



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

DAVID R. BRINKLEY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

September 30, 2018

The Honorable Clarence Lam  
Senate Chair, Joint Committee on Fair Practices and  
Personnel Oversight  
420 Miller Senate Office Building  
Annapolis MD 21401-1991

The Honorable Erek Barron  
House Chair, Joint Committee on Fair Practices and  
Personnel Oversight  
414 House Office Building  
Annapolis MD 21401-1991

Dear Chair Lam and Chair Barron:

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 and the Governor's Office of Minority Affairs a copy of their annual Minority Business Enterprise (MBE) Report. Attached is a copy of the Department of Budget & Management's FY 2018 Annual MBE Report Summary Statement.

During FY 2018, in excess of \$380 thousand (3.8%) of DBM awards went to MBE prime contractors and subcontractors. DBM payments to MBE prime contractors and subcontractors of approximately \$7.5 million. An additional \$43 million in payments were made to MBE subcontractors which are not included in the above reported payment total due to pro-rating requirements.

During FY 2018, 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;
- 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;

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<http://dbm.maryland.gov>

- 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 Thomas McLamore, MBE Liaison at 410-260-7663 or [Thomas.mclamore@maryland.gov](mailto:Thomas.mclamore@maryland.gov).

Sincerely,



Marc L. Nicole  
Deputy Secretary

Enclosure

cc: David Smulski, Policy Analyst, Department of Legislative Services  
Thomas McLamore, MBE liaison, Department of Budget and Management  
Barbara Wilkins, Department of Budget and Management

MSAR 11380



Annual Minority Business Enterprise (MBE)

Procurement Report

**FY2018 Summary Statement**

Reporting Department/Agency:	
Fiscal Year: 2018	

Category		Amount
1. Total dollars awarded to MBEs (Total from Form 1 Spreadsheet)		\$384,157
2. Total dollars paid to MBEs (Total from Form 3 Database, Sum of 2a and 2b below)		\$7,454,170
a. Total Actual Subcontractor Payments (Form 3)	\$6,363,520	
b. Total Prime Contractor Actual Payments by (excluding non-minority primes) (Form 3)	\$1,090,650	
3. Total dollars awarded (Total from Form 1 Spreadsheet)		\$10,056,008
4. MBE awards as a percentage of contracts awards (from Form 1 Spreadsheet)		3.8%
Secretary/Agency Head Name: Marc Nicole, Deputy Secretary		

**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 FY2018 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: A. Thomas McLamb TITLE: MBE Liaison  
SIGNATURE AND DATE: [Signature] 9/27/18

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 of Finance & Admin  
SIGNATURE AND DATE: [Signature]

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: Marc Nicole TITLE: Deputy Secretary  
SIGNATURE AND DATE: Marc Nicole 9/27/18