

Procurement and Small, Minority, Female, Disabled and Locally- Owned Businesses

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The Council requested this project in order to examine the County's procurement process, particularly for small and minority, female, disabled, or locally-owned businesses. Currently, over 13,000 businesses have been registered in the County's Central Vendor Registration System (CVRS) – 9% as a local small business and 7% as a minority, female, or disabled-owned business.

Montgomery County's Procurement Outreach Efforts

The County administers two programs specifically aimed at promoting contracting opportunities:

- The **Local Small Business Reserve Program (LSBRP)** reserves 20% of eligible County procurement opportunities for qualified small, County-based businesses.
- The **Minority, Female, and Disabled-Owned Business (MFD) Program** is designed to ensure that minority-owned local businesses receive an adequate share of County contracting opportunities.

The Department of General Services' Office of Business Relations and Compliance handles the County's main outreach to the business community for both of these programs, while additional support is provided by the Office of Procurement and Department of Economic Development.

Survey of Local Businesses

To obtain information on the experiences of local businesses, as well as their assessment of the County's services, OLO distributed an electronic survey to approximately 9,800 businesses and received 1,233 responses (13%). OLO found that 47% of survey respondents were familiar with the LSBRP and 58% of respondents were familiar with the MFD program.

Survey Results on Procurement Process. OLO asked survey respondents to rate different aspects of the procurement process through several qualitative statements. The table below summarizes the results for those businesses who applied for a County contract.

**Weighted Average Ratings of County Procurement Process by Businesses that
Bid on County Government Contracts in the Past Year (On a 1-5 Scale)**

Survey Questions on Experience with the Procurement Process	Firm Bid on Contract and...	
	Received a Contract	Did Not Receive a Contract
# of Responses	248	181
Montgomery County Government procurement opportunities are promoted effectively.	3.75	3.10
The steps required to bid on a County solicitation are easy to understand.	3.70	3.44
All necessary contract documents (including solicitation material) are easy to find.	3.79	3.51
The terms of the contract are easy to understand.	3.75	3.42
The contract solicitation period is adequate to complete a bid proposal.	3.91	3.53
The follow-up provided by the County after your bid proposal was sufficient.	3.67	2.62
The time it took to award the contract was acceptable.	3.61	2.98
The County's procurement website is easy to navigate.	3.69	3.51
If your business had a question regarding procurement, County staff were easily accessible.	3.90	3.23
If your business had a question regarding procurement, County staff provided accurate answers.	3.91	3.47
If your business had a question, County staff provided answers in a timely manner.	3.93	3.26
Overall, Montgomery County's procurement process is effective.	3.76	3.06
Montgomery County values your business.	3.73	2.77

Highlighted findings include:

- Respondents who were awarded a contract rated the County higher in every aspect of the procurement process than those who were not awarded a contract.
- Respondents rated the staff accessibility and helpfulness highest and the process for follow up after a bid submission as the lowest.
- Respondents reported that increased outreach, a simplified application process, and better communication with County staff could help to improve the procurement process.

In addition, businesses that were interested in, but did not apply for a County contract, reported that their primary reason was unfamiliarity with contracting opportunities. The primary reason for businesses not interested in County Procurement was because they did not provide relevant goods/services.

Survey Results for LSBRP/MFD Programs. Businesses registered in either the LSBRP or MFD program rated the County's procurement process approximately the same as those businesses not registered in the programs. However, as shown in the table below, LSBRP members rated their experience with the LSBRP higher than MFD members rated the MFD program.

Ratings of Overall Experiences with LSBRP and MFD, by Registered Businesses

Survey Questions on Experience with the LSBRP and MFD Programs	LSBRP	MFD
Montgomery County effectively promotes the program.	3.46	3.06
The program outreach events run by Montgomery County are beneficial to your business.	3.14	3.01
The requirements to become a certified vendor with Montgomery County are clearly explained.	3.87	3.40
The program certification process is easy to understand.	3.88	3.42
The program adequately informs your business of contracting opportunities.	3.76	3.01
The steps required to bid on a County solicitation in the program are easy to understand.	3.55	3.23
If your business had a question regarding the program, County staff were easily accessible.	3.68	3.32
If your business had a question regarding the program, County staff provided accurate answers.	3.75	3.36
If your business had a question, County staff provided answers in a timely manner.	3.70	3.34
Overall, your business' experience with the program has been good.	3.37	3.05

Office of Legislative Oversight's Recommendations

Overall, the OLO found an interest among local businesses to bid on County contracts. OLO offers the following three recommendations for action by the County Council based on the survey results:

- Strengthen and expand current outreach efforts to increase businesses' awareness of County contracting opportunities – in particular, for those offered to LSBRP and MFD businesses.
- Develop a consistent set of follow-up procedures for all bid submissions for County contracts to inform businesses about the status of their bid.
- Closely examine the promotion and administration of the MFD Program.

Office of Legislative Report 2014-11

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CHAPTER I. Authority, Scope, and Organization of Report

A. Authority

Council Resolution 17-830, *Fiscal Year 2014 Work Program of the Office of Legislative Oversight*.

B. Scope of Report

According to County staff, nearly 95% of over 33,000 businesses currently located within Montgomery County are considered small businesses. The Montgomery County Government currently administers two programs that are intended to facilitate County procurement opportunities for small and minority-owned businesses:

- The **Minority, Female, or Disabled-Owned (MFD) Business Program**, which is specifically intended to increase the participation of minority, female, and disabled-owned businesses providing goods and services to the County; and
- The **Local Small Business Reserve Program (LSBRP)**, which is intended to provide business contracting opportunities for small, locally-based vendors by reserving specific percentages of County business.

This report responds to a request from the Council to examine how the County encourages participation in the procurement process of businesses meeting the criteria for small, minority, female, disabled, and locally-owned status. Specifically, it:

- Reviews the amounts and percentages of County procurement dollars awarded to LSBRP and MFD businesses in recent years;
- Summarizes how the County provides assistance to these businesses; and
- Analyzes results from an OLO-conducted survey of businesses in the county on the procurement process, the LSBRP, and the MFD.

Note: The word “bid” is used throughout the report and, where appropriate, will mean “bid or proposal.”

C. Organization of Report

Chapter II, Description of the Local Small Business Reserve Program and the Minority, Female, and Disabled-Owned Businesses Program, provides a brief description of each program as well as an overview of community outreach efforts.

Chapter III, Summary of Survey Data on County Procurement Process, details survey data collected on the procurement process.

Chapter IV, Summary of Survey Data on the Local Small Business Reserve Program and the Minority, Female, and Disabled Persons Program, summarizes the data collected on the LSBRP and MFD programs, along with the procurement process for registered program members.

Chapters V and VI present the Office of Legislative Oversight’s **Findings and Recommendations**.

Chapter VII, Agency Comments, present the County Executive’s response to the report.

D. Methodology

Office of Legislative Oversight staff members Kristen Latham, Carl Scruggs and Kelli Robinson completed this report through a series of interviews with County staff and the distribution of an electronic survey to members of the business community.

E. Acknowledgements

OLO received a high level of cooperation from County Government staff involved in this study. OLO appreciates the time commitment, the expertise, and the insights provided by all staff who participated. In particular, OLO acknowledges the following staff for their assistance:

- Fariba Kassiri; County Executive's Office
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We would also like to thank OLO member, Leslie Rubin, for her contributions.

Chapter II. Description of the Local Small Business Reserve Program and the Minority, Female, and Disabled-Owned Businesses Program

According to County staff, nearly 95% of the over 33,000 businesses currently located within Montgomery County are considered small businesses. The County Government currently administers two programs that are intended to facilitate procurement opportunities for small and minority-owned businesses operating in the County:

- The **Local Small Business Reserve Program (LSBRP)**, provides contracting opportunities for small, locally-based businesses by reserving specific percentages of County business; and
- The **Minority, Female, or Disabled-Owned (MFD) Business Program**, which was established to increase the number of minority, female, and disabled-owned businesses providing goods and services to the County.

There are currently over 13,000 businesses registered in the County Central Vendor Registration System¹, of which 9% are registered as LSBRP and 7% are registered as MFD. There are currently 205 businesses registered in both programs.

This chapter outlines the structure of the LSBRP and MFD programs, the steps that are required to register a business in the programs, and the steps required to apply for County procurement opportunities. **Section A** of this chapter focuses on the Local Small Business Reserve Program, while **Section B** summarizes the Minority, Female and Disabled-Owned Business Program.

A. Local Small Business Reserve Program

The Local Small Business Reserve Program (LSBRP), authorized by the County Council in 2006, reserves 20% of all County procurement opportunities (that are less than \$10 million) for qualified small businesses. In addition, the program requires that all County departments set aside a minimum of 20% of procurements for local small businesses.

Administration. The Office of Business Relations and Compliance (OBRC) in the Department of General Services is the administrator of the LSBRP. Collaborating closely with the Office of Procurement, OBRC:

- Maintains a searchable LSBRP database;
- Promotes the program through various advertising channels;
- Participates in County business events; and
- Works closely with the staff of each department to ensure compliance with program regulations and fulfillment of the 10% LSBRP requirement.

¹ The Montgomery County Central Vendor Registration System is a one-stop registration system for businesses interested in providing goods and services to the County.

OBRC works with staff in numerous other offices and departments to administer the LSBRP:

- OBRC and the Office of Procurement collaborate on issuance of LSBRP solicitations, verify vendors' eligibility, and inform LSBRP staff about potential LSBRP solicitations;
- Each County Government department or office has a contract administrator (some departments have contract administrators in multiple divisions) who works with OBRC and Procurement to collaborate on solicitation issuance under LSBRP.
- OBRC works with the Department of Economic Development (DED) to help craft strategies to attract small businesses to Montgomery County and promote contracting opportunities to those businesses.

The remainder of this section provides a more detailed overview of LSBRP:

- **Part I** describes the LSBRP certification process;
- **Part II** outlines the application process for local small businesses to bid for competitive solicitation opportunities;
- **Part III** summarizes the County's outreach efforts for LSBRP and contracting opportunities for local small businesses; and
- **Part IV** summarizes the number of LSBRP firms in Montgomery County and the contracts awarded in the County.

1. LSBRP Certification Process

A business that meets the eligibility criteria for LSBRP must first self-register with the County's Central Vendor Registration System as a local small business by answering ten basic certification questions, which are reviewed by OBRC staff. Registration in the County's system is valid for three years, after which businesses must renew their certification. Automated e-mail reminders are sent to registered businesses whose certification is about to lapse.

Eligibility for LSBRP is determined by a business' ownership type, location, number of employees, and gross sales. The business must meet the following general guidelines:

- It is independently owned and operated;
- It is organized as for-profit;
- It is not a brokerage or a subsidiary of another business; and
- It has physical business location(s) only in Montgomery County; or physical business locations both in and outside of the County, and the County-based location(s) account for over 50% of the total number of employees or over 50% of the business's gross sales.

Businesses that register with LSBRP are organized into five general business categories: wholesale, retail, manufacturing, services, and construction. A business's size or gross sales revenue must meet the following criteria based on this categorization:

Business Size and Sales Requirements for Registration with LSBRP

Business Type	Employee Limit		Prior 3 Years' Average Sales Maximum	Compliance Requirements
Retail	30	OR	\$5,000,000	Living Wage - MFD
Wholesale	30		\$5,000,000	Living Wage - MFD
Service	50		\$5,000,000	Living Wage - MFD
Construction	50		\$14,000,000	Prevailing Wage
Manufacturing	40		\$14,000,000	Living Wage - MFD

Gross sales for a business are determined by the average of gross sales amounts contained on the tax forms for the most recently completed three fiscal years or through audited financial statements. If they have not been in business for three years, the employment and gross sales are averaged for each year or part of a year in which they have been operational. For a newly-formed business, decisions regarding size or sales criteria are based off of then-current employment levels or projected gross fiscal year sales as of the time of their application to LSBRP.

2. Application Process for a Contract as a Local Small Business

In general, County contracts equal to or under \$10 Million in value are assumed to be eligible for LSBRP designation (unless there is not a suitable business operating within the County). However, the law exempts certain types of contracts and does not count those contracts toward a department's total contract spending. Exempted contracts include:

- Contracts to which the LSBRP law did not apply because of a conflict with state, federal, or local law or a grant requirement;
- Pre-existing contracts or extension(s) of pre-existing multi-year contracts;
- Non-competitively awarded contracts;
- Public entity or emergency procurements;
- Contracts granted a waiver by the Chief Administrative Officer;
- Any single procurement greater than \$10 million; and
- Any procurement where no local small business was qualified or able to perform the contract.

OBRC staff work with department staff to understand the needs of the department in order to determine LSBRP applicability and market the solicitation opportunity to LSBRP firms. OBRC staff report that they have established a "good rapport" with departments that has helped them to anticipate needs and LSBRP requirements for County procurements in advance.

The completed solicitation is then posted on the County's website and identified as LSBRP. In order to register for the program and be eligible for a solicitation reserved for LSBRP vendors, a business must provide data on its:

- Number of employees;
- Gross sales figures for the prior three years;
- Sales figures in Montgomery County for the prior three years; and
- Business address.

When vendors submit bids or proposals, the contracting agency will select the most qualified candidate and OBRC must then verify that the business meets the LSBRP program requirements. If no eligible LSBRP vendors submit a bid or proposal, the LSBRP RFP is cancelled, and the County will re-issue the solicitation as a non-LSBRP solicitation. OBRC staff reported that the number of contracts cancelled due to a lack of eligible businesses is going down, though it was “in the double digits” in the past.

3. LSBRP Outreach

Outreach and promotion of the LSBRP and available contracting opportunities is done through the collaborative efforts of OBRC, Procurement, and DED. OBRC, working closely with Procurement, reaches out to relevant companies about upcoming contracting opportunities and sends out electronic solicitation notices and weekly newsletters to remind registered vendors about upcoming solicitation opportunities. OBRC and Procurement also host or participate in events throughout the year including: the Baltimore Washington Regional Government Procurement Fair, Montgomery County Chamber of Commerce GovConNet Procurement Conference, and the Maryland Washington Minority Companies Association’s Minority Business Expo.

In addition, DED works in collaboration with OBRC to promote the LSBRP. In particular, DED’s Division of Small and Minority Business Empowerment maintains a list of about 300 small businesses and 700 minority-owned small businesses in the County, which is used to distribute information about contracting opportunities. DED also attends local business functions and conventions to promote the LSBRP.

4. LSBRP in Montgomery County

Currently, there are 1,226 businesses registered as LSBRP in the County’s Central Vendor Registration System, which represents about 9% of all registered vendors. As part of their registration, vendors must use one or more of the following categories to categorize the types of goods or services that their business provides:

LSBRP Business Categories and Overall Registration

Business Type	Number of Registered Businesses
Wholesale	59
Retail	99
Manufacturing	52
Service	987
Construction	177
Total Selections	1,266*

*The total number of category selections adds up to 1,374, rather than 1,226, as several businesses selected more than one of the categories to describe their business.

LSBRP Contracting in Montgomery County. The next table lists the total contract dollars eligible and awarded for LSBRP in the last five years. As shown, the overall percentage of contract dollars

awarded to these businesses more than doubled in the last five years. However, the total LSBRP-eligible contract dollar amount was reduced by nearly half for FY13.

Total Contract Dollars Awarded to LSBRP-Eligible Vendors, FY09 – FY13 (\$ millions)

Fiscal Year	Total \$ Awarded in County	Total \$ Eligible to LSBRP	Total \$ Awarded to LSBRP	% Awarded to LSBRP
FY13	\$361.8	\$118.2	\$45.1	38.0%
FY12	\$502.7	\$219.7	\$83.7	38.0 %
FY11	\$582.0	\$159.1	\$58.2	36.5 %
FY10	\$526.9	\$295.7	\$67.5	23.0 %
FY09	\$521.3	\$235.6	\$33.3	14.0 %

B. Minority, Female, and Disabled-Owned Business Owner's Program

The County established the Minority, Female and Disabled-Owned Business (MFD) Program in 1982 to ensure that minority-owned businesses receive an adequate share of Montgomery County's contract opportunities. An MFD-owned business is a business that is at least 51% owned, controlled, and managed by a minority person(s) as defined by state, county and Federal laws. This includes the following groups: African American, Hispanic American, Asian American, Native American, disabled persons, and women.

As outlined in the Procurement Regulations, the County aims to encourage departments and agencies to "actively and aggressively recruit certified MFD-owned businesses to provide goods, services (professional and non-professional) and construction services for the performance of government functions." Specifically, the program aims to award a percentage of County contracts and subcontracts with a dollar value of \$50,000 or more to minority-owned businesses.

The goal for the percent of contracts awarded to MFD firms is established by disparity studies² commissioned by the County. The 2005 Disparity study stated that the program itself was necessary, but specific goals were not. Therefore, there is currently no overall target percentage of contracts and subcontracts that the County must award to MFD firms (prior to 2005, the goal was 20%). However, the County contracted for a new disparity study and its findings may impact the MFD program and regulations in coming years. On July 1, 2014, the County Executive transmitted the most recently completed disparity study. Overall, it states that the County "has made great efforts to establish a fine-tuned procurement process that is set up to provide equal access to all firms" but there is a "significant basis for an inference of passive participation and discrimination and/or evidence of past discrimination against minority, female, and disabled-owned businesses."³

² A disparity study refers to an analysis of whether a disparity, or difference, exists between the number of specified individuals or groups that are available to participate in certain opportunities, and those that actually do participate in those areas.

³ The transmittal memo and "Detailed Findings and Recommendations" excerpt from the Report are in the Appendix.

Similar to the LSBRP, the MFD program is administered by the Office of Business Relations and Compliance (OBRC). Specifically, OBRC:

- Works with Procurement and the using department to determine MFD eligibility for a contract solicitation;
- Evaluates submitted MFD plans to ensure that a “good faith effort” was made by the prime contractor for MFD requirements;
- Monitors the implementation of the MFD plans within County contracts; and
- Conducts outreach and educates the MFD vendors about County’s MFD program and certification requirements; and
- Works with DED and Procurement to promote contracting opportunities and outreach efforts through internal contact lists for local, small, and minority-owned businesses.

This section provides a more detailed description of the County procurement process related to the Minority, Female, or Disabled-Owned (MFD) business program:

- **Part I** describes the MFD certification process;
- **Part II** outlines the application process for MFD businesses to bid for County competitive solicitation opportunities;
- **Part III** summarizes the County’s outreach efforts for MFD and contracting opportunities for MFD businesses; and
- **Part IV** summarizes the number of MFD firms in Montgomery County and the contracts awarded in the County.

1. MFD Certification Process

The Office of Business Relations and Compliance does not certify businesses as minority businesses, but recognizes the certifications provided by the following organizations:

- Maryland Department of Transportation, Minority Business Enterprise;
- Virginia Department of Minority Business Enterprise;
- Federal Small Business Administration, 8(a) Program;
- Women’s Business Enterprise National Council, Women’s Business Enterprise;
- Maryland/District of Columbia Minority Supplier Development Council, Minority Business Enterprise; and
- City of Baltimore, Minority and Women’s Business Opportunity Office.

Businesses seeking minority business status with the County are then required to upload a certification document in the Central Vendor Registration System (CVRS) database so that the OBRC will process them as a minority firm.

2. Applying for Contract as MFD Firm

Because there are no specific legal goals for minority contracting in the County, there are no contracts designated as MFD awards. Rather, DGS aims internally to have a certain percentage of contracting dollars awarded to MFD firms. Certified MFD vendors are eligible to compete for contracts either as a prime contractor or subcontractor, but a minority-owned business does not have to be MFD-certified to compete for contracts.

For any contract valued at over \$50,000, a prospective contractor must demonstrate, with a MFD performance plan, that a maximum percentage of the overall contract value will be subcontracted to certified MFD businesses. DGE Director or his designee determine whether the prime contractor has made “a good faith effort” to meet the subcontracting requirement based on the scope of the contract, the availability of minority subcontracting businesses, the dollar value of the contract, and the outreach efforts by the vendor to engage minority sub-contractors. Often, OBRC encourages contractors to fill out these performance plans as part of the completion of their bid. In some cases, the MFD requirement may be waived. If a contract is awarded to an MFD firm or MFD subcontractors, OBRC can monitor the implementation of the MFD plan. OBRC can request reports that proves MFD subcontractors are being used and being paid.

3. MFD Outreach

The Office of Business Relations and Compliance has taken the primary role in outreach for the MFD program. The program encourages MFD participation by conducting outreach activities and providing a forum for businesses to explore individual and joint contracting opportunities. In recent years, OBRC has expanded its outreach efforts through increased presence at the pre-bid and pre-submission conferences, chamber of commerce meetings, procurement fairs, and trade shows. OBRC has also hosted numerous events for MFD promotion, including seminars and meet and greet sessions.

OBRC works in close conjunction with the Office of Procurement, which provides the following additional outreach:

- Automated dissemination of procurement information, including weekly email notifications;
- MFD procurement seminars;
- Individual counseling to businesses;
- “Matchmaking” meetings with potential contractors and subcontractors; and
- Advertising solicitations on the County’s website and the State’s e-Maryland Market Place website.

In addition, the Department of Economic Development (working closely with OBRC and Procurement) undertakes numerous community outreach efforts to promote the MFD program. DED has a mentoring program, conducts small business fairs, and provides networking links to financial institutions, state agencies, chambers of commerce, and minority business associations for businesses in the County.

4. MFD Program in Montgomery County

There are currently 1,104 businesses registered as MFD in the County’s Central Vendor Registry, representing approximately 7% of businesses in the system. The tables below summarize the type of business and minority representation in the program. The two largest minority groups represented are females (35%) and African-Americans (32%).

Total Number of Businesses Participating in the MFD Program by Commodity

Commodity	Number	% of MFD Firms
Professional Services	338	33%
Non-Professional Services	377	37%
Goods	187	18%
Construction	112	11%
TOTAL	1,014	100%

Total Number of Businesses Participating in the MFD Program by Minority Group⁴

Minority Group	Number	% of MFD Firms
African American	324	32%
Hispanic American	162	16%
Asian American	143	14%
Native American	8	1%
Female	353	35%
Disabled Persons	24	2%
TOTAL	1,014	100%

MFD Contracting in Montgomery County. This section provides a brief summary of MFD procurement activity in the County. The following table shows the total dollar amount and contracts awarded to MFD firms from FY09-FY13. A comparison of FY09-FY13 shows a steady increase in procurement activity involving minority businesses. In FY13, 20% of eligible dollars and 37% of eligible contracts were awarded to MFD businesses.

Summary of MFD Procurement Activity, FY09-FY13

Fiscal Year	Total \$ Subject to MFD (\$ millions)	Total \$ Awarded to MFD (\$ millions)	% of Eligible \$ Awarded to MFD	Total # of Eligible Contracts	Total # of Contracts Awarded to MFD	% of # of Eligible Contracts to MFD
FY 13	\$738.4	\$148.3	20%	6,364	2,334	37%
FY 12	\$667.3	\$129.0	19%	5,360	1,748	33%
FY 11	\$833.8	\$156.9	19%	4,541	1,524	34%
FY 10	\$581.7	\$90.7	16%	5,041	1,337	27%
FY 09	\$733.8	\$93.6	13%	5,890	1,489	25%

The following table shows the total dollars awarded in FY13 to MFD firms by minority group. Hispanic businesses represented the largest percentage of all MFD dollars (38%).

⁴ OBRC staff report that for a business owner who is two or more minorities (i.e. an African American woman), OBRC registers the business as the ethnicity, not the gender or disability-status.

FY13 Dollar Value Awarded to MFD Firms by Minority Group

Minority Group	Total \$ Awarded to MFD (\$ millions)	% of MFD Dollars
Hispanic	\$56.9	38%
Asian American	\$31.6	21%
African American	\$30.6	21%
Female	\$28.6	19%
Persons with Disabilities	\$0.5	Less than 1%
Native American	\$0.1	Less than 1%

Chapter III. Summary of Survey Data on County Procurement Process

As described in Chapter II, Montgomery County provides ongoing opportunities for local, small, and female, disabled and minority-owned businesses to submit bids or proposals for County Government solicitations or to facilitate subcontracting prospects. The County has two programs to assist these businesses - the Local Small Business Reserve Program (LSBRP) and the Minority, Female, and Disabled-Owned Program (MFD).

