



# OFFICE OF BUSINESS OPPORTUNITY

**FY2021 Zero Based Budget  
Workshop Presentation**

April 2020

# Mission

---



The Office of Business Opportunity is committed to cultivating a competitive and diverse economic environment in the City of Houston by promoting the success of small businesses and developing Houston's workforce, with a special emphasis on historically underutilized businesses and disenfranchised individuals.

## Key Objectives:

*Educate, Connect & Grow*



# Program Organizational Chart

(\$ in thousands)



General Fund  
OFFICE OF BUSINESS OPPORTUNITY  
Projected Budget \$3,838,389  
FTEs: 36.0

Program 1: Executive Oversight	Program 2: Certification	Program 3: Contract Compliance	Program 4: HPW Contract Compliance	Program 5: OBO Solutions Center
FY21 Budget \$1,324 FTEs: 8.0	FY21 Budget \$757 FTEs: 9.0	FY21 Budget \$585 FTEs: 7.0	FY21 Budget \$595 FTEs: 6.0	FY21 Budget \$578 FTEs: 6.0
<p>Executive Leadership:</p> <ul style="list-style-type: none"> <li>Sets &amp; implements strategic direction, policy and long-term goals of the department</li> <li>Manages all budget and personnel matters</li> <li>Directly engages with the Administration, City Council and the general public in the execution of OBO's mission.</li> </ul> <p>Citywide Title VI Compliance Coordinator</p> <p>Department-wide analytics, reporting, and policy making</p> <p><b>***Note: Allocated to all programs.</b></p>	<p>Certifies businesses for participation on City projects.</p> <p>Certification Types:</p> <ul style="list-style-type: none"> <li>Minority, Women, Small, and Persons with Disabilities Business Enterprises (MWSBE and PDBE)</li> <li>Disadvantaged Business Enterprises/Airport Concessionaire Disadvantaged Business Enterprise (DBE/ACDBE)</li> </ul> <p>Facilitates Historically Underutilized Businesses (HUB) certification on behalf of the State of Texas.</p>	<ul style="list-style-type: none"> <li>Monitors City contracts, with the exception of HCDD and HAS contracts, to ensure that Good Faith Efforts are made to meet MWSBE Goals.</li> <li>Enforces local and federal labor standards, including prevailing wage compliance, and prompt payment. requirements on contracts.</li> <li>Works with City department to set MWSDBE goals, including waivers, on City contracts.</li> <li>Provides periodic training/informational sessions to City departments and the contracting community.</li> </ul>	<ul style="list-style-type: none"> <li>Monitors HPW contracts to ensure that Good Faith Efforts are made to meet MWSDBE goals on City contracts.</li> <li>Enforces local and federal labor standards, including prevailing wage compliance, and prompt payment.</li> <li>Provides periodic compliance informational sessions to the contracting community.</li> </ul>	<p>Raises awareness of OBO's services and City contracting opportunities through:</p> <ul style="list-style-type: none"> <li>Regular presentations to the public at targeted events</li> <li>Weekly email notifications</li> <li>HTV Show: Insights to Opportunity</li> </ul> <p>Provides one-on-one business counseling to certified firms.</p> <p>OBOSC administers several capacity-building programs, an annual business plan competition, and workforce development initiatives.</p>

# General Fund Revenues Overview

(\$ in thousands)



Category	FY19 Actual	FY20 Projected Current Budget	FY20 Estimates	FY21 Projected	Variance FY21 Prop/FY20 Estimates	% Change
Miscellaneous Copies Fees	\$0	\$1	\$1	\$1	\$0	0
Direct Interfund Services	\$395	\$598	\$598	\$613	\$15	3%
Miscellaneous Revenue	\$19	\$35	\$10	\$20	\$10	100%
<b>Total</b>	<b>\$414</b>	<b>\$634</b>	<b>\$609</b>	<b>\$634</b>	<b>\$25</b>	<b>4.11%</b>

# Department Expenditures By Category (\$ in thousands)



Category	FY19 Actual	FY20 Projected Current Budget	FY20 Estimates	FY21 Projected Budget	Variance FY21 Proj/FY20 Estimates	% Change
Personnel	\$2,593	\$3,189	\$3,189	\$3,412	223	7%
Supplies	\$25	\$28	\$28	\$31	3	11%
Restricted Accounts*	\$137	\$160	\$160	\$213	53	33%
Services (contracts)	\$187	\$168	\$168	\$182	14	8%
Equipment	0	0	0	0	0	0
Transfers/Debt Payment	0	0	0	0	0	0
<b>Total</b>	<b>\$2,942</b>	<b>\$3,545</b>	<b>\$3,545</b>	<b>\$3,838</b>	<b>293</b>	<b>8.3%</b>

\*Restricted Accounts -Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc.  
See appendix for more details

