



MARYLAND
DEPARTMENT OF
BUDGET & MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC-L. NICOLE
Deputy Secretary

August 20, 2015

The Honorable C. Anthony Muse
Senate Chair, Joint Committee on Fair Practices and
Personnel Oversight
304 James Senate Office Building
Annapolis MD 21401-1991

The Honorable Adrienne A. Jones
House Chair, Joint Committee on Fair Practices and
Personnel Oversight
312 House Office Building
Annapolis MD 21401-1991

Dear Senator Muse 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 2015 Annual MBE Report.

During FY 2015, a total of \$21.9 million (2.43%) of DBM awards went to MBE prime contractors and subcontractors, an increase of almost \$21.3 million over FY 14 awards to MBE prime and subcontractors. DBM payments to MBE prime contractors and subcontractors exceeded \$7.6 million. An additional \$61.6 million in payments were made to MBE subcontractors which are not included in the above reported payment total due to pro-rating requirements.

Also noteworthy for FY 2015, a total of \$731,000 was paid to MBE prime and subcontractors under the DBM Statewide Audit Services Master Contract, or 42% of all dollars awarded under the contract. Because DBM has delegated this contract for MBE purposes, these awards are reported by State agencies using the contract, and are not reflected in DBM's annual report.

During FY 2015, 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;

~Effective Resource Management~

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

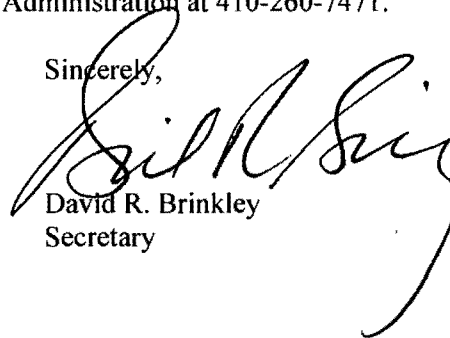
- manage the statewide Audit Services Master Contract to maximize MBE awards;
- engage prospective prime contractors during the procurement process both to ensure that MBE goals were understood by potential vendors and to minimize the potential for MBE related proposal deficiencies;
- strengthen and 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
- hold quarterly MBE compliance reviews with follow up meetings with contractors as required, and taking decisive actions to ensure compliance.

In our oversight capacity, DBM continued to:

- work diligently with State agencies to assure that their services procurements were structured to maximize MBE opportunities;
- document MBE compliance reporting for contract renewals and modifications; and
- promote the goals of the MBE program through training and information dissemination.

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,



David R. Brinkley
Secretary

Enclosure

cc: David Smulski
Mary Naramore
Barbara Wilkins

MSAR 8530



Annual Minority Business Enterprise (MBE) Procurement Report

Summary Statement

Reporting Department/Agency: Department of Budget and Management
Fiscal Year: 2015

Category	Amount
1. Total dollars awarded to MBEs (Total from Form 1 Spreadsheet)	21,911,379.00
2. Total dollars paid to MBEs (Total from Form 3 Database, sum of 2a and 2b below)	7,666,799.81
a. Total Actual Subcontractor Payments by MBE Classification	6,536,519.64
b. Total Prime Contractor Actual Payments by Classification (excluding non-minority primes)	1,130,280.17
3. Total dollars awarded (Total from Form 1 Spreadsheet)	901,691,233.00
4. MBE awards as a percentage of contracts awards (from Form 1 Spreadsheet)	2.43%
Secretary/Agency Head Name: Secretary David R. Brinkley	

This summary is not complete until the three respective signatures on page 2 have been obtained.

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

Annual Minority Business Enterprise (MBE) Procurement Report

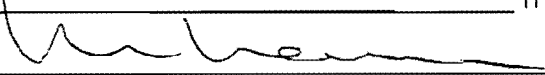
Summary Statement Page 2

Reporting Department Agency:
Fiscal Year:

Agency Representative who Prepared Report:

I hereby attest that I reviewed the FY MBE Reports and any attachments and the information therein is true and correct to the best of my knowledge, information and belief.

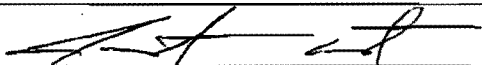
PRINT NAME: Mary Naramore TITLE: Director, Procurement Policy & Administration

SIGNATURE AND DATE:  8/12/15

Reviewed and Approved by Agency Chief Financial Officer:

I hereby attest that the vendor payment information included in the current FY MBE Reports is true and correct to the best of my knowledge, information and belief.

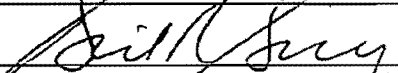
PRINT NAME: John West TITLE: Director, Finance & Administration

SIGNATURE AND DATE:  8/12/15

Reviewed and Approved by Agency Head or Designee:

I hereby attest that I reviewed the FY MBE Reports and any attachments and the information therein is true and correct to the best of my knowledge, information and belief.

PRINT NAME: David R. Brinkley TITLE: Secretary, DBM

SIGNATURE AND DATE:  August 13, 2015

Minority Business Enterprise Annual Procurement Report

Reporting Form #1

Reporting Department/Agency: Department of Budget & Management

Fiscal Year 2015

Total Contract Awards by Procurement Categories

Procurement Category	Total # All Prime Contracts (Including MBE)	Total All Prime Contracts Dollar Value Awarded (Including MBE)	Total # of Prime Contract Waivers	Total Dollar Value of Prime Contract Waivers	Total # MBE Prime Contracts Awarded	Total MBE Prime Contract Dollar Value Awarded	Total # MBE Subcontracts Awarded	Total MBE Subcontract Dollar Value Awarded	Total # of MBE Contracts Awarded- Prime & Sub	Total \$ of MBE Contracts Awarded- Prime & Sub	Total MBE Participation Percentage
Architectural					0	\$0	0	\$0	0	\$0	0.00%
Engineering					0	\$0	0	\$0	0	\$0	0.00%
Construction					0	\$0	0	\$0	0	\$0	0.00%
Construction Related Services					0	\$0	0	\$0	0	\$0	0.00%
Maintenance					0	\$0	0	\$0	0	\$0	0.00%
Services	104	\$901,148,225			6	\$865,627	58	\$20,948,275	64	\$21,813,902	2.42%
Supplies & Equipment	9	\$8,894			0	\$0	0	\$0	0	\$0	0.00%
IT Services	3	\$446,547			2	\$71,069	0	\$0	2	\$71,069	15.92%
IT Supplies & Equipment	3	\$23,877			2	\$18,777	0	\$0	2	\$18,777	78.64%
Human, Cultural, Social & Educational Services					0	\$0	0	\$0	0	\$0	0.00%
Corporate Credit Card	252	\$63,625			74	\$7,566			74	\$7,566	11.89%
Direct Voucher	1	\$65			1	\$65			1	\$65	100.00%
Totals	372	\$901,691,233	0	\$0	85	\$963,104	58	\$20,948,275	143	\$21,911,379	2.43%

Note(s):

Authorized by: Secretary Brinkley
Printed Name and Title

Date: 08/13/15

Prepared by: Mary Naramore, Director
Printed Name and Title

Date: 08/13/15

Telephone: 410-260-7471

Email Address: mary.naramore@maryland.gov