In order to evaluate the experiences of businesses that have applied for or have considered applying for County contract opportunities, OLO staff developed a series of survey questions and distributed them to several thousand County-based businesses. The next two chapters summarize the survey results. This chapter is organized as follows:

- **Part A** outlines the methodology OLO used to design and distribute the survey and summarizes demographic data of survey respondents;
- **Part B** analyzes the survey results for businesses that have bid on a County solicitation; and
- **Part C** analyzes the survey results for businesses that have *not* bid on a County solicitation.

A. Methodology and Survey Respondent Profile

OLO used the survey development website SurveyMonkey to design, organize, and distribute an electronic survey to County businesses. The survey included both multiple choice and open-ended questions intended to assess the experiences of local businesses with the County's procurement process and the effectiveness of the County's business development efforts for small and minority-owned businesses. The full set of survey questions and results are included in the Appendix.

Potential survey participants were drawn from several databases maintained by County departments: the Montgomery County's Central Vendor Registration System and Montgomery County Department of Economic Development's Small Business Resource Groups and Minority Business Lists. OLO also contacted numerous County Chambers of Commerce to assist with distribution of the survey.

OLO distributed a total of 9,803 surveys to County businesses. OLO received 1,233 responses (roughly 13%), consisting of 942 complete responses and 291 partial responses. The number of responses exceeded OLO's initial expectations, pointing to a strong interest among the County's business community. While OLO does not consider the response rate to be high enough to draw statistically valid conclusions, the results provide useful insights into the County procurement processes and policies.

Respondent Profile. OLO received a total of 1,233 survey responses, of which:

- 379 respondents (30.8%) bid on and were awarded a contract with the County;
- 220 (17.8%) bid on a contract with the County, but did not receive one;
- 500 (40.5%) have not bid on a contract, but are interested in doing so; and
- 134 (10.9%) have not bid on a contract and *are not* interested in doing so.

The next table includes additional demographic information on the survey respondents, including size and type of business.

Percentages of Survey Respondents by Question Category

Survey Question Categories	Percentage of Respondents
Is your business registered with County's Central Vendor Registry?	
Yes	71%
No	8%
Unsure	21%
How many employees does your business have?	
1 employee	21%
2 - 5 employees	25%
6 - 25 employees	26%
26 - 50 employees	9%
50 or more employees	19%
What type of business do you have?*	
Service	58%
Construction	22%
Other	22%
Wholesale	12%
Retail	11%
Manufacturing	7%
How much of your sales are to the public sector?	
More than half to public sector	39%
Between 10 - 50% to public sector	26%
Less than 10% to public sector	23%
Firm only sells to the public sector	13%

*Respondents had the option of selecting more than one of the listed business types; as a result, the total percentages from this column amount to greater than 100%.

B. Overall Survey Responses for Firms that have Bid on a Solicitation with the County

This section analyzes the survey results from respondents who have previously bid on a solicitation with the County. As mentioned earlier in the chapter, this included both respondents who received a contract with the County and respondents who bid on, but did not receive one.

A Note about the Data Analysis. In many questions in the OLO survey, respondents were asked to rate aspects of the procurement process on a scale from 1 to 5 depending on the degree to which they agreed with a given statement, with "1" representing "strongly disagree" and "5" representing

“strongly agree”. OLO then calculated the weighted average of these ratings for each subgroup of respondents in order to provide a single rating.¹

Survey Responses on the Procurement Process. Individuals who reported having bid on a solicitation were first asked to evaluate various aspects of the procurement process in Montgomery County. The average ratings for both groups are included in the table below. OLO found that:

- Overall, participants who did receive a contract consistently rated the County higher in every aspect of procurement;
- Statements about County staff accessibility and helpfulness were among the highest rated among both groups;
- Statements regarding follow-up efforts were the lowest scores for both groups of respondents (including the lowest overall score); and
- Respondents that did not receive a County Government contract rated how the County values the respondent's business almost a full point below respondents who were awarded a contract.

**Weighted Average Ratings of County Procurement Process by Firms that
Bid on County Government Contracts in the Past Year
(On a scale from 1 or “strongly disagree” to 5 or “strongly agree”)**

Survey Questions on Experience with the Procurement Process	Firm Bid on Solicitation and...	
	Received a Contract	Did Not Receive a Contract
# of Responses	248	181
Montgomery County Government procurement opportunities are promoted effectively.	3.75	3.10
The steps required to bid on a County solicitation are easy to understand.	3.70	3.44
All necessary contract documents (including solicitation material) are easy to find.	3.79	3.51
The terms of the contract are easy to understand.	3.75	3.42
The contract solicitation period is adequate to complete a bid proposal.	3.91	3.53
The follow-up provided by the County after your bid proposal was sufficient.	3.67	2.62
The time it took to award the contract was acceptable.	3.61	2.98
The County's procurement website is easy to navigate.	3.69	3.51
If your business had a question regarding procurement, County staff were easily accessible.	3.90	3.23
If your business had a question regarding procurement, County staff provided accurate answers.	3.91	3.47
If your business had a question, County staff provided answers in a timely manner.	3.93	3.26
Overall, Montgomery County's procurement process is effective.	3.76	3.06
Montgomery County values your business.	3.73	2.77

¹ There is debate among researchers about the merits of using a weighted average and that using this method artificially turns qualitative data into quantitative data. However, OLO’s analysis does not make any judgments about what is a “good” rating, but rather compares the ratings internally.

Open-Ended Survey Questions. Businesses that bid on a solicitation were also asked about improvements that the County could make to the procurement process. Responses varied significantly. Some responses stated that the process does not need improvement:

- “None. Though I did not quite understand what was going on in the early going (we typically just sell off of existing state contracts), it made sense as time went on. It is actually one of the more transparent government purchasing processes I have encountered.”
- “No suggested changes. Process is effective and easy to navigate.”

For survey respondents who provided feedback on methods of improvement, several themes emerged. The table below highlights the common themes reported and includes a selection of relevant direct quotes from survey respondents. For the most part, the responses paralleled the findings of the above survey questions.

Commonly-Suggested Improvements Reported in Survey Respondent Feedback
Communicating with and/or getting answers from County staff is difficult or takes too long.
<ul style="list-style-type: none"> • “Ensuring there is one central point to clarify questions to reduce getting different answers from multiple sources.” • “Better access to more knowledgeable procurement personnel.” • “Communication and responsiveness from the department requesting the proposal response in a MUST!! Make the process more user-friendly and less obtrusive for the avg small business to participate in.”
The County needs faster and more consistent follow-up during the contract application process.
<ul style="list-style-type: none"> • “Increase transparency and information sharing during the post-award phase of bidding. We have a multiple award contract in place and the contracts office has never provided post-award information, often not even a notification that an award has taken place. Procurement policy should require the County to inform businesses of the outcome of the bidding process along with details on the reason for selection.” • “Please be sure to communicate in a timely manner with all bidders following the award of the contract. It is helpful to know whether we are successful or not, without having to call the procurement office.” • “Improve contract feedback. Use a process more similar to other counties in the state.” • “More follow-up after submission.” • “Some sort of follow up would be very nice.”
The application process is too complicated, confusing, or time-consuming and the requirements are too stringent.
<ul style="list-style-type: none"> • “The solicitation wording is extremely restrictive, and well beyond industry standard practices, which makes it much more costly for a business to take on the risk of doing business with the county. Your constituents end up paying too much for the county's perceived legal protection.” • “Move contracts through the system in a more timely manner. They seemed to be hung up at various points throughout the process and tracking down where it was in the process was not easy.” • “The award process took an exceedingly long time. Staff was almost rude when asked for an update. RFP very unclear and staff not responsive to questions.”
The County needs to improve its promotion of contracting opportunities.
<ul style="list-style-type: none"> • “More promotion of contract opportunities and RFPs/bids. I had to really go out and search to find the ones I bid on.” • “We are listed as a vendor but never seem to receive RFP's.”

Comparison to Other Jurisdictions. The survey also asked respondents to rate their relative experience with Montgomery County’s procurement process compared with other jurisdictions, including whether they would submit another bid with the County in the future. The full set of ratings for these questions and the total number of responses are in the table below.

Both respondents who received a County contract and those who did not reported roughly equivalent experiences compared to other jurisdictions (29% vs. 35%). However, 27% of businesses that received a County contract reported that the experience in Montgomery County was better than in other jurisdictions compared with only 19% of businesses that did not receive a contract. Respondents’ comments included: “I believe it works very well, especially in comparison to other jurisdictions” and “I think it is well run and similar to other jurisdictions.”

Approximately 87% of businesses who were awarded a contract reported interest in bidding on a County contract in the future, whereas just over 64% of businesses that bid on but did not receive a contract reported interest in submitting another bid. Businesses that bid on but did not receive a contract provided feedback that the County needs better follow-up procedures after a bid submission to make future bids worth the effort. Examples include:

- “It would be helpful to have a debriefing or written explanation when a company attends an open bid, has the lowest cost, then goes on-line to find the contract was awarded to another vendor.”
- “Better information on award. For example, regular updates on proposal evaluation progress would be helpful and a summary of how our proposal was scored compared to other submittals would be helpful for future procurements.”

Overall Ratings of the County’s Procurement Process Compared to Other Jurisdictions

	Firm Bid on a Solicitation and...	
	Received a Contract	Did Not Receive a Contract
Rate Your Experience with Montgomery County Experience Compared to Other Jurisdictions	248 Respondents	177 Respondents
Much Worse	5.2%	8.5%
Somewhat Worse	12.9%	22.0%
About the Same	29.4%	34.5%
Somewhat Better	14.9%	9.0%
Much Better	12.1%	9.6%
NA	25.4%	16.4%
Would you submit another bid with Montgomery County?	251 Respondents	165 Respondents
Yes	87.3%	64.2%
No	4.0%	13.3%
Unsure	8.8%	35.8%

Survey Results by Contract Type and Dollar Amount. OLO also analyzed the survey results by type and amount of contract. Overall, businesses that received a contract rated the County's procurement process more positively than those that did not receive a contract, regardless of the type or dollar amount of contract. The following subsections summarize the survey results. The full set of survey responses is included in the Appendix.

Survey Results By Type of Contract. OLO's analysis focused on the groups of respondents with businesses that provide Service, Construction, and "Other" goods/services to the County.² Overall, OLO found that respondents for all types of contracts who were awarded County contracts ranked most aspects of the procurement process higher than those who did not receive a contract. Further:

- Businesses that applied for construction contracts (both businesses awarded and not awarded contracts) gave slightly higher ratings than other groups in all aspects of procurement;
- Businesses that were not awarded contracts rated highly the adequacy of the County's solicitation period and ease of finding documents and rated poorly whether the County values their businesses;
- For businesses that were awarded a contract:
 - Service and "other" businesses rated highly the overall effectiveness of the procurement process and whether the County values their businesses;
 - Service and "other" businesses rated poorly the ease of navigating the County's website;
 - Construction businesses rated highly the County's promotion of contracting opportunities; and
 - Construction businesses rated poorly whether the County values their businesses.

Survey Results by Dollar Value of Contract. OLO also analyzed survey responses based on the dollar amount of the contract and found that respondents who were awarded a contract reported higher ratings than respondents who were not awarded a contract for most aspects of the procurement process, regardless of dollar amount of the contract received. Other findings include:

- Businesses with contract bid amounts over \$50,000 who received a contract rated the procurement process slightly higher than those with award amounts under \$50,000;
- Businesses that bid on but were not awarded a contract under \$50,000 reported appreciably lower ratings for most aspects of procurement compared with all other respondents;

Other findings. OLO also found that:

- All groups of businesses among these respondents rated the adequacy of the bid solicitation period highly among aspects of the procurement process; and
- Businesses that received a contract rated the navigability of the County's website lowest while businesses that did not receive a contract rated communication with County staff and whether the County values their business lowest.

² Respondents with wholesale, retail, or manufacturing businesses did not provide a sufficient numbers of responses for analysis.

C. Survey Results from Businesses who Did Not Apply for County Contract

The survey results, summarized in the table below, show that roughly 26% of survey respondents who did not bid on a County contract (both businesses interested and not interested in County procurement opportunities) reported unfamiliarity with County procurement opportunities. However, the reasons for not submitting a bid varied between businesses interested in County procurement and businesses not interested. The lack of relevant goods/services was the most common single reason given for not submitting a bid for businesses not interested in County procurement.

For businesses interested in County procurement, unfamiliarity with procurement opportunities was the primary reason for not submitting a bid, followed by a confusing or time consuming procurement process. Specific comments from respondents include:

- “I manage to receive all relevant bid[s] from other local counties but I rarely if ever get any notice from Montgomery County.”
- “Have not received ITB or seen advertisement for bids.”
- “Requirements for submission disproportionately burdensome for project.”
- “Unable to get response from listed point of contact for technical/scope questions.”

Survey Responses for Reasons for Not Bidding on County Contracts

Reasons Businesses Did Not Apply for Procurement Opportunities	Firm Did Not Bid on Solicitation and...		
	Is Interested in County Procurement+	Is Not Interested in County Procurement+	All Respondents to This Question
# of Responses	461	117	578
Business is unfamiliar with County procurement opportunities	44%	14%	26%
Business does not provide relevant goods/services	16%	34%	14%
County's procurement bid proposal process is confusing	21%	4%	12%
County's procurement bid proposal process is time consuming	17%	5%	10%
Business does not have the capacity to meet procurement solicitation specifications	9%	9%	6%
County's contract open bid period is not long enough	7%	1%	4%
Business prioritizes other jurisdictions' procurement opportunities	5%	14%	4%
Other (please specify)	31%	43%	23%

+Respondents had the option of selecting more than one of the listed reasons; as a result, the total percentages from each column both amount to greater than 100%.

*The two primary reasons listed under “Other” include “have not heard about viable business opportunities from the County” and “applying/awaiting approval to go into business.”

Chapter IV. Summary of Survey Data on the Local Small Business Reserve Program and the Minority, Female, and Disabled Persons Program

OLO's survey of local businesses also included several questions specifically developed to evaluate the experiences of businesses in the Local Small Business Reserve and Minority, Female, and Disabled-Owned programs. This chapter summarizes these survey results and is organized as follows:

- **Part A** analyzes survey results on respondents' awareness of the LSBRP and MFD programs;
- **Part B** analyzes the ratings of respondents registered in the LSBRP and MFD about the two programs; and
- **Part C** compares the ratings of the procurement process by survey respondents' based on their enrollment and eligibility for the LSBRP and MFD programs.

A. Familiarity of LSBRP and MFD Programs among Survey Respondents

This section analyzes survey results on respondents' awareness of the LSBRP and MFD programs. OLO found that 47% percent of survey respondents were familiar with the LSBRP and 58% of respondents were familiar with the MFD program. In addition, OLO found:

- Respondents who had previously applied for contracts with the County reported higher familiarity with the County's programs; 59% familiarity with LSBRP and 71% familiarity with MFD.
- Just 34% and 45% of respondents who had not bid on a contract were familiar with the LSBRP and MFD, respectively.
- Of those who were familiar with the County's programs, a majority learned about the programs through the County's website or outreach programs.

Program Eligibility. OLO was able to analyze the eligibility of survey respondents for the LSBRP program. OLO found that of those businesses eligible for the LSBRP who responded to the survey, only 45% were registered in the program. Overall, 62% of eligible businesses that bid on a County solicitation were registered for LSBRP – specifically, 54% of businesses that received a contract where registered for LSBRP and 71% of businesses that did not receive a contract were registered. Only 29% of eligible businesses that did not bid on a solicitation were registered for LSBRP.

LSBRP Eligibility and Registration of Survey Respondents

	Bid on a Solicitation and...		Haven't Bid, Interested in Contracts	All Respondents
	Received Contract	Did Not Receive Contract		
# of Respondents Eligible for LSBRP	147	140	316	603
# of Respondents Registered in LSBRP	79	100	92	271
% Eligible that are Registered	54%	71%	29%	45%

The survey questions did not allow for OLO to complete a similar analysis for the MFD program. However, OLO found that 46% of businesses who were not aware of the MFD program were eligible for the program.

B. Survey Respondent Ratings of LSBRP and MFD Programs

This section analyzes the respondents' ratings of various aspects of the LSBRP and MFD programs provided by businesses that are registered in the programs.

Overall ratings of LSBRP. The table below includes the average ratings of each statement by LSBRP-registered survey respondents who (1) received a County contract, (2) bid on, but did not receive a County contract, and (3) did not bid on a contract, but are interested in County procurement opportunities. Overall, respondents who were awarded a contract rated all aspects of the LSBRP slightly higher compared to other respondents. All three groups showed the lowest level of agreement with the statement that LSBRP outreach events are beneficial to their businesses.

Ratings of Overall Experiences with LSBRP by LSBRP Members*

	Bid on a Solicitation and...		Haven't Bid, Interested on Contracts	All Respondents
	Received Contract	Did Not Receive Contract		
# of Respondents	73	94	87	254
Montgomery County effectively promotes LSBRP.	3.70	3.23	3.51	3.46
The LSBRP outreach events run by Montgomery County are beneficial to your business.	3.41	2.96	3.11	3.14
The requirements to become a LSBRP program vendor with Montgomery County are clearly explained.	4.05	3.84	3.77	3.87
The LSBRP certification process is easy to understand.	4.02	3.86	3.80	3.88
The LSBRP program informs your business of contracting opportunities.	3.98	3.76	3.57	3.76
The steps required to bid on a County solicitation in the LSBRP are easy to understand.	3.79	3.57	3.32	3.55
If your business had a question regarding the LSBRP program, County staff were easily accessible.	4.09	3.45	3.55	3.68
If your business had a question regarding the LSBRP program, County staff provided accurate answers.	4.21	3.44	3.68	3.75
If your business had a question regarding LSBRP procurement, County staff provided answers in a timely manner.	4.18	3.45	3.53	3.70
Overall, your business' experience with LSBRP has been good.	3.83	3.13	3.26	3.37

*Only six respondents who were not interested in applying for contracts answered this question; their responses have been omitted.

OLO also asked respondents for recommended improvements to the LSBRP. Some respondents replied that no improvements were needed:

- “It is a pleasure to work and contract with Montgomery County.”
- “I appreciate the efforts to bring opportunities to local small business and hope the Montgomery County continues the program.”

The most commonly-reported suggestion for improvement was for improved notification and outreach for the program and for contract bid opportunities. Other suggested improvements included more contract opportunities for small or locally-based vendors, simplification of the bid process, better communication with County staff, and relaxing the requirements for registration in the program. Specific comments included:

- “Additional support (meetings, presentations, instructional videos, etc) to initiate small businesses to the program.”
- “Mentor program to help small businesses get to know the people and the processing.”
- “Better advertisement or notice of opportunities.”
- “More outreach to small businesses would be very helpful.”
- “Better promotion and networking for participating businesses.”

Overall ratings of MFD. The table on the next page includes the full list of average ratings of each statement by MFD-registered respondents who (1) received a County contract, (2) bid on, but did not receive a County contract, and (3) did not bid on a contract, but are interested in County procurement opportunities. OLO found that businesses in the MFD program did not rate the aspects of the MFD as highly as businesses in the LSBRP rated the LSBRP. Respondents across all three groups reported lower ratings of program experience compared with respondents in the LSBRP. OLO found:

- MFD businesses that were awarded a contract reported higher ratings in all aspects of the MFD program; and
- The lowest-rated aspect of the program was the benefits received from the County’s program outreach events.

Ratings of Overall Experiences with MFD by MFD Members*

	Bid on a Solicitation and...		Haven't Bid, Interested in Contracts	All Respondents
	Received Contract	Did Not Receive Contract		
Number of Respondents	39	57	67	167
Montgomery County effectively promotes the MFD Business program.	3.23	3.00	3.02	3.06
The MFD Business program outreach events run by Montgomery County are beneficial to your business.	3.27	2.96	2.91	3.01
The requirements to become a certified MFD Business program vendor with Montgomery County are clearly explained.	3.57	3.52	3.18	3.40
The MFD Business program certification process is easy to understand.	3.69	3.36	3.30	3.42
The MFD Business program adequately informs your business of contracting opportunities.	3.40	3.14	2.64	3.01
The steps required to bid on a County solicitation in the MFD Business program are easy to understand.	3.44	3.22	3.10	3.23
If your business had a question regarding the MFD Business program, County staff were easily accessible.	3.55	3.23	3.25	3.32
If your business had a question regarding the MFD Business program, County staff provided accurate answers.	3.59	3.26	3.31	3.36
If your business had a question regarding procurement, County staff provided answers in a timely manner.	3.63	3.32	3.11	3.34
Overall, your business' experience with the MFD Business program has been good.	3.39	2.80	3.08	3.05

*Only five respondents who are not interested in applying for contracts answered this question and their responses have been omitted.

OLO also asked respondents for recommended improvements to the MFD program. Common themes included:

- Increasing the number of business opportunities for small or locally-based vendors;
- Simplifying the bid process, which is too complicated, confusing, or time-consuming; and
- Improving communications with and/or getting answers from County staff, which is difficult or takes too long.

Like LSBRP respondents, MFD respondents most commonly wanted increased outreach about the program and increased contract opportunities. Specifically:

- “More outreach events for existing MFD businesses that include upcoming opportunity information.”
- “I’m not aware of nor have I seen any specific bid opportunities for MFD with the county.”
- “I rarely if ever see opportunities under MFD. There must be something wrong with the promotion of those opportunities or the promotion of the program. Perhaps they should be sent under a different email marketing campaign.”
- “I have never received anything from MFD except for this survey.”

C. Comparison of Survey Results on Procurement Process by MFD- and LSBRP-Certified and Eligible Businesses

This section compares the survey responses on the County’s procurement process across the groups who responded to the survey. This includes businesses:

- Registered in the LSBRP;
- Registered in the MFD program;
- Eligible for, but not registered in the LSBRP;
- Eligible for, but not registered in the MFD program; and
- Not eligible for either program.

OLO found that respondents registered in either the LSBRP or the MFD program rated the County's procurement process approximately the same compared with respondents not registered in the programs. The survey results show that respondents in the LSBRP and MFD programs had a similar experience with the County's procurement process compared to respondents not registered in the programs.

OLO further divided the survey results – separately analyzing the results from businesses that were awarded a County contract and from businesses that bid on but were not awarded a contract. The rest of this section summarizes these results.

Survey Results for Respondents that Were Awarded a Contract. The next table summarizes the experiences of businesses that were awarded a County contract with the procurement process, broken down by whether the business was registered for, eligible for, or not eligible for one of the programs. Overall, OLO found that respondents in the LSBRP and MFD programs did not rate the County procurement process appreciably differently than those not registered in the programs. In fact, on some aspects, members of the two programs rated processes lower than nonmembers. And, as noted before, all five groups rated the follow-up after bid submission and the time taken to award a contract the lowest among various aspects of the procurement program.

**Ratings of Overall Experiences with County Procurement Process
by Businesses that Received a Contract**

	Registered in...		Eligible, but Not Registered in...		Not Eligible for Programs
	LSBRP	MFD	LSBRP	MFD	
# of Respondents	74	38	65	29	17
Montgomery County Government procurement opportunities are promoted effectively.	3.8	3.5	3.2	3.2	3.2
The steps required to bid on a County solicitation are easy to understand.	3.6	3.7	3.3	3.0	3.6
All necessary contract documents (including solicitation material) are easy to find.	3.9	3.8	3.4	3.3	3.3
The terms of the contract are easy to understand.	3.7	3.7	3.7	3.3	3.3
The contract solicitation period is adequate to complete a bid proposal.	3.9	3.7	3.6	3.6	3.4
The follow-up provided by the County after your bid proposal was sufficient.	3.4	3.3	3.4	3.2	3.7
The time it took to award the contract was acceptable.	3.3	3.3	3.4	3.4	3.7
The County's procurement website is easy to navigate.	3.6	3.5	3.1	3.0	2.9
If your business had a question regarding procurement, County staff were easily accessible.	3.7	3.6	3.2	3.0	3.2
If your business had a question regarding procurement, County staff provided accurate answers.	3.7	3.6	3.2	3.2	3.4
If your business had a question regarding procurement, County staff provided answers in a timely manner.	3.7	3.7	3.2	3.2	3.5
Montgomery County values your business.	3.4	3.6	3.6	3.6	3.4
Overall, Montgomery County's procurement process is effective.	3.7	3.6	3.5	3.7	3.5

Survey Results for Respondents who Applied for but Did Not Receive a Contract. Overall, respondents who did not receive a County contract reported lower ratings compared to respondents who were awarded a contract. LSBRP and MFD members did not rate any aspects of procurement considerably differently than respondents that were not LSBRP or MFD members. Respondents rated the follow-up after bid submission and whether the County values their business the lowest among the various aspects of the procurement program. These data are found in the table on the next page.

