Committee: GO
Committee Review: Completed
Staff: Naeem M. Mia, Legislative Analyst
Purpose: To make preliminary decisions – straw vote expected
Keywords: #PRO #Procurement

AGENDA ITEM #15
May 10, 2023
Worksession

Montgomery
County Council

SUBJECT

Office of Procurement (PRO) - FY24 Operating Budget

EXPECTED ATTENDEES

None.

FY24 COUNTY EXECUTIVE RECOMMENDATION

General Fund	FY23 Approved	FY24 Recommended	Change from FY23 Approved
Procurement	**$5,004,508**	**$5,104,774**	**$100,266 2.0%**
Personnel Costs	$4,612,662 37.90 FTEs	$4,712,212 38.90 FTEs	$99,550 6.2%
Operating Costs	$391,846	$392,562	$716 0.2%
Total Expenditures	**$5,004,508** 37.90 FTEs	**$5,104,774** 38.90 FTEs	**$100,266 2.0%**

COMMITTEE RECOMMENDATIONS

- The GO Committee recommends (3-0) approval of the Office of Procurement FY24 operating budget, at a funding level of **$5,104,774.**

- The Committee also recommends that two (2) long-term vacant positions (both Performance Management and Data Analyst II positions, total cost: $237,448) be permanently lapsed for FY24 and beyond; any request to fund both of these positions will be reviewed by the Committee. FY24 cost savings are already reflected in the CE's recommended budget; FY25 cost savings are estimated at $237,448.

   a. One (1) remaining vacant Performance Management and Data Analyst II position will remain temporarily (one-time) lapsed for FY24 (total cost: $118,734). The department retains the ability to fill this position as its needs require.

SUMMARY OF KEY ISSUES

- None.

This report contains:

April 26, 2023 GO Staff Report   Pages 1-15

M E M O R A N D U M

April 21, 2023

TO: Government Operations and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser
                 Naeem Mia, Legislative Analyst

SUBJECT: FY24 Operating Budget for Procurement

Expected to attend:

Ash Shetty, Director of Procurement
Senior members of the Procurement team
Natasha Wilkerson, Office of Management and Budget

Documents for Committee review:
1. Budget submission detail (©1-6)
2. Council President vacancies memo to CE, April 18, 2023 (©7)
3. RESJ Procurement review (©8-10)

Procurement FY24 Operating Budget

FY24 COUNTY EXECUTIVE RECOMMENDATION

Procurement	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
Total Expenditures (General Fund)	**$5,004,508**	**$5,104,774**	**2.0%**
Personnel	38.9 FTEs	39 FTEs	2.6%
Operating Expenses	$391,846	$392,562	5.2%

Council staff *recommends the following:*

1. **Support the Executive's recommended budget of $5,104,774 for Procurement**

<u>Introduction</u>

The mission of the Office of Procurement is to facilitate the use of public funds in partnership with County departments to effectively procure goods, services, and construction in an inclusive, transparent, and equitable manner that best serves County residents, businesses, and the public interest.
The Office of Procurement is a cabinet-level department tasked with preserving the public trust and ensuring the integrity of the County's procurement process. The Office of Procurement ensures compliance with all related laws, regulations, and policies. The Office of Procurement focuses on identifying opportunities for improvement of inter-and intra-departmental purchasing processes and implementation of recognized best practices to increase organizational efficacy, promote transparency, improve accountability, and facilitate compliance. In its interactions with all County departments and agencies, external governmental agencies, members of the business community, and the general public, the Office of Procurement serves as a resource for policy and program initiatives involving public contracting.

The total recommended FY24 Operating Budget for Procurement is **$5,104,774**, an increase of $100,266 or 2.0 percent from the FY23 Approved Budget of $5,004,508. The detail is shown in ©1-6.

	FY24 Recommended $	FY24 Recommended FTEs
Business Relations and Compliance	$ 1,486,419	6.5
Procurement Operations	$ 3,135,397	24.4
Procurement Services	$ 736,034	8
TOTALS	$ 5,104,774	38.9

<u>Vacancies analysis</u>

The Council President sent a memo to the County Executive on April 18, 2023 (see ©7) requesting a list of vacancies in each department that could be unfunded with the least amount of impact (non-recommended reductions). That list is expected on April 28, 2023 which is two days after the GO Committee meeting reviewing the Procurement operating budget. The chair may want to wait until the receipt of the Executive recommendations before taking actions on the Procurement vacancies.

