

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: February 22, 2005

TO: **Board of Education**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **MINORITY AND SMALL BUSINESS ENTERPRISES –
CONTRACTING PROCESS**

ORIGINATOR: J. Robert Haines, Deputy Superintendent, Business Services

**RESOURCE
PERSON(S):** Barbara Burnopp, Executive Director, Fiscal Services

INFORMATION

The Board of Education and the State of Maryland have policies and regulations related to MBE/SBE participation on contracts. At recent board meetings, information was requested on the contracting process and the procedure for identifying minority business vendors. In response to that request, a presentation will be given to outline the process in detail.

Attachment I – Minority and Small Business Enterprises – Contracting Process

Minority and Small Business Enterprises



Contracting Process



Definitions

④ Minority Business Enterprise (MBE)

- ④ Defined by the State Finance Procurement Article 14-301 for State Construction, any legal entity that is:
 - ④ at least 51% owned and controlled by one or more minority persons, or
 - ④ a non-profit entity organized to promote interests of the physically or mentally disabled.
- ④ State-funded contracts – must be certified by the Maryland Department of Transportation (MDOT)
- ④ County-funded contracts – must be certified by the MDOT or other recognized municipalities or minority associations.



Definitions (continued)

④ Minority Groups

- ④ African Americans
- ④ Asian Americans
- ④ Hispanic Americans
- ④ Native Americans
- ④ Aleut or Alaskan Native
- ④ Women
- ④ Persons with disabilities

④ SB 903 Minority Groups

- ④ Aleut
- ④ American Indian
- ④ Black
- ④ an Eskimo
- ④ a Hispanic
- ④ an Oriental
- ④ a Puerto Rican; or
- ④ a Women



Definitions (continued)

- ④ Small Business Enterprise (SBE) as defined by Board Policy 3200
 - ④ A business with fewer than 50 employees
 - ④ Generates an annual revenue of less than \$10 million.



Board Policies and Superintendent's Rule

- ④ Board Policy and Superintendent's Rule 3200 – Purchasing from Minority and Small Business Enterprises
- ④ Board Policy 7460 – Construction – Purchases from Minority Businesses
- ④ Sets goals for MBE/SBE involvement
- ④ Specific goals for all contracts
 - ④ 14% total value of contracts from both MBEs and SBEs
- ④ Sets compliance with state contract goals



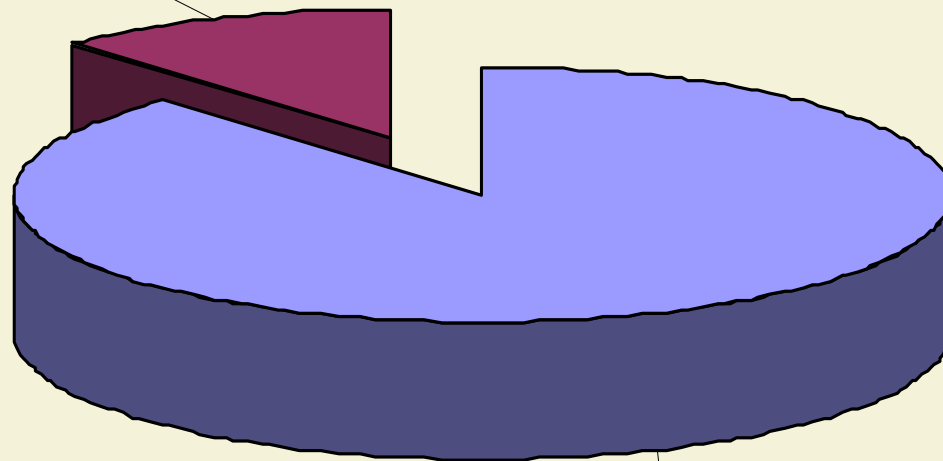
State Regulations (14-302)

- ④ Goal for State-Funded Public School Construction Contracts
 - ④ 25% total value of contracts from MBE
 - ④ 7% minimum classified as African American
 - ④ 10% minimum classified as Woman-owned
 - ④ Specifically looks at sub-contractors in addition to initial contractor



