

**CITY OF BALTIMORE
COUNCIL BILL 19-0169R
(Resolution)**

Introduced by: Councilmember Henry, President Scott, Councilmembers Dorsey, Burnett,
Bullock, Cohen, Sneed, Pinkett, Middleton, McCray, Stokes, Clarke

Introduced and read first time: October 7, 2019

Assigned to: Taxation, Finance and Economic Development Committee

Committee Report: Favorable

Adopted: January 13, 2019

A COUNCIL RESOLUTION CONCERNING

Investigative Hearing – Minority and Women’s Business Opportunity Office

FOR the purpose of inviting the Chief of the Minority and Women’s Business Opportunity Office to report to the City Council on the effectiveness of meeting Minority Business Enterprises and Women’s Business Enterprises participation goals.

Recitals

The Minority and Women’s Business Opportunity Office is responsible for certifying compliance with Article 5, Subtitle 28 of the City Code before contracts are submitted to the Board of Estimates for award, setting Minority Business Enterprises (“MBE”) and Women’s Business Enterprises (“WBE”) participation goals on contracts, and establishing certain annual goals for MBE and WBE participation, among other duties. In Article 5, Subtitle 28 of the Code, the City Council found that past discrimination in the City’s contracting process by prime contractors against MBEs and WBEs resulted in significant underutilization of MBEs and WBEs in contracts awarded by Baltimore City. The Minority and Women’s Business Opportunity Office (hereinafter “the Office”) was created to promote equal business opportunity in the City by encouraging full and equitable participation by MBEs and WBEs in the provision of goods and services to the City on a contractual basis. For each specific contract, the Office must establish MBE and WBE participation goals. These goals cannot be quotas. Annually the Office reviews MBE and WBE participation on all contracts and procurement to evaluate the City’s progress in meeting its goals, and reports this information to the Board of Estimates.

Baltimore City agencies must be audited every two years, and an audit for the Office was published in December 2018. The audit found two major problems regarding the Office. First, in 2016, the number of applications approved by the Office did not meet the participation goal. In fact, less than half of the applications that the Office hoped to approve, in 2016, were actually approved; specifically, the target number of applications approved was 300, while the actual number approved was 106. In 2017, the Office exceeded its target, but there was a disparity between the number of applications the Office claimed to approve and the number the Office actually approved. Second, the audit found that the Office did not maintain a list of waiver requests and approvals. The audit found that because the Office did not maintain a list of waiver requests and approvals, the Office was at risk of mishandling contracts. The audit also found that the Office uses an excel spreadsheet for application tracking stored on the shared drive, and that the Office was looking into obtaining an online certification software application.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter stricken by amendment.

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1 The City Council needs to investigate the effectiveness of the Office. In 2016, the Office
2 egregiously failed to meet its target. The Office also failed to maintain a list of application
3 waiver requests and approvals. The Office could possibly use technology to meet its target
4 approval rates. What type of technology might the Office use for this? Has the Office
5 implemented the online certification software application in order to do application tracking? If
6 so, how is this application helping it complete its duties? If not, why not? It is important that the
7 City is meeting its MBE and WBE participation goals, and an investigative hearing is needed to
8 determine if the Office is meeting these goals and, if not, how it can begin to meet these goals.

9 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the City
10 Council invites the Chief of the Minority and Women’s Business Opportunity Office to report to
11 the City Council on the effectiveness of meeting Minority Business Enterprises and Women’s
12 Business Enterprises participation goals.

13 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, Chief
14 of the Minority and Women’s Business Opportunity Office, and the Mayor’s Legislative Liaison
15 to the City Council.