**Ratings of Overall Experiences with County Procurement
by Businesses that Did Not Receive a Contract**

	Registered in...		Eligible, but Not Registered in...		Not Eligible for Programs
	LSBRP	MFD	LSBRP	MFD	
# of Respondents	99	58	40	26	9
Montgomery County Government procurement opportunities are promoted effectively.	3.1	3.0	2.7	2.7	3.0
The steps required to bid on a County solicitation are easy to understand.	3.4	3.4	3.2	3.4	3.6
All necessary contract documents (including solicitation material) are easy to find.	3.5	3.5	3.2	3.2	3.7
The terms of the contract are easy to understand.	3.3	3.5	3.3	3.4	3.4
The contract solicitation period is adequate to complete a bid proposal.	3.4	3.5	3.3	3.5	3.5
The follow-up provided by the County after your bid proposal was sufficient.	2.3	2.2	2.6	2.4	2.7
The time it took to award the contract was acceptable.	2.6	2.4	2.9	2.5	3.0
The County's procurement website is easy to navigate.	3.5	3.3	3.2	3.2	3.9
If your business had a question regarding procurement, County staff were easily accessible.	3.0	2.9	2.8	2.9	3.4
If your business had a question regarding procurement, County staff provided accurate answers.	3.2	2.9	3.0	3.2	3.2
If your business had a question regarding procurement, County staff provided answers in a timely manner.	3.0	2.7	2.6	2.8	3.2
Overall, Montgomery County's procurement process is effective.	3.0	2.9	2.9	2.9	3.1
Montgomery County values your business.	2.6	2.6	2.3	2.5	2.1

Chapter V. Findings

The Montgomery County procurement process is designed to provide fair competition among businesses and to ensure that the County receives the best value for the dollar spent on County contracts. Within this framework, the compliance process is designed to plan and implement strategies to expand business opportunities for small and minority, female, disabled and locally-owned businesses. Two programs, the Local Small Business Reserve Program (LSBRP) and the Minority, Female, and Disabled-Owned (MFD) program, are specifically tasked with promoting contracting opportunities to such businesses.

The Council asked the Office of Legislative Oversight to evaluate the experiences of local small businesses that have applied or might consider applying for bid solicitation opportunities with Montgomery County. This evaluation included a comprehensive look at the steps involved in the application and procurement process, as well as the County's interaction with businesses.

Methodology. In order to conduct this evaluation, OLO developed a set of survey questions which were distributed to a total of 9,803 local, small, or minority-owned businesses. Of these, 1,233 total surveys (or about 13%) were returned. Among the respondents:

- 379 respondents (30.8%) bid for and were awarded a contract with the County;
- 220 (17.8%) bid for a contract with the County, but did not receive one;
- 500 (40.5%) have not bid for a contract, but are interested in doing so; and
- 134 (10.9%) have not bid for a contract and are not interested in doing so.

The number of responses exceeded OLO's initial expectations, pointing to a strong interest among the County's business community. While OLO does not consider the response rate high enough to draw statistically valid conclusions, the results provide meaningful insights into the process.

Through analysis of its collected survey data and discussions with County officials and local business owners, OLO developed a series of findings on the general and program-specific impressions of the County's procurement process. These findings are detailed below.

Finding #1: Over 13,000 businesses are registered in the County's Central Vendor Registration System – 9% as a local small business and 7% as a Minority, Female, or Disabled-Owned business. There are currently 205 businesses (approximately 2% of the total) registered simultaneously in both programs.

The County has established two business programs that seek to increase contract opportunities for local small and minority-owned businesses:

- The Local Small Business Reserve Program (LSBRP) reserves 20% of eligible County procurement opportunities for qualified small businesses. Currently, 1,226 businesses are registered as LSBRP in the County's Central Vendor Registration System. Approximately 78% of which are service-based businesses.
- The Minority, Female, and Disabled-Owned Program (MFD) ensures that minority-owned businesses receive an adequate share of Montgomery County's contract opportunities. Currently, 1,104 businesses are registered as MFD in the County, of which almost 71% are service-based businesses.

Finding #2: The percentage of eligible contract dollars awarded to LSBRP and MFD contractors has increased over the past five years.

The County Government measures the LSBRP and MFD programs both by the percentage of contract dollars awarded and by the amount of money awarded through LSBRP and MFD contracts. The data show that, in the past five years, registered LSBRP and MFD businesses have increasingly won a larger share of the overall eligible contract dollars. However, overall dollars have fluctuated as the amount of eligible dollars has fluctuated in the past five years.

Total Contract Dollars Awarded to LSBRP-Eligible Vendors, FY09-FY13 (\$ millions)

Fiscal Year	LSBRP		MFD	
	Total \$ Awarded to LSBRP	% of Total Eligible \$ Awarded to LSBRP	Total \$ Awarded to MFD	% of Total Eligible \$ Awarded to MFD
FY13	\$45.1	38.0%	\$148.3	20%
FY12	\$83.7	38.0%	\$129.0	19%
FY11	\$58.2	36.5%	\$156.9	19%
FY10	\$67.5	23.0%	\$90.7	16%
FY09	\$33.3	14.0%	\$93.6	13%

Finding #3: The Department of General Services' Office of Business Relations and Compliance conducts the primary outreach to the business community for the MFD and LSBRP programs, with support from the Office of Procurement and Department of Economic Development.

The Office of Business Relations and Compliance (OBRC) uses a variety of strategies to advertise contracting opportunities to local small and MFD businesses, including:

- Contacting eligible companies about upcoming contracting opportunities;
- Sending out weekly electronic newsletters about upcoming contract opportunities;
- Advertising the programs at procurement fairs, seminars, meet and greets, and trade shows; and
- Advertising the programs at pre-bid and pre-submission conferences and chamber of commerce meetings.

OBRC staff work with the Office of Procurement to prepare and issue solicitations, verify vendors' eligibility, and identify department solicitations that may be appropriate for the programs. OBRC also works with the Department of Economic Development (DED) to craft strategies to attract local businesses to Montgomery County and promote contracting opportunities to those businesses.

Findings from Survey Responses

The following findings summarize results from OLO's survey of local, small, and minority-owned businesses.

Finding #4: Forty-seven percent of survey respondents were familiar with the LSBRP and 58% of respondents were familiar with the MFD program. Not all businesses who indicated they are eligible for the LSBRP are registered as LSBRP with the County.

Business owners who had previously applied for contracts with the County reported higher familiarity with the County's programs – 59% reported familiarity with LSBRP and about 71% had familiarity with the MFD program. By contrast, just 34% and 45% of those who had not applied for contracts were familiar with the LSBRP and MFD, respectively.

Additionally, OLO found that of all businesses that responded to the survey and were eligible for the LSBRP, only 45% were registered in the program. The difference is more pronounced among the LSBRP businesses that have bid on a County contract and those who have not; 62% of eligible businesses that bid on a County contract were registered as LSBRP, but only 29% of eligible businesses that have not bid on a contract were registered.

Finding #5: Among the components of the procurement process included in the OLO survey, the County Government's process for follow up after a bid submission was rated the lowest.

Survey participants who had applied for a contract with the County responded to a series of questions on their experiences during and after the application process. Answers were quantified on a five-point scale. Summarized in the table on the next page are the results disaggregated into two groups to allow for comparisons to be made between businesses who were awarded a contract and those who were not awarded a contract from the last bid they submitted. The survey results showed:

- Overall, participants who received a contract consistently rated the County higher in every aspect of the procurement process than those who had not received a contract;
- Statements about County staff accessibility and helpfulness were among the highest rated among both groups;
- Statements regarding follow-up efforts were the lowest scores for both groups of respondents (including the lowest overall score);
- Respondents that did not receive a County Government contract rated how the County values the respondent's business almost a full point below respondents who were awarded a contract.

Weighted Average Ratings of County Procurement Process by Firms that Bid on County Government Contracts in the Past Year (On a 1-5 Scale)

Survey Questions on Experiences with the Procurement Process	Firm Bid on Solicitation and...	
	Received a Contract	Did Not Receive a Contract
# of Responses	248	181
Montgomery County Government procurement opportunities are promoted effectively.	3.75	3.10
The steps required to bid on a County solicitation are easy to understand.	3.70	3.44
All necessary contract documents (including solicitation material) are easy to find.	3.79	3.51
The terms of the contract are easy to understand.	3.75	3.42
The contract solicitation period is adequate to complete a bid proposal.	3.91	3.53
The follow-up provided by the County after your bid proposal was sufficient.	3.67	2.62
The time it took to award the contract was acceptable.	3.61	2.98
The County's procurement website is easy to navigate.	3.69	3.51
If your business had a question regarding procurement, County staff were easily accessible.	3.90	3.23
If your business had a question regarding procurement, County staff provided accurate answers.	3.91	3.47
If your business had a question, County staff provided answers in a timely manner.	3.93	3.26
Overall, Montgomery County's procurement process is effective.	3.76	3.06
Montgomery County values your business.	3.73	2.77

Finding #6: Survey respondents reported that increased outreach, a simplified application process, and better communication with County staff could improve the procurement process and the LSBRP and MFD programs.

The survey included an open-ended question seeking suggestions about how the procurement process or the LSBRP and MFD programs could be improved. The following general themes appeared most consistently:

- The number of business opportunities for small or locally-based vendors should increase;
- Requirements for registering as a local small business are too stringent;
- The County needs to improve public notification for upcoming bid opportunities;
- The bid process is too complicated, confusing, or time-consuming;
- The County needs faster and more consistent follow-up during the bid application process; and
- Communicating with and/or receiving responses from County staff is difficult or takes too long.

Finding #7: Among businesses that were interested in but did not apply for a County contract, unfamiliarity with contracting opportunities was the most common reason.

Roughly 26% of survey respondents who did not apply for a contract with the County (both businesses interested and not interested in contracting with the County) report that their “business is unfamiliar with County procurement opportunities.” Other reasons for not submitting a solicitation with the County are listed in the table.

The reasons for not submitting a bid varied between those businesses interested in County procurement and those not interested. For those interested, unfamiliarity with procurement opportunities was the primary reason for not bidding, while the lack of relevant goods/services was the primary reason for those who were not interested in County procurement.

Survey Responses for Reasons for Not Bidding on County Contracts

Reasons Businesses did Not Apply for Procurement Opportunities	Firm Did Not Bid on Solicitation and...		
	Is Interested in County Procurement	Is Not Interested in County Procurement	Combined
# of Responses	461	117	578
Business is unfamiliar with County procurement opportunities	44%	9%	26%
Business does not provide relevant goods/services	16%	34%	14%
County's procurement bid proposal process is confusing	21%	4%	12%
County's procurement bid proposal process is time consuming	17%	5%	10%
Business does not have the capacity to meet procurement solicitation specifications	9%	9%	6%
County's contract open bid period is not long enough	7%	1%	4%
Business prioritizes other jurisdictions' procurement opportunities	5%	14%	4%
Other (please specify)	31%	43%	23%

*The two primary reasons listed under “Other” include “have not heard about viable business opportunities from the County” and “applying/awaiting approval to go into business.”

Finding #8: Businesses registered in either the LSBRP or MFD program rated the County's procurement process approximately the same as those businesses not registered in the programs.

OLO compared survey responses from three groups – (1) businesses registered in the MFD and LSBRP programs, (2) businesses eligible for the programs, and (3) businesses not eligible for the programs. OLO found that businesses in the three groups viewed the County’s procurement process similarly, despite the additional support and outreach offered to LSBRP and MFD businesses.

- Businesses that were Awarded a Contract. Respondents that received a contract and were registered with the LSBRP or MFD programs rated the County’s processes about the same as those not registered with the programs.

- Businesses that Bid on but were not Awarded a Contract. In each group, businesses that did not receive a contract gave lower ratings for all statements compared with businesses that did receive a contract. There was little difference in how LSBRP and MFD businesses that did not receive a contract rated the County's procurement process from those who did not receive a contract and were not enrolled in either program.

Finding #9: Overall, LSBRP members rated their experience with the LSBRP higher than MFD members rated the MFD program.

OLO asked registered members of both the LSBRP and MFD programs to evaluate various aspects of the programs and found that LSBRP were notably more satisfied with the LSBRP compared with members of the MFD program, as shown in the table. While the two groups rated the same aspect highest ("certification process is easy to understand") and lowest ("outreach events are beneficial to my business"), there is a distinct difference in the overall ratings of each program. LSBRP members ranked almost all aspects of the program significantly higher than MFD counterparts.

Ratings of Overall Experiences with LSBRP and MFD, by Registered Businesses

	LSBRP	MFD
Montgomery County effectively promotes the program.	3.46	3.06
The program outreach events run by Montgomery County are beneficial to your business.	3.14	3.01
The requirements to become a certified vendor with Montgomery County are clearly explained.	3.87	3.40
The program certification process is easy to understand.	3.88	3.42
The program adequately informs your business of contracting opportunities.	3.76	3.01
The steps required to bid on a County solicitation in the program are easy to understand.	3.55	3.23
If your business had a question regarding the program, County staff were easily accessible.	3.68	3.32
If your business had a question regarding the program, County staff provided accurate answers.	3.75	3.36
If your business had a question, County staff provided answers in a timely manner.	3.70	3.34
Overall, your business' experience with the program has been good.	3.37	3.05

Survey Results by Group. OLO also looked at how the results varied by (a) registered businesses that were awarded a contract; (b) registered businesses that bid on a contract but were not awarded one; and (c) registered businesses that did not bid on a contract but were interested. Overall, LSBRP and MFD members who were awarded contracts rated their statements slightly higher than those who were awarded a contract or did not apply for one. Respondents across all three groups for both programs showed the lowest level of agreement with the statement that the County's outreach programs benefited their businesses.

CHAPTER VI. Recommendations

OLO offers the following three recommendations for Council action.

Recommendation #1. Ask the County Executive to strengthen and expand current outreach efforts – particularly to LSBRP and MFD businesses – to increase businesses’ awareness of County contracting opportunities.

The LSBRP and MFD programs are the County Government’s two primary efforts to expand contracting opportunities to targeted groups of businesses. While OLO found that approximately half of survey respondents (47%) were familiar with the LSBRP and 59% of respondents were familiar with the MFD program, only 45% of respondents whose businesses were eligible for the LSBRP were actually registered in the program. Additionally, survey respondents consistently ranked the promotion of County contracting opportunities lowest among various aspects of the County’s procurement process. Forty-four percent of businesses that did not bid on a County contract reported that they were unaware of County contracting opportunities.

The results from OLO’s survey point to an interest in the business community to bid on County contracts, but a lack of knowledge about opportunities. While County representatives have worked to improve outreach efforts in recent years, the Council should ask the Executive to take additional steps to communicate procurement opportunities to the business community. Possibilities include:

- Expanding the County’s presence at trade shows/fairs, procurement-related business associations, and with the Chambers of Commerce;
- Analyzing whether the County should differentiate the methods of outreach to LSBRP and MFD businesses from outreach to other businesses;
- Routinely surveying businesses that contract with the County to identify strengths and weaknesses in the County’s outreach efforts; and
- Soliciting feedback from the County’s Chambers and other business organizations to identify additional ways to share information about County contract opportunities.

Recommendation #2. Ask the County Executive to develop a consistent set of follow-up procedures for all bid submissions for County contracts to inform businesses about the status of their bid.

A consistent theme in respondents’ comments in OLO’s survey was that follow-up was inadequate for their needs, especially following the submission of a bid. This perception was higher among businesses that were not awarded a County contract.

OLO recommends that the Council ask the County Executive to develop and implement a consistent set of follow-up procedures for all contract bid submissions to keep businesses fully informed about the status of their bid. Efforts to improve aspects of the procurement process that businesses consistently rated poorly will provide incentive for all businesses to continue to bid on County contracts.

Recommendation #3. Ask the County Executive to closely examine the promotion and administration of the Minority, Female, and Disabled-Owned Program.

OLO asked registered members of both the LSBRP and MFD programs to evaluate various aspects of the programs. OLO found that members of the LSBRP were more satisfied with the LSBRP compared with MFD members' satisfaction with the MFD program. Also, the analysis also shows that registered MFD businesses reported a similar experience with the procurement process compared with businesses that are not registered for the MFD program. Further, the most recent disparity study (with recommendations for future action) was completed in June. In the transmittal of the study to the County, the County Executive states that "work remains to be done to eradicate the underutilization of MFD-owned businesses in Montgomery County."

OLO recommends that the Council ask the County Executive to examine what can be done to improve the experience of registered MFD businesses in the program and during the procurement process. One key method for reviewing the current promotion and administration of the MFD program could be to gather feedback from some of the County's minority-business organizations. These business organizations can help identify the most effective ways for the County to promote registration in the MFD program and assist minority businesses in the bid application process. In addition, the Office of Procurement reports that they send out customer feedback surveys at various times; the County could include a more detailed assessment of the MFD program in those surveys to monitor progress over time.

CHAPTER VII. Agency Comments on Final Draft

The Office of Legislative Oversight circulated a final draft of this report to the Chief Administrative Officer for Montgomery County. OLO appreciates the time taken by agency representatives to review the draft and provide comments. OLO's final report incorporates technical corrections and comments provided by agency staff.



OFFICES OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Timothy L. Firestine
Chief Administrative Officer

MEMORANDUM

July 24, 2014

TO: Chris Cihlar, Director, Office of Legislative Oversight

FROM: Timothy L. Firestine, Chief Administrative Officer

Timothy L. Firestine

SUBJECT: OLO Draft Report No. 2014-11, Procurement and Small, Minority, Female, Disabled and Locally-Owned Businesses

I am in receipt of your draft report No. 2014-11, dated July 11, 2014, detailing the review conducted by your office of the Local Small Business Reserve Program (LSBRP) and the Minority, Female, Disabled Owned Businesses Program (MFD); the County Government's responsibilities in this process; and the survey data analysis on the local, small, and minority businesses in dealing with the County's procurement process, especially with the LSBRP and MFD programs. Your assessment of this issue has been thorough, well documented, and in my view, indicates that the County has diligently and responsibly managed the LSBRP and MFD programs and the procurement process in a manner consistent with the requirements of Chapter 11B of the County Code.

In response to the report's Findings and Recommendations, I offer the following comments:

Recommendation #1: Ask the County Executive to strengthen and expand current outreach effort – particularly to LSBRP and MFD businesses – to increase businesses' awareness of County's contracting opportunities.

CAO Response: OLO Findings 6 and 7, and Recommendation 1 are related. Both findings address increased outreach and communication with the business community to promote understanding of procurement policies and opportunities. In recent years, significant and measureable effort has been expended on vendor outreach by DGS Office of Procurement and Office of Business Relations and Compliance (OBRC) staff. In FY14, Procurement and OBRC participated in 19 outreach activities and events including radio programs, business and procurement fairs, chambers of commerce seminars, tradeshow, and conferences specifically oriented at educating businesses about County contracting opportunities. OBRC hosted multiple meet-and-greet events tailored to help local, small, and minority businesses network with each other or meet general contractors to explore prime or subcontracting opportunities for capital construction, technology, and energy savings solicitations.

The following is a list of events through FY14 that OBRC and Procurement hosted or in which they were a key participant:

- a. Aug 27, 2013 - "MONTGOMERY AL DIA" Radio Show
- b. Oct 9, 2013 - African American Chamber of Commerce, MDOT certification
- c. Oct 29, 2013 - Asian American Business Conference
- d. Oct 30, 2013 - Meet the Primes – Montgomery County vendor fair
- e. Oct 31, 2013 - Black Caucus 2013 Annual Legislative Week
- f. Nov 1, 2013 - Metro Washington Minority Contractor Assoc. Minority Business Expo
- g. Nov 13, 2013 - Alliance Baltimore Vendor Fair
- h. Nov 20, 2013 - Baltimore Washington Regional Government Procurement Fair
- i. Nov 21, 2013 - Montgomery County Chamber Award Dinner
- j. Dec 10, 2013 - MBE University Conference in Baltimore City
- k. Feb 19, 2014 - Small Business Information & Resource Summit
- l. Feb 26, 2014 - Public Safety Vendor Fair
- m. Mar 16, 2014 - Hispanic Chamber of Commerce Annual Business Expo
- n. Apr 23, 2014 - African American Chamber of Commerce, MDOT certification
- o. May 9, 2014 - DED small business awards
- p. May 16, 2014 - Montgomery County Chamber, GovConNet Procurement Conference
- q. May 29, 2014 - Asian Pacific American Chamber of Commerce (APACC) seminar
- r. May 30, 2014 - Hispanic Chamber of Commerce Training seminar
- s. June 12, 2014 - SSA Annual Small Business Procurement Conference

DGS will continue to seek out additional outreach opportunities, as resources permit, to assist local, small, and minority vendors to become familiar with the process and the County's LSBRP and MFD programs and to encourage participation. OBRC and Procurement staff will also continue ongoing collaboration with Economic Development staff on additional activities.

Recommendation #2: Ask the County Executive to develop a consistent set of follow-up procedures for all bid submissions for County contracts to inform businesses about the status of their bid.

CAO Response: The procurement process involves many steps and activity flows from one stakeholder to another between those steps. Stakeholders are not only the Office of Procurement and Office of Business Relations and Compliance, but also include, among others, the County department for which the solicitation is issued, the Office of the County Attorney, the Department of Finance Risk Management, as well as the companies submitting bids or proposals. Each participant plays a key role that may involve frequent transitions to other stakeholders. Depending on the type and complexity of the solicitation, this can take time and include intervals at which the status of a submitted bid or proposal may appear static while deliberations, negotiations or other investigations take place.

Typically, there are two periods in the procurement process during which offerors may not receive regular communication from the County. The first is while proposals are undergoing initial review and ranking, after which offerors submitting the higher ranked proposals are invited to make oral presentations to the selection committee, demonstrations or other steps outlined under the unique Method of Award published in each solicitation. In the second period, final ranking takes place and negotiations commence with the company submitting the top-ranked proposal. Negotiations may take time to complete. As with public procurement practices in most municipalities, the County's practice is to not notify other offerors at this point because the possibility remains that negotiations with the selected offeror may prove unsuccessful, at which time we would initiate negotiations with the second-ranked offeror. This practice maintains the County's negotiation leverage and maintains confidentiality of information in all proposals until a notice of intent to award is published. Once the notice is published, companies submitting unsuccessful proposals may request a debriefing to learn why their proposal was not ranked highest. It is not only a long-standing practice of the County to provide debriefings, but prospective bidders and offerors are strongly encouraged at pre-bid conferences to make use of this opportunity.

Despite all this, we are aware of the difficulty a prolonged period of silence can have on any business trying to determine if it should wait to hear from the County or move on to other business opportunities. To address this, DGS has encouraged departments and contract administrators at the quarterly forums created for this purpose to conduct proposal reviews with greater efficiency and clarity. The Office of Procurement has recently developed guidelines for the departments and selection committees to promote the timely review of bid submissions and provided guidelines for post-award debriefings. We appreciate the time and financial investment expended by businesses responding to County contracting opportunities and will continue to look for ways to improve communications.

Recommendation #3: Ask the County Executive to closely examine the promotion and administration of the Minority, Female, and Disabled-Owned Program.

CAO Response: County Executive Leggett has a long track record of promoting opportunities for minority, female, and disabled-owned businesses, including introducing the County's first MFD law while serving on the County Council. As Executive he has made outreach to MFD companies a priority and established MFD contracting as a performance criteria for each department director.

As noted above, the Office of Procurement and OBRC staffs regularly engage in outreach events, many of which are specifically created to engage the minority business community. Some of these efforts are done in conjunction with chambers of commerce or other organizations representing the many ethnic communities in Montgomery County, the Baltimore-Washington corridor and the National Capital Region. Discussions with these organizations often involve exploring ways to promote registration in the MFD program, providing outreach, training, and

Chris Cihlar, Director, Office of Legislative Oversight

July 24, 2014

Page 4

specific assistance to businesses interested in or attempting to participate in the procurement process. Many of the efforts we currently undertake resulted from these discussions.

