue automating department operations with efficient technology

- a. Efforts will continue to maximize existing implementation of Smartsheet and Trello program. These systems are used for internal data processing of certifications and contract performance/compliance reviews
- b. Efforts will continue to eradicate manual processing and create paperless operations to support the new virtual workplace demands.
- **c.** Identify proactive ways to prevent increased backlog by adopting technology-based operations that will improve agency engagement.