# FY2021 Personnel vs Non Personnel

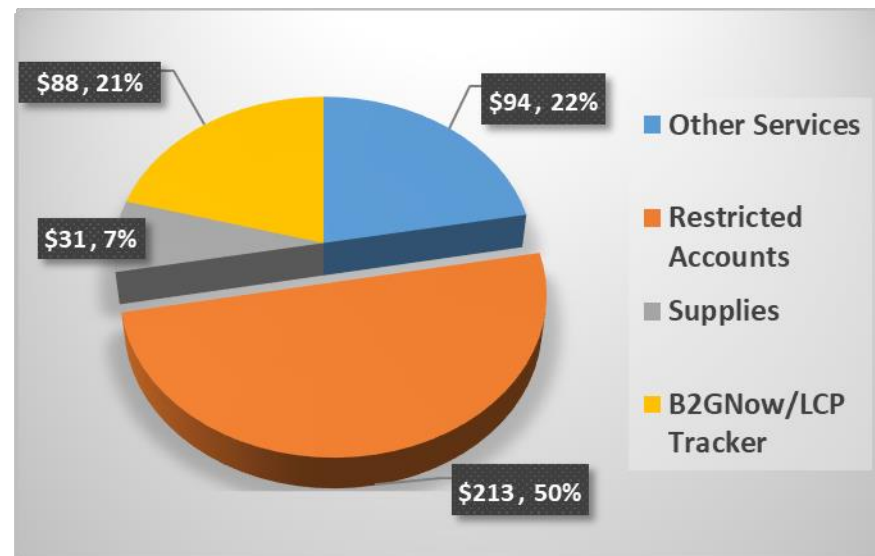
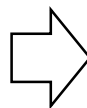
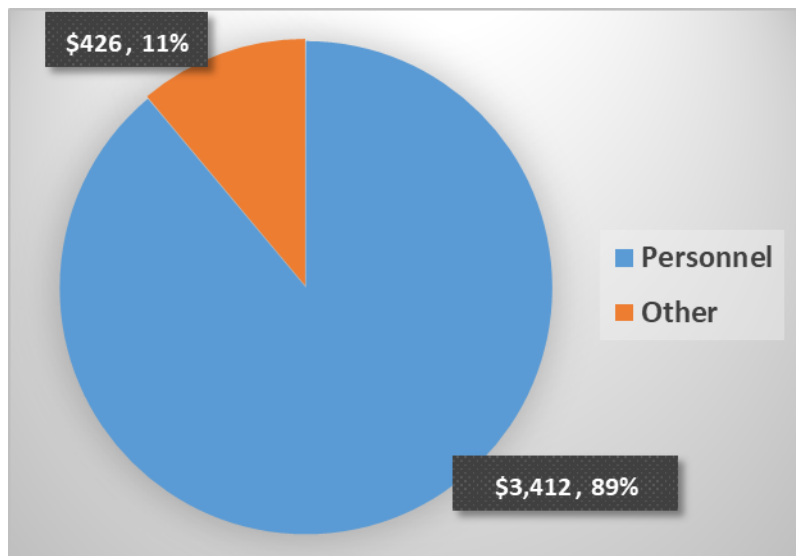
(\$ in thousands)



**Personnel**  
**\$3,412**

**FY2021 Projected Budget**  
**\$3,838**

**Other Services & Charges**  
**\$426**



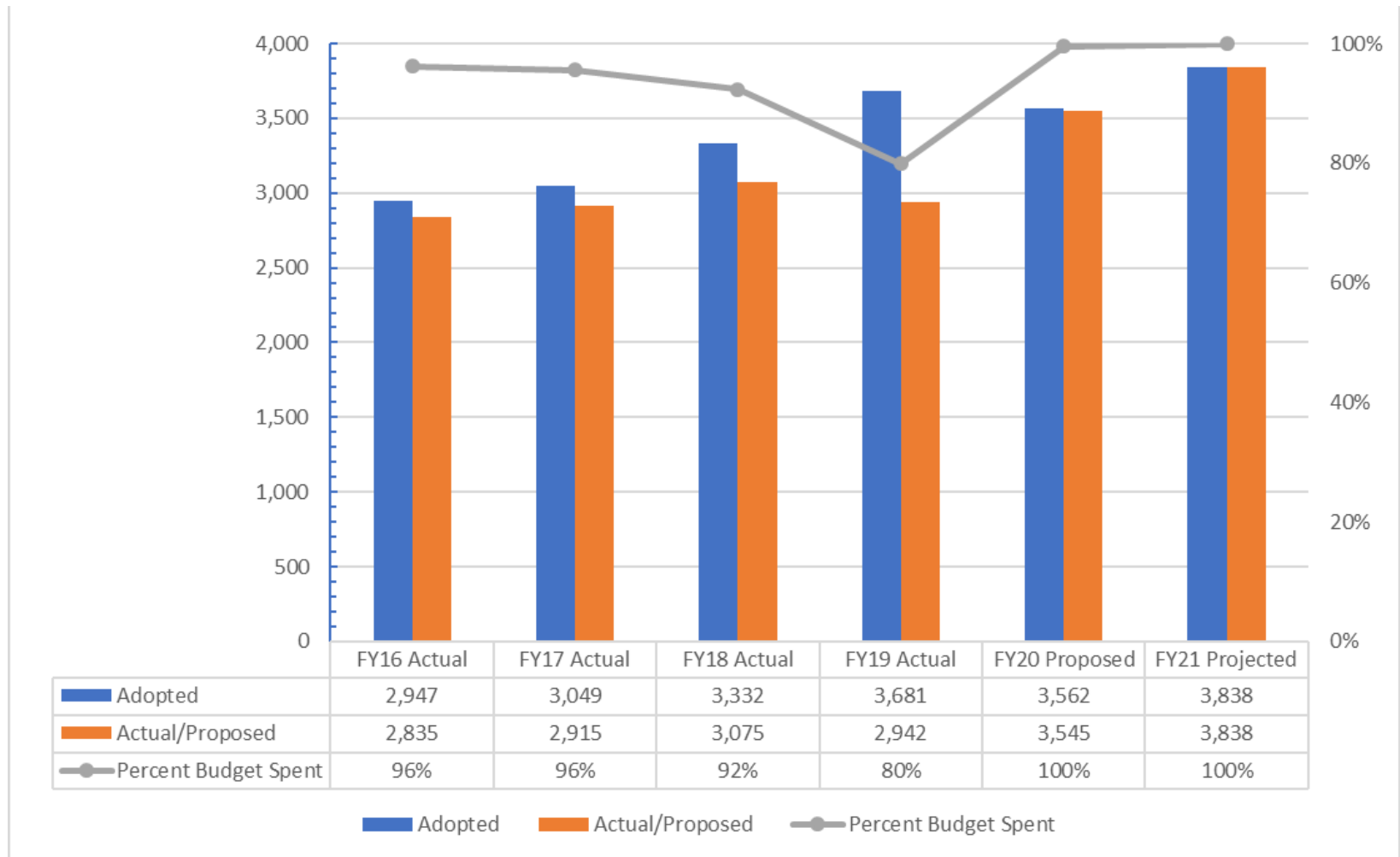
# FY2021 Budget Expenditures Net Change (\$ in thousands)