Through deploying new technology tools later this year, we expect to provide MFD businesses an online tool that will serve multiple purposes, allowing subcontractors to report on how the prime contractor is utilizing their services, and provide feedback to DGS staff on a wide range of contracting and procurement-related issues. This level of real-time information will enable County staff to respond to issues more promptly and identify prime contractors that fail to comply with MFD subcontracting commitments to which they are contractually obligated.

Again, I thank the Office of Legislative Oversight for its excellent work on this report. If you have questions or need additional information please contact Fariba Kassiri, Assistant Chief Administrative Officer.

TLF:gd

cc: David Dise, Director, Department of General Services
Fariba Kassiri, Assistant Chief Administrative Officer
Steve Silverman, Director, Department Economic Development

Appendices

Appendix A: Local Small Business Reserve Program Questionnaire

Appendix B: Transmittal Memo and Excerpt 2014 Disparity Study

Appendix C: OLO Survey Questions

Appendix D: Summary Results for All Survey Respondents

Appendix E: Survey Responses of Procurement Ratings by Business Type and Amount of Contract

Appendix F: All Survey Responses for Open-Ended Survey Questions



Local Small Business Reserve Program (LSBRP)

This form contains the questions required to self certify a business with the Local Small Business Reserve Program (LSBRP). After completing the form, log onto the LSBRP website and self certify your business. The LSBRP registration link is:

www.montgomerycountymd.gov/lbrp • 240-777-9916

Vendor Details

Business Type: ☐ Wholesale ☐ Retail ☐ Manufacturing ☐ Service ☐ Construction

Are you a broker? ☐ YES ☐ NO

Is the Business independently owned and operated? ☐ YES ☐ NO

Is the Business a subsidiary of another firm? ☐ YES ☐ NO

Is the Business dominant in its field of operation? ☐ YES ☐ NO

Is the physical Business location(s) only in Montgomery County? ☐ YES ☐ NO

Business Inception Date _____

Total # of employees on payroll: _____ Total # of employees employed in the company: _____

Gross sales for the most recent three years: \$ _____ \$ _____ \$ _____

Sales of the most recent three years in the County: \$ ²⁰⁰⁷ _____ \$ ²⁰⁰⁸ _____ \$ ²⁰⁰⁹ _____
2007 2008 2009

If the business has been in operation less than a year:

First year projected or estimated gross sales: \$ _____

First year projected or estimated sales in the County: \$ _____

Registration Information

County Vendor # _____ (enter vendor ID # if you are already a registered Montgomery County vendor)

Federal Tax ID #: _____

Form W-9 #: _____

Business Structure: ☐ Proprietorship ☐ Partnership ☐ Corporation ☐ Limited Liability Company

Business Information

Business Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ FAX _____

Email: _____ Web Address: _____

Name(s) of owners/partners/proprietors _____

Are you a certified minority business enterprise? ☐ YES ☐ NO

Commodity code(s) (if known):

_____	_____	_____
_____	_____	_____
_____	_____	_____

State the type of goods or services your business provides if you do not know the Commodity Code:

Certification Agreement

- ☐ I am aware that I have the responsibility of notifying the Department of General Services immediately, via email at **lsbrp@montgomerycountymd.gov** or in writing to Montgomery County, Local Small Business Reserve Program, 255 Rockville Pike, Suite 180 Rockville, MD 20850-4168, if the business ceases to be independently owned and operated or becomes a subsidiary of another business.
- ☐ I hereby certify that the information provided is a true and correct statement of facts. I, as a designated legal representative of the company, further certify that this firm shall abide by and be subject to all applicable Federal, State and Local Laws and regulations pertaining to any subsequent contract that may be issued.
- ☐ Upon request of Montgomery County Government, the Business must promptly provide to the Department of General Services documentation on all of its business location(s) (if it has more than one), number of employees by location, annual gross revenue of the business for the past three fiscal years. The preferred documents are copy of a lease, Maryland Unemployment Insurance Contribution Report (summary or quarterly), and Financial Statement/Tax Returns. At the discretion of the Department of General Services, an alternative type of document might be accepted.
- ☐ I acknowledge that by registering with the program, I give the Montgomery County Department of General Services permission to obtain my business data from the State of Maryland's Department of Labor, Licensing and Regulation.

Signature (Name): _____

Business Title: _____

Phone: _____

Email: _____

Please select the category that best describes your level of involvement:

☐ Owner ☐ President/CEO ☐ Senior Executive ☐ None ☐ Other: _____

☐ Check this option to have your Company Name and Public Information available in Vendor Search.
Displaying this information can serve as a valuable networking resource.

Once the self-registration application has been received and processed, the applicant will receive an email notification message with your account information, including system login and password. Montgomery County, Maryland reserves the right to review or deny registrations at any time.

www.montgomerycountymd.gov/lsbrp

GOVT



BD
CC
SBF
LL
CT

Isiah Leggett
County Executive


OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

MEMORANDUM

July 1, 2014

ENCL IN FILE

TO: Craig Rice, President
Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Transmittal of MFD Disparity Study

In accordance with Section 11B-61(b) of the County Code, I am transmitting to the County Council a report evaluating the need to extend the minority-owned business purchasing program. The enclosed Montgomery County Disparity Study was prepared by Griffin & Strong, an Atlanta-based law firm, under a contract administered by the Office of the County Attorney.

The Study concludes that Montgomery County has "made great efforts to establish a fine-tuned procurement process that is set up to provide equal access to all firms." Nevertheless, the study concludes that there is a "significant basis for an inference of passive participation and discrimination and/or evidence of past discrimination against minority, female, and disabled-owned businesses in Montgomery County." Therefore, work remains to be done to eradicate the underutilization of MFD-owned businesses in Montgomery County.

I will forward in the near future for the Council's consideration legislation to extend the County's MFD-owned business purchasing program. Executive staff will also be reviewing other recommendations made by Griffin & Strong to increase the effectiveness of the County's MFD-owned business purchasing program.

cc: Timothy R. Firestine, Chief Administrative Officer
Marc Hansen, County Attorney
David Dise, Director, Department of General Services
Bonnie Kirkland, Assistant Chief Administrative Officer

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**DISPARITY STUDY
REPORT**

June 11, 2014

VIII. DETAILED FINDINGS AND RECOMMENDATIONS

This Disparity Study set out to determine whether Montgomery County, Maryland is an active or passive participant to discrimination in the access of its procurement process by minority, female or disabled owned businesses. The previous chapters have set forth the legislative requirements, County practices and policies, statistical evidence, and anecdotal evidence which is measured to make the ultimate determinations. This chapter details the findings of the evidence found by GSPC in the context both of providing summary information and establishing such information within the findings of Croson and its progeny

As outlined in the Legal History section of this Study, the courts have indicated that for a race-based or gender-based preference program to be maintained there must be a clear evidentiary foundation established for the continuation of existing programs. Generally, this evidence should also have been reviewed as part of the implementing jurisdiction's decision-making process related to the race-conscious program in order for it to be relevant in any subsequent legal action. Thus, GSPC presents its summary of findings and conclusions to the County for deliberative review and discussion.

A. Findings

FINDING 1: Overall MFD Utilization

Throughout the Study Period, the County spent \$368 million with Minority and Women Owned Firms (roughly 14% of the overall prime dollars spent at all thresholds) within the relevant market across all procurement categories at the prime level in Purchase Orders, Direct Purchase Orders and P-Card Purchases. Payments to Disabled owned firms represented \$11.5 million or 0.45% of total county spending of \$ \$2.59 billion for the Study Period.

Table 125: Utilization Totals

Montgomery County, MD Disparity Study
Study Period Totals, Minority and Female Owned Businesses

	Construction	Prof. Serv.	Services	Goods	Other
Professional Service Firms					
African-American	\$17,856,992	\$5,690,358	\$5,893,298	\$2,229,496	\$0
Asian American	\$33,609,137.00	\$1,126,571	\$33,849,917	\$109,127	\$0
Hispanic American	\$149,848,041	\$11,652,061.00	\$17,615,117	\$2,128,569	\$0
Native American	\$507,847	\$0	\$2,675,000	\$0	\$0
White Female	\$50,492,621	\$7,066,574	\$16,224,172	\$9,384,357	\$0
Non-MFD	\$919,078,351	\$295,357,383	\$548,076,057	\$397,784,720	\$0
Total	\$1,171,392,989	\$320,892,947	\$624,333,561.00	\$411,636,269	\$0
Minority Business Owned Firms					
African-American	\$80,834	\$3,200	\$60,409	\$1,245	\$0
Asian American	\$21,203	\$140	\$855	\$28,033	\$0
Hispanic American	\$80,625	\$19,465	\$2,499	\$0	\$0
Native American	\$0	\$0	\$0	\$0	\$0
White Female	\$109,764	\$25,993	\$17,144	\$143,521	\$0
Non-MFD	\$1,590,619	\$1,545,129	\$3,718,658	\$3,739,694	\$19,761,785
Total	\$1,883,045	\$1,593,927	\$3,799,565	\$3,912,493	\$19,761,785
Female Owned Firms					
African-American	\$0	\$0	\$2,117	\$2,375	\$0
Asian American	\$0	\$0	\$0	\$4,398	\$0
Hispanic American	\$0	\$0	\$0	\$0	\$0
Native American	\$0	\$0	\$0	\$0	\$0
White Female	\$607	\$0	\$3,326	\$37,826	\$0
Non-MFD	\$35,291	\$215,600	\$697,295	\$1,235,712	\$0
Total	\$35,898	\$215,600	\$702,738	\$1,280,311	\$0

Griffin & Strong, P.C. 2014

Table 126: Utilization Totals, Disabled

Montgomery County, MD Disparity Study
Study Period Totals, Minority and Female Owned Businesses

	Pos.	DFOs	Totals
Construction	\$10,794,846	\$1,687	\$10,796,533
Professional	\$0	\$375	\$375
Services	\$18,000	\$731,457	\$749,457
Goods	\$0	\$0	\$0
Total	\$10,812,846	\$733,519	\$11,546,365

Griffin & Strong, P.C. 2014

FINDING 2: Relevant Market

The relevant market for each procurement category is the area in which 75% or more of the dollars were spent during the Study Period. The relevant markets for this Study by procurement categories are:

- Construction –Maryland, Washington D.C., and Virginia;
- Professional Services– Maryland, Washington D.C., and Virginia
- Services – Maryland, Washington D.C., and Virginia
- Goods – United States

FINDING 3: County MFD Prime Utilization and Availability

> Purchase Orders

The dollar value of Minority and Female owned businesses prime utilization for Purchase Orders (purchases over \$10K) during the Study Period in the relevant market by the County is shown below:

- 578 Minority and Female owned businesses received \$252 million in Construction PO contract dollars on County projects, which represents 21% of the total dollars spent by the County on Construction.
- 86 Minority and Female owned businesses received \$25.5 million in prime Professional Services Purchase Order contract dollars which represents 8 % of total Professional Services dollars spent by the County on Professional Services.
- 146 Minority and Female owned businesses received \$76 million in Other Services dollars, which represent 12.2 % total dollars spent by the County on Other Services.

- 67 Minority and Female owned businesses received \$13.8 million in Goods/Supplies dollars, which represents 3.3% of total Purchase Order contract dollars spent by the County in this category.

➤ **Direct Purchase Orders**

The value of DPOs issued during the Study Period to Minority and Female owned prime contractors is shown in the bullet-points below.

- Minority and Female owned businesses received \$242,426 Construction PO contract dollars on County projects, which represents 15.5% of all DPOs spent by the County on Construction.
- Minority and Female owned businesses received \$48,798 in prime Professional Services DPO contract dollars which represents 3% of total DPO dollars spent by the County on Professional Services.
- Minority and Female owned businesses received \$80,907 in Other Services dollars, which represents 2 % total DPO dollars spent by the County on Other Services.
- Minority and Female owned businesses received \$172,798 in Goods/Supplies dollars, which represents 4.42% of total Purchase Order contract dollars spent by the County in this category.

➤ **P-Card Purchases**

- Minority and Female owned businesses received \$607 Construction P-Card contract dollars on County projects, which represents 1.8% of all DPOs spent by the County on Construction.
- Minority and Female owned businesses received \$0.00 in prime Professional Services P Card dollars.

- Minority and Female owned businesses received \$5,443 in Other Services P Card dollars, which represents 0.77 % total P Card dollars spent by the County on Other Professional Services.
- Minority and Female owned businesses received \$44,599 in Goods/Supplies P Card dollars, which represents 3.48% of total Purchase Order contract dollars spent by the County in this category.

FINDING 4: Prime Availability within the Relevant Market

Table 127: Summary of Prime Availability Within the Relevant Market

Business Category	African America n %	Asian America n %	Hispanic America n %	Native America n %	White Female e %	Non-MFD Firms %	Disabled d %
Construction	11%	3.29%	6.14%	.49%	5.54%	73.52%	1.00
Professional Services	8.25%	4.11%	1.24%	.11%	4.26%	82.03 %	.80
Services	12.57%	3.49%	2.58%	0.08%	5.46%	75.82%	.62
Goods	5.79%	2.01%	1.51%	.11%	4.5%	86.08 %	.76

Source: Griffin & Strong, P.C. Montgomery County, MD Master Vendor Database

FINDING 5: Disparity in MFD Prime Utilization

MFDs were under-utilized across many procurement categories during the Study Period. However, the under-utilization of the following MFD groups was determined to be statistically significant enough to suggest the possible presence of discrimination:

- Construction: African American, Asian American, Native American, Disabled and White Female owned firms;

- Professional Services: African American, Asian American, Native American, Disabled, and White Female owned firms;
- Services: African American, Disabled, and White Female owned firms;
- Goods: African American, Asian American, Hispanic American, Native American, Disabled and White Female owned firms.

It is also significant that Non-MFD owned firms were overutilized in all procurement categories during the Study Period.

FINDING 6: Threshold Analysis

GSPC measured the number of firms in each race/ethnicity/gender group according to the levels of awards granted to each group by certain dollar increments. The full threshold table is attached as Appendix G hereto. To summarize the awards by threshold:

Construction

- 21.54% of all Construction P.O.s went to Minority and Women owned businesses as compared to 26.26% availability.
- Minority and Women Owned businesses accounted for 37.80% of all Construction P.O's under \$250,000 and 44.93% of all construction contracts between \$250,000 and \$500,000. Of all P.O's under \$500,000 Minority and Women owned businesses account for 39.80% while representing 26.46% availability.
- For all Construction P.O.s \$500,000 and over, Minority and Women Owned businesses accounted for only 15.53% of Construction P.O's despite the same 26.46% availability.
- 31.26% of all P.O.'s awarded to Minority and Women owned business were under \$250,000, 45.73% were under \$500,000 and 54.26% were \$500,000 and over.

- Disabled owned firms gained .92% of all Construction P.O's as compared to a 1.00 availability.
- Disabled owned firms accounted for 3.26% of all Construction P.O's under \$250,000 and 2.01% between \$250,000 and \$500,000
- .27% of all P.O.s over \$500,000 went to Disabled owned firms with a 1.00% availability.
- Of all Disabled owned firms 78.11% of Construction P.O.s were under \$500,000 and 21.89% were \$500,000 or over.

Professional Services

- Minority and Female owned business utilization using P.O.s was 7.96% for all Professional Services as compared to a 17.97% availability.
- 13.24% of all P.O.'s under \$250,000 and 13.36% between \$250,000 and \$500,000 were awarded to Minority and Female owned businesses.
- Of all Professional Services P.O's under \$500,000 Minority and Women owned businesses account for 13.28% while representing 17.97% availability.
- 67% of all Minority and Female owned business P.O purchases were under \$500,000 with 32.90% \$500,000 or above.
- For all Services P.O.s \$500,000 and over, Minority and Women Owned businesses accounted for only 4.38% of Professional Services P.O's despite the same 17.97% availability.
- There were no Disabled Owned P.O.s awarded during the Study Period in Professional Services

Services

- Minority and Female owned business utilization using P.O.s was 12.21% for all Services as compared to a 24.18% availability.
- 23.76% of all Services P.O.'s under \$250,000 and 31.61% between \$250,000 and \$500,000 were awarded to Minority and Female owned businesses. Of all Services P.O's under \$500,000 Minority and Women owned businesses account for 25.94% while representing 24.18% availability.
- 55.80% of all Minority and Female owned business P.O purchases were under \$500,000 with 44.20% \$500,000 or above.
- For P.O.s \$500,000 and over, Minority and Women Owned businesses accounted for only 7.32% of Services P.O's despite the 24.18% availability.
- Disabled owned firms gained only \$18,000 of \$624,333,561 for an effective percentage of zero as compared to a 1.00 availability.

Goods

- Minority and Female owned business utilization using P.O.s was 3.36% for all Goods as compared to a 13.92% availability.
- 7.92% of all P.O.'s under \$250,000 and 11.80% between \$250,000 and \$500,000 were awarded to Minority and Female owned businesses.
- 83.49% of all Minority and Female owned business P.O purchases were under \$500,000 with 16.51% \$500,000 or above.
- Of all Goods P.O's under \$500,000 Minority and Women owned businesses account for 8.98% while representing 13.92% availability. However, for P.O.s \$500,000 and over, Minority and Women Owned businesses accounted for only .81% of Goods P.O's with a 13.92% availability.
- There were no Disabled Owned P.O.s awarded during the Study Period in Goods

FINDING 7: Comparison with 2005 Study

GSPC compared the IFB and RFPs from 2001-03 to the IFB and RFPs from 2007-2012 and found that in Construction there was an overall slight decrease in amounts awarded to MFDs. It should be noted that the overutilization of Hispanic owned firms in Construction that is present in the current Study was also present in the previous study at a just slightly lower utilization percentage.

Table 128: Comparison of IFB and RFPs from 2001-03 to 2007-2012 in Construction

Construction	2001-03 IFB & RFPs	%	2007-2012 IFB & RFPs	%
African American	\$ 230,000.00	0.08%	\$ 16,919,670.61	1.79%
Asian American	\$ 18,119,094.00	6.48%	\$ 33,369,201.09	3.52%
Hispanic American	\$ 40,369,226.00	14.44%	\$ 143,488,153.75	15.15%
Native American	\$ -	0.00%	\$ 507,846.92	0.05%
Female	\$ 14,281,268.00	5.11%	\$ 49,960,490.61	5.27%
Disabled	\$ -	0.00%	\$ 2,141,987.03	0.23%
Non-MFD	\$ 206,532,925.00	73.89%	\$ 700,766,422.87	73.99%
Total MFD	\$ 72,999,588.00	26.11%	\$ 246,387,350.13	26.01%
Total	\$ 279,532,513.00	100.00%	\$ 947,153,773.00	100.00%

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Note: In 2001-03 the IFB & RFP threshold was \$25,000. In 2010 it changed to \$100,000 which would include part of the 2007-2012 IFB & RFP period reviewed for Table 128

In Professional Services there was a 1.86% overall increase in utilization of MFD's with a noticeable jump in the percentage of Hispanic American owned firms and a noticeable decrease in the utilization of Asian American owned firms. It should be noted that Disabled owned firms decreased from 1.36% to no utilization.

Table 129: Comparison of IFB and RFPs from 2001-03 to 2007-2012 in Professional Services

Professional Services				
	2001-03 IFB & RFPs	%	2007-2012 IFB & RFPs	%
African American	\$ 6,518,494.00	1.61%	\$ 5,076,657.78	1.86%
Asian American	\$ 8,295,307.00	2.05%	\$ 1,126,571.29	0.41%
Hispanic American	\$ 1,697,282.00	0.42%	\$ 11,652,061.06	4.27%
Native American	\$ -	0.00%	\$ -	0.00%
Female	\$ 6,568,491.00	1.63%	\$ 6,542,321.17	2.40%
Disabled	\$ 5,513,569.00	1.36%	\$ -	0.00%
Non-MFD	\$ 375,480,084.00	92.92%	\$ 248,655,813.74	91.06%
Total MFD	\$ 28,593,143.00	7.08%	\$ 24,397,611.32	8.94%
Total	\$ 404,073,227.00	100.00%	\$ 273,053,425.06	100.00%

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The utilization of MFD firms had a significant 12.34% increase in 2007-2012 from the 2001-2003 measurements of IFBs and RFPs. This is predominantly attributable to a 14% increase in the utilization of Asian American owned firms and an almost 3% increase in Female owned business utilization. However, there was also an almost 5% decrease in African American utilization, and again a small utilization down to zero for Disabled owned businesses.

Table 130: Comparison of IFB and RFPs from 2001-03 to 2007-2012 in Services

Services				
	2001-03 IFB & RFPs	%	2007-2012 IFB & RFPs	%
African American	\$ 7,378,185.00	6.82%	\$ 4,461,279.37	2.06%
Asian American	\$ 731,986.00	0.68%	\$ 31,789,245.08	14.69%
Hispanic American	\$ 8,245,551.00	7.62%	\$ 14,113,041.22	6.52%
Native American	\$ -	0.00%	\$ 2,675,000.00	1.24%
Female	\$ 4,611,340.00	4.26%	\$ 16,094,937.02	7.44%
Disabled	\$ 253,240.00	0.23%	\$ -	0.00%
Non-MFD	\$ 87,012,419.00	80.39%	\$ 147,233,747.72	68.05%
Total MFD	\$ 21,220,303.00	19.61%	\$ 69,133,502.73	31.95%
Total	\$ 108,232,722.00	100.00%	\$ 216,367,250.45	100.00%

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The total utilization of MFDs in IFBs and RFPs increased slightly from 6.19% to 7.13%. None of the specific race/gender/ethnicity groups changed more than 1% from the previous measurement to the current one.

Table 131: Comparison of IFB and RFPs from 2001-03 to 2007-2012 in Goods

Goods	2001-03 IFB & RFPs	%	2007-2012 IFB & RFPs	%
African American	\$ 127,734.00	0.19%	\$ 1,433,259.57	0.84%
Asian American	\$ 302,052.00	0.46%	\$ 95,564.00	0.06%
Hispanic American	\$ -	0.00%	\$ 1,376,595.44	0.80%
Native American	\$ -	0.00%	\$ -	0.00%
Female	\$ 3,643,665.00	5.53%	\$ 9,321,791.10	5.44%
Disabled	\$ -	0.00%	\$ -	0.00%
Non-MFD	\$ 61,777,725.00	93.81%	\$ 159,194,117.32	92.87%
Total MFD	\$ 4,073,450.00	6.19%	\$ 12,227,210.10	7.13%
Total	\$ 65,851,175.00	100.00%	\$ 171,421,327.42	100.00%

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FINDING 8: MFD Subcontractor Utilization and Disparity Analyses

MFD Subcontractor utilization was measured through a Prime Vendor Questionnaire to all County contractors from July 1, 2007 and ending June 30, 2012 (see Section M(1) for rate of response). The results compared to availability exhibited statistically significant underutilization over the Study Period for:

Construction: All MFD Groups

Professional Services: African American, Hispanic American, Native American, and Disabled owned firms

Services: African American, Asian American, Hispanic American, Native American, and Disabled (PO and P-card purchases only) owned

Goods: Asian American, Hispanic American, Native American and Female owned.

FINDING 9: Disparities in Seeking Contracts and Success in Contracting

GSPC determined that relative to non-MFD business owners, MFD business owners are similar in their propensity to bid for prime contracts, but are less likely to actually win a prime contract.

FINDING 10: Regression Analysis

GSPC found that a business owner's race, ethnicity, gender and disability status has a statistically significant and adverse effect on self-employment probabilities, and securing public contracting and subcontracting opportunities. It also found that race, ethnicity, gender and disability status do not necessarily reduce the likelihood/probability of pursuing public contracting opportunities. In general, the estimated regression parameters suggest that the disparities in contracting are explained by the race, ethnicity, gender, and disability status of business owners.

FINDING 11: Access to Capital

Relative to non-MFDs, MFDs are more likely to need start up financing for a new business and to expand their business. However, GSPC found that relative to non-MFDs, MFDs, are less likely to secure bank loans, home equity, and venture capital to either start-up businesses or expand their business.

FINDING 12: Anecdotal Evidence

The following presents findings based on the review presented in Chapter VII.