FY2004 Operating, Grants, Capital, and Food Services Expenditures

Subject to Competitive
Procurement Process
12%



Items not Subject to Bid
88%



Board Goals of Surrounding LEAs

- ④ Anne Arundel County Public Schools
 - ④ 14% total value of Board (County) funded contracts
- ④ Howard County Public Schools
 - ④ No MBE goal for Board (County) funded contracts other than the state goals for capital construction projects
- ④ Carroll County Public Schools
 - ④ No MBE goal for Board (County) funded contracts other than the state goals for capital construction projects
- ④ Harford County Public Schools
 - ④ No MBE goal for Board (County) funded contracts other than the state goals for capital construction projects
- ④ Baltimore City Schools
 - ④ 12% total value of Board (City) funded contracts
- ④ Montgomery County Public Schools
 - ④ No MBE goal for Board (County) funded contracts other than the state goals for capital construction projects
- ④ Prince Georges County Public Schools
 - ④ 30% goal of total value with a minimum of 15% for Board (County) funded Contracts other than the state goals for capital construction projects



Contracting Process

- ④ The need for a solicitation is identified by either a faculty or staff member.
- ④ The Office of Purchasing meets with the user to identify the specifications of the solicitation.
- ④ The solicitation is then developed and advertised by the Office of Purchasing on their web page and on Maryland Contract Weekly.
- ④ Beginning in 2007, all state bids will be required to be advertised on eMaryland Marketplace and on their on-line system. The Maryland Contract Weekly will be eliminated.



Contracting Process (Continued)

- ④ According to the Education Article of the Annotated Code of Maryland §5-112 once the solicitations are received from prospective vendors the Office of Purchasing along with the user evaluate the offers and award to the lowest responsible bidder who conforms to the specifications with consideration given to:



Contracting Process (Continued)

- ④ The quantities involved
- ④ The time required for delivery
- ④ The purpose for which required
- ④ The competency and responsibility of the bidder
- ④ The ability of the bidder to perform satisfactory service; and
- ④ The plan for utilization of minority contractors.



Contracting Process (Continued)

- ④ After an award vendor is determined, the award of contract is submitted to the Board of Education for approval.
- ④ After Board approval, a contract is finalized and is executed.



Contracting Process (Continued)

④ State-funded Contracts

- ④ All invitations for bids outline MBE participation goals.
- ④ Purchasing notifies the Maryland/Washington Minority Contractors Association (MWMCA) and Governor's Office of Minority Affairs (GOMA) of all available bids.



Contracting Process (Continued)

④ State-funded Contracts (continued)

- ④ A “Utilization Affidavit,” a “Schedule for Participation,” and “Statement of Intent” must be completed at the time of bid submission for each minority sub-contractor.
- ④ As necessary, a request for a waiver must be submitted if the state goals cannot be met, and an “Unavailability Certificate for Minority Subcontractors” must be submitted.