\$ in Thousands		
<b>FY2021 General Fund Budget Expenditures Net Change to FY2020 Current Budget</b>		
<b>FY2020 Current Budget</b>		<b><u>Notes</u></b>
Operating Budget	\$ 3,385	
Restricted Budget	160	1
<b>FY2020 Projected Current Budget</b>	<b>\$ 3,545</b>	
<b>Explanation of FY2021 Incremental Increase/(Decrease)</b>		
<b>Operating Budget Adjustments</b>		
Budget reduction initiatives		
Budget increases	126	
<b>Subtotal Operating Budget Adjustments</b>	<b>\$ 126</b>	
<b>% Change from FY20 Operating Budget</b>	<b>3.7%</b>	
<b>Contractual or Mandated Adjustments:</b>		
Health Benefits Active Civilian	\$ (64)	
Health Benefits Active Classified (if applicable)	-	
Municipal Pension	\$ 66	
HOPE	27	
Restricted Accounts (Restricted Accounts FY 20 projected and FY 21 proposed)	53	
Program Adjustment	85	2
<b>Subtotal Contractual/Mandated Increases</b>	<b>\$ 167</b>	
<b>FY2021 Proposed Budget</b>		
Operating and Contractual Adjustments (+=C17+30)	\$ 293	
<b>FY2021 Proposed Budget</b>	<b>\$ 3,838</b>	
<b>% Change from FY20 Current Budget</b>	<b>8.3%</b>	
<b>Notes:</b>		
1. Restricted Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc		
2. Funding for PBJ for two (2) Business Development Coordinators in Certification Division.		



# Budget History







---

# Program Details

# FY 2021 Program 1

## (\$ in thousands)



<b>Program Name:</b>	<b>Executive Oversight (New Program)</b>
<b>Program Description:</b>	Executive Oversight includes OBO's Executive Leadership Team, Title VI Coordinator, and department-wide analytics and policy making. The Executive Leadership establishes and implements the strategic direction, policy, and long-term goals of the department, manages all budget and personnel matters for all department divisions, directly engages with the Administration, City Council, contractors, and the general public. The analytics and policy making team supports the Executive Team by leading business process improvements in the department using a data-driven approach, executing reporting functions for various City Ordinance-mandated reports, and serving as liaison for Citywide Mayoral initiatives and legislative actions.
<b>Program Deliverables:</b>	Establishes and implements the strategic direction, policy, and long-term goals of the department, manages all budget and personnel matters for all department divisions, directly engages with the Administration, City Council, contractors, and the general public in the execution of OBO's mission.
<b>Plan Houston:</b>	Support our global economy
<b>Staffing / FTE Count:</b>	8.0 FTEs
<b>Significant Changes:</b>	This program is new in FY21. Previously, the Executive Oversight and the Contract Compliance Programs were part of the Certification Program. Because this program was not setup in FY20, the FY20 dollars do not reflect the actual program cost. Also, contractual obligations including HOPE pay raise, pension cost, and health benefits play a primary part in costs in the program.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget*
\$0	\$0	\$173	1,324

FY2021 Efficiency/Reduction **	Comment
\$0	

\* FY2021 projected budget represents funding to continue the level of services currently provided

\*\* Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

# FY 2021 Program 2

## (\$ in thousands)



<b>Program Name:</b>	<b>Certification</b>
<b>Program Description:</b>	The Certification Division certifies businesses for participation on City and federally funded projects. The types of certifications include Minority, Women, Small, and Persons with Disabilities Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE). The division also facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas. The Division also designates businesses as a part of the Hire Houston First Program so that they may be eligible for a local preference in the awarding of City contracts.
<b>Program Deliverables:</b>	A list of City of Houston certified companies and Hire Houston First designated companies can be accessed via online directories. As a result of their certification, businesses may be eligible to participate for goal credit on goal-oriented and regulated City contracts. Hire Houston First designated companies may be eligible for a preference in the City's procurement process.
<b>Plan Houston:</b>	Support our global economy
<b>Staffing / FTE Count:</b>	9.0 FTEs
<b>Significant Changes:</b>	This program previously consisted of Certification, Contract Compliance, and Executive Oversight programs. This program now solely consists of the Certification team. Also, contractual obligations including HOPE pay raise, pension cost, and health benefits play a primary part in costs in the program.