■ Perceptions of Discrimination

The primary concern regarding discrimination in the anecdotal testimony was the impediments to opportunity resulting from informal networks and discrimination in the private sector.

■ Barriers to Doing Work with the County

Major concerns in anecdotal testimony regarding barriers to work with the County were the advantages possessed by large and incumbent vendors, an informal network, and the selection process. Of those firms that responded to our telephone questions about barriers to doing business, key issues noted were as follows:

- financing (an average of 10% of all respondents);

- limited knowledge of purchasing/contracting policies and procedures (average of 14% of all respondents);
- bid and performance bond requirements (11% of respondents);
- time allotted to prepare bids and quotes (25% average of respondents);
- Informal networks (44% of respondents)
- Selection process (25% average of respondents)
- Competing with large firms (40% average of firms surveyed)
- Disparate treatment of MFD subcontractors (35% of respondents)

In public hearings, focus groups, and one-on-one anecdotal interviews, several themes emerged that are reflective of the answers to the Telephone Survey shown above. A number of business owners in different forums and work categories discussed the prevalence of a “Good old boy” system, advocating more accountability measures and citing experiences of being passed over for more “connected” firms. Dissatisfaction with the procurement process and the accountability of procurement personnel was widespread as well. This behavior included accounts a changing the scope of work on a project without notification, not responding to submittals and complaints, cumbersome and unnecessary bid specifications, and a use of non-competitive task orders that has perceived disparate impact on MFD firms. In anecdotal interviews, this was addressed as an issue of a lack of support in the department and sometimes overt discrimination. While financial impediments appear to be an issue, the perception of MFD firms within Montgomery County’s relevant market area seems to be that much of the improvement needs to occur within the County’s internal processes.

FINDING 13: Disparity Analysis

There remains a significant disparity between the utilization and availability of MFDs in Montgomery County. Based on the qualitative evidence in the anecdotal chapter and the quantitative private sector evidence, an inference of discriminatory exclusion from private sector construction can be drawn. Detailed statistical evidence also supports the claim that discrimination against Minority and Female owned businesses persists even after controlling for

both individual and firm characteristics. This combined evidence suggests that absent affirmative measures the County would be a passive participant in a pattern of exclusion of MFD firms.

FINDING 14: Purchasing Practices Policies and Procedure Findings

In general, based on a comparison among the anecdotal interviews, interviews with procurement personnel and GSPC's review of the procurement policies, GSPC finds that the County's current policies are not in need of revision to give better access to MFDs in the procurement process. However, there appears to be a disconnect in communicating that process to the MFD business community. Further, it appears the procurement personnel are unclear in how to execute the process of utilizing MFDs and do not always take full advantage of the lists and other tools available to them.

B. Recommendations

The statistical evidence in this Study, combined with anecdotal accounts and an examination of purchasing practices shows that there is significant basis for an inference of passive participation in discrimination and/or evidence of past discrimination against minority, female, and disabled owned businesses in Montgomery County. GSPC's Study team has found that Montgomery County will be an appropriate site for programs and measures to ensure that it is not a passive participant in discrimination and that all capable firms available within the relevant market are given every chance to succeed in business with the County. Much of the information emerging from the anecdotal evidence indicates that there are harmful perceptions of the County's processes, which may prevent capable and available MFD firms from attempting to do business with the County, further perpetuating this impression. The recommendations below are intended to streamline the County's practices, improve relations with the MFD business community in and around the county, and promote increased transparency.

1. Annual Goals for African American Participation

African American owned firms are the only race/ethnic/gender group that was underutilized in every procurement category, in every year of the Study. The anecdotal evidence drawn from the African American business community in Montgomery County's relevant market area support a

determination that discrimination and/or the effects of past discrimination are the proximate explanation for GSPC's findings that show statistically significant disparities. A conclusion that the process by which contracts are awarded in Montgomery County is race neutral finds no support in our regression analysis that finds MFD status lowers the likelihood of success in contracting and subcontracting---particularly for businesses owned by African Americans. Therefore, GSPC recommends that Montgomery County consider instituting a strong, narrowly tailored program to draw more participation from this group in particular. We specifically recommend a goal based procurement non-discrimination program, which is a very narrowly tailored option, and yet has been highly effective in a number of jurisdictions.

2. Standard Operating Procedures for Procurement and MFD Officer

The GSPC Study team found while conducting the Purchasing Policies and Practices review that there was significant confusion amongst the County's personnel regarding goals for MFD participation. GSPC has reason to believe that the perception of Montgomery County as a closed, exclusionary, informal network that frequently emerged in the anecdotal evidence is a result of a lack of standardized organization and training as well as a lack of transparency of process. The production of a Standard Operating Procedure that incorporates MFD participation goals and includes efforts that demonstrate a desire for new MFD engagement with the County will go a long way to improving perceptions of the County's commitment to utilizing MFD firms.

3. Program Training and Monitoring

Griffin & Strong, P.C. recommends that, in light of the findings and recommendations made in this Study, that procurement training be reviewed and revised to include more extensive training on non-discriminatory practices and MFD participation/goals. There should be an increase in the training and resources of Montgomery County to ensure the necessary resources to operate any programs or goals for MFD participation, train the internal customers and to track the data necessary to report on accomplishment. Specifically, this staff would perform outreach, respond to public inquiries about the program, set project and overall goals, analyze bid requirements, monitor compliance with current contracts, perform dispute resolution, collect and report on data related to contract awards and expenditures and respond to the needs of the internal customers regarding interpretation, assistance, and compliance.

4. Performance Reviews and Evaluations

Due to the statistically significant underutilization for certain racial and ethnic groups across a majority of work categories, a system of accountability in conjunction with the new training initiatives will be essential. County employees and user departments should be evaluated based on the quality, transparency, and overall effectiveness of their programs and attempts to reach goals. Once goals for the level of participation by Minority owned, Female owned and Disabled owned are set, the performance evaluation criteria for employees with procurement authority should include an evaluation of the employees' MFD utilization.

5. Private Sector Initiatives

Montgomery County should ask all bidders to describe their diversity program and list the MFDs with which they do business. The County should also consider private sector initiatives, such as including MFD goals in their economic development contracts and measuring MFD participation on private sector projects performed by prime contractors who currently do business with Montgomery County.

6. Promote MFD Collaboration/Joint-Venture Contracts

In order to encourage participation on high-dollar contracts, Montgomery County should look for instances in which MFD capacity can be increased to match contract size. MFD capacity can be increased by encouraging joint ventures. For example, in Oregon, the Northeast Urban Trucking Consortium, an organization composed of seven MWBE independent trucking firms with 15 trucks, joined together to win a \$2 million trucking contract. MWBE collaboration can be encouraged by citing consortium examples in newsletters and increasing outreach for projects where such collaboration may be effective.

Montgomery County may also cautiously encourage joint ventures between MFDs and nonminority firms on large-scale projects. For example, the City of Atlanta encourages

establishment of joint ventures on large projects over \$10 million, where economically feasible, to ensure prime contracting opportunities for all businesses, including certified MFDs. It must be noted that this type of joint venture poses potential illicit "front" risks, and Montgomery County must examine these joint ventures carefully.

IX. CONCLUSION

It is clear from this Study that Montgomery County has made great efforts to establish a fine-tuned procurement process that is set up to provide equal access to all firms. In addition, the Local Small Business Reserve Program was a significant attempt to benefit MFDs and all small business owners in obtaining contracts with the County. Notwithstanding such efforts, GSPC's analysis found that there is still statistically significant underutilization of MFDs, with the exception of Hispanic American owned businesses, in almost every business category throughout the Study Period.

In addition to determining that there is an inference of past or present, passive or active discrimination in the Maryland marketplace, it is GSPC's conclusion that there may also be a disconnect between Montgomery County's true efforts and the perception of the business community. In addition, GSPC believes that there are several new programs that may be implemented in an attempt to bridge the gap between MFD availability and utilization in future years. Such recommendations have been made to Montgomery County as a result of the findings herein.

GSPC will make every effort to follow through and provide assistance to the County in the development of such recommendations into action and potential legislative plans.

Griffin & Strong, P.C.

June, 2014

Appendix C

OLO Survey Questions

Survey Introduction

“Thank you for taking the time to complete this online survey.

This survey is intended to gather information on the local business experience with the Montgomery County procurement process. Your feedback is important to better understand how Montgomery County can improve its procurement process and outreach efforts.

Depending upon your experience, this survey should take about 2-10 minutes to complete. No survey responses will be tied to individual respondents or e-mail addresses. Please have the survey completed no later than May 19th.”

Has your business submitted a contract bid proposal to provide goods or services to Montgomery County Government?

- Yes - my business has been awarded a contract with Montgomery County.
- Yes - my business has submitted a contract bid proposal, but was not awarded a contract.
- No - my business has not submitted a contract bid proposal, but is interested in doing so.
- No - my business has not submitted a contract bid proposal, and is not interested in doing so.

Businesses That Have Applied For and Received Contracts:

How many contract bid proposals have you submitted to Montgomery County in the past year?

How many contracts have you been awarded by Montgomery County in the past year?

For your most recent contract award, what type of goods or services did your business provide?

- Retail
- Wholesale
- Service
- Contracting
- Manufacturing
- Other (please specify)

For your most recent contract award, what was the approximate dollar value?

- Under \$50,000
- Above \$50,000

For your most recent contract award, approximately how many work hours did your business spend on putting together the bid proposal?

For your most recent contract award, approximately how many days from the bid submission deadline was your business informed that it had won the contract?

Experiences with the Procurement Process (Received Contract):

Please rate the following components of Montgomery County Government's procurement process based on your business experience:

Survey Questions on Experience with the Procurement Process	Strongly Disagree				Strongly Agree	N/A
Montgomery County Government procurement opportunities are promoted effectively.						
The steps required to bid on a County solicitation are easy to understand.						
All necessary contract documents (including solicitation material) are easy to find.						
The terms of the contract are easy to understand.						
The contract solicitation period is adequate to complete a bid proposal.						
The follow-up provided by the County after your bid proposal was sufficient.						
The time it took to award the contract was acceptable.						
The County's procurement website is easy to navigate.						
If your business had a question regarding procurement, County staff were easily accessible.						
If your business had a question regarding procurement, County staff provided accurate answers.						
If your business had a question, County staff provided answers in a timely manner.						
Overall, Montgomery County's procurement process is effective.						
Montgomery County values your business.						

If your business submitted a contract bid in another public sector jurisdiction, how did your business' experience with the Montgomery County procurement process compare with the other jurisdictions?

- Much worse
- Somewhat worse
- About the same
- Somewhat better
- Much better
- Not applicable

Would you submit another contract bid proposal with Montgomery County in the future?

- Yes
- Unsure
- No – please explain

What changes would you suggest to improve the procurement process in Montgomery County?

Businesses That Have Applied For, but did not receive Contracts:

How many contracts with Montgomery County have you submitted a bid proposal for in the past year?

For your most recent bid proposal with Montgomery County, what type of goods or services did your business provide?

- Retail
- Wholesale
- Service
- Contracting
- Manufacturing
- Other (please specify)

For your most recent bid proposal with Montgomery County, what was the approximate dollar value?

- Under \$50,000
- Above \$50,000

For your most recent proposal with Montgomery County, approximately how many work hours did your business spend on putting together the bid proposal?

Business That Have Not Applied for Contracts:

Why has your business not applied for a Montgomery County procurement contract? Select all that apply:

- Business does not provide relevant goods/services
- Business does not have the capacity to meet solicitation specifications
- Business is unfamiliar with County procurement opportunities
- County's procurement bid proposal process is confusing
- County's procurement bid proposal process is time consuming
- County's contract open bid period is not long enough
- Business is not interested in procurement with Montgomery County (please specify why)
- Other (please specify)

Your Business' Status with Montgomery County:

“Montgomery County has an online registration system for businesses and individuals that are interested in opportunities to provide goods and services to County agencies.”

Are you registered in the County's Central Vendor Registration System?

- Yes
- No
- Unsure

Local Small Business Reserve Program (LSBRP):

“The Montgomery County Local Small Business Reserve Program (LSBRP) aims to increase small business' access to County contracting opportunities by ensuring that the County awards 20% of eligible contract dollars to registered local small businesses.

This section includes a few questions on your general experiences with the program.”

Are you familiar with Montgomery County's Local Small Business Reserve Program (LSBRP)?

- Yes
- No

If Yes:

How did you find out about Montgomery County's Local Small Business Reserve Program (LSBRP)?

- Montgomery County website, advertising, or outreach event
- Chamber of Commerce or other industry association meeting/event
- Word of mouth
- Other (please specify)

Are you registered in the County's Central Vendor Registration System as a local small business?

- Yes
- No
- Unsure
- Other (please specify)

If Yes:

Please rate the following components of the Local Small Business Reserve Program (LSBRP) based on your business experience:

Survey Questions on Experience with LSBRP	Strongly Disagree				Strongly Agree	N/A
Montgomery County effectively promotes the program.						
The program outreach events run by Montgomery County are beneficial to your business.						
The requirements to become a certified vendor with Montgomery County are clearly explained.						
The program certification process is easy to understand.						
The program adequately informs your business of contracting opportunities.						
The steps required to bid on a County solicitation in the program are easy to understand.						
If your business had a question regarding the program, County staff were easily accessible.						
If your business had a question regarding the program, County staff provided accurate answers.						
If your business had a question, County staff provided answers in a timely manner.						
Overall, your business' experience with the program has been good.						

What changes would you suggest to improve the LSBRP program in Montgomery County?

Please include any additional comments below:

If Not:

"A "local small business" is an independently-owned business that meets the following criteria:"

- Wholesale: Maximum of 30 full-time employees, OR maximum of \$5 million in gross sales from the previous 3 fiscal years.
- Retail: Maximum of 30 full-time employees, OR maximum of \$5 million in gross sales from the previous 3 fiscal years.
- Manufacturing: Maximum of 40 full-time employees, OR maximum of \$14 million in gross sales from the previous 3 fiscal years.
- Services: Maximum of 50 full-time employees, OR \$5 million in gross sales from the previous 3 fiscal years.
- Construction: Maximum of 50 full-time employees, OR \$14 million in gross sales from the previous 3 fiscal years.

Is your business eligible to be a local small business under these conditions?

- Yes
- No
- Unsure

Minority, Female, or Disabled (MFD) Owned Business Program:

“The Montgomery County Minority, Female, or Disabled (MFD) Owned Business program aims to increase the access of minority-owned businesses to County contracting opportunities by ensuring that the County provides a certain percentage of eligible contract dollars to certified MFD businesses.

This section includes a few questions on your general experiences with the program.”

Are you familiar with the Minority, Female, or Disabled (MFD) Owned Business program?

- Yes
- No

If Yes:

How did you find out about the Minority, Female, or Disabled (MFD) Owned Business program?

- Montgomery County website, advertising, or outreach event
- Chamber of Commerce or other industry association meeting/event
- Word of mouth
- Other (please specify)

Are you certified as a Minority, Female, or Disabled (MFD) Owned business?

- Yes
- No
- Unsure

If Yes:

Are you registered in the County's Central Vendor Registration System as a Minority, Female, or Disabled (MFD) Owned business?

- Yes
- No
- Unsure

If Yes:

What minority group do you represent?

- African American
- Hispanic American
- Asian American
- Native American
- Female
- Person with Disabilities

Please rate the following components of the Minority, Female, or Disabled (MFD) Owned Business program based on your business experience:

Survey Questions on Experience with the MFD Program	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	N/A
Montgomery County effectively promotes the program.						
The program outreach events run by Montgomery County are beneficial to your business.						
The requirements to become a certified vendor with Montgomery County are clearly explained.						
The program certification process is easy to understand.						
The program adequately informs your business of contracting opportunities.						
The steps required to bid on a County solicitation in the program are easy to understand.						
If your business had a question regarding the program, County staff were easily accessible.						
If your business had a question regarding the program, County staff provided accurate answers.						
If your business had a question, County staff provided answers in a timely manner.						
Overall, your business' experience with the program has been good.						

What changes would you suggest to improve the LSBRP program in Montgomery County?

Please include any additional comments below:

If Not:

“A minority, female, or disabled-owned business is a firm that is at least 51% owned, controlled and managed daily by one or more persons of minority status. State, federal and County laws consider a minority person to be among one or more of the following groups:”

- African American
- Hispanic American
- Asian American
- Native American
- Person with disabilities
- Female

“To participate in the program, a firm must also be certified by one of the six agencies listed below:”

- MD Dept. of Transportation
- VA Dept. of Small, Women & Minority Owned Business Program
- Federal Small Business Administration
- Women's Business Enterprise National Council
- MD/DC Minority Supplier Development Council
- City of Baltimore

Is your business eligible to be a local small business under these conditions?

- Yes
- No
- Unsure

Demographic Questions:

“Finally, please answer the following general questions the size of your business and what goods or services you offer.”

Approximately how many people are employed by your business?

- 1 employee
- 2 – 5 employees
- 6 – 25 employees
- 26 – 50 employees
- 50 or more employees

In what sectors does your business operate?

- Retail
- Wholesale
- Service
- Contracting
- Manufacturing
- Other (please specify)

Which of these statements most accurately describes your business?

- We only sell to the public sector
- Less than 10% of our sales are to the public sector
- Between 10% and 50% of our sales are to the public sector
- More than half of our sales are to the public sector

Please provide your business' zip code:

Appendix D

Summarized of Survey Results for All Respondents

Has your business submitted a contract bid proposal to provide goods or services to Montgomery County Government?		
Answer Options	Response Percent	Response Count
Yes - my business has been awarded a contract with Montgomery County.	30.7%	379
Yes - my business has submitted a contract bid proposal, but was not awarded a contract.	17.8%	220
No - my business has not submitted a contract bid proposal, but is interested in doing so.	40.6%	500
No - my business has not submitted a contract bid proposal, and is not interested in doing so.	10.9%	134
<i>answered question</i>		1233
<i>skipped question</i>		0

For your most recent contract award, what type of goods or services did your business provide?		
Answer Options	Response Percent	Response Count
Retail	5.2%	15
Wholesale	11.4%	33
Service	45.9%	133
Construction	11.0%	32
Manufacturing	3.8%	11
Other (please specify)	31.7%	92
<i>answered question</i>		290
<i>skipped question</i>		943

For your most recent contract award, what was the approximate dollar value?		
Answer Options	Response Percent	Response Count
Under \$50,000	56.5%	160
Above \$50,000	43.5%	123
<i>answered question</i>		283
<i>skipped question</i>		950

Businesses That Received Contracts - please rate the following components of Montgomery County Government's procurement process based on your business experience:						
Answer Options	Strongly Disagree				Strongly Agree	Not Applicable
Montgomery County Government procurement opportunities are promoted effectively.	14	28	35	79	76	16
The steps required to bid on a County solicitation are easy to understand.	13	28	45	84	68	11
All necessary contract documents (including solicitation material) are easy to find.	10	22	40	98	65	12
The terms of the contract are easy to understand.	14	24	40	91	70	8
The contract solicitation period is adequate to complete a bid proposal.	8	16	45	85	81	13
The follow-up provided by the County after your bid proposal was sufficient.	17	23	48	79	67	13
The time it took to award the contract was acceptable.	23	21	47	81	65	9
The County's procurement website is easy to navigate.	9	22	55	78	57	25
If your business had a question regarding procurement, County staff were easily accessible.	13	13	38	70	82	29
If your business had a question regarding procurement, County staff provided accurate answers.	18	10	31	74	86	29
If your business had a question regarding procurement, County staff provided answers in a timely manner.	16	12	29	75	86	28
Overall, Montgomery County's procurement process is effective.	15	20	44	94	70	5
Montgomery County values your business.	20	21	44	72	81	8
answered question						249
skipped question						984

If your business submitted a contract bid in another public sector jurisdiction, how did your business' experience with the Montgomery County procurement process compare with the other jurisdictions?		
Answer Options	Response Percent	Response Count
Much worse	5.2%	13
Somewhat worse	12.9%	32
About the same	29.4%	73
Somewhat better	14.9%	37
Much better	12.1%	30
Not applicable	25.4%	63
answered question		248
skipped question		985

Would you submit another contract bid proposal with Montgomery County in the future?

Answer Options	Response Percent	Response Count
Yes	87.3%	219
Unsure	8.8%	22
No - please explain	4.0%	10
answered question		251
skipped question		982

For your most recent bid proposal with Montgomery County, what type of goods or services did your business provide?

Answer Options	Response Percent	Response Count
Retail	5.0%	10
Wholesale	6.0%	12
Service	53.2%	107
Construction	20.4%	41
Manufacturing	2.5%	5
Other (please specify)	21.4%	43
answered question		201
skipped question		1032

For your most recent bid proposal with Montgomery County, what was the approximate dollar value?

Answer Options	Response Percent	Response Count
Under \$50,000	44.1%	86
Above \$50,000	55.9%	109
answered question		195
skipped question		1038

Businesses That Didn't Receive Contracts - please rate the following components of Montgomery County Government's procurement process based on your business experience:

Answer Options	Strongly Disagree				Strongly Agree	Not Applicable
Montgomery County Government procurement opportunities are promoted effectively.	25	27	57	39	28	4
The steps required to bid on a County solicitation are easy to understand.	12	33	37	57	38	4
All necessary contract documents (including solicitation material) are easy to find.	10	28	43	53	42	5
The terms of the contract are easy to understand.	12	22	50	60	29	7
The contract solicitation period is adequate to complete a bid proposal.	11	23	33	76	31	6
The follow-up provided by the County after your bid proposal was sufficient.	47	41	29	37	17	10
The time it took the County to award the contract was acceptable.	26	33	44	40	21	17
The County's procurement website is easy to navigate.	11	22	47	56	38	5
If your business had a question regarding procurement, County staff were easily accessible.	29	22	33	39	40	15
If your business had a question regarding procurement, County staff provided accurate answers.	18	17	43	37	46	17
If your business had a question regarding procurement, County staff provided answers in a timely manner.	24	22	39	38	37	18
Overall, Montgomery County's procurement process is effective.	24	36	49	39	28	4
Montgomery County values your business.	37	37	38	31	21	14
answered question						182
skipped question						1051

If your business submitted a contract bid in another public sector jurisdiction, how did your business' experience with the Montgomery County procurement process compare with the other jurisdiction?

Answer Options	Response Percent	Response Count
Much worse	8.4%	15
Somewhat worse	21.9%	39
About the same	34.3%	61
Somewhat better	9.0%	16
Much better	9.6%	17
Not applicable	16.9%	30
answered question		178
skipped question		1055

Would you submit another contract bid proposal with Montgomery County in the future?

Answer Options	Response Percent	Response Count
Yes	64.5%	107
Unsure	35.5%	59
No - please explain		22
answered question		166
skipped question		1067

Businesses that have not applied, but are interested -- why has your business not applied for a Montgomery County procurement contract? Select all that apply:

Answer Options	Response Percent	Response Count
Business does not provide relevant goods/services	15.8%	73
Business is unfamiliar with County procurement opportunities	44.2%	204
Business prioritizes other jurisdictions' procurement opportunities	4.5%	21
Business does not have the capacity to meet procurement solicitation specifications	8.9%	41
County's procurement bid proposal process is confusing	21.0%	97
County's procurement bid proposal process is time consuming	16.9%	78
County's contract open bid period is not long enough	7.1%	33
Other (please specify)	30.7%	142
answered question		462
skipped question		771

Businesses that have not applied and are not interested -- why has your business not applied for a Montgomery County procurement contract? Select all that apply:

Answer Options	Response Percent	Response Count
Business does not provide relevant goods/services	34.2%	40
Business does not have the capacity to meet solicitation specifications	8.5%	10
Business is unfamiliar with County procurement opportunities	13.7%	16
County's procurement bid proposal process is confusing	4.3%	5
County's procurement bid proposal process is time consuming	5.1%	6
County's contract open bid period is not long enough	0.9%	1
Business is not interested in procurement with Montgomery County (please specify why)	13.7%	16
Other (please specify)	42.7%	50
answered question		117
skipped question		1116

Are you registered in the County's Central Vendor Registration System?		
Answer Options	Response Percent	Response Count
Yes	70.7%	717
No	8.0%	81
Unsure	21.3%	216
answered question		1014
skipped question		219

Are you familiar with Montgomery County's Local Small Business Reserve Program (LSBRP)?		
Answer Options	Response Percent	Response Count
Yes	43.6%	446
No	56.4%	577
answered question		1023
skipped question		210

How did you find out about Montgomery County's Local Small Business Reserve Program (LSBRP)?		
Answer Options	Response Percent	Response Count
Montgomery County website, advertising, or outreach event	57.8%	252
Chamber of Commerce or other industry association meeting/event	9.6%	42
Word of mouth	17.9%	78
Other (please specify)	14.7%	64
answered question		436
skipped question		797

Are you registered in the County's Central Vendor Registration System as a local small business?		
Answer Options	Response Percent	Response Count
Yes	62.0%	276
No	23.1%	103
Unsure	14.8%	66
Other (please specify)		12
answered question		445
skipped question		788

Is your business eligible to be a local small business under these conditions?

