

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 by ensuring their meaningful participation in the government procurement process. Historically, underutilized groups receive special emphasis.

The vision for OBO is to achieve program success by leveling the playing field for all city and local businesses regardless of race or gender, and by obliterating internal and external barriers in contracting. This can be achieved by attracting qualified candidates, administering a reputable certification and Hire Houston First designation process, providing unparalleled service delivery, ensuring that prime contractors consistently meet and exceed utilization goals on contracts, providing small business development services and capacity building programs, as well as tracking progress towards departmental goals through metrics.

The primary services offered by OBO include the following:

Certification and Designation Division: Certifies businesses for participation on City and federally funded projects. Certifications includes Minority, Women, Small Business Enterprises, and Persons with Disabilities Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE). They are collectively "certified firms", as a result of their certification; these businesses may be eligible to participate for goal credit on goal-oriented and regulated City contracts. The Certification and Designation 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.

Contract Compliance Division: Enforces local and federal labor standards requirements on contracts in addition to monitoring contracts to ensure that good faith efforts are made to meet MWBE and DBE goals.

Department Services: Evaluates MWBE goal waivers, proposed contract 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 in each project. Facilitates the Department Services Training Institute, which provides departments with information about common compliance issues and best practices. The unit further provides periodic training to the contracting community.

External Affairs and OBO Solutions Center: Raises awareness of OBO services and City contracting opportunities through regular presentations to the public at targeted events, quarterly newsletters and regular email notifications. This unit provides one-on-one business development assistance to certified firms. The OBO Solutions Center, with the assistance of community partners, provides free assistance, counseling, financial advice, business resource guides and business training workshops to entrepreneurs or businesses in all stages of development.

Turnaround Houston Initiative: The Office of Business Opportunity assembled an internal task force that is charged with coordinating resources for chronically unemployed and formerly incarcerated individuals. As a part of the Turnaround Houston Initiative, OBO coordinates resources fairs, connects individuals to wrap-around services, facilitates legal clinics, and provides entrepreneurial assistance.

Department Short Term Goals

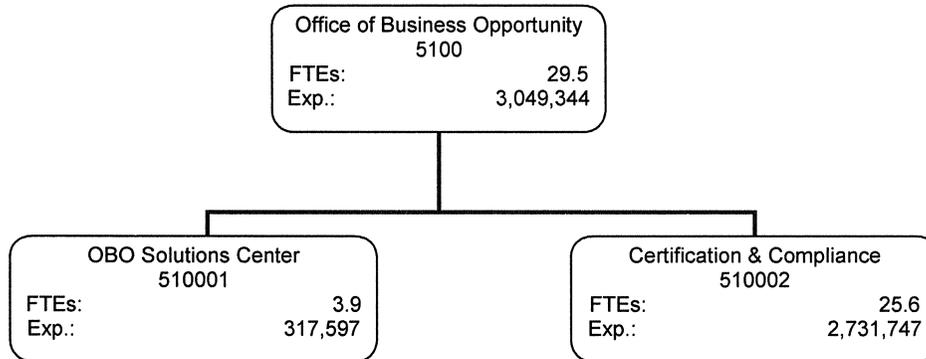
- Update internal policies and procedures to include current and best practices.

- Enhance existing capacity building initiatives.
- Increase program visibility through aggressive marketing and outreach efforts.
- Encourage the use of the online certification application process to improve efficiency.
- Engage all necessary internal and external partners/stakeholders to conduct a disparity study in the area of professional services, goods & non-professional services and construction.
- Expand the annual Liftoff Houston Business Plan Competition, in its fifth year, to include some online workshop offerings in various topics.
- Revamp the Turnaround Houston Initiative to increase its efficacy and reach in the communities targeted.

Department Long Term Goals

- Use current technology to:
 - Significantly reduce our carbon footprint in our Certification and Contract Compliance areas.
 - Create efficiencies in work performance and leverage full reporting capabilities.
- Explore whether nominal fees should be charged to businesses for our services (e.g., local certification application and/or recertification).

