

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 OBO is to achieve program success by leveling the playing field for local businesses regardless of race or gender and by obliterating internal and external barriers in contracting. This can be achieved through various means including the following:

- Attract qualified certification candidates.
- Administer a reputable certification and Hire Houston First program while providing unparalleled service delivery.
- Ensure that prime contractors consistently meet and exceed MWDBE goals on contracts.
- Provide small business development services and capacity building programs.
- Track progress towards departmental goals to create transparency through metrics and analytics.

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 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. The Initiative has expanded to include the development of a workforce inclusion plan focused on augmenting the local workforce through targeted employment-ready training programs for underemployed and hard to employ populations. Additionally, through external partnerships, like with Facebook, OBO is ensuring that local businesses are able to enhance their workforce through digital literacy.

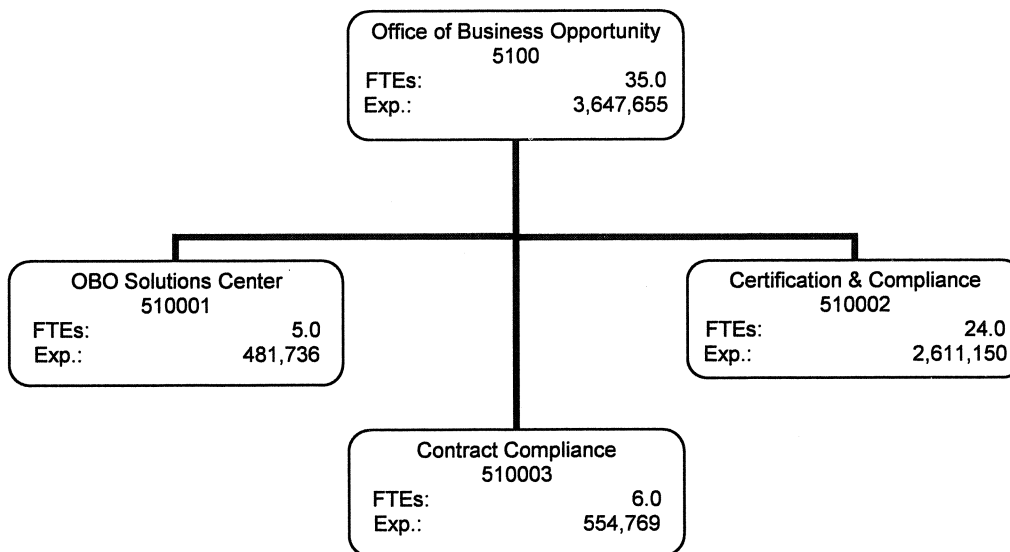
Department Short Term Goals

- 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 2019 BUDGET

Business Area Budget Summary

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

		FY2017 Actual	FY2018 Current Budget	FY2018 Estimate	FY2019 Budget
Expenditures	Personnel Services	2,533,551	2,737,181	2,737,181	3,143,699
	Supplies	26,509	42,174	42,174	45,282
	Other Services and Charges	355,143	552,980	552,980	458,674
	Total M & O Expenditures	2,915,203	3,332,335	3,332,335	3,647,655
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	2,915,203	3,332,335	3,332,335	3,647,655