Answer Options	Response Percent	Response Count
Yes	50.6%	370
No	41.3%	302
Unsure	8.1%	59
answered question		731
skipped question		502

Please rate the following components of the Local Small Business Reserve Program (LSBRP) based on your business experience:

Answer Options	Strongly Disagree				Strongly Agree	Not Applicable
Montgomery County effectively promotes LSBRP.	26	32	60	51	71	16
Your business has submitted a contract bid proposal because of LSBRP.	45	20	22	38	69	63
Your business has been invited to County business networking events for LSBRP.	33	23	32	58	83	26
The LSBRP outreach events run by Montgomery County are beneficial to your business.	33	38	59	34	45	44
The requirements to become a LSBRP program vendor with Montgomery County are clearly explained.	12	23	41	72	90	15
The LSBRP certification process is easy to understand.	13	20	40	80	87	15
The LSBRP program informs your business of contracting opportunities.	21	25	33	71	85	18
The steps required to bid on a County solicitation in the LSBRP are easy to understand.	14	40	46	74	59	21
If your business had a question regarding the LSBRP program, County staff were easily accessible.	17	17	36	58	57	67
If your business had a question regarding the LSBRP program, County staff provided accurate answers.	13	17	36	55	59	72
If your business had a question regarding LSBRP procurement, County staff provided answers in a timely manner.	12	19	39	52	56	72
Overall, your business' experience with LSBRP has been good.	28	33	58	57	55	22
answered question						260
skipped question						973

Are you familiar with the Minority, Female, or Disabled (MFD) Owned Business program?

Answer Options	Response Percent	Response Count
Yes	55.0%	549
No	45.0%	449
answered question		998
skipped question		235

How did you find out about the Minority, Female, or Disabled (MFD) Owned Business program?

Answer Options	Response Percent	Response Count
Montgomery County website, advertising, or outreach event	49.7%	267
Chamber of Commerce or other industry association meeting/event	6.5%	35
Word of mouth	26.1%	140
Other (please specify)	17.7%	95
answered question		537
skipped question		696

Are you certified as a Minority, Female, or Disabled (MFD) Owned business?

Answer Options	Response Percent	Response Count
Yes	29.0%	157
No	65.4%	354
Unsure	5.5%	30
answered question		541
skipped question		692

Is your business eligible to be a local small business under these conditions?

Answer Options	Response Percent	Response Count
Yes	41.0%	184
No	48.1%	216
Unsure	10.9%	49
answered question		449
skipped question		784

Are you registered in the County's Central Vendor Registration System as a Minority, Female, or Disabled (M/F/D) Owned business?

Answer Options	Response Percent	Response Count
Yes	18.1%	178
No	63.5%	626
Unsure	18.5%	182
answered question		986
skipped question		247

What minority group do you represent?

Answer Options	Response Percent	Response Count
African American	43.8%	77
Hispanic American	18.2%	32
Asian American	7.4%	13
Native American	0.6%	1
Female	29.0%	51
Person with Disabilities	1.1%	2
answered question		176
skipped question		1057

Please rate the following components of the Minority, Female, or Disabled (MFD) Owned Business program based on your business experience:

Answer Options	Strongly Disagree				Strongly Agree	Not Applicable
Montgomery County effectively promotes the MFD Business program.	27	30	36	19	36	18
Your business has submitted a contract bid proposal because of the the MFD Business program.	38	12	22	20	29	44
Your business has been invited to County business networking events for the MFD Business program.	37	14	27	24	39	26
The MFD Business program outreach events run by Montgomery County are beneficial to your business.	31	17	36	23	28	29
The requirements to become a certified MFD Business program vendor with Montgomery County are clearly explained.	22	17	32	37	39	19
The MFD Business program certification process is easy to understand.	21	16	35	32	40	21
The MFD Business program adequately informs your business of contracting opportunities.	37	18	31	26	32	20
The steps required to bid on a County solicitation in the MFD Business program are easy to understand.	24	20	33	30	32	27
If your business had a question regarding the MFD Business program, County staff were easily accessible.	25	13	20	26	34	47
If your business had a question regarding the MFD Business program, County staff provided accurate answers.	21	14	20	26	32	53
If your business had a question regarding procurement, County staff provided answers in a timely manner.	20	16	23	22	33	50
Overall, your business' experience with the MFD Business program has been good.	34	17	29	31	28	25
answered question						168
skipped question						1065

Approximately how many people are employed by your business?

Answer Options	Response Percent	Response Count
1 employee	20.8%	197
2 - 5 employees	24.6%	233
6 - 25 employees	26.4%	251
26 - 50 employees	9.4%	89
50 or more employees	18.9%	179
answered question		949
skipped question		284

In what sectors does your business operate?		
Answer Options	Response Percent	Response Count
Retail	10.6%	102
Wholesale	11.8%	113
Service	57.9%	555
Contracting	21.8%	209
Manufacturing	7.4%	71
Other (please specify)	22.3%	214
answered question		959
skipped question		274

Which of these statements most accurately describes your business?		
Answer Options	Response Percent	Response Count
We only sell to the public sector	12.9%	115
Less than 10% of our sales are to the public sector	22.8%	204
Between 10% and 50% of our sales are to the public sector	25.5%	228
More than half of our sales are to the public sector	38.7%	346
answered question		893
skipped question		340

Appendix E

Survey Responses of Procurement Ratings by Business Type and Amount of Contract

Average Ratings of County Procurement by Type of Services Offered For Businesses that Received Contracts

	Businesses That Received Contract					
	Retail	Wholesale	Service	Const.	Mfr.	Other
Number of Respondents	14	27	113	29	10	73
Montgomery County Government procurement opportunities are promoted effectively.	3.43	3.48	3.57	3.86	4.10	3.21
The steps required to bid on a County solicitation are easy to understand.	2.93	3.56	3.50	3.93	4.40	3.38
All necessary contract documents (including solicitation material) are easy to find.	3.21	3.70	3.58	3.83	3.70	3.53
The terms of the contract are easy to understand.	3.31	3.81	3.65	3.72	3.60	3.49
The contract solicitation period is adequate to complete a bid proposal.	4.36	4.00	3.68	3.76	4.10	3.51
The follow-up provided by the County after your bid proposal was sufficient.	3.57	3.26	3.49	3.69	4.10	3.32
The time it took to award the contract was acceptable.	3.00	3.56	3.45	3.62	4.10	3.41
The County's procurement website is easy to navigate.	2.93	3.52	3.28	3.61	3.60	3.16
If your business had a question regarding procurement, County staff were easily accessible.	2.57	3.63	3.45	3.74	3.90	3.36
If your business had a question regarding procurement, County staff provided accurate answers.	3.21	3.74	3.53	3.81	3.40	3.22
If your business had a question regarding procurement, County staff provided answers in a timely manner.	3.29	3.70	3.58	3.85	3.30	3.26
Overall, Montgomery County's procurement process is effective.	3.64	3.44	3.70	3.76	4.20	3.53
Montgomery County values your business.	3.93	3.30	3.66	3.50	4.10	3.54

**Average Ratings of County Procurement by Type of Services Offered
For Businesses That Didn't Receive Contracts**

	Businesses That Didn't Receive Contract					
	Retail	Wholesale	Service	Const.	Mfr.	Other
Number of Respondents	10	12	104	41	5	43
Montgomery County Government procurement opportunities are promoted effectively.	2.86	2.90	2.90	3.30	N/A	3.23
The steps required to bid on a County solicitation are easy to understand.	2.57	3.40	3.36	3.40	N/A	3.53
All necessary contract documents (including solicitation material) are easy to find.	2.86	3.00	3.35	3.78	N/A	3.41
The terms of the contract are easy to understand.	3.29	3.50	3.31	3.41	N/A	3.13
The contract solicitation period is adequate to complete a bid proposal.	2.71	3.40	3.35	3.87	N/A	3.36
The follow-up provided by the County after your bid proposal was sufficient.	2.71	2.70	2.21	2.98	N/A	2.46
The time it took to award the contract was acceptable.	3.14	3.20	2.39	3.30	N/A	2.58
The County's procurement website is easy to navigate.	3.43	2.70	3.30	3.68	N/A	3.61
If your business had a question regarding procurement, County staff were easily accessible.	3.00	2.67	2.83	3.08	N/A	3.03
If your business had a question regarding procurement, County staff provided accurate answers.	2.29	2.78	3.06	3.26	N/A	3.35
If your business had a question regarding procurement, County staff provided answers in a timely manner.	2.43	2.67	2.89	3.13	N/A	3.03
Overall, Montgomery County's procurement process is effective.	3.00	2.70	2.90	3.10	N/A	3.08
Montgomery County values your business.	2.86	2.40	2.48	2.68	N/A	2.41

Average Ratings of County Procurement by Dollar Value of Contract

	Received		Didn't Receive	
	Under \$50,000	Over \$50,000	Under \$50,000	Over \$50,000
Number of Respondents	134	105	84	108
Montgomery County Government procurement opportunities are promoted effectively.	3.27	3.82	2.77	3.18
The steps required to bid on a County solicitation are easy to understand.	3.42	3.69	3.24	3.36
All necessary contract documents (including solicitation material) are easy to find.	3.53	3.70	3.29	3.42
The terms of the contract are easy to understand.	3.69	3.55	3.25	3.30
The contract solicitation period is adequate to complete a bid proposal.	3.66	3.78	3.28	3.53
The follow-up provided by the County after your bid proposal was sufficient.	3.30	3.69	2.37	2.49
The time it took to award the contract was acceptable.	3.44	3.53	2.72	2.62
The County's procurement website is easy to navigate.	3.17	3.47	3.26	3.46
If your business had a question regarding procurement, County staff were easily accessible.	3.38	3.50	2.85	2.99
If your business had a question regarding procurement, County staff provided accurate answers.	3.45	3.50	3.00	3.19
If your business had a question regarding procurement, County staff provided answers in a timely manner.	3.50	3.48	2.85	2.93
Overall, Montgomery County's procurement process is effective.	3.61	3.77	2.88	3.00
Montgomery County values your business.	3.58	3.63	2.61	2.43

Appendix F Open-Ended Survey Responses

11. **Businesses that applied for and received contracts with the County - what changes would you suggest to improve the procurement process in Montgomery County?**

- Ensuring there is one central point to clarify questions to reduce getting different answers from multiple sources.
- Please direct deposit into bank account. Sometimes this happens - most recently it did not. Has happened too many times that I get a check that I must deposit myself. Thanks.
- More time to submit bids
- No suggested changes. Process is effective and easy to navigate.
- Improve the time to award the contract.
- all contract sources should be available on 1 site; records for registered firms should be accurately maintained; staff in some other local jurisdictions more pleasant/helpful
- Both my company and I, as its representative, have been dealt with a way that seem to be totally unacceptable to the point of being discriminatory MC Office. I would appreciate to be contacted to discuss the need for the investigation - 6 stores has submitted orders for our products - they have been sent to the company that the office new had no rights to sell the product in Montgomery - I have never got neither the orders nor the communications explaining the situation - all requests have been ignored. Thank you
- The County should 'set-aside', Prime procurement opportunities where only County Registered and Approved firms can bid -OR 2) Provide 'pricing' discount points for Prime firms that bid with MoCo registered firms in a JV 3) Expand the BRP program to include more Prime contracting opportunities beyond "janitorial" and other low-margin, unskilled service opportunities.
- The processes could be more user friendly. More local opportunities for MoCo vendors. Better effort to be County departments aware of LSBRP program. Enforcement of the law on departments.
- Please let library performers know in advance that a follow-up invoice is required (despite receiving a returned signed contract) so as to avoid extended wait for payment. Thanks!
- Sometimes it seems that the process of putting together the RFP is rushed. This has resulted in RFPs being amended multiple times and/or pulled altogether. Very frustrating for organizations putting bids together.
- Eliminate minority priority!
- Okay as-is.
- It is difficult to know what things apply and what doesn't. As an individual with no staff and a contract under 50,000 not everything applies but it isn't always clear what applies or not. Maybe a separate form for an individual that isn't 60+ pages.
- Award to multiple vendors including MWBE's, and then spread the orders to a few of them instead of just one big vendor.
- Expedite the time frame after award.
- I would like to suggest that Montgomery County request bid solicitations on per property, not per areas.
- Review existing contracts that supply the same materials and approve rider agreement
- Not all small businesses are DBE but struggle all the same. Be the first to include Caucasian male small business owners to the list of companies
- We won grants so this is not a very accurate representation of our grant experience which was wonderful.
- Montgomery County and the State of Maryland place way too much emphasis on minority participation requirements and not enough emphasis on small business participation requirements.
- On award of the contract the terms of the contract were changed from one year to three years without provisions for price adjustment over the three year period.
- The procurement process is fine.
- It would be great if there was a newsletter to those who work in human services about possible contracts
- From time payment was requested until payment seems extremely long.
- less set aside offerings. These unfairly target items provided to the county. There was a time and a place for these type of programs, that time has passed. Fair competition would yield less confusion.
- would suggest to offer automated notifications based on commodity code to vendors.

- Only put items that have alot of value on bids.
- Price Pay on time the PO's
- I believe it works very well, especially in comparison to other jurisdictions we work in
- Any contract that is predicated on a single multiplier or discount on a manufactuer's catalog is completely out of touch with the reality of the plumbing industry. A bid based on recent or expected purchases is much more realistic and certainly fairer to both Montgomery County and the vendor.
- keeping to renewing contracts in a timely manner (usually before current contracts expire)
- I think it is well run and similar to other jurisdictions.
- Increase transparency and information sharing during the post-award phase of bidding. We have a multiple award contract in place and the contracts office has never provided post-award information, often not even a notification that an award has taken place. Procurement policy should require the County to inform businesses of the outcome of the bidding process along with details on the reason for selection.
- faster response to questions
- It would help if the Scope of Work and required items to respond to had be more clear.
- Remove set-aside/small business requirements as sole source provider for commodities and develop a RFP based on quality of goods, pricing, provides history of contracts in good standings, added value service(s), product training, reporting for "Greening" effort- GS-42 Standard, LEED Standards and MD Bill- HB 1363 charges the Maryland County Boards of Education, local manufacture to reduce carbon footprint (500 mile rule) and employer for MD residents and a warehouse location in Montgomery County... Having set aside as primary vendor cost the county money.
- The bids treat services as though they area commodity. They are not the same and certain items are not relevant so are impossible to answer.
- simpler application process
- No to award out of state companies since they do hire or pay taxes in our state
- the paperwork needed for the amount of the contract seemed to be a bit much
- I am a teaching consultant and I receive TOO MANY notices for bids for street repairs, construction, and many other things not related to my small minority owned, female owned, teaching consultant business. Scale that down
- A more professional approach with contractors.
- More assistance and emphasis on minority participation.
- more transperancy. Direct access to program people who will be the client. Often procurement people don't fully understand what it is they are buying.
- We are registered as a small business with the US SBA. We are also located in a federal HUBZone; [Historically Underutilized Business Zone] which federal legislation has established to promote government contracting for the overall economic health of every corner of our nation. Montgomery County bars my company now from providing to it and its agencies the low priced, outstanding quality services that we have previously provided for decades. The sole reason is that we are not a MCo based firm. We are located in DC. DC does not bar MCo firms from bidding on their government solicitations for goods and services. It is clearly against the interest of MCo and the State of Maryland as well as the economic health of the nation for our firm to be barred from even submitting a new offer for work we can perform both for less cost to MCo and at a higher quality level as well.
- I HAVE A PROBLEM WITH \$10K /YR MAX NON CONTRACT AWARD.AWARDS ARE OFTEN GIVEN TO THOSE WITH CARTE BLANCHE GRAINGERS AND THE LIKE DESPITE THIS IS MORE EXPENSIVE FOR THE WRONG MATERIALS. DOESN'T SERVE THE COUNTY OR RESIDENTS IN BIDS.
- Good as is
- increase the time between issuance and submission. 2. advertise/announce the solicitation via multiple avenues.
- The County is inconsistent in the time allowed to prepare proposals. Sometimes it is adequate, sometimes very inadequate. When it is inadequate the incumbent has an insurmountable advantage.
- Generally works well. Significant compliance documentation required. Use of small business partners is not always to the benefit of the engagement .
- Fairness- why are some programs that offer childcare (more than 2 hours per week) allowed to lease space without going through the bid process?
- I found the process straightforward and professional
- Some departments take months to award and do the follow up admin

- The solicitation wording is extremely restrictive, and well beyond industry standard practices, which makes it much more costly for a business to take on the risk of doing business with the county. Your constituents end up paying too much for the county's perceived legal protection
- It would help to have reps more readily available to answer bidders questions.
- Scope of Work clause should only include the task assignments to be performed and should match the evaluation criteria. Other requirements (travel time, meetings, reports, etc.) should be broken out.
- More specific directions for different vendors
- Website needs improvement not easy to navigate. Should be setup according to subject.
- Staff seemed unprepared in pre-proposal meetings and were unable to answer many of the questions asked. Additionally, in past contract bids we were never contacted regarding the award status and could not locate information regarding the award on the County website.
- Overall, communication with bidders could use improvement.
- DGS needs to be restructured
- MCDGS needs to totally clean house and restructure how they operate.
- Improving the time they process renewals and approvals, a central office to process all renewals regardless of the contract, universal contract policies and procedures re: timelines and contract details, improving timeliness of payment
- Replace the inspection team for construction. They are arbitrary in their decision making and authoritarian in their decision process.
- My experience has been friendly staff but inability to get an answer why MCG accepts VA SWaM certification with exception of small business. Several attempts have been made to get an explanation. I have only received rejection. MCG seems to place a significant emphasis on Small Business but by selectively eliminating Small Business as an approved minority business the policy seems incongruent.
- Listen to vendors and update bid information
- Conduct pre-bids and post award meetings. Set time by which an award notification is made. Include contact information for companies that request procurement documents, evaluate each contract for exposure and set insurance requirements accordingly, cost of increased coverage is a barrier.
- More promotion of contract opportunities and RFPs/bids. I had to really go out and search to find the ones I bid on.
- I really would prefer to talk with someone who can initiate positive change to the process of "this is the way we have done it" and is not afraid to consider changes that are in the best interest of the county. Such as piggy backing another municipal contract when everything about doing that would save the county money and efficiencies. The recent bid that we were awarded was an Anti-Freeze contract to provide case goods and/or 55 gallon drums for Ford, GM and CAT applications. After working up pricing and attending two separate bid openings in which we were the lowest and only bid submitted.....It turns out that the county doesn't even purchase or use Anti-Freeze in these types of packages. As a result we have "0" opportunity to sell Montgomery County Anti-Freeze. I am a county resident and would like to discuss the automotive / truck bid opportunities with someone in hopes of improving the county savings. The business has changed and the bid process should as well.
- I have two complaints. Montgomery County based businesses should get priority. Perhaps a 5% advantage. The printing supply bid for MCPS schools should be put out every year and not be rolled over for three years.
- The interview process after the contract submission needs to be more transparent. I have many concerns about inappropriateness in the selection interview process for Child Care, which falls under the procurement heading.
- For solo practitioners, and professionals change the form which now is intended for large businesses dealing with widgets vs people
- Even though my first awarded contract was timely, a second bid that was submitted three weeks ago has still not had a decision made, and when your bidding to make a substantial commitment of weekly hours to the contract if awarded, its hard to be in a holding pattern waiting for an answer, while other opportunities are being missed, because if awarded the contract, your committed to a substantial amount of hours per week to fulfill the awarded contract and waiting weeks for a decision is to disruptive to the bidders income, once the bidding is submitted, the awarding body, it seems to me should have a decision within days, in this case, 3 weeks went by, and when I inquired to the contact personnel, I was informed it would be another week, and then I was asked to submit more information, and was told it be another 2-3 weeks before a decision would be made. But that does not deter me from bidding on contracts with Montgomery County. I would like to see a change in the decision process.
- Make it clear to the contracting community where to find all opportunities across all agencies via a updated daily web site
- The website needs to be clearer and all steps for all programs easily enumerated. The length of time for a bid to be submitted and a contract to be awarded is entirely too long and must be shortened. In addition, there should be stronger communications from procurement throughout the process so that a company knows if things are proceeding.
- The insurance requirement to complete this bid required a lot of extra time and energy and cost. To win this bid, and complete the insurance requirement will add \$2000.00 approximately to my cost of doing business with Montgomery County and I have not had to provide this type of insurance for any other county or municipality or the federal government. It did not feel reasonable to a small business.

- It took us a very long time to receive a contract after receiving the award. That could probably be improved.
- County employees handling bids and awards need to be trained and competent in navigating the internal system to ensure vendors are paid in a timely fashion. The proposal portion worked marginally better.
- Identify the criteria on which vendors are evaluated. Provide debrief to unsuccessful vendors.
- Make it less bureaucratic and more business oriented. The presentation and Q&A sessions were not very effective because of the volume of questions asked and the lack of time to effectively respond
- Process should be more quality based and less price based. We see firms winning awards for design services that they were not qualified for and then it costs the county more because they have to fix the problems.
- Montgomery County Schools, college and other agencies that procure institutional style educational furniture, primarily purchase everything from ONLY 1 or 2 vendors. Many local county vendors never get an opportunity to participate. Procurement policy discourages competition. Purchases are almost exclusively made through the state's BRCPC contract or agencies develop their own contracts. Once a contract has been established, it can be renewed for years. The opportunity to bring new vendors or products in is almost impossible. Once a vendor has been awarded a contract, an agency can "standardize" on that product and purchase only it for whatever price the "authorized dealer" selects. Montgomery County should bring back the bid process. It should be the function of procurement to seek out local qualified vendors. Procurement should provide equal access to contracts by not limiting the scope of the specification to favor 1 or 2 vendors. There is no reason to limit the period of time to a small window to place items on a contract. Procurement should go back to using bids and seek out local vendors. There should be either a limit or some oversight to the amount of procurement that can be given to the same vendor.
- Establish hard award date and announce that date in the bid documents and stick to it, as well as publish a complete competitive recap of offerings made available to bidding manufacturers.
- I am sorry to say that in our experience many of the intermediary service providers who act in a payment liaison capacity between my challenged clients and the County or State are inadequate, rude, unskilled, not timely, or possibly fraudulent in their management of the County and State funds entrusted to them on behalf of challenged clients. Frankly, I am horrified. Were it not for my back-channel personal relationships, I suspect that we would continue to face a delay of six months or up to a year in getting paid for services competed all too often. Our small non-profit simply cannot sustain such delays, as virtually all of our own costs, which are substantial, are "cash on the barrelhead." In addition, our non-profit has found many intermediary pass-along organization staff members to be rude, they do not respond to phone calls or emails in a timely manner, and they appear not to have the welfare of the mutual challenged clients we have in the forefront of their minds. It has been a deeply frustrating experience, it does not mirror our experience in other jurisdictions, and it is needlessly bureaucratic. Frankly, many of these intermediate interface non-profits that do the work of the County appear just like the much vilified French "petite fonctionnaires" that so hamstrung the French government for decades! In addition, in order to do business with the County in other areas, as with training, signing up for various programs to benefit the handicapped community, and so forth, we have suffered such excessive bureaucracy, created, no doubt, to mitigate against highly theoretical potential harms, that it is almost impossible to sign up for various programs that would have benefits for the clients, the County, the County's watchdog offices of our clients, and the departments that run them, as well as small non-profits such as ours. Finally, we have found the frequently changes in the County's fiscal software (never brought to our attention) to have repeatedly dropped our non-profit from the County's fiscal system, thus immeasurably complicating our enrollment/re-enrollment, payment, and auditing system. If we could possibly relocate anywhere else, we would do so! It is almost impossible to do business here effectively as a non-profit. Our Executive Committee estimates that a full 50% of our chief executive's time is invested in fixing County-generated administrative problems for us and for our clients, and not in running our program for the benefit of challenged children, adults and seniors. We can't afford that, and they shouldn't have to put up with it! Moreover, with six unannounced County and State Site Visits during the year, we spend an inordinate amount of time preparing for a theoretical County or State challenge, although we have always gotten 100% on our Site Visits, or achieve an "exceptional" rating. The stress generated takes a constant toll, and takes us away from serving our clients as we would like. The root cause is excessive bureaucracy born of inordinate, theoretical, and non-appropriate levels of perceived risk, or it is born of a bloated bureaucracy that has to justify what it does, so it just continues to raise the accountability bar far above the necessary! I say this as an experienced management professional with a Ph.D. in Government from Harvard University!. I know whereof I speak.
- TURN AROUND TIME TO SUBMIT BID TO BE LONGER - NEVER LESS THAN THREE WEEKS
- Move to electronic submissions and contract management.
- Clarify what you are really looking for. If a set-aside, then clarify what type of firm you are looking for PRIOR to submitting bids.
- We are listed as a vendor but never seem to receive RFP's.
- My dealings with the Montgomery County and the DLC have been easy if not very delayed with every process. If the whole system could operate through an online portal it would be far easier and more efficient for everybody concerned.
- The procurement process (submitting a bid) is relatively easy to do. The laws and regulations of the County are what are very confusing and challenging to deal with. It takes several "layers" of procurement people to sign off and issue POs. This process takes up to 6 weeks which is very frustrating as a business. There are too many layers of "red tape" within the process to make it very efficient and business friendly.
- Make it far less paperwork
- Overhaul the process and staff. Get new people on board.

