

**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

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Minority and Women’s Business
Opportunity Office, Department of Finance

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Investigative Hearing – Minority and Women’s Business Opportunity Office**

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

6 **Recitals**

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

21 Baltimore City agencies must be audited every two years, and an audit for the Office was
22 published in December 2018. The audit found two major problems regarding the Office. First,
23 in 2016, the number of applications approved by the Office did not meet the participation goal.
24 In fact, less than half of the applications that the Office hoped to approve, in 2016, were actually
25 approved; specifically, the target number of applications approved was 300, while the actual
26 number approved was 106. In 2017, the Office exceeded its target, but there was a disparity
27 between the number of applications the Office claimed to approve and the number the Office
28 actually approved. Second, the audit found that the Office did not maintain a list of waiver

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

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1 requests and approvals. The audit found that because the Office did not maintain a list of waiver
2 requests and approvals, the Office was at risk of mishandling contracts. The audit also found that
3 the Office uses an excel spreadsheet for application tracking stored on the shared drive, and that
4 the Office was looking into obtaining an online certification software application.

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

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

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