

OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

The mission of the Office of Business Opportunity (OBO) is to create a competitive and diverse business environment in the City of Houston by promoting the growth and success of local small businesses, with special emphasis on historically underutilized groups by ensuring their meaningful participation in the government procurement process.

The vision for the OBO is to administer a reputable certification process that is easy to complete, and attracts qualified certification candidates. The goal being that these certified companies regularly and successfully participate on City contracts. In addition, the OBO strives to ensure that prime contractors consistently meet and exceed utilization goals on contracts. OBO's accountability will be measured by newly implemented metrics to track achievements and maintain substantial progress toward the goals set in place for the department.

The primary services offered by the Office of Business Opportunity include the following:

- Certification of businesses for participation on City and federally funded projects: Certifies Minority, Women, Small, Person with Disabilities and Disadvantaged Businesses Enterprises (S/MWPDDBE) to be eligible to participate for credit on goal oriented portions of City contracts.
- Contract Compliance: Enforces Equal Employment Opportunity, nondiscrimination, prevailing wages, and other labor standards on City contracts. In addition, contract compliance officers conduct audits to ensure S/MWPDDBE firms are utilized and receive payment. Monitors City contracts to ensure Good Faith Efforts are being made to ensure meaningful participation on City contracts,
- Department Services: Evaluates waivers, zero percent goals and contract utilization plans. Facilitates Procurement Training Institute that educates departments on common compliance issues and best practices. Assists departments with setting contract goals based on true availability of certified firms.
- External Affairs and Outreach: Organizes events to raise awareness of City contract opportunities; sends out quarterly newsletter and promotes S/MWPDDBE certification to eligible firms.
- Vendor Services: Evaluates the pool of S/MWPDDBE Certified firms to promote their utilization on upcoming City contracts. In addition, the Business Development Manager provides assistance and facilitates business development programs for certified firms.
- Houston Business Solutions Center (HBSC): Provides free assistance, counseling, financial advice, and business training workshops for individuals that would like to obtain information on how to start, own and operate their own business. HBSC administers the Hire Houston First program.

Department Short Term Goals

Implement Disparity Study Recommendations Citywide

- Request council action on Chapter 15 revisions of ordinance
- Revise Good Faith Efforts Policy
- Implement Good Faith Efforts/Utilization Plan review prior to contract award
- Finalize methodology for setting contract specific goals
- Update internal policies and procedures to include current and best practices
- Continue to augment reporting to ensure transparency

Pilot Department Accountability and Monitoring

- Require department utilization plans to be submitted following the annual budget cycle
- Modify contract compliance workflow delegating monitoring of utilization to department project managers and buyers
- Modify application system to allow for department access to engage primes on certified firm participation

Build out Vendor Services for Certified Companies

- Provide technical assistance to newly certified firms
- Assess newly certified firms and alert them of new opportunities, advise them on bids and proposals, and assist them in issue resolution
- Launch Mentor Protégé Program
- Continue bonding education program

Increase Program Visibility

- Create a marketing plan utilizing print, radio, television and events to identify prospective companies

Expand Services for Small Businesses: Educate. Connect. Grow

- Develop resource guides provided by Houston Business Solutions Center
- Revise Houston Business Solutions Center website
- Launch business plan competition
- Create a workforce support platform for small businesses to promote jobs in Houston area

Department Long Term Goals

B2G System – Comprehensive Enhancements

- Improve B2G system to improve work performance
- Create access for departmental users
- Provide external stakeholders easy access to contract information

Liquidate Damages Pilot Program

- Liquidate damages will be assessed for failure to submit Good Faith Efforts and/or payroll documents

Department Services Unit Expansion

- This division will assess contract specific goals for all City contracts
- Review bid submissions

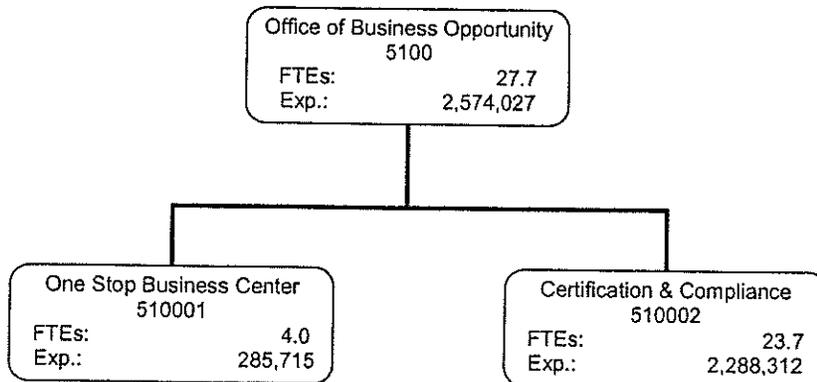
Expansion of S/MWPDBE Program

- Add two counties to the certification area
- Expand certification program to include designation for veteran owned business enterprises