Annual Reporting Results FY2003

State Funded Contracts

MBE Participation for State Funded Construction Projects by Category

July 1, 2002 through June 30, 2003

Total State MBE Goal - 25%

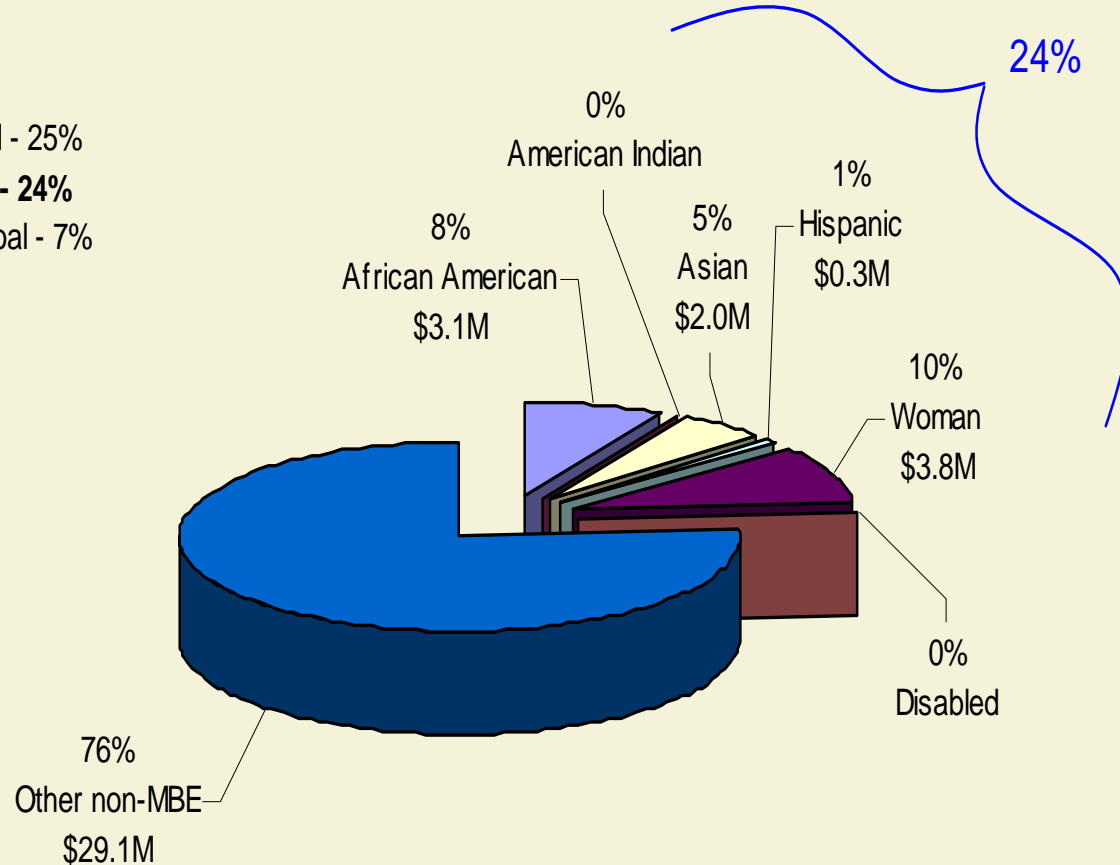
Total Achieved - 24%

African American Goal - 7%

Achieved - 8%

Woman Goal - 10%

Achieved - 10%



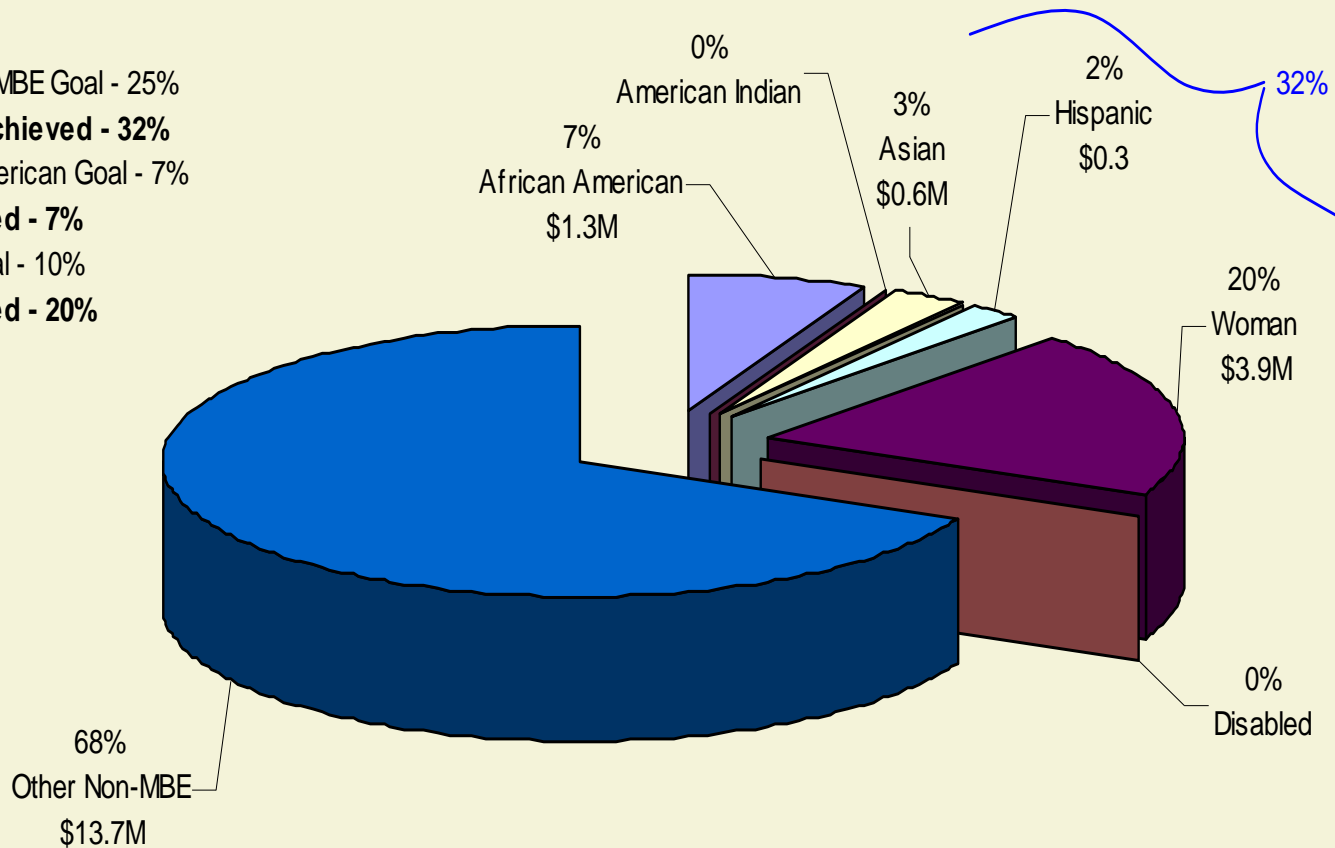