<b>FY2019 Actual</b>	<b>FY2020 Current Budget</b>	<b>FY2020 Estimate</b>	<b>FY2021 Projected Budget</b>
\$2,131	\$2,504	\$2,289	\$757

<b>FY2021 Efficiency/Reduction **</b>	<b>Comment</b>
\$0	

\* FY2021 projected budget represents funding to continue the level of services currently provided

\*\* Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

# Program 3

## (\$ in thousands)



<b>Program Name:</b>		<b>Contract Compliance</b>	
<b>Program Description:</b>		The Contract Compliance Division monitors City contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals, with the exception of HCDD and HAS contracts. The division also enforces local and federal labor standards, including prevailing wage compliance, and prompt payment requirements on contracts. OBO's Department Services unit also performs contract compliance functions which include evaluating MWBE goal waivers, proposed contract MWDBE goals, and pre-award MWBE participation plans. This unit assists departments with setting contract-specific goals based on market availability of certified firms and divisible work on each project. OBO's Contract Compliance team also facilitates the Department Services Training Institute which provides departments with information about common MWBE compliance issues and best practices and hosts informational sessions on compliance for the contracting community.	
<b>Program Deliverables:</b>		Through enforcement functions, ensures workers on City contracts are protected and receive required wages, in addition, ensures subcontractors are paid promptly and MWDBE goal-credit contractors are being used as committed on City contracts.	
<b>Plan Houston:</b>		Sound Financial Management	
<b>Staffing / FTE Count:</b>		7.0 FTEs	
<b>Significant Changes:</b>		This new program was setup for FY21. Previously, the Contract Compliance and the Executive Oversight Programs were part of the Certification Program. Because this program was not setup in FY20, the FY20 dollars do not reflect the actual FY20 cost. Also, contractual obligations including HOPE pay raise, pension cost, and health benefits play a primary part in costs in the program.	
<b>FY2019 Actual</b>	<b>FY2020 Current Budget</b>	<b>FY2020 Estimate</b>	<b>FY2021 Projected Budget</b>
\$29	\$9	\$9	\$585
<b>FY2021 Efficiency/Reduction **</b>	<b>Comment</b>		
**Proposed Enhancement (Unmet Need)	Contract Compliance officers are able to perform full project audits on over 1,300 City projects, payroll audits, and site visits where applicable. OBO currently has three (3) regular contract compliance officers and is budgeted for four (4); however, this current staffing level does not allow us to perform the full range of compliance functions required by law. Without sufficient staffing, OBO will not be able to fully monitor contracts, resulting in undetected and uncorrected underpayments to contractors' employees, and reduced MWSBE compliance by contractors, because of OBO's inability to perform project-specific audits.		

\* FY2021 projected budget represents funding to continue the level of services currently provided

\*\* Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

# Program 4

## (\$ in thousands)



<b>Program Name:</b>	<b>HPW Contract Compliance</b>
<b>Program Description:</b>	The Houston Public Works (HPW) Contract Compliance team monitors HPW contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals on local, state, and federally-funded contracts. The team also enforces local and federal labor standards, including prevailing wage compliance, and prompt payment requirements on contracts. OBO's Contract Compliance team host compliance informational sessions for the contracting community.
<b>Program Deliverables:</b>	Through enforcement functions, ensures workers on HPW contracts are protected and receive required wages, in addition, ensures subcontractors are paid promptly and MWDBE goal-credit contractors are being used as committed on City contracts..
<b>Plan Houston:</b>	Spend money wisely
<b>Staffing / FTE Count:</b>	6.0 FTEs
<b>Significant Changes:</b>	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits.

<b>FY2019 Actual</b>	<b>FY2020 Current Budget</b>	<b>FY2020 Estimate</b>	<b>FY2021 Projected Budget</b>
\$401	\$598	\$585	\$595
<b>FY2021 Efficiency/Reduction **</b>	<b>Comment</b>		
**Proposed Enhancement (Unmet Need)	Contract Compliance officers perform full project audits on over 1,300 City projects, payroll audits, and site visits where applicable. OBO currently has three (3) compliance officers focused on HPW projects, which account for over 80% of all monitored City contracts. This current staffing level does not allow us to perform the full range of compliance functions required by law. Without sufficient staffing and supervision, OBO will not be able to fully monitor contracts, resulting in undetected and uncorrected underpayments to contractors' employees, and reduced MWSBE compliance by contractors, because of OBO's inability to perform project-specific audits.		

\* FY2021 projected budget represents funding to continue the level of services currently provided

\*\* Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

# Program 5

## (\$ in thousands)



<b>Program Name:</b>	<b>Office of Business Opportunity Solutions Center</b>			
<b>Program Description:</b>	The OBO Solutions Center (OBOSC) raises awareness of OBO's services and City contracting opportunities through regular presentations to the public at targeted events, weekly email notifications, and its HTV show. This unit provides one-on-one business development assistance to certified firms. OBOSC administers several capacity-building programs and an annual business plan competition. OBOSC, with the assistance of community partners, provides free assistance including business development counseling, financial advice, legal counseling, business resource guides and business training workshops to businesses in all stages of development that would like to obtain information on how to start, own, operate and/or grow their own businesses. OBO's External Affairs team and Workforce Development efforts are also housed within this program.			
<b>Program Deliverables:</b>	This program serves as a one stop shop for the business development needs of local businesses, in addition, to addressing the workforce development needs of disenfranchised individuals.			
<b>Plan Houston:</b>	Support our global economy			
<b>Staffing / FTE Count:</b>	8.2 FTEs			
<b>Significant Changes:</b>	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits.			
<b>FY2019 Actual</b>	<b>FY2020 Current Budget</b>	<b>FY2020 Estimate</b>	<b>FY2021 Projected Budget</b>	
\$381	\$451	\$489	\$578	
<b>FY2021 Efficiency/Reduction **</b>	<b>Comment</b>			

\* FY2021 projected budget represents funding to continue the level of services currently provided

\*\* Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.