In order to better understand the activities and changes within the recommended budget in key areas, Council staff raised a number of questions and received the following responses from the

Executive branch. It might be helpful for the Committee to review each answer and provide suggestions and direction during the worksession.

1. See Council President (CP) <u>memo</u> on p. 27-79.   This will be a restrained budget year, and the CP has initiated a strategy of putting all increases from the FY23 approved budget on the reconciliation list for the full Council to consider. *Please provide all increases over FY23 (exceptions: switches in funding and inter-departmental transfers), including:*
    a. Based on our discussion, please provide additional background on the "Mid-Year Creation" of the M3 at 1.0 FTE ($174,644) – when was this position created and when was it filled? At the time of its filling, where were the budgetary resources identified (e.g., lapse of another position, projected savings in OE or PC, etc.) **The position was created January 26, 2022 (midyear FY22). It was filled on March 13, 2022. Yes, it was approved by OMB on 1/26/2022 and funded through the reclassification of the MII to MIII. Procurement agreed to absorb the difference in the payscale.**

2. There are 8 vacancies currently at PROC (see chart below):
    a. What keeps OMB from eliminating the very old ones (say longer than 2 years) in order to produce some immediate FY24 savings? **Based on the recommendations OMB is only making a one time lapse adjustment.**
    b. The budget shows a $410,053 one time budget adjustment due to higher than expected vacancy positions, but could this adjustment be made permanent? **No, per conversations with OMB this is only a one time adjustment**
        i. Based on our discussion, the one-time lapse savings appear to *mostly* come from lapsing the three Data Analyst II positions for all of FY24 (adding up to $356,171) – what additional positions and lapse assumptions for FY24 have been made? **We have underfilled the Procurement Specialist IV position with a PAA and the savings will be $76,029. This makes the total lapsed savings of $432,201.**

Performance Management and Data Analyst II	3695	10.12	$118,724
Performance Management and Data Analyst II	1916	5.25	$118,724
Principal Administrative Aide	1258	3.45	$79,208
Program Specialist II	1132	3.10	$58,832
Procurement Specialist II	641	1.76	$62,670
Performance Management and Data Analyst II	641	1.76	$118,724
Manager III	381	1.04	$0
Procurement Specialist IV	348	0.95	$128,029

3. Metrics: What would be the impact of losing the new M III position on the performance metric of % procurements completed in agreed-upon time?
   This is not a funded position and was reclassed during Procurement's FY22 reorganization. The position was not correctly abolished in Oracle, however we are working to correct the data discrepancy.

4. Please provide an update on the embedded analyst positions in DGS, TEBS and Transportation and what the status of this initiative currently is.

a. This initiative appears to have been placed on hold due to and since the pandemic – Procurement's staffing strategy is now focused on training up recently-hired staff are there any long-term plans to re-start this initiative and when? Please also provide detail on which positions have been filled in FY23 (since July 1, 2022). **These positions were originally advertised in 2021 however the resulting candidates were not deemed to be qualified for the position. Procurement put a hold on the recruitment for these positions to focus on the department reorganization and efforts to build the core structure. In FY23, Procurement began the process of revamping the job announcement to re-advertise. This effort has been placed on hold due to FY24 budgetary restrictions. These three positions will be lapsed for one year.**

Procurement has filled 8 positions with the following new hires for FY23:

Date of Hire	Division	Employee	
June 5, 2022	Central Services	Roopashree Suryanarayana	Sr. IT Specialist
June 6, 2022	Operations	Michael Shull	Public Administration Associate
June 21, 2022	Operations	Breanna Stroman	Public Administration Associate
July 17, 2022	Operations	Eli Fuhrman	Public Administration Associate
August 15, 2022	Operations	Michael Rivas	Public Administration Associate
September 26, 2022	Central Services	Virginia Tejada	Office Services Coordinator
February 23, 2023	Operations	Steven Noguera	Program Manager II
Start Date: May 8, 2023	Operations	Zoe Polach	Public Administration Associate

5. Is the technology platform used for operations modernized and using the latest advances? What is the current life cycle replacement target for the procurement subsystem of ERP, and when is the planned replacement due to occur?