Annual Reporting Results FY2004

State Funded Contracts

MBE Participation for State Funded Construction Projects by Category

July 1, 2003 through June 30, 2004

Total State MBE Goal - 25%
Total Achieved - 32%
African American Goal - 7%
Achieved - 7%
Woman Goal - 10%
Achieved - 20%





Contracting Process (Continued)

④ Board Contracts

- ④ Invitation for bids contain county MBE/SBE goals for participation
- ④ A “Utilization Affidavit” must be completed at the time of bid submission to BCPS by all vendors.
- ④ As necessary, a “Statement of Intent” must be completed and submitted within 10 days to BCPS by the award bidder.



Contracting Process (Continued)

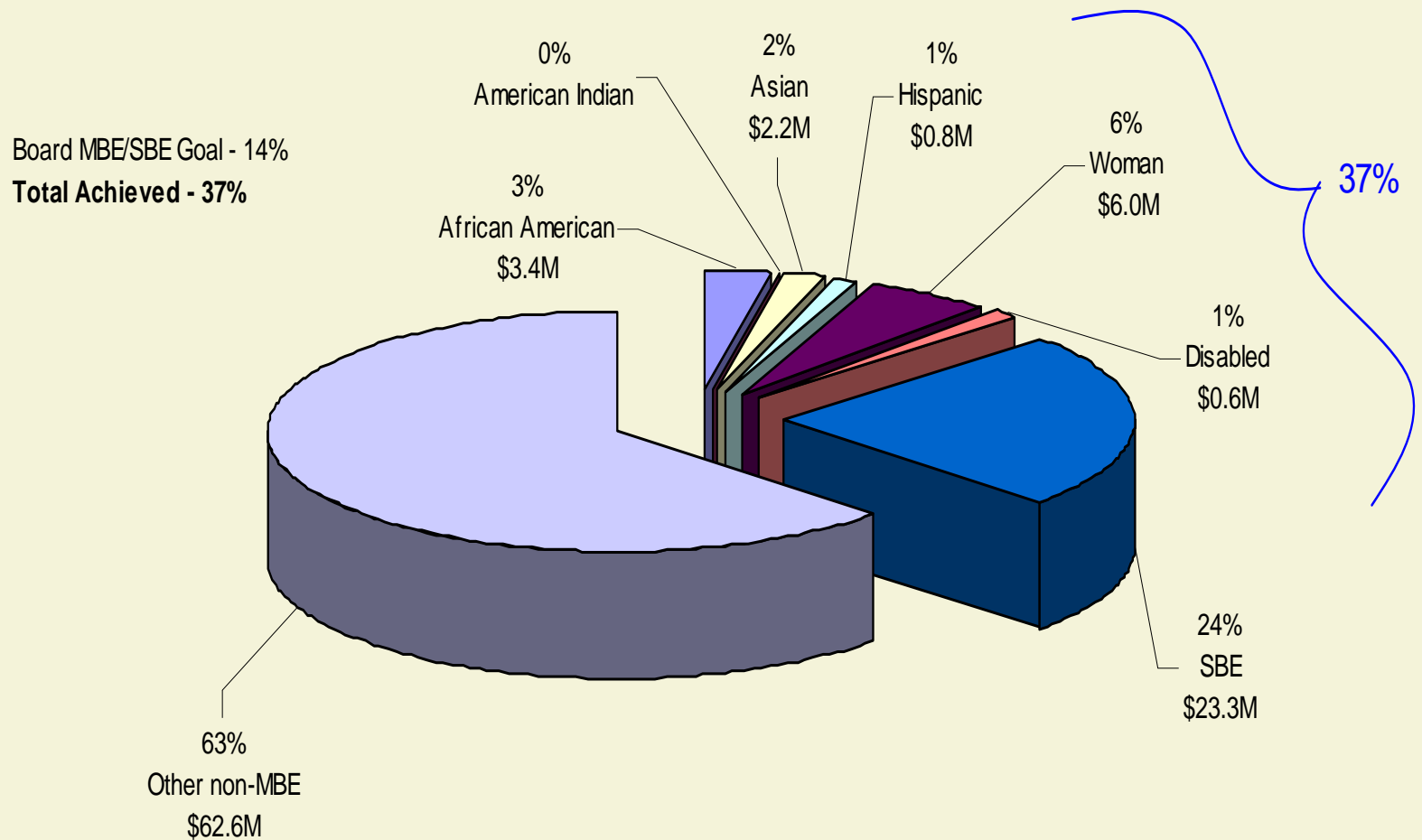
④ Board Contracts (continued)