- procurement is great. Contract admin is unilateral and heavy handed. Winners of contracts should not be treated like enemies.
- Six months to award a contract is not reasonable when specific personnel need to be kept on hold because they are bid as key personnel on the contract and the delay causes transition time to be minimized beyond what is reasonable.
- Move contracts through the system in a more timely manner. They seemed to be hung up at various points throughout the process and tracking down where it was in the process was not easy
- When setting aside a contract for solely for Montgomery County businesses, the County should check to see that there is more than one eligible bidder., IE, portable x-rays in the detention center
- Timeliness
- Our bid was for all county agencies, yes less than 20% utilize them, even though 100% are required to provide this service,(COBRA Admin.)
- ONE VENDOR WITH A SPECIFIC COST FORMULA
- Improve communication between contractor and procurement officials. Change procurement officials periodically so as not to show favoritism. This would allow other companies to compete.
- Be more open to alternative quotes and ideas
- RFP is too complicated. Submissions are too exhaustive
- We suggest that contracts be "unbundled" so that small contracts can be solicited and awarded. We have heard that some County employees would rather make contracts large so that they only have to manage one contractor versus several contractors if the contract was unbundled.
- Paperwork Reduction
- None. Though I did not quite understand what was going on in the early going (we typically just sell off of existing state contracts), it made sense as time went on. It is actually one of the more transparent government purchasing processes I have encountered.
- Notify each consultant when there is an RFQ

19. Businesses that applied for but did not receive contracts with the County - what changes would you suggest to improve the procurement process in Montgomery County?

- specifications should be the same , notification of how to get to bid without knowing the computer system inside and out ,and preference to Maryland based companies instead of out of town or state
- A uniform template and language for RFP's where terminology is consistent to take guesswork out of meaning
- Better access to more knowledgeable procurement personnel.
- For small business award the contract to small business NOT Firm with hundred employees and several offices throughout United State. I invested several millions in MC but we never awarded any contract even our work recognized by Executive office, Governor and State of Maryland. I would love to talk about this more in details.
- The entire culture needs to be changed. They don't get it. You can't teach old dogs new tricks
- Faster consideration
- The county to gives a chance to small businesses...
- Give more opportunity to small business.
- I don't think Montgomery county really care about small business. need to make the procurement much easier, so that small business who cant afford bonding can get job with the county.
- Possibly tailor the subcontractors requirements to fit the job site, and not just offer blanket requirements.
- Timely feedback from the procurement representatives indicated in the bids - whether you get the bid or not
- Please be sure to communicate in a timely manner with all bidders following the award of the contract. It is helpful to know whether we are successful or not, without having to call the procurement office.
- A better separation between current and awarded contracts w more ease of navigation which allows for progress follow up and addendum additions.
- Be fair to all parties involved. Stop awarding bids to individuals who have known violations. Allow the citizens of Montgomery County to feel that they are not wasting their time to bid on county jobs.

- Maryland in general has some of the most oppressive business regulations in the Mid-Atlantic region. After 36 years the last 7 have been a deciding factor to move all operations and unfortunately disengage from 12 vendors and 30 employees out of the state. New Hampshire and their fair business tax policies, zero income tax, zero sales tax and other local perks has our business. The demographic shift to a predominantly Central/ South American illegal embracing attitude locally and Statewide was another factor. Socially, We do not wish to provide services in that manner. It was a great place to live grow up, educated and enjoy suburbia, now it has lost its luster. - Good Luck
- The best thing that Montgomery County could do is to use the Maryland CATS vehicle so that small businesses do not need to jump another hoop to get business. A contract vehicle that works is already in place. We were a sub to a prime on the previous Montgomery county contract vehicle and besides not getting the opportunity to bid initially, we had 1 to 2 days to find candidates and submit them. It turned us off to working with the county.
- That all procurement requests be placed in a central location as some Montgomery County Agencies had procurement opportunities listed elsewhere other than the County's site.
- Have a checkshot at the end to ensure that the submittals have all pertinent information.
- to make sure that all bidding sources get info in timely manner. Ex. GovWin and BlueBook
- Better post-award reviews
- make truly small businesses able to compete. we are competing with businesses 20 times larger. make it easier to sub on contracts that are up for bid. reduce the amount of paper required to make a bid.
- Give more opportunities to certified minority business. Lessen the burden of past performance by providing workable and honest mentoring and/or procurement match making. Empower minority honestly
- it would be helpful to have a debriefing or written explanation when a company attends an open bid, has the lowest cost, then goes on-line to find the contract was awarded to another vendor.
- Improve contract feedback. Use a process more similar to other counties in the state.
- Better information on award. For example, regular updates on proposal evaluation progress would be helpful and a summary of how our proposal was scored compared to other submittals would be helpful for future procurements. Additionally, price constraints/limitations should also be added to RFQ/RFP to help respondents judge the perceived workload.
- Allow local businesses to bid
- Longer response time. More detailed debriefing.
- Contracts appear to be wired from the get go... I am not sure what you can do about this? Except, provide more post award information to all bidders about why they did not win... That may be helpful and instill confidence in bidders..
- More follow-up after submission
- In our case, services are eligible for P-card use. However, Procurement Officers never answer or return phone calls, never respond to emails. We can't even get close enough to competitively bid for jobs under the limit for public bid out. We have been told due to the nature of promotional and imprinted products and the relationships set up long term by these officers with their friends and those they have used previously it is nearly impossible for a new (not new to the industry just new to submitting to the county) let alone a woman-owned business to get any responses or break in to this network and get work. Not exactly what we were told when we started the process and attended all the meetings several years ago. Very disappointing.
- Notification should be sent out to vendors
- Procurement process that is open, similar to bid-opening. We have witnessed a bid opening where a firm that did not provide all documents as required in the RFP, was not disqualified, and was still awarded the Contract.
- Make forms to be submitted with proposal available electronically.
- stop accepting lowest bidders
- Use procurement opportunity alerts; searchable repository of past awards, subcontractor recertification should have 2 yr duration
- Give everyone a fair chance
- Some sort of follow up would be very nice.
- I did not have good enough credit to be considered. Last year was our worst in our 38 years.
- Set up special days in which a small business can meet with procurement officers.
- None everything was very easy to understand and results we produced promptly.
- Given that the current proposal has dragged on for over a year now and has not been awarded yet, I would say don't have a bid if you plan to extend to the current contractor for 12 months. Extend then send out a bid. This is ridiculous.
- more information from the county regarding the RFP

- The County could do a better job at actually sending out the actual bid results to the bidders rather than asking them to watch the website for posting.
- Communication with proposal novice
- state what the bid proposal title name is, and include this information up front... also, if using EMaryland Marketplace, enter the bid into the correct service/title area of the website.
- A business which has been in Montgomery County since 1996 and has been in good standing should at least be granted an interview for a security bid. There are not many Montgomery County home based security businesses.
- Provide timely feedback and better clarity on procurement requirements
- Our bid for Arts & Crafts was lost in the mail leaving us with no contract. We understand but would like to be able to be added after the first year contract term.
- If you want local businesses to bid the solicitations need to be as easy to find as the federal ones
- The size of the company (meaning the gross amount of annual sales) does not always mean that company is best value for Montgomery county. Companies that do 3 million a year can deliver for Montgomery county.
- I am new to this process. I would like to get an email telling me I was not awarded the contract.
- allow for electronic bidding
- Extremely difficult to even sub contract let a lone win one with the big vendors winning all the contracts that should be awarded to the little companies.
- Be fair! Truly mean when you say you support Small Businesses. Be Clear in your instructions. Answer questions. Give everyone a chance not just the "big" boys! As a business owner in MC and a resident in MC, I am VERY disappointed with MC. All the talk about small business is just that; TALK!
- We believe County has its preferred bidders (many of whom are not County residents/businesses) and they find ways to award them contracts. We are a Montgomery County based business and find it very difficult to get even a meeting or an opportunity to show our capabilities leave aside winning and working. We will continue to have hope.
- Engage potential contractors prior to the solicitation to discuss business practices and previous work requirements.
- Reduce paperwork and certifications. If that is not possible, provide a single, simple, PLAIN ENGLISH summary of forms, certifications and other documents that must be included in a proposal, and the purpose of each.
- Revise the solicitation format so that it provides the description of the services being requested much closer to the front. The last solicitation I responded to -- #0151000106 -- did not begin the scope of work until page 16! This was after many pages describing the certifications, rules and business processes related to working with the County, which is not the first thing a prospective offeror wants or needs to know. Also, Montgomery County needs to improve the fairness, or the perception of fairness, in its procurement process. In my first experiences competing for marketing communications contracts with the Department of Transportation in the 1990s, my team twice made it to the top three for in-person presentations only to lose both times to the incumbent. I believe the most recent procurement I pursued -- #0151000106 for writing services for the County Executive -- was awarded to a person who had just recently left County employment and set up business as a communications consultant. I can certainly understand that managers of various County departments would like to have the same flexibility as their private sector counterparts to choose vendors they are comfortable with or to give contracts to former co-workers. If Montgomery County is going to allow those types of offerors to win contracts, then you need to devise a procurement process in which the rest of us do not waste otherwise billable time preparing proposals to win contracts for which we are totally qualified but have no chance of winning.
- open process. access to buyers. less corruption
- The RFP was disorderly and poorly written, conflicting passages and statement.
- It would be helpful to receive more timely responses to questions, or responses at all - on a few occasions we never heard back from anyone. Additionally, when we delivered the proposal, no one knew what it was / no one was expecting to receive it which was disconcerting.
- -Allow electronic bid submission. -Provide a budget. -Allow bidders to submit pertinent information into a database so that when contracts are offered bidders can just address the work rather than providing all of the details about the organization each time. -Make public names of bidders and whether there is an incumbent. -FEEDBACK!!!!!!!
- Much more timely announcement of a solicitation after the purchasing office submits a request to procurement. Use evaluation criteria mor appropriate to the scope of work.
- Regarding Construction: Implement a prequalification process (previous performance/technical ability, financial stability, ethics, location) for all major subcontractors (over a specific dollar value) bidding construction work to general contractors. Implement and require the general contractors to name/identify their major subcontractors on bid day or within 24 hours of bid opening. This will eliminate the general contractors from bid shopping which typically generates the cheapest subcontractor and maybe not the most qualified subcontractor.

- Always use eMaryland, as soon as the opportunity is public.
- The unit prices for undercuts, off site disposal need updated. this would enable contracts to provide quality low cost prices for the projects. Fair rates would be used for change conditions. Currently, the contractors have to include potential changes in their base bids in order to be compensated for changes when they actually occur. This results in the county paying for changes up front that may never happen or not get bidders to participate.
- delete requirements for Union wages - very difficult to understand wage requirements. shuts us out of bidding
- A fair and reasonable process of solicitation, evaluation, award, and lessons-learned
- total overhaul
- The award process took an exceedingly long time. Staff was almost rude when asked for an update. RFP very unclear and staff not responsive to questions.
- Make it fair and equal to everyone.
- People who have answers or can get answers
- Improve timeliness, transparency and accuracy of the bidding and selection process. Properly staff positions to ensure that the County has the resources to follow through on contract award process and provide necessary documentation to complete a comprehensive contracting process. Phone calls and emails go unanswered by MCPS and DHHS real estate departments for weeks at a time and no one can provide the documentation required to occupy the contracted premises and obtain the necessary MSDE OCC licensing and fire marshal inspections for child care facilities on a timely basis.
- A new bid was created for school pictures and the county didn't have good information for the basis of the process.
- Extend more opportunities to new businesses. Resist urges to award contracts to the same businesses.
- follow-up!
- Rapid response
- Evaluate Procurement Director and staff on customer service on an annual basis.
- Increase opportunities for local small businesses and MFD vendors; significant procurement \$\$ are won by non-Montgomery firms. Also, do not approve blanket MFD waivers to primes without carefully examining whether services could be provided by MFD vendors in the County.
- Ease terms and conditions, seek out local contractors headquartered in Montgomery County
- More aggressively promote small businesses and not just say it.
- give first time small business opportunity.
- Make the process fair for ALL small business.
- More accuracy in speced items
- Compare apples to apples as far as quality of workmanship and timely work completion and warranty on services
- Scanned Contract documents are not legible. Scanned documents are skewed, smudged. Word Documents not formatted correctly. Fillable PDFs do not function properly,
- answers in a timely manner
- relax SOME bonding requirements be willing to split up certain contracts to multiple bidders
- Simplify the submission process and supportive document requirements for smaller projects (under \$100K).
- Communication and responsiveness from the department requesting the proposal response in a MUST!! Make the process more user-friendly and less obtrusive for the avg small business to participate in.
- The county should demonstrate more clearly that it wants to award contracts to businesses that they have not worked with previously. It "feels" as if the county works with the same companies and is hesitant to consider those outside their comfort zone.
- Not enough space here to answer this question effectively.
- Greater oversight for the MBE program
- Make sure it is visible to all. And before they accept a bid, look at more than just bottom dollar. Look at who can actually provide what is asked for, and in a timely manner.
- the restrictions are too tight for new business to be successful in the county and the more time is needed to respond to these contracts
- Get an Inspector general with TEETH!! It reeks of corruption. Institutional corruption.

- MoCo employees talk a good game but don't walk the walk. They are very quick to tout what they can do but mean otherwise. Frankly speaking they are lazy. They work for the county but fail to understand its revenue that pays for their positions (not to mention benefits, pay raises etc...)
- Transparency and clear cut objectives for MBE/DBE WBE participation as subcontractors. The MBE program should be boosted and made to be effective.....put a hard figure goal on all projects and make it clear that it has to be met. Ramp up compliance operations to include reports of payment to MBE's and quick payment regulations to help small businesses. Also there should be arbitration meetings between the County, a MBE sub and the Prime contractor when there is a dispute or an attempt to dump/remove the MBE for whatever reason.
- The life of the contract for GPS and RF offender monitoring equipment and services tend to run for several years, which is fine. However, when it's time to rebid the contract, the solicitation hasn't been updated to reflect better equipment functionality and technological advancements. When vendors submit questions reflecting the new functionality or technology, the response tends to be along the lines of "describe your equipment and functionality and we'll evaluate it." This is a highly subjective response and makes vendors believe the County's real interest is keeping the same vendor. We understand changing vendors can be a difficult transition, which is why proposals should be required to provide more comprehensive descriptions of the transition process and what the prospective new vendor does to ensure a smooth process.
- The LSBRP was not applied to the last procurement we bid and should have been.
- Not be as restrictive as to experience that needs to be with the near the project locale in the case of construction.
- Increase your budgets. Also, have someone state why we did not get the bid - I remember emailing someone over and over to get this information and not once did I receive a response. It's frustrating. This survey is a good timing because I was planning to send an email about the current event services bid that came out. The 2014 budget was 35k - is this a joke? By the time I pull the proposal together - this would amount to \$35k. Not only that - BUT - these contracts are being awarded to organizations that don't even plan events, ie training organizations. You award CHEAP not quality and it says a lot about your procurement process. I am so turned off from doing any business in Montgomery County now. Just about everything done in this county is outdated - it shows.
- if Montgomery County is not going to consider vendors from outside the county, please state that local vendors will be favored. The company chosen did not have experience in the services described in the request for proposal. The county should state local vendors are favored.
- Allow your procurement personnel to negotiate the terms and conditions.
- Eliminate reverse auction process.
- Have one point of contact. I had questions and concerns about the bid package that were never actually answered. I sent emails and left voicemails with several different people and none could answer my questions.
- Minority firms keep being sidelined, specially with MCPS, who only awards contracts to firms they like. Maybe a small % of the contracts should be obligated to minority and small businesses as a requirement?
- Improve the web site and make it easier to get and download bid documents. Do not require registration to see and download bid documents.
- PROCUREMENT OFFICE STAFF NEED CUSTOMER RELATION SUPPORT TRAINING
- Make requests for proposals convenient for very small businesses like mine to bid for contracts.
- Promery Management seem somewhat overwhelmed with work load and unable to push the process to acquire the services needed to meet their needs. The Counties procurement process "may" be somewhat cumbersome to initiate?
- Less favorable to local contractors
- I am a local MBE/DBE office furniture dealership, living in Montgomery County as well as owning a business located in Montgomery County. My children attended Mont Cty Public Schools. Yet, as both a business and residential taxpayer the majority of the furniture business is awarded to a vendor outside the County. It has been virtually impossible getting assistance that is meaningful.

20. Businesses That Have Not Applied But Are Interested - Why has your business not applied for a Montgomery County procurement contract?

- Manufacture training equipment for current suppliers of Montgomery County
- I am an entertainer and did not find a category that fits
- Bid not yet issued
- No contracts available
- the county board of ed has not selected us as a vendor
- MBE to Prime Whom Business not Satisfied with Relationship

- Other than small business postings I don't know where to find the solicitations. They don't seem to be posted on eMaryland Marketplace, which pushes me solicitations in MD
- work as a sub contractor companies doing business with the County
- To my knowledge, we have not been made aware of a bid posting.
- I am in the process to get the Minority Certificate from Maryland Department of Transportation. Also, I will need help, it will be my first time, to do this. cg
- Women owned entity - waiting for better opportunity to apply
- contacted montgomery county, submitted relevant paperwork, but never received a
- BUSINESS HAS NOT BEEN OFFERED ANY PROCUREMENT OPPORTUNITIES
- Less than open procurement practices.
- Not working in PA much at this time
- Selling safety training videos; not part of contract system
- Sometimes process is unclear; please simplify the process
- unable to coordinate work schedule with opportunities
- seems like for my business MC has one source only
- Selection process too restrictive.
- COUNTY LIMITS TO 100 TOTAL CLASS CODES RATHER THAN ALLOWING FOR AS MANY AS POSSIBLE
- I HAVE NO BUSINESS
- Bid only open to business that reside within Montgomery County
- I need to put some things in order regarding my business structure and afterward, I will apply.
- maybe they I did not express myself well on what I can do: Like files to put in order inside the County's Office,; any contract that does not require me to spend money up front; Cleaning; t
- I had not gotten around to it
- need to get more informations
- Have not had an opportunity to pursue at this juncture
- Last RFP requested multi redundant speakers above what is normally requested.
- opportunity has not been available
- I have been selling to the Highway Dept. No one ever said anything about a contract.
- Services procured have not aligned with the services we provide.
- bids in our niche have not come up yet
- to bid, it is important that we meet with staff before the procurement. Once the procurement is published, it is generally too late to be competitive
- Very few, if any, bid proposals match firm capabilities
- We have not seen any business to bid on
- My product is floral arrangements and I do not think a bid should be necessary for an invoice that is usually less than \$1000.00
- There are very few opportunities for print services. The county print shop does not follow up or contact us for a bid after repeated attempts to get included on those opportunities.
- space planning and interior design services are not usually broken out from architectural services, although would save county money and would be more effective
- No goods/services to bid match yet
- Have not yet investigated opportunities
- I have focused on assisting other small businesses. However, I am expanding my focus to bid directly on county procurement opportunities
- business not in montgomery county, priority to businesses in montgomery county

- Not informed when opportunities are available
- I have, but have not seen a bid pertaining to our commodity
- have not rec'd one this year
- Have not seen goods/services listed in any procurement opportunities
- I don't receive bid notifications. We are in home health care for elderly, mental & physical disabilities
- My business is unusual and there are not usually bids that pertain to it. It is customized services for Seniors.
- haven't seen many stormwater or stream projects
- Bids are restrictive and do not allow for competition in our business
- As wholesalers of innovative products we market products and some services that are not known by your buyers.
- contracts that we have products have not open for bid
- Relevant services fell under a multi award contract that we are not currently on.
- When we have the relevant experience, the process is often too competitive
- May no longer use back up media cartridges
- unfamiliar, and also in 2001 I worked for a contractor that submitted a bid and although we did not get it, when we learned who got it, it felt hand picked and that the process was just to meet a legal requirement to post to the public. I feel if there's a "best fit" for a County requirement, that info and the reasons why should be posted with the RFQ/RFP. The County should reflect the best and most evolved of our social evolution and just be upfront. We do not have to follow other jurisdictions' "best practices"
- we do not see furniture opportunities
- Have not seen bid for our specific services
- I manage to receive all relevant bid from other local counties but I rarely if ever get any notice from Montgomery County
- physical education equipment & athletic supplies
- business provide advertising and web design. Not sure if MC is in need of these services.
- We have not received any RFP's from Montgomery County
- In the most recent bid for Wheaton HS where our product was specified, the bid was structured in a way that precluded us from being able to provide pricing. If the bid had been structured in a way to price our product as a prime contract (little to no interface with other trades) we could have provided a bid thus giving Montgomery County a more competitive bidding and exposed numbers.
- Business not favored MBE status/ Recent opportunities not relevant
- County hasn't put out bids for services we provide.
- Requirements for past performance present a barrier to entry for new businesses.
- unsure of the process specifics - duration, paperwork needs, signatures
- Not sure if I supply services that are wanted county wide
- Awaiting bid request
- county does not bid the services we provide
- unfamiliar with procedures of obtaining a minority certification
- Has just worked on providing single training sessions.
- Barnes & Noble never see a request for books or e-books
- Have not completed Montgomery County MFD program
- Business works primarily with elementary and middle school programming
- there is favoritism in the county
- I never see any bids for commercial printing. I know the public schools send a tremendous amount to Virginia, but neglects to keep it in Maryland. I went to Montgomery county schools. A bit surprised Maryland businesses are not valued!
- Our firm typically is a subcontractor to a General Contractor
- We have not seen a proposal for the products we provide

- don't check it often enough
- our services would be under \$2500
- waiting on a bid to come out
- I need to spend more time understanding your process.
- haven't come across any vehicle body and paint repairs
- I am waiting for the relevant bid to be put on the street
- Have not seen any item that will apply to our programs and products.
- We have contracts with Mont. Co Public Schools and M. Co. Dept. of Rec. we do athletic wood flooring.
- Evaluating Engineering services opportunities
- our current workload is overwhelming
- Procurement criteria are too limiting so we do not typically qualify.
- County's RFP tends to favor the incumbent
- T&Cs and the suc are extremely ownerous for small businesses, who have limited resources.
- was not given the opportunity to bid
- We are a newly established company.
- Have not recieved ITB or seen advertisement for bids
- Still learning the nuances of county's procurement process.
- Feel that we are unable to compete as a small firm (other small architecture firms are much bigger)
- Not aware of opportunities to bid
- The RFPs ask for specific experience that excludes most vendors
- No recent opportunities advertised
- There are also very few opportunities that come out seeking professional services, such as public relations.
- volume
- Need better instructions or education on how to apply
- We sell and rent construction equipment and supplies. We have not received anything to bid.
- Provides services not within the bids process
- Bids not required for my services; but if a bid was required, then my business would be willing to submit one
- Nothing relevant has been posted
- don't always have time to check if one is out
- waiting for a call
- Requirements for submission disproportionately burdensome for project
- We are a young business with only a few completed contracts and cannot comply with all the past performance requirements or do not meet the Local Business criteria because we're based in Howard County.
- County has not yet offered bids for services that Business provides
- Still processing bid
- Opportunities are not geared toward size of my business
- County is not familiar with our products so does not procure them
- No RFPs are appropriate yet.
- Unable to get response from listed point of contact for technical/scope questions.
- Have not seen any bids for lead acid or sealed batteries
- We were awarded a contract without a formal bid process

- business is not ready yet
- most of what we provide is purchased by contractors, but would save the county a lot of money if supplied by them. Product is federally mandated
- I signed to receive bid but have not receive any
- am subcontractor to others who provides services to MCG
- my speciality is "data entry services" I have not seen data entry services opportunity.
- They choose the one who has the most money to lobby
- should be convenient for us,we appreciate FAX or E-MAIL proposal.
- County bids fir our products and services don't come up very often, usually customer can get competitive quotes and bypass our offerings
- We have not been notified of the upcoming contract expirations and procurement opportunities.
- services solicited not applicable to our business
- The process is confusing and forms are hard to find
- Haven't seen the right opportunity for my business
- Unwilling to provide information for certification to use LSBRP
- No request for conference or meetings out of the county
- timing of opportunities has not worked.
- Award only based on price. My biz can't work on such margins.
- waiting to see a bid for our type of services to be posted.
- Have not seen RFPs within our scope of business
- New area of responsibility
- Not rceived any RFPs
- we are subcontractors and cant get the bidder's lists
- It seems that they prefer to do business with large companies rather than local minority ones

21. Businesses That Have Not Applied And Are Not Interested - Why has your business not applied for a Montgomery County procurement contract?

