



**MARYLAND**  
DEPARTMENT OF  
BUDGET & MANAGEMENT

*MARTIN O'MALLEY*  
Governor

*ANTHONY BROWN*  
Lieutenant Governor

*T. ELOISE FOSTER*  
Secretary

*DAVID C. ROMANS*  
Deputy Secretary

October 1, 2010

The Honorable Catherine E. Pugh  
Senate Chair, Joint Committee on Fair Practices and  
Personnel Oversight  
3 E Miller Senate Office Building  
Annapolis MD 21401

The Honorable Adrienne A. Jones  
House Chair, Joint Committee on Fair Practices and  
Personnel Oversight  
312 House Office Building  
Annapolis MD 21401

Dear Senator Pugh and Delegate Jones:

Section 14-305(a)(1) of the State Finance and Procurement Article requires each agency to provide the Joint Committee on Fair Practices and Personnel Oversight a copy of their annual Minority Business Enterprise (MBE) Report. Attached is a copy of the Department's FY 2010 Annual MBE Report.

For FY 2010, 21.43% of all DBM awards went to MBE prime and sub-contractors and payments to MBEs totaled over \$6.4 million. These payments represent an increase of \$2.1 million, or 49%, over payments made to MBEs during the FY 2009 reporting period. Additionally during FY 2010, there were \$16.3 million in payments to MBE subcontractors under DBM contracts which are not included in the above reported payment total due to pro-rating requirements. This is an increase of \$5.9 million, or 57%, in non-reported payments to MBEs over the FY 2009 reporting period. Furthermore, although non-certified MBE firms are not recognized as MBEs for reporting purposes, we think it is important to note that during FY 2010, over \$200,000 in new DBM contracts were awarded to non-certified MBE firms.

~Effective Resource Management~

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<http://www.dbm.maryland.gov>

DBM's FY 2010 MBE award percentage (21.43%) was higher than normal due to the unusual fact that there were no awards for health insurance contracts during the reporting period. This is a circumstance that is unlikely to repeat in future years.

During FY 2010, the Department continued to work diligently on many fronts to further the goals of the State's MBE program. Within DBM we continued to:

- structure Departmental procurements to maximize the potential for MBE prime and subcontract opportunities;
- aggressively engage during the procurement process both to ensure that MBE goals were understood by potential vendors and to minimize the potential for MBE related problems with proposals;
- strengthen and improve the Department's MBE compliance by conducting MBE-focused contract kick off meetings for every new contract award with an MBE subcontract goal, conducting real-time monthly report monitoring and prompt payment reviews and implementing quarterly MBE compliance reviews with follow up meetings with contractors as required; and
- review proposed procurement legislation during Session to assure that procurement legislation which might negatively impact the MBE program was identified and addressed.

In our oversight capacity, DBM:

- continued to work diligently with State agencies to assure that their services procurements were structured to maximize MBE opportunities;
- worked closely with GOMA to ensure that MBE waiver requests on service contracts were appropriately reviewed;
- documented MBE compliance reporting for contract renewals and modifications;
- participated in Procurement Advisory Council (PAC) workgroups focused on addressing MBE issues; and
- promoted the goals of the MBE program through training and information dissemination through the Senior Procurement Advisory Group (SPAG), while providing GOMA an opportunity to address MBE concerns and issues directly with Senior Procurement staff through that venue.

Minority Business Enterprise  
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During the upcoming year, DBM will continue to make every effort to further the success of the State's MBE performance. If you would like additional information, you may contact Ms. Mary Naramore, Director, Procurement Policy and Administration at 410-260-7471.

Sincerely,



T. Eloise Foster  
Secretary

Enclosure

cc: David Smulski  
Andrew S. Johnson  
Mary Naramore  
Rebecca Burner

**MSAR 8530**



Annual Minority Business Enterprise (MBE) Procurement Report

Summary Statement

Reporting Department/Agency:	Department of Budget and Management
Fiscal Year:	2010

Category	Amount
1. Total dollars awarded to MBEs (Total from Form 1 Spreadsheet)	\$2,848,247.64
2. Total dollars paid to MBEs (Total from Form 3 Database)	\$6,469,704
3. Total dollars awarded (Total from Form 1 Spreadsheet)	\$13,290,530.84
4. MBE awards as a percentage of contract awards (from Form 1 Spreadsheet)	21.43%

Secretary/Agency Head Name:	T. Eloise Foster
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(Please Type Here)

Secretary/Agency Head Signature: J. Eloise Foster

(Please Sign Here)

This is a Fill-In Form. Use your Tab Key to move to each input field and enter the information as required.