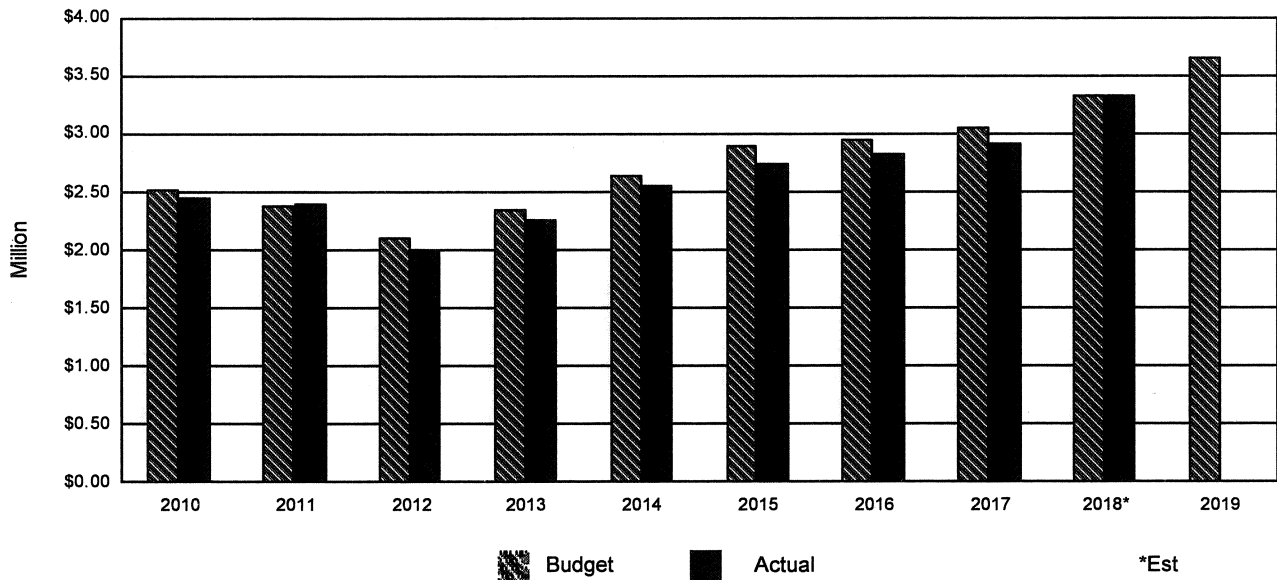
Revenues		128,924	125,580	371,221	590,769
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Staffing	Full-Time Equivalents - Civilian	27.7	29.5	29.5	35.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	27.7	29.5	29.5	35.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2019 Budget provides funding for health benefits and pension contribution.
- o The FY2019 Budget includes funding for additional 5 FTEs due to the newly formed Houston Public Works Labor Standards Compliance group in OBO. These employees will perform work required on City, State, and Federally funded projects, enforce Labor Standards Compliance requirements on contracting department's existing contracts, coordinate compliance monitoring, enforce penalty language and ensure the ability to effectively monitor contracting department's contracts.

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



FISCAL YEAR 2019 BUDGET

Business Area Performance Measures				
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus. Area No. : 1000 / 5100				
Performance Measures	FY2017 Actual	FY2018 Budget	FY2018 Estimate	FY2019 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	275	400	275	275
New Hire Houston First Designations	400	275	400	250
Expenditures Adopted Budget vs Actual Utilization	96%	98%	109%	98%
Revenues Adopted Budget vs Actual Utilization	103%	100%	296%	100%

FISCAL YEAR 2019 BUDGET

Division Summary						
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus Area No. : 1000 / 5100						
Division Description	FY2017 Actual		FY2018 Estimate		FY2019 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
OBO Solutions Center 510001 The OBO Solutions Center provides free business assistance and monitors business creation and job development by systematically tracking clients. The center also operates the Virtual Legal Lab, Liftoff Houston, and partner with community based financial institutions.	4.3	313,705	4.0	350,991	5.0	481,736
Certification & Compliance 510002 The Certification and Compliance Division consists of Certification and Designation, Administration, Contract Compliance, and Department Services.	23.4	2,601,498	24.4	2,779,551	24.0	2,611,150
Contract Compliance 510003 The Houston Public Works Labor Standard Compliance group consists of employees who perform work required on City, State, and Federally funded projects, enforce Labor Standards compliance requirements on existing contracts, coordinate compliance monitoring, enforce penalty language, and ensure the ability to effectively monitor contracts.	0.0	0	1.1	201,793	6.0	554,769
Total	27.7	2,915,203	29.5	3,332,335	35.0	3,647,655

FISCAL YEAR 2019 BUDGET

Business Area Revenues Summary

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

Category	FY2017 Actual	FY2018 Current Budget	FY2018 Estimate	FY2019 Budget
Charges for Services	1,509	1,000	1,000	1,000
Direct Interfund Services	88,935	89,580	335,221	554,769
Miscellaneous/Other	38,480	35,000	35,000	35,000
Grand Total Revenues	<u><u>128,924</u></u>	<u><u>125,580</u></u>	<u><u>371,221</u></u>	<u><u>590,769</u></u>