- not something we do
- Business is waiting for FDA clearance before it can sell to anyone
- There was nothing open in my area in the past. I will be submitting a bid tomorrow
- My business is a small business
- Not a business entity - employment interview
- They cancel solicitations at the last minute
- Sole practioner
- Dont have a business
- retired
- I do not own a business.
- This business closed two years ago.
- I provide continuing education and infection control. Consultation.
- The New Jersey Association of Forensic Scientists holds an annual seminar to which some officers have attended.
- We are a City Agency and have not at the moment thought of applying for County Funds
- Not a business

- We are at work load capacity
- None of the situations above apply
- my company is very small.,
- We are a Regional Council of Gov't not a for profit business
- We are a private, Catholic school
- Do not currently have a business
- Dont think you contract out for my services as a mediator
- I'm an ESOL teacher with Linkages to Learning - it doesn't apply
- I refuse to give 3 yrs financial for a \$2,000 order or have you dictate i provide insurance. Don't want you busy bodies in my business you already screw me enough
- So far nothing in our line of work has been offered
- Not a business
- The process is focussed on business that have relationships with county leaders
- I am an employee of Montgomery county
- Montgomery county has demonstrated an inability to choose proper qualified businesses and wastes tax payer money. Silver Spring Transit debacle is a good example.
- No longer located in Montgomery County
- we typically don't do gov't work.
- Received a Knowledge Transfer Contract upon my retirement from the County
- not relevant to contract - solo practitioner, psychotherapy
- We are a vendor to bidders; we do not sell direct to the county.
- business is a nonprofit recipient of County grants and does not participate in bid process
- not applicable
- I work for Infants and Toddlers
- I don't have a business
- I'm not aware of any services that my business provides which are sought by Montgomery County.
- My services are applicable only under specific circumstances.
- It is not what our company does
- We are a County Agency.
- I am not a local business
- We are a count from Nevada
- No longer in the county
- no funds available to purchase our products..per FD and EOC
- Often the statement of work is not detailed enough in order to provide accurate bid.
- we are a service to bidders do no bidding ourselves

28. Business registered with LSBRP - what changes would you suggest to improve the LSBRP program in Montgomery County?

- Longer closing time to submit proposals
- Provide more opportunities for professional services, not just things like landscaping, providing trophies, etc.
- I will need some one to help us. and how to Bid, for the first time, to fill out all paper work, thank U

- help real small businesses
- i would like to receive contract opportunity -electronic communication
- Use revenue not employees for size standards
- help and connect small business as a sub with actual contactor
- 100%
- SEND INFORMATION TO ALL REGISTERED BUSINESSES
- Less Paperwork
- Expand this program to included other Prime contracting opportunities for Larger contracts beyond the low-margin, unskilled labor service contracts
- Improvements on the self certification renewal
- Encourage department to us LSBRP
- continuing education so we can stay current
- A point of contact that will respond to phone calles and E-mails about bids
- Additional support(meetings, presentations, instructional videos, etc) to initiate SBs to the program
- mentor program to help small businesses get to know the people and the processing
- Fight more for concrete minority business opportunity
- Would like to discuss in an open forum setting
- Debriefing on contracts \$25K and up
- Better advertisement or notice of opportunities.
- Advertise it more. Provide a flier with bid documentation.
- More networking events to team with other potential vendors.
- More opportunities
- Make the website more intuitive and user friendly.
- If the search process was simplified; the website would be utilized more.
- Find a way to give more businesses work. However I wouldnt know how to impress upon procurement officers to go outside their few go-to people.
- More direct person to person outreach.
- What I have found is that almost all LSBRP activities sponsored by the Count are actually geared towards minority business enterprises, not non-minority local small businesses.
- this seems to rule out home based businesses
- Expand available opportunities.
- We have never received an invite to a neworking event
- LONGER CLASSES MENTORS
- to be more expedient.
- More outreach to small businesses would be very helpful.
- more information about upcoming requirements, including informal solicitations. Facilitate more interation and "getting to know you" with It is too late to just get an RFP 2 weeks beore it is due
- 2 yr recertification
- Despite my preference check offs for what my business does, I get strange postings
- Don't now
- Expand the opportunities to more than construction and landscaping
- Would like to see more opportunities to bid under LSBRP. It seems the focus is typically on non-professional service related contractors

- Work on the terms for small business.
- Make more easy
- More outreach
- The process to register is time consuming. After applying, no communication from LSBRP has been received. I'm still not sure if application was properly completed. Nothing has changed in this business after completing application. Very dissapointed!
- put more county contracts in it and support local business! :)
- The County should not be soliciting proposals under the LSBRP unless the requirements will be near 100% procured.
- Guides on getting first award
- Target solicitations by classification, to reduce notices of irrelevant advertisements
- If there was a specific contact not related to a contract that could be contacted for assistance in navigating the contract submission process. If there was a possibility to link local small businesses together to better optimize resources to enable submission for a contract. Ex I do not have employees, a specific work site location, or liability insurance so that limits the contracts I can apply for. When a contract is under 10,000 it seems easier to apply for.
- Advertise procurement opportunities to all businesses registered with State that are located in Montgomery County
- Mentoring should occur to assist the LSBRP better qualify for the contracts
- Remove barriers to entry for new businesses (having no past performance as a new entity) to compete.
- more opportunities
- A Checklist on what needs to be done to become LSBRP certified and then to apply for contracts
- allow small businesses to bid on local services before using services from a master. contract
- To only award contracts to companies located in Maryland
- limit type of offers sent to my email that are inappropriate for my business type
- Getting a e-mail when not awarded the contract.
- Simplify, clarify the process of qualifying
- A more pro-business approach and more advocacy for LSB
- Keep the business in Maryland!
- Simplify the process for very small companies without resources for long proposal preparation.
- Better promotion and networking for participating businesses. Remove contractual obligation to subcontract another LSBR business, if the prime is one already.
- Template for bids and RFP responses
- noting thing
- too tedious and time consuming for small purchases, ridiculous to ask for 3 yrs of financial for small orders
- its just a "talk" and checklist to say that county has done this. No ONE really cares about these programs and helping small businesses. We are a qualified IT Training Company that has been in operations for 22+ years but County gives training to Montgomery College or Learning Tree or other large organizations.
- include all businesses that are required to go through bid/procurement process
- Only oppourtunities for labor and construction no proffessional
- Contracts are not clearly awarded to LSBRP--if they are there is no feedback to understand whether this is true, how decisions are made, etc.
- Have more projects available to bid for LSBRP
- Be more specific in the business opportunities
- OUTREACH AND INSTRUCTIONS ARE AWFUL
- Provide more opportunities for construction industry
- The definition of a small business would be redefined. It is difficult for a 3 person frim to be competitive with a 200 person small business.

- Opportunities to meet with operating departments; More contact with individual business to confirm status, advise when changes in procurement policies and procedures.
- Have the system more fair an equal to all contractors and not a selected few how seem to have an inside advantage.
- More clarity on what is needed to submit bids for contracts.
- Email member businesses about opportunities available
- Need more opportunities in IT and staff augmentation.
- Hold Silverman and Procurement Director accountable.
- taking into account the other services they could set bids forth on. Such as IME and diagnostic scheduling services to contain workers compensation and liability costs
- Increase opportunities in more areas
- target for type of opportunity
- More aggressively promote LSBRP - not enough is being done.
- Promote Woman Owned Small Business Opportunitites
- Increase the number of opportunities available through the LSBRP
- The steps to be eligible must be very clear and straightforward. The on-line registration tool is not clear regarding what elements of the program you have entered and there is no clarification at the conclusion of the process.
- USe the MBE
- Simplify the bid process. Too much red tape for smaller contracts (under \$100K).
- nothing to suggest at this time
- Minimize the number of amendments to bids, which require re-submittal of bids
- offer bid opportunities in a wider variety of industries/services (i.e. energy efficiency solutions)
- Offer subcontracting forums to increase opportunities
- Allow businesses to add categories that are relevant to health and wellness
- Increase the cap to qualify as an LSBRP. Our firm exceeds the cap. Our main client base in federal government and we are considered on the smaller side of small in Federal terms. It is difficult to compete in the Federal market because of this and we are disqualified from Priming in our own county because of the size/revenue caps.
- less restricktions to better encourage LSBRP business to be succcessfull
- LBSRP staff, while well meaning, don't provide any information beyond certification. They don't assist LBSRP beyond certification. Certification is the easy part. We need advocates which LSBRP is not.
- Specify more clearly who qualifies and who doesn't. Make clear what you want to achieve and give the program some "teeth"[make it very effective].
- Apply it to more procurements
- A LSBRP contract should not be used if only one company is eligible
- More things in LSBRP that are relevant to us - video production specifically
- Not requesting financial information from company CEO's that work in various arenas, I.E. with the federal government.
- Have more county agencies use local tax paing businesses
- there are not enough set asides for LSBRP certified companies
- CUSTOMER SERVICE
- The RFPs are made to favor big companies.
- More contracts should go to the LSBRP program.
- All Contracts under 10,000,000.00 should be put under the LSBRP Program

29. Businesses registered with LSBRP - please include any additional comments below:

- Not clear if info from Central Vendor Registration automatically registers you for LSBRP
- we Ned opportunists
- We would love to bid more projects but we just don't have the time required. There needs to be an express version. In addition, there are so many people bidding, we know we will never be the lowest price. We would love to be doing business with Montgomery County, we provide so many services needed. I just dont know the answer.
- MoCo should follow the District and the Federal Gov't MWOB programs to create more Prime contracting or Joint Venture opportunities with global firms. MoCo, gives too man non-native Maryland and/or County companies, contracts taking the tax revenue and jobs back to their home jurisdictions
- Have LSBRP/MoCo vendors as a priority in purchasing
- Open and honest business opportunity pairing and assistance for minority
- Was confusing as to whether or not I had to be a LSBRP or not to qualify for the contract
- Improve payment timetable.
- The county should not be involed or have a say in what we pay our employees.
- May be vet businesses with small or micro contract work, that would serve as test/examination and grade their performance.. Use this result to invite only good performing business for larger contracts..
- We follow the rules, attend events, make ourselves seen, and get nothing. Very disappointing. Not at all what we expected and now feel as if its not worth the effort or work.
- I have done business with the highway division(small purchases)-Mr. Gene Fisher has been great
- Not sure if this program is really helping businesses
- We bid on one LSBRP requirement a year ago. Three months after submission, the contracting office notified us that the procurement was canceled. What a waste of time.
- Organize the information better for the novice
- Everything is OK
- Oft times, MCs professional and commercial liability insurance req. are excessive relative to contract size, business size, professional norms.
- I appreciate the bid announcements but they are frequently very short turn around times. It is hard to break I to the system without knowing someone from a particular agency. It would be nice to get feedback on why a particular proposal/contract was not chosen to held vendors better prepare for other submissions. An organization chart of who does what within the procurement office.
- I was not yet a registered LSBRP when this opportunity was posted. Thankfully Lori Gillen saw it and sent it my way.
- Having clear and easy to understand requirements is not to say that requirements are easy to meet especially for newly established entities.
- Question 1 does not give an option for "Submitted but, contract not awarded yet" that is our situation
- Why are so many solicitations cancelled.
- MoCo office of General Services proved a very unfriendly place to do business with. Hopefully something be done to change this and make it more local-business-friendly
- Projects for my services usually require more than one discipline and the need to put a team of consultants together. It is hard to be competitive and efficiantly create a proposals.
- Template for bids and RFP responses
- the staffs are very helpful
- prefer not to deal with nanny moco government
- I do NOT believe the sincerity of the county's programs.
- It is a pleasure to work and contract with Montgomery County
- Just no good. Not clear, confusing, no help from County
- It is also challenging for a small minority business to show requirements (i.e., two \$10M projects completed in last couple of years). It is hard to meet these requirements.

- Need to simplify the proposal, so small businesses do not have to produce lengthy proposals.
- I have requested a meeting with OBRC staff several times to present to them the services I provide and to encourage them consider my services when MFD waiver requests come, but have not received a response. At least in one instance, the LSBRP procurements seems to have won by a firm that is not headquartered in the County.
- I appreciate the efforts to bring opportunities to local small business and hope the Montgomery County continues the program.
- The system does not encourage first time small business owners like me.
- Veteran Owned Business
- The requirements for minority and women owned participation in smaller bids are often not relevant for the size of the project.
- This program is a good program and offers a benefit to small businesses in Montgomery County.
- Once again, LSBRP staff seem to think once they help with certification their job is over. If you ask them a question after that, they can't, don't or won't answer. What is the point of encouraging LSBRP if there isn't any follow up assistance?
- Anything we would be interested in as a general contractor seems to be conditioned and qualified for only the large firms partnering with MBE type entities - or procured under IDIQ type deals that are so convoluted that it isn't worth the jail time to try and win the work. To effectively compete at the parameters set requires a traditional firm mid-sized firm to replicate and warrant practices that simply are unattainable without a net effect of 30% premium cost to the County. That seems silly to engage in such a procurement.
- need to find out if we are properly signed up because all solicitations received so far have been for services we do not offer.
- In theory, the LSBRP is a great program, but for companies that work with the federal government and other agencies in IT, they will most likely not be willing to share volatile information due to a lack of understanding on who is handling the information and what opsec procedures are in place to ensure the information is not accessible by unwanted parties.
- the bid process is long and tedious and only seems to compare vendors based on price. there is no awareness for "soft cost" savings or service quality.
- Break down bid packages so small businesses like mine could send in bids.
- The County's LSBRP program is fantastic.

37. Business registered with the MFD Program - what changes would you suggest to improve the MFD program in Montgomery County?

- Email notification of bids being issued.
- The County and the State should monitor and determine if potential primes are contacting MBEs and MFDS. I get regular solicitations in areas I'm not interested or unable to perform. I'm an attorney and I'm asked if I can do excavation, construction, pipe laying, engineering, et. These requests are farcical and insulting. Oftentimes, I feel these primes are making a mockery of the county's MFD program.
- We tried to sign up online as an MFD, but couldn't figure it out. We eventually just filled out a vendor form that was sent to us by our prime. It didn't register us, was just a self-certification
- Inform the opportunity via email to registered vendors
- Utilize it on all contracts
- BUSINESS NEEDS TO BE INFORMED OF BID OPPORTUNITIES
- I am not familiar with this program.
- organization is poor. Difficult to get questions answered. People attached on solicitation not aware of the projects
- More outreach
- expand to include Prime contracting opportunities, rather than solely subcontracting opportunities
- Timely announcements of business opportunities
- i would like to talk to a representative by phone or be able to schedule a meeting to review the application process.
- To be honest with you, I need someone to sit down with me and explain everything in detail. When I visited the MFD's office, I felt rushed and if I was not welcomed. That disturbed me immensely. I have had discussions with other African American Women Business Owners and they have told me the same thing. My ancestors have been in this country since the 1700s and this is my home. It does not feel good to not be welcome in your own country when it comes to business opportunities. Please know that I was in high school when President Nixon adopted this bill for minority business enterprise. A lot of businesses are moving from Maryland to Washington, DC and Virginia because they feel the same way I do. I am not being mean, I am just telling the truth. The only suggestion I have is that you put someone over that position who can reach out to all minorities and especially the African American because after all, this is our home. I heard that

they have a new woman in charge and I have not visited the office since that time. Please let me know if you have further questions and I will be glad to help. It is impossible to improve the program if you do not have the facts to improve it - The Truth Is All It Takes To Improve It.

- Employ workers who understand what the program is about
- Advertise. Consider a flier in bid packets. Increase efforts to attract minority businesses to bid.
- Make sure open bid information is made available by email
- More networking events.
- Market more opportunities. Increase the participation goals.
- Again, request those who make decisions to go outside their comfort zone and try new companies and give others the opportunity to win bids and do business with the county.
- More direct person to person outreach.
- More workshops to explain how it works
- Enforce MFD Goals on projects
- I have found no opportunities under this program. I believe the County could do a much better job of creating and promoting subcontract opportunities through enforcement of subcontracting plans for large businesses.
- most jurisdictions I've dealt with require a percentage participation on some or even most procurements. the submission of a participation plan seems meaningless because prime's will keep 100% if they can and will only give up what they think they must to win the work. With no clear requirements, the entire discussion with potential teaming partners seems more aimless and pointless than with other jurisdictions
- More outreach events for existing MFD businesses that include upcoming opportunity information.
- More help
- I'm not aware of nor have I seen any specific bid opportunities for MFD with the county.
- More teaming sessions with current primes.
- Make more easy the registration
- Communication about the program, outreach and matchmaking opportunities
- That each employee working with a Contractor, must be certified for the job contracted for. Reason, most people out here looking to be employed, do not have a Technical, or Trade school discipline/ background. I trained most of my Employees on the job, and even though we are insured, we have not had any problems yet.
- Provide more information on registration and benefits of the program in assisting owners in obtaining business
- More info and accessibility to do bids
- Easier Application to fill out and application assistance.
- Set aside a percentage
- The concept of the program is great. Not sure how successful it has been.
- They should contact MFD firms seeking feedback after contract after award.
- Information should at least lead to subcontracting or prime
- Please clarify the Small Business Reserve program.
- Have more opportunities available
- Same comments as noted in the previous LSBRP section.
- Establish goals for MBE/WBE participation on county solicitations; conduct pre-bid meetings to provide opportunity for networking with majority firms; Conduct biannual meetings where operating departments present the upcoming procurement.
- To improve the display of information in the website, it is confusing and it is hard to reach a representative by phone.
- More communication between the County and the More outreach by the County to the MFD Business community, specially about upcoming projects, bid solicitation and less red tape of the qualification process.
- More information should be available to eligible contractors
- Email member businesses about opportunities available.

- I rarely if ever see opportunities under MDF. There must be something wrong with the promotion of those opportunities or the promotion of the program. Perhaps they should be sent under a different email marketing campaign.
- Stop issuing blanket waivers to primes when requests are made by prime vendors. There needs to be a better evaluation of the waiver.
- Email notifications of procurements that meet either your NAICS or suppliers codes
- Consider setting a goal of MFD participation similar to the City of Balt.
- I am not familiar with this program
- Eliminate the pass through process whereby large firms are more interested in paying a fee to the MBE than having them perform the actual work. This practice should be outlawed.
- There are too many firms that qualify for MFD, but are not qualified to do the services they claim to perform. The program is not very useful because there is still too much fraud.
- small business needs better opportunities and less restrictions to do business with the county
- First, Alvin Boss should attempt to do more than just advocate for his position. Frankly its another example of talking a good game but its a an empty court. MFD means nothing in MoCo but appeasement. If you ask a follow up, you'll be lucky to get a response never mind information you can use. Once again, the MFD program is nothing more than designed to obtain a certification, ironically enough which once obtained, there aren't any opportunities.
- Dispense with the verbose language in each contract about the MFD program. Put a hard goal that will encourage MBE's to bid as subs and MAKE IT CLEAR IT HAS TO BE MET! Application for waivers are legal but are not encouraged....that good faith efforts have been made by the prime bidding to find MFD's? You want to see details of each primes MFD plan at the bidding table including names AND IF THEY WIN THEY HAVE TO USE THE MFD'S NAMED IN THE BID....END OF STORY!
- Overhaul staff; get people on board who has passionate about your MFD program.
- There are too many to explain in this brief space.
- MBE OUTREACH PROGRAM
- The MFD program is just for window dressing since prime contractors violate the rules and they go unpunished.
- Mandatory Goals, Set-Aside, installing a point system for the utilization of MBE

38. Businesses registered with the MFD Program - please include any additional comments below:

- I would love to be present at any meeting and provide input regarding small businesses that are busy getting it done and have little time to go through a tedious bidding process.
- Open public bids. Looks like the process is not fair. Chances of those who already have bids continue for years while providing poor services. difficult for new and innovative companies to penetrate even if they provide better service and require less money.
- It is so wonderful for women to be in business but the opportunities should be for all women. Even though I am a startup business, I am been working as an independent consultant for 19 years. I was referred by the SBA to contact the Community Group to get a small loan and was disrespected and dismissed.
- We never engaged or used this program
- I have never received anything from MFD except for this survey.
- There is no reason these people cant work with others, they choose not to.
- We did not submit a proposal under this Category
- Thanks for the opportunity
- Some of the rules pertaining to this program are unrealistically burdensome to small business while being very lenient on large businesses.
- Would like to see specific opportunities designated for MFD.
- A million thanks for the opportunity here, to re-inform you, of our area of specialization professionally. We sometime ago appealed to you, for work/ contracts, in the area of installation of AUDIO and VIDEO equipment, Cable Television, TV signals distribution equipment systems, we also perform cabling for installations. If you have visited any classroom with TV sets mounted, We had an installation, and maintenance/repairs contract with DC Public schools system, the Division of Educational Technology, where we completed many Instructional A/V Systems installations contracts. You may contact Joseph G. Lewis Sr., for FATHER & SON ELECTRONICS LLC. Telephone: 240-688-7943. 1424 Ruatan Street Hyattsville, Maryland 20783 many thanks again, for your very valuable time, and patience.
- Judging by my experience I feel that MoCo department of General Services does not support MFD program.

- already explained in the other sections. These are just "checklist" programs for MC to just say that they are supporting small businesses and minority owned. They really do NOT care! It is that simple
- I am a NJ Certified WMBE and need to determine if I qualify for any opportunities with you.
- Just that our company is new, so we have not had the opportunity to work with Montgomery County yet.
- Cancel it because it shouldnt matter about any of that a small business is a small business regardless of who owns it they all should have a chance to better their company
- Same comments as noted in the previous LSBRP section.
- Opportunity for review of successful proposals.
- e-mail or live chat would help small business owners to understand the process better, since we don't have experience and may not strictly match with the listed business categories.
- As noted earlier, staff response to requests could be improved/timely.
- I noticed in this survey, it states a county goal of 20% for the small bus. program. Why not the same transparency with the MFD program ??
- We need advocates, not clerks to help us fill out certification forms. We need some to encourage and when require force MoCo Government to fulfill the MFD requirements beyond the measly 5% of contracts or percentages of contracts available. The only person who benefits from MFD is Alvin Boss. Its a good job for him but try asking him a question like the status of bid and he'll do nothing else than refer you to procurement. So what's the point?
- General contractors are awarded contracts without meeting the MFD goals and if they did meet the goals, they end up not using the Minority businesses and go unpunished by the county.