- ④ As necessary, a request for a waiver must be submitted if the county goals cannot be met, and an “Unavailability Certificate for MBE/SBE Subcontractors” must be submitted.

Annual Reporting Results FY2003

MBE and SBE Participation for all Contracts by Category

July 1, 2002 through June 30, 2003

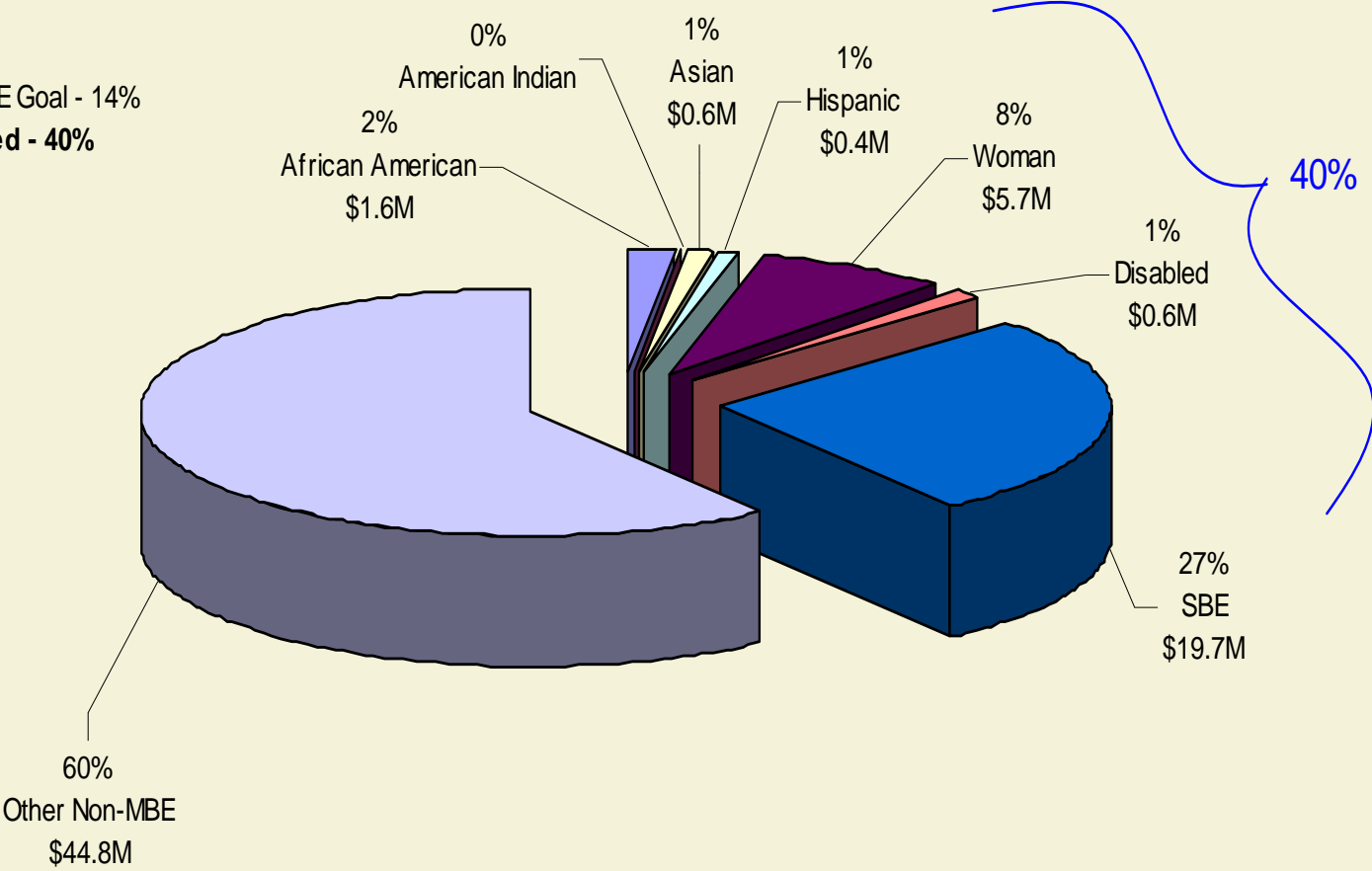


Annual Reporting Results FY2004

MBE and SBE Participation for all Contracts by Category

July 1, 2003 through June 30, 2004

Board MBE/SBE Goal - 14%
Total Achieved - 40%

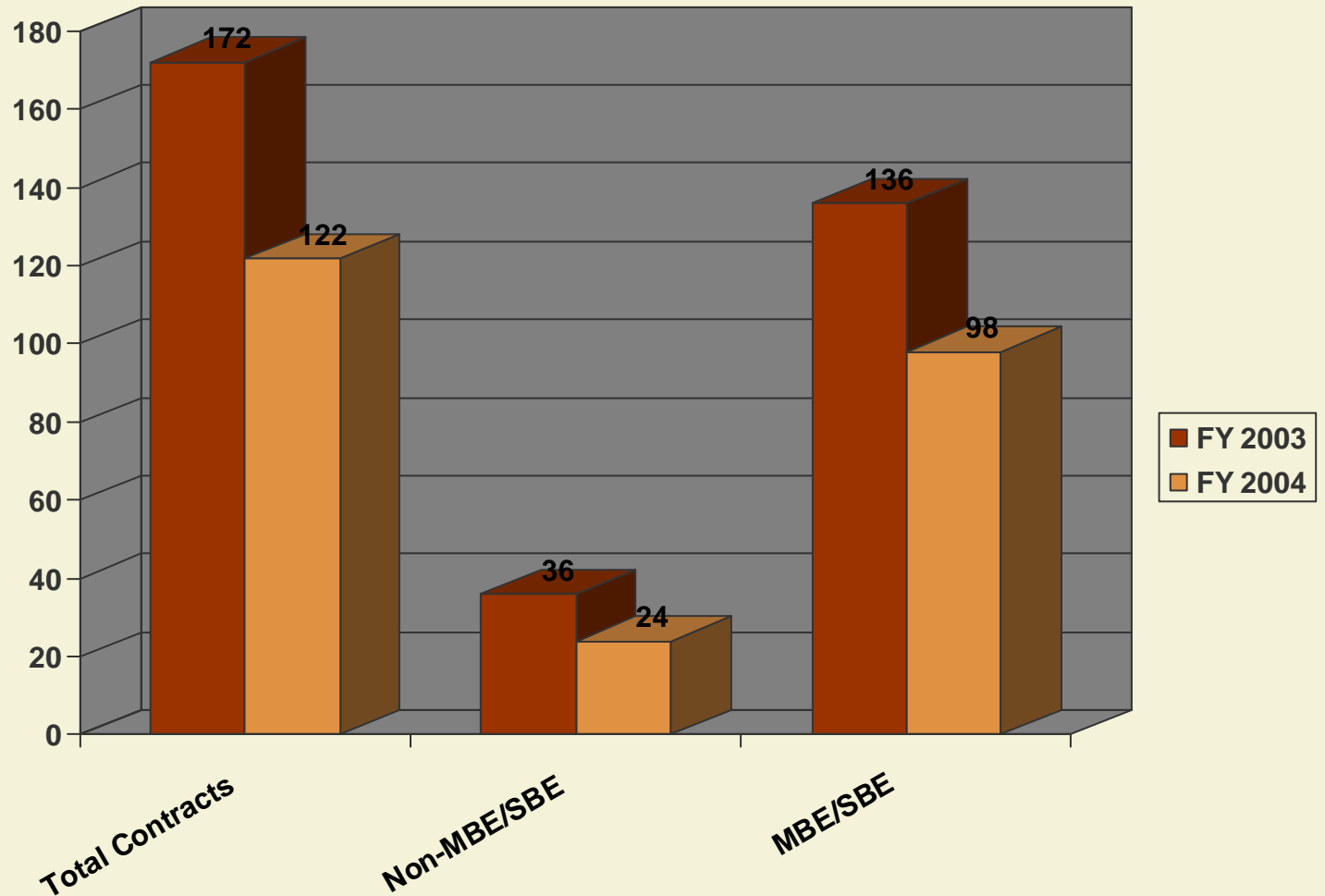




Annual Reporting Results FY 2003 - FY2004

Contract Awards That Include MBE/SBE Participation

July 1, 2002 through June 30, 2004

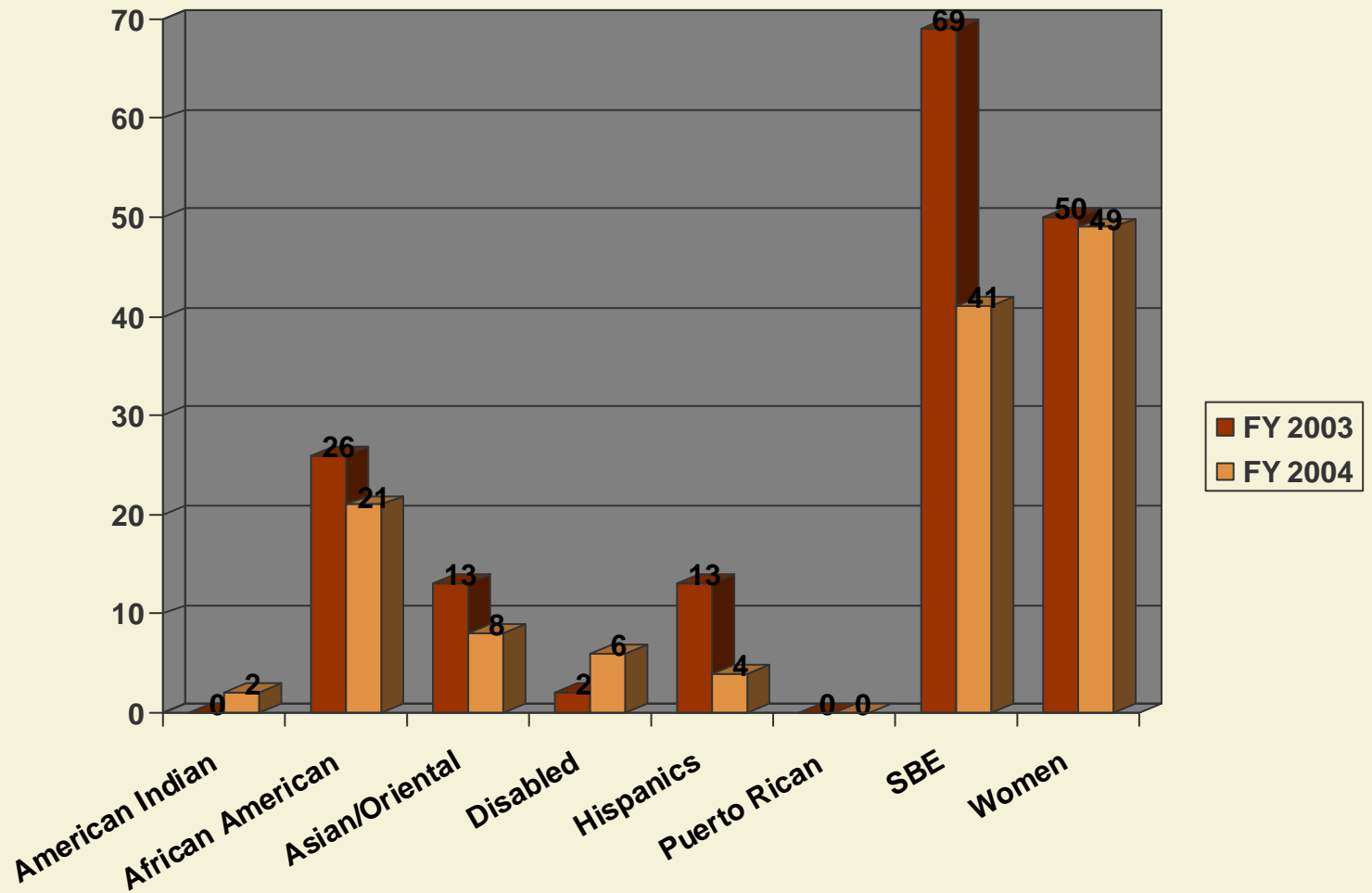




Annual Reporting Results FY 2003 - FY2004

Contract Awards That Include MBE/SBE Participation

July 1, 2002 through June 30, 2004





Reporting

- ④ Annual Report – MBE/SBE
- ④ Bi-Monthly Friday Letter – Minority and Small Business Enterprises Report – New Contracts



MBE Outreach Efforts

The MBE Officer for BCPS has:

- ④ Participated on Interagency Committee on School Construction (IAC) sub-committee to review and revise MBE procedures in 2003.
- ④ Presented at the 2003 MBE/WBE Awards Breakfast and Workshop.
- ④ Participated in 2003 trade show by the Maryland/Washington Association of Minority and Woman-Owned Businesses.