The Office of Procurement has developed a digital platform used by Procurement and using departments to automate and simplify procurement-related actions outside of ERP's purchasing module. This cloud-based system uses the latest technology, accessible by authorized personnel from any location, and allows for real-time visibility into procurement activities among stakeholders involved in the procurement process. Procurement is in the early stages of identifying solutions to continue our goal of improving processes by introducing a full eProcurement system that will incorporate and complete the full lifecycle management of County contracting. This system could potentially replace most of the existing standalone systems currently in use. We are estimating an implementation date of two to three years.

Racial Equity and Social Justice (RESJ) score

Each Council analyst is asked to present the outcome of the RESJ tool for the department under consideration, its justification and comments. Procurement scored 2 points (see detail in ©8-10). The Director of Procurement intends to continue striving for a higher grade that reflects the true potential of the staff and leadership.

Procurement

RECOMMENDED FY24 BUDGET	FULL TIME EQUIVALENTS
$5,104,774	38.90

✳ AVINASH G. SHETTY, DIRECTOR

MISSION STATEMENT

The mission of the Office of Procurement is to facilitate the use of public funds in partnership with County departments to effectively procure goods, services, and construction in an inclusive, transparent, and equitable manner that best serves County residents, businesses, and the public interest.

The Office of Procurement is a cabinet-level department tasked with preserving the public trust and ensuring the integrity of the County's procurement process. The Office of Procurement ensures compliance with all related laws, regulations, and policies. The Office of Procurement focuses on identifying opportunities for improvement of inter-and intra-departmental purchasing processes and implementation of recognized best practices to increase organizational efficacy, promote transparency, improve accountability, and facilitate compliance. In its interactions with all County departments and agencies, external governmental agencies, members of the business community, and the general public, the Office of Procurement serves as a resource for policy and program initiatives involving public contracting.

BUDGET OVERVIEW

The total recommended FY24 Operating Budget for the Office of Procurement is $5,104,774, an increase of $100,266 or 2.00 percent from the FY23 Approved Budget of $5,004,508. Personnel Costs comprise 92.31 percent of the budget for 39 full-time position(s) and two part-time position(s), and a total of 38.90 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 7.69 percent of the FY24 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

❖ **A Growing Economy**

❖ **Effective, Sustainable Government**

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

✳ The Office of Procurement has recently implemented a number of initiatives to improve efficiency as it pertains to contract management and related purchasing activities. The most notable has been the introduction of PRO Direct, a web-based application that allows departments to connect with Procurement to request and complete purchasing actions. This feature was created to centralize and track requests submitted by departments to assist with timely processing and increase transparency. The central point of entry was required to eliminate access issues for requests sent directly to individuals via traditional methods, (i.e., email, chat, inter-office mail). With the implementation of this application, the Office of Procurement has enforced a commitment to acknowledge and/or respond to all requests within four business hours. The application proved successful with over 1,200 requests in the first 60 days. The application continues to expand and introduce new features based on user suggestions and feedback.

✴ The Office of Procurement has automated the workflow process County employees use to dispose of surplus items with the introduction of the surplus request application. Initially, this process was manual, timely, and difficult to track. For example, requests to dispose of surplus items were sent to Procurement management via email which required significant coordination to retrieve information on the outcomes of the requests. The new application incorporates an approval workflow and guides the end user on all required information prior to submission. Results are readily available for all County employees to aid in our mission to improve transparency.

✴ The Office of Procurement has improved efficiency and transparency with the introduction of the Emergency Procurement request application. This web-based tool is used by County departments to request the approval of urgent and unexpected informal purchases where the health and safety of the public, or the conservation of public resources, are at risk. This application assists with the required documentation of the facts that constitute the emergency. Procurements under this section are limited to those goods, construction, or services required to meet the emergency and must be made with competition to the extent practical under the circumstances.

✴ Procurement received five distinguished awards for efforts to improve efficiency from the National Association of Counties and the National Procurement Institute for Excellence in Public Procurement.

PROGRAM CONTACTS

Contact Sarah Giambra of the Office of Procurement at 240.777.9951 or Natasha Joseph-Wilkerson of the Office of Management and Budget at 240.773.0052 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Recommended Budget and funding for comparable service levels in FY25.