Facilitate Regular Disparity Study for all City Procurement

- Conduct disparity study every five years to determine if program is still necessary

Department Organization





FISCAL YEAR 2014 BUDGET

Business Area Budget Summary

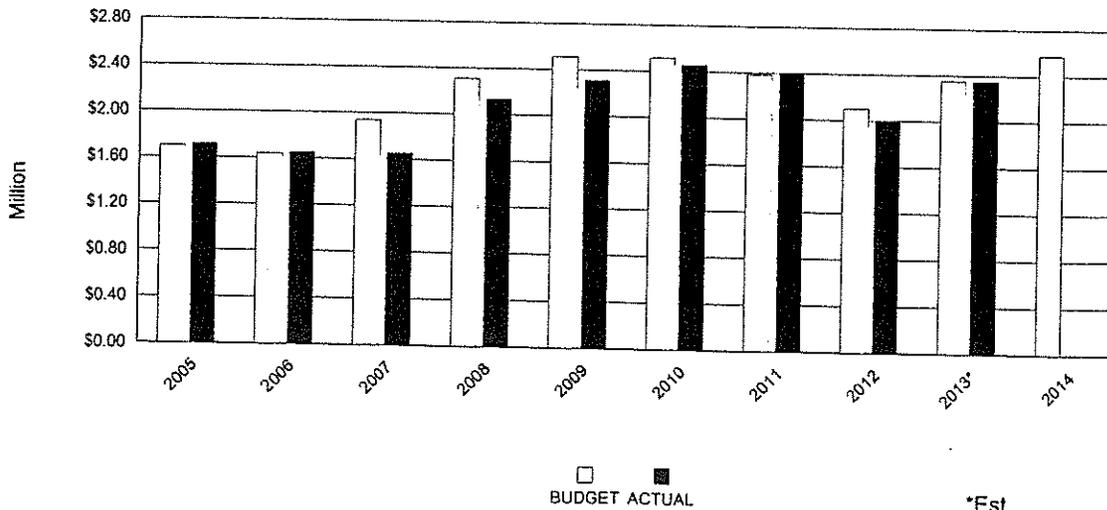
Fund Name : General Fund
 Business Area Name : Office of Business Opportunity
 Fund No./Bus. Area No. : 1000 / 5100

		FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
Expenditures	Personnel Services	1,640,784	2,054,464	2,054,464	2,218,785
	Supplies	42,683	35,572	35,572	32,408
	Other Services and Charges	282,273	253,969	253,969	322,834
	Equipment	31,827	0	0	0
	Non-Capital Equipment	0	8,400	8,400	0
	Total M & O Expenditures	1,997,567	2,352,405	2,352,405	2,574,027
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	1,997,567	2,352,405	2,352,405	2,574,027
Revenues		103,178	169,000	169,264	167,156
Staffing	Full-Time Equivalents - Civilian	23.3	25.0	25.0	27.7
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	23.3	25.0	25.0	27.7
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2014 Budget provides funding for health benefits, pension contribution and municipal employees 3% pay increases.
- o Continue marketing and advertising efforts to promote services offered by the Office of Business Opportunity for Hire Houston First and Small, Minority, Women, Person with Disabilities and Disadvantaged Businesses (S/MWPDBE) program.
- o Continue marketing and promoting our new three years certification, which allows small businesses and historically underserved groups to remain certified for three years ensuring their meaningful participation in government procurement.

