

OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

The mission of the Office of Business Opportunity (OBO) is to create a competitive and diverse business environment in the City of Houston by promoting the growth and success of local small businesses, with special emphasis on historically underutilized groups, by ensuring their meaningful participation in the government procurement process.

The vision for OBO is to achieve program success by leveling the playing field for all city and local businesses regardless of race or gender, and by obliterating internal and external barriers in contracting. This can be achieved by attracting qualified certification candidates, administering a reputable certification and Hire Houston First designation process while providing unparalleled service delivery, ensuring that prime contractors consistently meet and exceed utilization goals on contracts and providing small business development services and capacity building programs, as well as tracking progress towards departmental goals through metrics.

The primary services offered by OBO include the following:

Certification Division: Certifies businesses for participation on city and federally funded projects. Certifications includes Minority, Women, Small Business Enterprises, and Persons with Disabilities Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE). They are collectively "certified firms", as a result of their certification; these businesses may be eligible to participate for goal credit on goal-oriented and regulated City contracts. The Certification Division may also designate a business as a part of the Hire Houston First Program, so the business may be eligible for a local preference in the awarding of City contracts.

Contract Compliance Division: Enforces local and federal labor standards requirements on contracts as well as monitors Equal Employment Opportunity laws compliance. In addition, monitors contracts to ensure that good faith efforts are made to meet MWDBE goals and meaningful participation by those groups.

Department Services: Evaluates MWBE goal waivers, proposed contract goals, and pre-award MWBE utilization plans. Assists departments with setting contract-specific goals based on market availability of certified firms and divisible work in each project. Facilitates the Department Services Training Institute that provides departments with information about common compliance issues and best practices.

External Affairs and OBO Solutions Center: Organizes events to raise awareness of City contract opportunities. Sends out quarterly newsletter and promotes certification to eligible firms. Evaluates the pool of certified firms to promote their utilization on upcoming City of Houston contracts, provides assistance, and facilitates business development programs for certified firms. Additionally, they provide free assistance, counseling, financial advice, and business training workshops for any entrepreneur, small business or individual that would like to obtain information on how to start, own, and operate their own business.

Department Short Term Goals

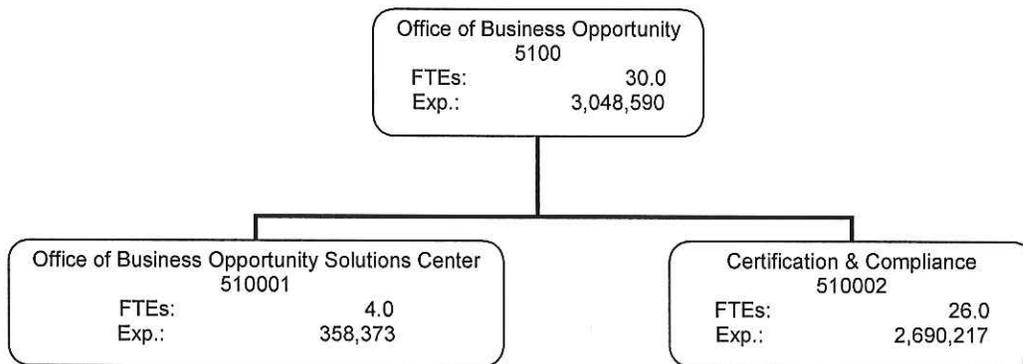
- Update internal policies and procedures to include current and best practices.
- Enhance existing and create new analytical tools and reports to ensure transparency.
- Engage contracting departments in the contract monitoring process to optimize efficacy and address limited staffing resources.

- Augment and enhance existing capacity building initiatives.
- Increase program visibility through a targeted marketing plan and outreach efforts.
- Increase use of online application process for certifying applicants for better management of the application pipeline.
- Engage all necessary internal and external partners/stakeholders to conduct a disparity study in the area of Professional Services, Goods & Non-Professional Services and Construction.
- In collaboration with Houston Public Library and Capital One Bank, the Office of Business Opportunity will launch the fourth annual Liffott Houston Business Plan Competition. In its fourth year, Liffott Houston will expand its workshops to include online offerings in various topics.

Department Long Term Goals

- Reduce our carbon print by leveraging all the features of our contract management and labor compliance systems to transition to a paperless office system for our certification and contract compliance functions.
- Explore whether nominal fees should be charged to businesses for our services, for example local certification application and/or recertification.
- Maximize the use of the existing contract management system to improve work performance and leverage reporting function.
- Provide external stakeholders easy access to expanded contract information.