---

*Thank You*



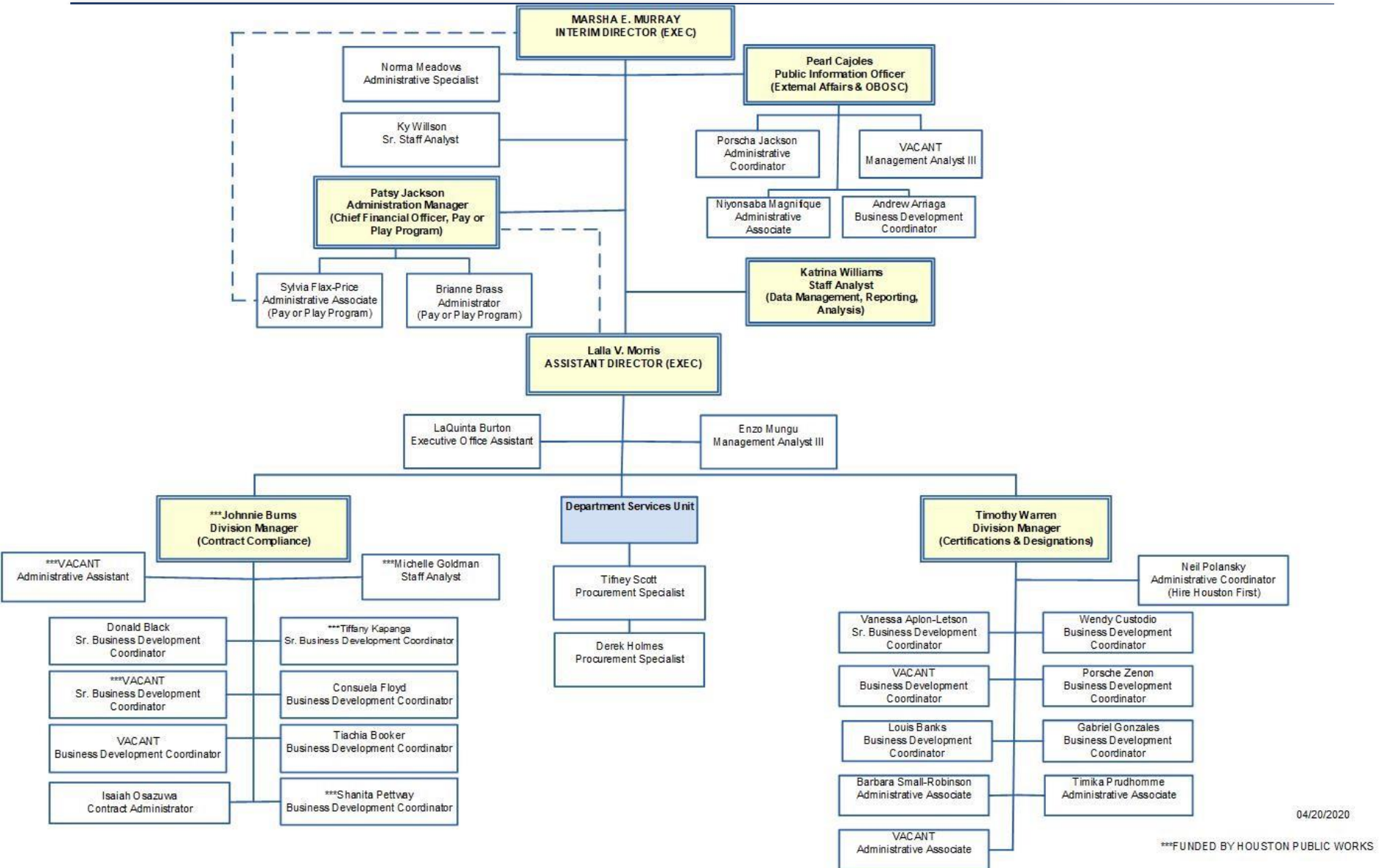
*Questions?*



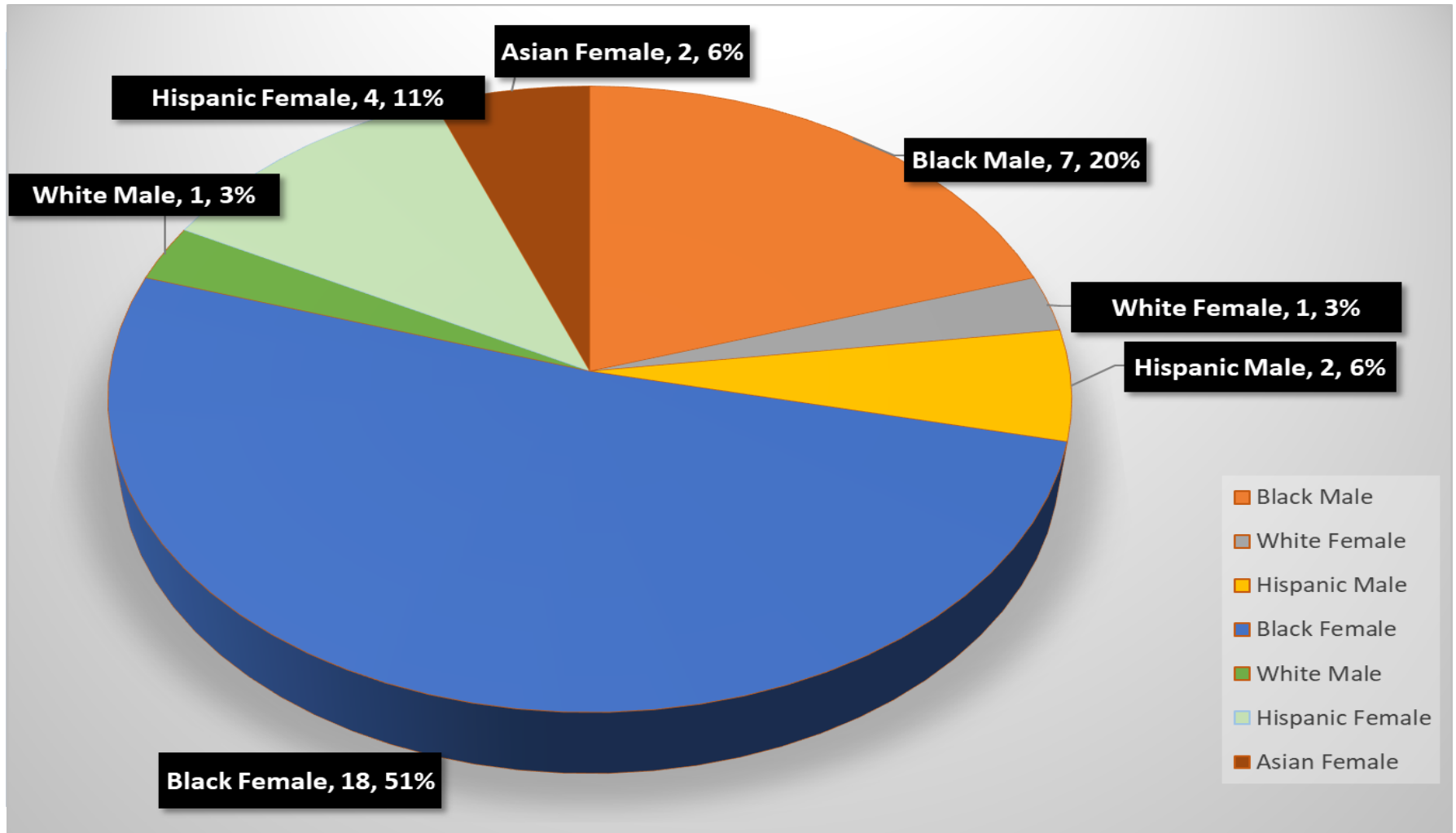
# Appendix



# Organizational Chart



# OBO FY 20 Staff Demographic Breakdown



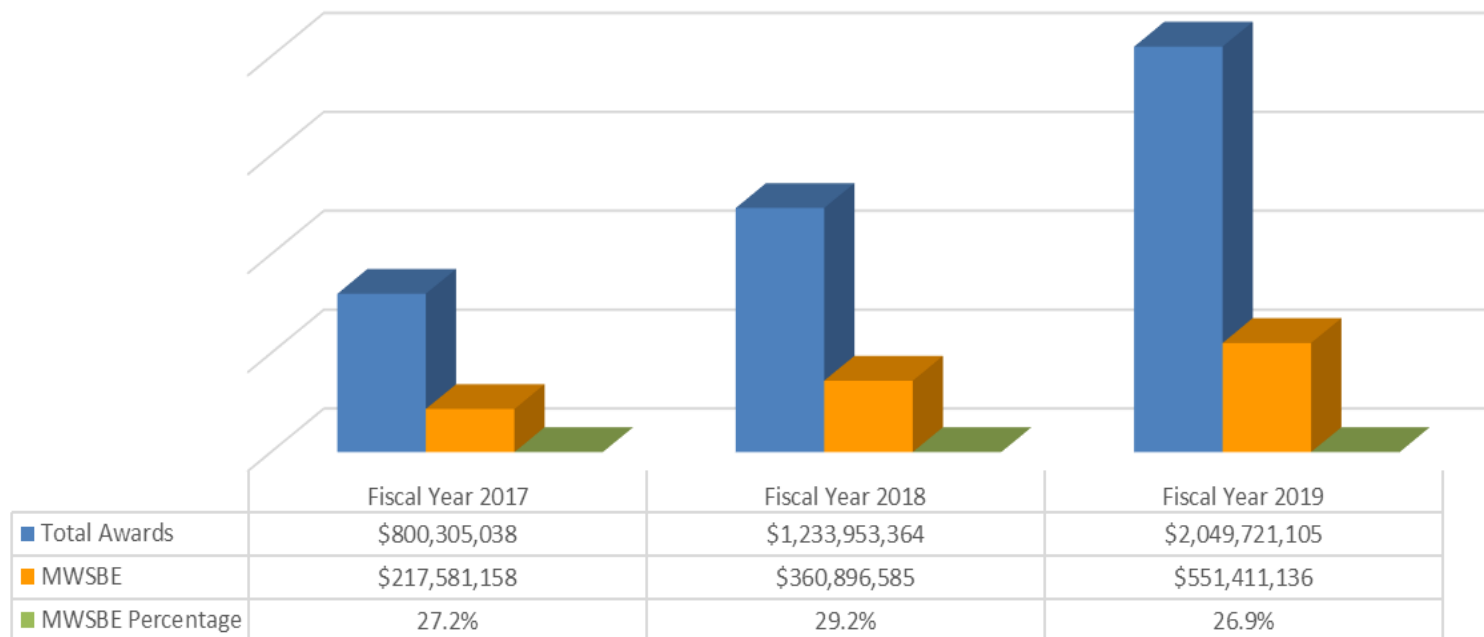
# Certification Division



## Certification Division Highlights

- *Number of Certified Firms: 3,876*
- *Number of firms certified in FY20 YTD: 300*
- *Average number of new applications received /month: 50-60 (70+ applications received in March 2020)*

## Historical Awards to MWSBE Firms

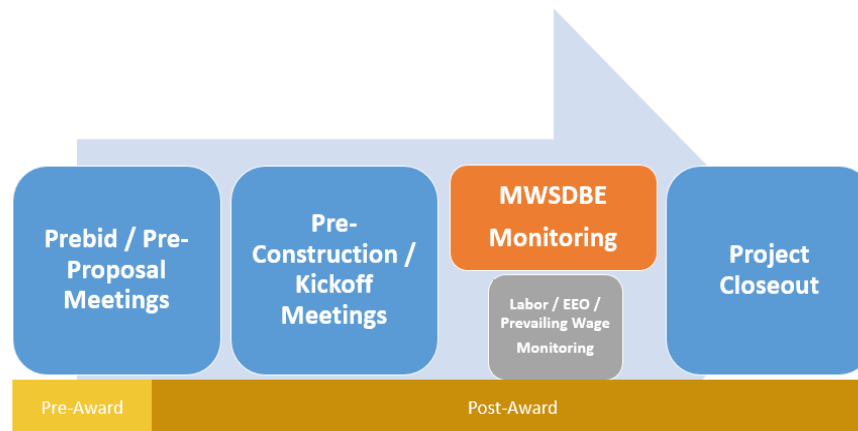




# Contract Compliance Division

The Contract Compliance Division monitors, in collaboration with City departments, most City contracts to ensure compliance with laws and regulations mandated by city, state, and federal guidelines and ordinances. The Contract Compliance Division performs the following:

- Monitors utilization and payments to MWSBEs and DBEs on goal-oriented and regulated construction, professional services and goods & services contracts;
- Commercially useful function audits and Good Faith Efforts evaluations;
- Monitors prevailing wage and fair labor standards laws;
- Monitors construction contracts to ensure full compliance with equal employment opportunity laws; and