**Office of Business Opportunity
Current Budget vs Actual Expenditures**



FISCAL YEAR 2014 BUDGET

Business Area Performance Measures					
Fund Name : General Fund					
Business Area Name : Office of Business Opportunity					
Fund No./Bus Area No. : 1000 / 5100					
Customer Measures	Priorities	FY2012 Actual	FY2013 Budget	FY2013 Estimate	FY2014 Budget
New Certified Firms	J	311	311	373	275
Certification Processing Timeframe	J	34	34	90	90
Certified Payrolls Audited	J	17,983	17,983	20,000	20,000
Construction and PS&P Contract Monitored	J	411	411	400	1,414
Outreach and Speaking Events	J	289	289	305	300
New HHF Designations	J	431	431	500	500
Companies in Bonding Education Program	J	N/A	25	36	70
Business Process Measures					
New Certification Applications Received	J	588	558	600	575
Certification Field Audits	J	311	311	400	400
Contract Compliance Site Visits	J	479	479	1,200	960
Business Assistance Requests	J	3,150	3,150	3,000	2,700
Getting Started Packets Downloaded	J	3,390	3,390	3,000	2,700
HHF Applications Received	J	N/A	600	600	600
People and Technology Measures					
Certification Workshop Attendance	J	510	510	500	500
Business Education Workshops	J	31	31	30	30
On-Site Business Development Counseling for SCORE	J	N/A	125	125	100
Procurement Training Institute Attendees	J	N/A	450	450	460
Technical Assistance to Businesses	J	N/A	N/A	N/A	75
Companies Participating in "Certified Now What"	J	N/A	N/A	75	150
Financial Measures					
Expenditures Budget vs Actual Utilization	F	95%	98%	100%	98%
Revenues Budget vs Actual Utilization	F	147%	100%	100%	100%
S/MWDBE Contract Participation Percentage	F	28%	23%	23%	25%
Hire Houston First % of New Contract Awarded	J	18%	18%	18%	18%
Mayor's Five Priorities: Jobs and Sustainable Development (J) Public Safety (P) Infrastructure (I) Fiscal Responsibility (F) Quality of Life (Q)					

FISCAL YEAR 2014 BUDGET

Division Summary

Fund Name : General Fund
 Business Area Name : Office of Business Opportunity
 Fund No./Bus Area No. : 1000 / 5100

Division Description	FY2012 Actual		FY2013 Estimate		FY2014 Budget	
	FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
One Stop Business Center 510001 The Houston Business Solutions Center provides free business assistance and monitors business creation and job development by systematically tracking clients. The HBSC administers the Hire Houston First program.	3.1	262,647	2.5	273,984	4.0	285,715
Certification & Compliance 510002 The Certification and Compliance section consists of Certification, External Affairs and Outreach, Vendor Services, Contract Compliance and Administration.	20.2	1,734,920	22.5	2,078,421	23.7	2,288,312
Total	23.3	1,997,567	25.0	2,352,405	27.7	2,574,027

FISCAL YEAR 2014 BUDGET

Business Area Roster Summary

Fund Name : General Fund
 Business Area Name : Office of Business Opportunity
 Fund No./Bus Area No. : 1000 / 5100

Job Description	Pay Grade	FY2013 Current Budget FTE	FY2014 Budget FTE	Change
ADMINISTRATION MANAGER	26	1.0	1.0	
ADMINISTRATIVE AIDE	10	2.0	3.0	1.0
ADMINISTRATIVE ASSOCIATE	13	3.0	2.0	(1.0)
ADMINISTRATIVE COORDINATOR	24	3.0	3.0	
ADMINISTRATIVE SPECIALIST	20	0.0	1.0	1.0
AFFIRMATIVE ACTION DIVISION DIRECTOR (EXE LEV)	34	1.0	1.0	
ASSISTANT DIRECTOR (EXE LEV)	32	1.0	1.0	
CONTRACT COMPLIANCE OFFICER	15	3.0	3.0	
CONTRACT COMPLIANCE SUPERVISOR	22	1.0	1.0	
DIVISION MANAGER	29	2.0	2.0	
EXECUTIVE OFFICE ASSISTANT	15	1.0	0.0	(1.0)
MANAGEMENT ANALYST I	15	1.0	2.0	1.0
MANAGEMENT ANALYST III	21	2.0	2.0	
PROCUREMENT SPECIALIST	24	1.0	1.0	
SENIOR CONTRACT COMPLIANCE OFFICER	18	4.0	4.0	
STAFF ANALYST	26	1.0	1.0	
STUDENT INTERN II	10	1.0	0.0	(1.0)
Total FTEs		28.0	28.0	0.0
Less adjustment for Civilian Vacancy Factor		3.0	0.3	(2.7)
Full-Time Equivalent		25.0	27.7	2.7

FISCAL YEAR 2014 BUDGET

Business Area Revenue Summary

Fund Name : General Fund
 Business Area Name : Office of Business Opportunity
 Fund No./Bus Area No. : 1000 / 5100

Commit Item	Description	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
5100020001	Certification & Compliance			
424160	Interfund Affirmative Action Services	129,000	129,000	127,156
426330	Miscellaneous Copies Fees	0	264	0
Total	Certification & Compliance	<u>129,000</u>	<u>129,264</u>	<u>127,156</u>
5100020002	Prevailing Wages			
452030	Miscellaneous Revenue	40,000	40,000	40,000
Total	Office of Business Opportunity	<u><u>169,000</u></u>	<u><u>169,264</u></u>	<u><u>167,156</u></u>