Department Organization



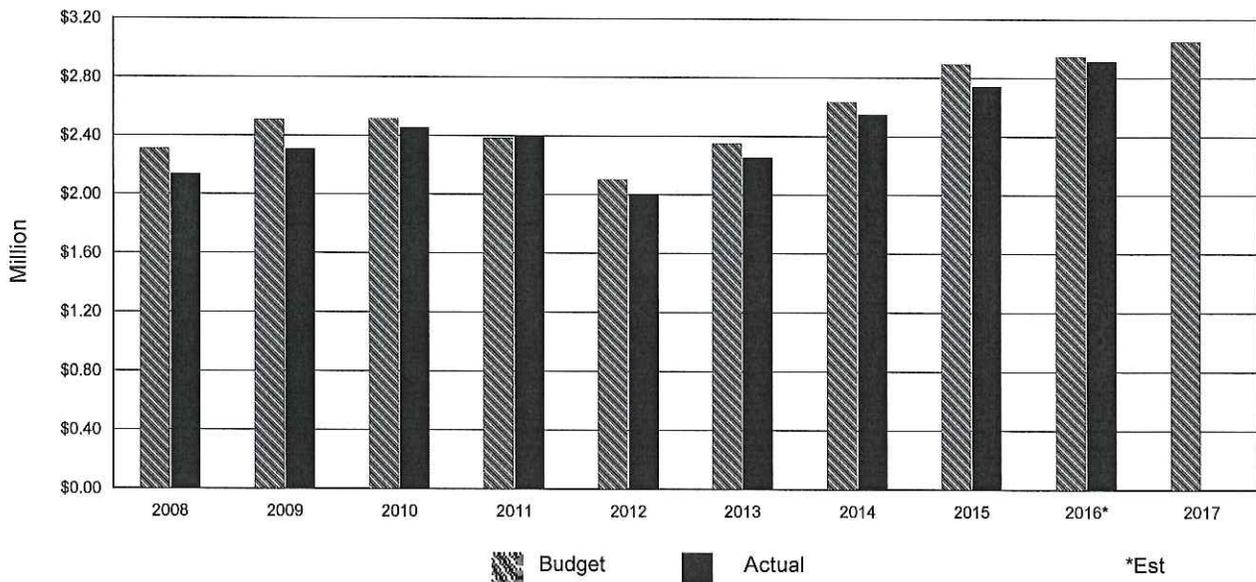


FISCAL YEAR 2017 BUDGET

Business Area Budget Summary

Fund Name :		General Fund			
Business Area :		Office of Business Opportunity			
Fund No. /Bus. Area No. :		1000 / 5100			
		FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Expenditures	Personnel Services	2,388,074	2,579,437	2,546,167	2,683,581
	Supplies	30,153	22,807	22,808	25,238
	Other Services and Charges	324,925	344,851	344,205	339,771
	Total M & O Expenditures	<u>2,743,152</u>	<u>2,947,095</u>	<u>2,913,180</u>	<u>3,048,590</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>2,743,152</u>	<u>2,947,095</u>	<u>2,913,180</u>	<u>3,048,590</u>
Revenues		120,828	121,905	122,605	124,835
Staffing	Full-Time Equivalents - Civilian	28.1	30.0	30.0	30.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	28.1	30.0	30.0	30.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2017 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases. o Promote Mayoral priorities and build out initiatives to support vendor services to include capacity building programs, technical assistance, access to city, public, and private partnerships. o Market and promote the City's new three year certification, which allows small businesses and historically underserved groups to remain certified for three years, ensuring their meaningful participation in government procurement. 				

**Office of Business Opportunity
Current Budget vs Actual Expenditures**



FISCAL YEAR 2017 BUDGET

Business Area Performance Measures				
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus. Area No. : 1000 / 5100				
Performance Measures	FY2015 Actual	FY2016 Budget	FY2016 Estimate	FY2017 Budget
Certification Processing Timeframe (days)	25	30	30	90
MWSBE Contract Participation % - Construction	27%	34%	34%	34%
MWSBE Contract Participation % - Professional Services	21%	24%	24%	24%
MWSBE Contract Participation % - Purchasing	13%	11%	11%	11%
Total Certified Firms	2,622	2,900	2,900	3,100
Total Hire Houston First Designations	1,842	2,225	2,225	2,500
Expenditures Adopted Budget vs Actual Utilization	96%	98%	99%	98%
Revenues Adopted Budget vs Actual Utilization	111%	100%	101%	100%

FISCAL YEAR 2017 BUDGET

Division Summary							
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus Area No. : 1000 / 5100							
Division Description		FY2015 Actual		FY2016 Estimate		FY2017 Budget	
		FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
OBO Solutions Center	510001						
The OBO Solutions Center, formerly the Houston Business Solutions Center, provides free business assistance and monitors business creation and job development by systematically tracking clients.		4.3	298,541	4.0	288,150	4.0	358,373
Certification & Compliance	510002						
The Certification and Compliance Division consists of Certification, Contract Compliance, Department Services, and Administration.		23.8	2,444,611	26.0	2,625,030	26.0	2,690,217
Total		28.1	2,743,152	30.0	2,913,180	30.0	3,048,590

FISCAL YEAR 2017 BUDGET

Business Area Revenues Summary

Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No./Bus. Area No. : 1000 / 5100

Category	FY2015 Actual	FY2016 Current Budget	FY2016 Estimate	FY2017 Budget
Charges for Services	2,111	200	900	900
Direct Interfund Services	84,200	86,705	86,705	88,935
Miscellaneous/Other	34,517	35,000	35,000	35,000
Grand Total Revenues	<u><u>120,828</u></u>	<u><u>121,905</u></u>	<u><u>122,605</u></u>	<u><u>124,835</u></u>