- Monitors approximately 1,300 City contracts valued at approximately \$7.9 Billion.



# City's Minority and Women Business Enterprise Program

---



- To promote the growth and success of MWBEs and address marketplace barriers, the City places MWBE goals on eligible City contracts to increase their participation.
- MWBE contract goals are established based on the divisibility of work on each project and the availability of certified MWBEs to perform the work.
- **OBO's Department Services Unit:** Ensures meaningful participation in the City's procurement process by working in conjunction with departments to provide guidance on MWSBE goals, MWSBE goal waivers, Pre-Award Good Faith Efforts and information about available certified firms.
- **Contract Goals are not Quotas:** The City's program must be constitutionally sound. It must be narrowly-tailored to achieve our objective of remedying discrimination; therefore, the City sets contract goals.

# City's Minority and Women Business Enterprise Program

---



- **The standard for meeting goals is good faith efforts (GFE)** - genuine and aggressive attempts to meet contract goals. The City has a written GFE policy outlining what is expected of contractors.
- As long as a MWBE does not exceed their industry-specific size standard established by the U.S. Small Business Administration (SBA), they can participate in the MWBE program, otherwise, they graduate from the program.
- As long as they have the capacity, MWBEs may be used by multiple primes on different projects.
- **Commercially Useful Function:** Prime Contractors only get MWBE goal credit towards contract goals when a certified firm performs a commercially useful function (CUF). A MWBE performs a CUF when it performs work germane to the contract's scope of work with its own forces and the MWBE is certified in the NAICS code in which they are performing.

# City's Minority and Women Business Enterprise Program

---



- **Deviation Requests:** After the execution of a contract, the Prime shall comply with the Council-approved MWSBE participation plan, unless it has received approval from OBO to deviate from the plan.
  - The Prime must give notice of removal or substantial (more than 50%) reduction in participation to the affected MWSBE, with a copy sent to OBO, stating the request to remove or reduce and the specific reason(s). The Prime must demonstrate a good cause to justify the removal or reduction.
  - The Prime must submit a completed Deviation Request form when adding an MWSBE for goal credit to the approved MWSBE participation plan. The Prime must also submit an updated MWSBE Utilization Schedule.