- ④ Staff attended State of Maryland Procurement Summit in March 2004 to learn about changes in MBE procedures approved by the 2004 legislature.
- ④ Attended a seminar in August 2004 offered by the IAC to review changes that will be made to the Minority Business Procedures.



Current Issues

- ④ Implemented changes from 2004 legislature
- Senate Bill 903 (House Bill 1488)
- ④ Updating Procurement Vendor Self-Service (VSS) screens to allow registration to include MBE/SBE designation
- ④ Signed up to include link to BCPS website on the MWMCA website -
<http://www.mwmca.org/>



Current Issues (continued)

- ④ Revision to Board Policy and Superintendent's Rule 3200 will be proposed to:
 - ④ Change to reference the State Finance and Procurement Article.
 - ④ Update reference to Education Article.
- ④ MBE Officer will propose updates in procedures and reporting practices.



Baltimore County Public Schools

Vendor Self-Service

Draft

- [Home](#)
- [Open Bids](#)
- [Closed Bids](#)
- [Registration](#)
- [Commodity History](#)
- [Login](#)
- [Feedback](#)
- [Help](#)

Please complete the form below in order to update your vendor profile. Be sure to select and enter a user specified ID and Password.

If your company maintains a separate address for remittance purposes, please provide that address in the Vendor Comments field below. Furthermore, if your company is subject to backup withholding, please indicate that in the Vendor Comments field as well.

* Indicates a required field.

*User ID:	<input type="text"/>	(Up to 11 Characters, Case Sensitive, User Specified)
*Password:	<input type="password"/>	(Up to 8 Characters, Case Sensitive, User Specified)
*Verify Password:	<input type="password"/>	(Must match Password Exactly)
*Company Name:	<input type="text"/>	
* Mailing Address Line 1:	<input type="text"/>	(Enter Alt. Name or Attention information)
Mailing Address Line 2:	<input type="text"/>	
*City:	<input type="text"/>	*State: <input type="text" value="VA"/>
*Country:	<input type="text" value="United States"/>	*Extended Zip: <input type="text"/>
*Contact:	<input type="text"/>	
*Telephone #:	<input type="text"/> - <input type="text"/> - <input type="text"/>	Fax: <input type="text"/> - <input type="text"/> - <input type="text"/>
Emergency/After Hours:	<input type="text"/> - <input type="text"/> - <input type="text"/>	Pager: <input type="text"/> - <input type="text"/> - <input type="text"/> PIN: <input type="text"/>
Mobile/Cell:	<input type="text"/> - <input type="text"/> - <input type="text"/>	
*Email Address:	<input type="text"/>	

(john_smith@your_provider.com)



Questions