PROGRAM DESCRIPTIONS

✴ Business Relations and Compliance

The mission of the Division of Business Relations and Compliance (DBRC) is to plan and implement programmatic strategies to expand business opportunities for minority, female, and disabled business owners as well as Montgomery County small businesses. The Office administers the County's Wage Requirements and Prevailing Wage programs for service and construction contracts. The DBRC is responsible for ensuring County government contracting compliance with the socioeconomic laws, programs, and policies of the County.

- Minority, Female, and Disabled Persons (MFD): The MFD program objectives focus on ensuring that contracts awarded by the County include equitable participation by certified minority, female, or disabled-owned businesses. The program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach and internal seminars, and monitors contracts subject to MFD participation to ensure compliance.

- Local Small Business Reserve Program (LSBRP): The Local Small Business Reserve Program ensures that County departments award a minimum of 20 percent of total eligible contract dollars for goods, services, or construction to registered local small businesses. The program certifies local small businesses that meet the requirements set by law, assists County departments in identifying contracting opportunities and solicitations appropriate for LSBRP competition, and provides training and networking to help local small businesses compete with businesses of similar size and resources for County contracts to strengthen the local small business sector.

- Wage Requirements Law (WRL): The Wage Requirements Law program ensures that County contractors and subcontractors pay employees a "living wage" in compliance with the annually adjusted rate established by the Maryland State Commissioner of Labor and Industry for the Montgomery County region.

- Prevailing Wage Law (PWL): The Prevailing Wage Law is patterned after the Federal Davis-Bacon and State of Maryland's prevailing wage laws. It requires the local prevailing wage be paid to workers on County-financed construction contracts. The prevailing wage rate is a rate paid for comparable work in the private sector within the County. The rates are calculated by the State, based on surveys of construction company employers.

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Percent of County contract dollars that are awarded to certified MFD vendors (measured against County goals for each category)	26.8%	26.0%	25.0%	25.0%	25.0%
Business Relations and Compliance: Percent of contract dollars awarded to LSBs	27.2%	26.2%	26.0%	27.0%	27.0%
Enforcement: Dollars returned to workers as result of enforcement actions taken by Procurement	$104,780	$116,087	$100,000	$100,000	$100,000

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	**1,486,419**	**9.50**
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(253,076)	(3.00)
FY24 Recommended	**1,233,343**	**6.50**

✳ Procurement Operations

The core components of this program are to purchase goods, services, and construction required by County departments in the most timely and cost-effective manner possible. Program staff assist departments in the development of procurement strategies and documents to ensure a competitive, transparent, and fair procurement process in accordance with the County Code and the Procurement Regulations. Program staff also educate vendors about the County's procurement process and procedures.

Procurement staff also provides County departments with training, assistance, and guidance of department contract administrators. Procurement Specialists develop contract administration procedures, research vendors, review contracts, and recommend revisions to County procurement policies and regulations to streamline the procurement process. In addition, testimony and other evidence regarding claims and contract disputes with contractors are reviewed to resolve issues.

Procurement staff participates with local, State, and national procurement purchasing associations to promote and teach continuing procurement education and learning credits, latest industry trends, latest source selection methods, and cooperative purchases. Staff also participates in and leads recognized professional purchasing organizations at the local, State, and national levels.

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Percent of procurements completed in agreed upon time [1]	73%	74%	78%	80%	80%

[1] *This figure represents the average for the following: Invitation For Bid - 70%; Request For Proposals - 79%; and Construction - 75% for FY22.*

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	**3,327,532**	**24.40**
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(192,135)	0.00
FY24 Recommended	**3,135,397**	**24.40**

✳ Procurement Services

The Procurement Services section provides for departmental direction, oversight, and support for the Contract Review Committee, analysis, budget preparation, and monitoring. This section also manages contract scanning activities for documents, contracts, and subsequent contract actions, manages archiving standards, and provides departmental customer service assistance. Additionally, it centrally coordinates departmental training and tracking including national certifications and re-certifications, expenditure control, escrow management, human resources activities, management of departmental Knowledge Base Articles and MC311 service requests, and coordination of interpreter services for departmental activities or customer needs.

The Information Technology (IT) staff provides support to develop and maintain information systems for the department's business operations. This includes purchase and maintenance of IT equipment, service and support for major end-user systems on a Countywide basis. IT management of applications, databases, systems, and department website design and maintenance is included in this program as well as coordination with the County's Department of Technology and Enterprise Business Solutions (TEBS).