# Citywide MWSBE Goals

---

With Council's approval, the City periodically sets aspirational Citywide contracting goals to ensure participation by MWSBEs on the following:

- Goods & Services Contracts valued over \$100,000.
- City funded contracts for construction work over \$ 1 million.
- Professional Services Contracts (no threshold).
- Department Directors, in consultation with OBO, set goals taking into consideration local availability of certified MWSBEs.
- MWSBE goals are waived when there are limited certified firms available in the market to perform the scope of work identified for the contract or the contract does not lend itself to divisibility.

## **Citywide Aspirational Goals**

Professional Services	Goods and Services	Construction
MWBE – 24%	MWBE – 11%	MWSBE - 34%





# Department FY2020 Accomplishments

---

## **Capacity Building Initiatives**

- *Capacity Building:* Successful collaboration with Interise Streetwise MBA Program piloting Accelerate Latinx, along with our veteran Build Up Houston program, where 15 businesses will complete the program in April, with graduation in May 2020.
- *OBO Solutions Center:* Supporting over 200 small and local businesses / month via telephone, email and social media.

**Success through Recent Partnerships.** Leveraging relationships locally and nationally to support our small businesses.

- Working with Living Cities' City Accelerator program and SPD on inclusive procurement initiatives.
- Referred 17 certified companies to participate in the Inner City Capital Connections' capacity building program.
- Sharing referrals with the SBA Houston, community education partners, and community lending organizations.

# Department FY2020 Accomplishments

---



## **Job Readiness & Entrepreneurial Skills**

- Turnaround Houston Job Readiness Fairs: Working with the Office of Council Member Evans-Shabazz to create a Turnaround Houston-like event. Originally scheduled for April 18, 2020.
- Turnaround Entrepreneurship Program: Partnering with the City's Health Department and The Community Reentry Network to offer trauma-informed entrepreneurial skills workshops targeted to returning citizens.

# Department FY2020 Accomplishments

---



## **OBO's Response to COVID-19**

- Created a comprehensive online Small Business Hub with financial resources, resiliency-focused instructional webinars, and additional programming resources.
- Created and deployed the Small Business COVID-19 Resiliency Survey to inform the services we provide to affected businesses. We have received over 200 responses.
- Consistently shares weekly updates about local networking (including virtual events and pre-bid meetings) and procurement opportunities with our mailing list of 10,000+ recipients.
- Leveraging technology to deliver our core functions virtually:
  - Online Certification Workshops (English and Spanish)
  - Virtual Certification Application Support and Remote Compliance Meetings with Contractors
  - Capacity Building programs (Build Up Houston and Accelerate Latinx) are meeting virtually
  - Information and referrals available through the OBO Solutions Center

# Programs and Initiatives

---



## **BUILD UP HOUSTON & ACCELERATE LATINX (NEW in 2019)**



Build Up Houston and Accelerate Latinx are comprehensive, seven month programs designed to increase the capacity and success of small businesses in the construction service industry doing business in the City of Houston. The programs utilize a curriculum provided by Interise, a non-profit organization, focused on helping established small business owners take their companies to the next level for continual growth and success. Program facilitators for Accelerate Latinx are bilingual in English and Spanish.

**AccelerateLatinx**

powered by **INTERiSE**

and the City of Houston Office of Business Opportunity

---

## **VIRTUAL LEGAL LAB**

Virtual  
Legal  
Lab

OBO has partnered with Vinson & Elkins, LLP to create the Virtual Legal Lab, a program that affords small businesses the opportunity to have one-on-one virtual sessions with a licensed attorney to answer legal questions that they may have about their business. This service is offered through the OBO Solutions Center.

# Programs and Initiatives

---



## **LIFTOFF HOUSTON!**



LiftOff Houston is a business plan initiative that awards a total of \$30,000 in prizes to three winners in the categories of Innovation, Service and Product. Capital One Bank has awarded \$210,000 in start-up capital over the past seven years.

---

## **INTERAGENCY MENTOR PROTÉGÉ PROGRAM (IMPP)**



The goals of IMPP are to enhance business skills and broaden the base of historically underutilized businesses by providing the knowledge and experience of established firms. IMPP is a collaboration between the City of Houston, METRO, Port Houston, HISD, HCC and the Houston First Corporation.

---

## **ASCEND HOUSTON / COMMUNITY ENTREPRENEURSHIP PROGRAM**



OBO partnered with LiftFund and HCC to apply for the ASCEND 2020 initiative and won a \$1.2 million dollar grant to support the team's proposal: the Community Entrepreneurship Program (CEP). The aim of CEP/ASCEND 2020 is to grow inner-city and minority-owned businesses by creating supportive local ecosystems by rotating rehabilitation work order opportunities for selected, pre-qualified contractors. The inaugural cohort is scheduled to begin in February 2020.



# Programs and Initiatives

---



## TURNAROUND HOUSTON

In March 2016, Mayor Turner kicked off a series of resource fairs to address the barriers to employment that too many Houstonians face. Turnaround Houston offers participants access to job training, resume writing, social service agencies, educational institutions, counseling, and intervention to help hard to employ Houstonians turn their lives around. The program has expanded to help this population start new businesses.

---



## HBI ACRES HOMES CONSTRUCTION PROGRAM

OBO partnered with the Home Builders Institute to design the HBI Acres Homes program to serve young men and women (ages 18-24) in the Acres Homes community. This program is free for the students, and includes introductory construction skills and exposure to the industry and its opportunities. OBO has forged strong community partnerships to enrich this program with various wraparound components, including mentorship, financial literacy, lunch, professional skills development, and more.



# Restricted Account Details

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.