Department Organization





FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

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

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	2,490,786	2,683,581	2,593,385	2,644,785
	Supplies	25,172	25,088	25,272	14,617
	Other Services and Charges	319,436	340,107	339,922	389,942
	Total M & O Expenditures	2,835,394	3,048,776	2,958,579	3,049,344
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	2,835,394	3,048,776	2,958,579	3,049,344

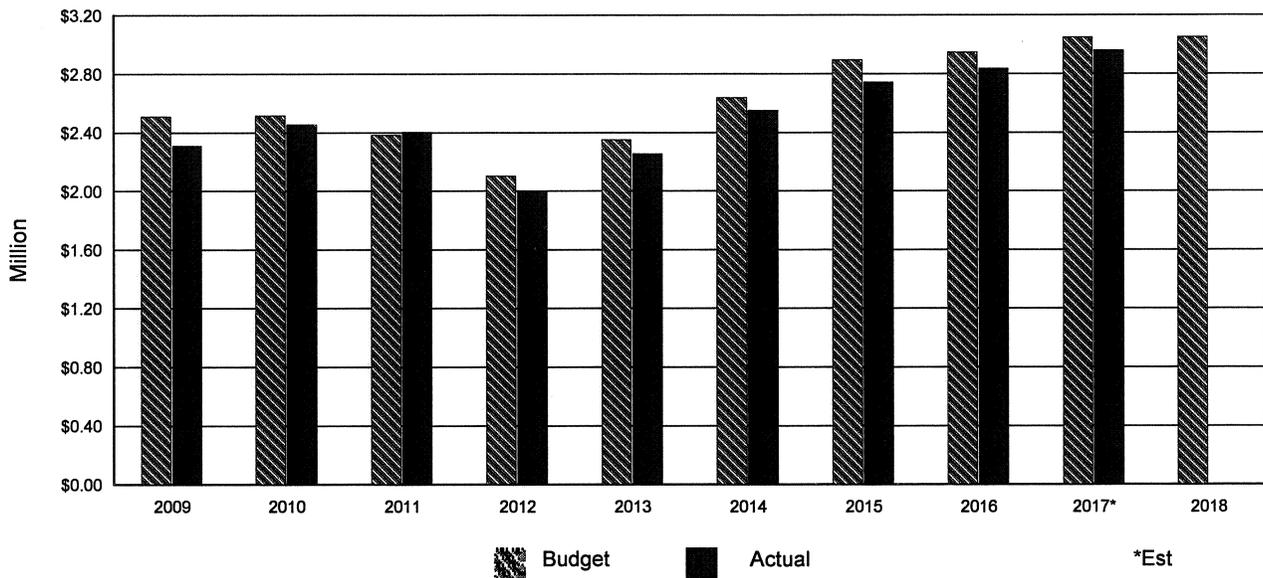
Revenues	144,095	124,835	124,935	125,580
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Staffing	Full-Time Equivalents - Civilian	28.2	30.0	28.4	29.5
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	28.2	30.0	28.4	29.5
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2018 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases.
- o The FY2018 Budget includes a reduction of \$86,204 for department savings initiatives.
- o Promotes Mayoral's priorities and build out initiatives to support vendor services to include capacity building programs, technical assistance, access to City, public, and private partnerships.
- o Markets and promotes the City's new three year 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 2018 BUDGET

Business Area Performance Measures				
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus. Area No. : 1000 / 5100				
Performance Measures	FY2016 Actual	FY2017 Budget	FY2017 Estimate	FY2018 Budget
Certification Processing Timeframe (days)	90	90	90	90
MWSBE Contract Participation - Construction	22%	34%	34%	34%
MWSBE Contract Participation - Professional Services	41%	24%	24%	24%
MWSBE Contract Participation - Purchasing	15%	11%	11%	11%
New Certified Firms	257	400	400	400
New Hire Houston First Designations	460	250	250	275
Expenditures Adopted Budget vs Actual Utilization	97%	98%	97%	98%
Revenues Adopted Budget vs Actual Utilization	118%	100%	100%	100%

FISCAL YEAR 2018 BUDGET

Division Summary						
Fund Name : General Fund						
Business Area : Office of Business Opportunity						
Fund No. /Bus Area No. : 1000 / 5100						
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
OBO Solutions Center 510001 The OBO Solutions Center, formerly the Houston Business Solutions Center, provides free business assistance and monitors business creation and job development by systematically tracking clients.	4.3	292,771	4.0	353,581	3.9	317,597
Certification & Compliance 510002 The Certification and Compliance Division consists of Certification and Designation, Contract Compliance, Department Services, and Administration.	23.9	2,542,623	24.4	2,604,998	25.6	2,731,747
Total	28.2	2,835,394	28.4	2,958,579	29.5	3,049,344

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

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

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Charges for Services	1,034	1,000	1,000	1,000
Direct Interfund Services	86,705	88,935	88,935	89,580
Miscellaneous/Other	56,356	35,000	35,000	35,000
Grand Total Revenues	144,095	124,935	124,935	125,580