Date: 9/22/10

Total MBE Prime and Subcontract Awards by MBE Classifications and Procurement Categories

Procurement Category	African American	Asian	Hispanic	Native American	Women	African American Women	Asian Women	Hispanic Women	Native American Women	Disabled	Non-Profit (Certified)	Community Service Provider	Disadvantaged	Total
Architectural/Engineering	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Related Services	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Services	Total Dollars	\$480,800	\$0	\$550,000	\$1,600	\$800,050	\$0	\$0	\$0	\$0	\$31,838	\$0	\$0	\$1,733,855
	# of Contracts	8	0	2	1	22	0	0	0	0	3	0	0	36
Supplies & Equipment	Total Dollars	\$4,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,169
	# of Contracts	2	0	0	0	0	0	0	0	0	0	0	0	2
IT Services	Total Dollars	\$0	\$0	\$0	\$0	\$1,000,110	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,096,119
	# of Contracts	0	0	0	0	4	0	0	0	0	0	0	0	4
IT Supplies & Equipment	Total Dollars	\$0	\$11,364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,364
	# of Contracts	0	2	0	0	0	0	0	0	0	0	0	0	2
Human, Cultural, Social & Educational Services	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate Credit Card	Total Dollars	\$7,000	\$0	\$0	\$0	\$820	\$0	\$0	\$0	\$0	\$52	\$0	\$0	\$2,741
	# of Contracts	3	0	0	0	2	0	0	0	0	2	0	0	7
Direct Voucher	Total Dollars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	# of Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	Total Dollars	\$490,080	\$11,364	\$550,000	\$1,600	\$1,757,407	\$0	\$0	\$0	\$0	\$31,888	\$0	\$0	\$2,848,248
	# of Contracts	13	2	2	1	28	0	0	0	0	5	0	0	51

% of Contract Awards: African American 3.73%, Asian 0.09%, Hispanic 4.14%, Native American 0.01%, Women 13.72%, African American Women 0.00%, Asian Women 0.00%, Hispanic Women 0.00%, Native American Women 0.00%, Disabled 0.00%, Non-Profit (Certified) 0.24%, Community Service Provider 0.00%, Disadvantaged 0.00%, Total 21.43%

Total Contract Awards from Form 1: \$13,290,531

Authorized by: T. Eloise Foster, Secretary  
Name and Title

Prepared by: Mary Naramore

Telephone: 410-260-7471

Date: 09/22/10

Date:

Email Address: maryn@dbm.state.md.us

Total MBE Subcontract Awards by MBE Classifications and Procurement Categories

Procurement Category		African American	Asian	Hispanic	Native American	Women	African American Women	Asian Women	Hispanic Women	Native American Women	Disabled	Non-Profit (Certified)	Community Service Provider	Disadvantaged	Total	
Architectural/Engineering	Total Dollars															\$0
	# of Contracts															0
Construction	Total Dollars															\$0
	# of Contracts															0
Construction Related Services	Total Dollars															\$0
	# of Contracts															0
Maintenance	Total Dollars															\$0
	# of Contracts															0
Services	Total Dollars	\$488,733		\$550,000	\$1,500	\$647,075						\$31,500				\$1,719,408
	# of Contracts	3		2	1	10						1				26
Supplies & Equipment	Total Dollars															\$0
	# of Contracts															0
IT Services	Total Dollars															\$0
	# of Contracts															0
IT Supplies & Equipment	Total Dollars															\$0
	# of Contracts															0
Human, Cultural, Social & Educational Services	Total Dollars															\$0
	# of Contracts															0
Totals	Total Dollars	\$488,733	\$0	\$550,000	\$1,500	\$647,075	\$0	\$0	\$0	\$0	\$0	\$31,500	\$0	\$0		\$1,719,408
	# of Contracts	3	0	2	1	10	0	0	0	0	0	1	0	0		26

Total MBE Prime Contract Awards by MBE Classifications and Procurement Categories

Procurement Category	African American	Asian	Hispanic	Native American	Women	African American Women	Asian Women	Hispanic Women	Native American Women	Disabled	Non-Profit (Certified)	Community Service Provider	Disadvantaged	Total
Architectural/Engineering	Total Dollars													\$0
	# of Contracts													0
Construction	Total Dollars													\$0
	# of Contracts													0
Construction Related Services	Total Dollars													\$0
	# of Contracts													0
Maintenance	Total Dollars													\$0
	# of Contracts													0
Services	Total Dollars	\$1,127				\$12,984					\$336			\$14,446
	# of Contracts	5				3					2			10
Supplies & Equipment	Total Dollars	\$4,169												\$4,169
	# of Contracts	2												2
IT Services	Total Dollars					\$1,096,110								\$1,096,119
	# of Contracts					4								4
IT Supplies & Equipment	Total Dollars		\$11,364											\$11,364
	# of Contracts		2											2
Human, Cultural, Social & Educational Services	Total Dollars													\$0
	# of Contracts													0
Corporate Credit Card	Total Dollars	\$7,066				\$679					\$52			\$2,741
	# of Contracts	3				2					2			7
Direct Voucher	Total Dollars													\$0
	# of Contracts													0
Total	Total Dollars	\$7,356	\$11,364	\$0	\$0	\$1,109,732	\$0	\$0	\$0	\$0	\$388	\$0	\$0	\$1,128,839
	# of Contracts	10	2	0	0	9	0	0	0	0	4	0	0	25