FISCAL YEAR 2014 BUDGET

Business Area Expenditure Summary

Fund Name : General Fund
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 Fund No./Bus. Area No. : 1000 / 5100

Commit Item	Description	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
500010	Salary Base Pay - Civilian	1,134,756	1,395,133	1,395,133	1,532,560
500060	Overtime - Civilian	915	70	70	0
500110	Bilingual Pay - Civilian	1,809	2,742	2,742	0
501070	Pension - Civilian	215,254	301,617	301,617	347,737
501120	Termination Pay - Civilian	31,729	1,500	1,500	0
502010	FICA - Civilian	92,754	107,522	107,522	116,877
503010	Health Ins-Act Civilian	114,343	171,108	171,108	187,221
503015	Basic Life Insurance - Active Civilian	661	860	860	1,184
503060	Long Term Disability-Civilian	1,754	2,380	2,380	2,355
503090	Workers Compensation-Civilian-Admin	4,417	6,692	6,692	6,620
503100	Workers Compensation-Civilian-Claim	548	100	100	0
504030	Unemployment Claims - Administration	41,844	64,740	64,740	24,231
Total	Personnel Services	1,640,784	2,054,464	2,054,464	2,218,785
511020	Construction Materials	127	0	0	0
511045	Computer Supplies	5,947	4,200	4,200	4,000
511055	Publications & Printed Materials	287	272	272	300
511060	Postage	8,789	10,000	10,000	9,241
511070	Miscellaneous Office Supplies	19,384	9,400	9,400	10,900
511110	Fuel	4,225	4,000	4,000	3,260
511115	Vehicle Repair & Maintenance Supplies	0	200	200	0
511125	Food Supplies	217	2,500	2,500	2,000
511150	Miscellaneous Parts & Supplies	3,707	5,000	5,000	2,707
Total	Supplies	42,683	35,572	35,572	32,408
520100	Temporary Personnel Services	47,565	21,500	21,500	12,825
520109	Medical Dental & Laboratory Services	348	200	200	300
520110	Management Consulting Services	36,050	7,500	7,500	13,500
520114	Miscellaneous Support Services	(2,848)	33,300	33,300	25,000
520119	Computer Equipment/Software Maintenance	0	2,600	2,600	3,100
520121	IT Application Svcs	3,490	7,040	7,040	77,842
520123	Vehicle & Motor Equipment Services	9,338	14,000	14,000	8,000
520124	Other Equipment Services	0	250	250	0
520126	Construction Site Work Services	18,991	0	0	0
520515	Print Shop Services	10,388	8,540	8,540	13,000
520520	Printing & Reproduction Services	28,350	0	0	2,000
520605	Advertising Services	8,957	24,800	24,800	21,000
520705	Insurance Fees	594	570	570	626
520765	Membership & Professional Fees	3,100	2,000	2,000	3,000
520805	Education & Training	1,085	9,000	9,000	5,070
520905	Travel - Training Related	16,872	15,462	15,462	19,935
520910	Travel - Non-Training Related	9,514	1,550	1,550	1,500
521405	Building Maintenance Services	(2,000)	0	0	0
521605	Data Services	7,220	10,605	10,605	13,823
521610	Voice Services	18,132	22,428	22,428	6,715
521620	Voice Equipment	413	735	735	678
521625	Voice Labor	3,041	540	540	860
521630	GIS Revolving Fund Services	1,228	952	952	1,416
521635	Voice Services -Wireless	0	0	0	5,790
521715	Office Equipment Rental	0	10,196	10,196	13,695
521730	Parking Space Rental	19,452	18,552	18,552	19,420
522430	Miscellaneous Other Services & Charges	18,377	22,962	22,962	30,007
522721	Interfund HR Client Services	14,444	16,059	16,059	20,835
522722	KRONOS Service Chargeback	1,124	824	824	1,039

FISCAL YEAR 2014 BUDGET

Business Area Expenditure Summary

Fund Name : General Fund
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Commit Item	Description	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
522730	Interfund Engineering Services	410	0	0	0
522780	Interfund Photo Copy Services	8,275	1,804	1,804	0
522845	Interfund Vehicle Services	363	0	0	1,858
Total	Other Services and Charges	282,273	253,969	253,969	322,834
560220	Vehicles	31,827	0	0	0
Total	Equipment	31,827	0	0	0
551010	Non-Capital Office Furniture & Equipment	0	2,400	2,400	0
551015	Non-Capital Computer Equipment	0	6,000	6,000	0
Total	Non-Capital Equipment	0	8,400	8,400	0
Grand Total Expenditures		1,997,567	2,352,405	2,352,405	2,574,027