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	**190,557**	**4.00**

FY24 Recommended Changes	Expenditures	FTEs
Increase Cost: Mid Year Creation of MIII Position	174,644	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	370,833	3.00
FY24 Recommended	**736,034**	**8.00**

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	2,736,194	3,622,776	3,289,192	3,723,197	2.8 %
Employee Benefits	741,214	989,886	937,762	989,015	-0.1 %
County General Fund Personnel Costs	**3,477,408**	**4,612,662**	**4,226,954**	**4,712,212**	**2.2 %**
Operating Expenses	445,903	391,846	391,846	392,562	0.2 %
County General Fund Expenditures	**3,923,311**	**5,004,508**	**4,618,800**	**5,104,774**	**2.0 %**
PERSONNEL					
Full-Time	38	38	38	39	2.6 %
Part-Time	2	2	2	2	----
FTEs	37.90	37.90	37.90	38.90	2.6 %
REVENUES					
Miscellaneous Revenues	3,007	0	0	0	----
County General Fund Revenues	**3,007**	**0**	**0**	**0**	**—**

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY23 ORIGINAL APPROPRIATION	**5,004,508**	**37.90**
Other Adjustments (with no service impacts)		
Increase Cost: Annualization of FY23 Compensation Increases	197,806	0.00
Increase Cost: Mid Year Creation of MIII Position [Procurement Services]	174,644	1.00
Increase Cost: FY24 Compensation Adjustment	155,817	0.00
Increase Cost: Printing and Mail	716	0.00
Decrease Cost: Retirement Adjustment	(7,337)	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(11,327)	0.00
Re-align: One-time Budget Adjustment to Reflect Higher Than Expected Vacant Positions	(410,053)	0.00
FY24 RECOMMENDED	**5,104,774**	**38.90**

PROGRAM SUMMARY

Program Name	FY23 APPR Expenditures	FY23 APPR FTEs	FY24 REC Expenditures	FY24 REC FTEs
Business Relations and Compliance	1,486,419	9.50	1,233,343	6.50
Procurement Operations	3,327,532	24.40	3,135,397	24.40
Procurement Services	190,557	4.00	736,034	8.00
Total	**5,004,508**	**37.90**	**5,104,774**	**38.90**

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total$	FY23 FTEs	FY24 Total$	FY24 FTEs
COUNTY GENERAL FUND					
Fleet Management Services	Motor Pool	48,591	0.30	24,464	0.30
Parking District Services	Bethesda Parking	4,108	0.05	4,932	0.05
Parking District Services	Silver Spring Parking	4,108	0.05	4,932	0.05

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total$	FY23 FTEs	FY24 Total$	FY24 FTEs
Transit Services	Mass Transit	32,394	0.20	16,309	0.20
Recycling and Resource Management	Solid Waste Disposal	80,986	0.50	40,773	0.50
Total		**170,187**	**1.10**	**91,410**	**1.10**

FUNDING PARAMETER ITEMS
CE RECOMMENDED ($000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
COUNTY GENERAL FUND						
EXPENDITURES						
FY24 Recommended	**5,105**	**5,105**	**5,105**	**5,105**	**5,105**	**5,105**
No inflation or compensation change is included in outyear projections.						
Restore One-Time Lapse Increase	**0**	**410**	**410**	**410**	**410**	**410**
Labor Contracts	**0**	**120**	**120**	**120**	**120**	**120**
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	**5,105**	**5,635**	**5,635**	**5,635**	**5,635**	**5,635**

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MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

EVAN GLASS   TRANSPORTATION & ENVIRONMENT COMMITTEE, CHAIR
PRESIDENT   ECONOMIC DEVELOPMENT COMMITTEE

M E M O R A N D U M

DATE: April 18, 2023

TO: County Executive Marc Elrich
             Richard Madaleno, Chief Administrative Officer
             Jennifer Bryant, Director, Office of Management and Budget (OMB)

FROM: Evan Glass, Council President

SUBJECT: Reductions associated with position vacancies

Recently we received from OMB a list of all vacant positions in County Government as of March 3, 2023, some of which have recommended funding in the Recommended FY24 Budget. Many of these positions have been vacant for more than one year.

To ensure that the budget uses taxpayer resources efficiently, we request that the Executive provide the Council with a list of vacancies in each department that could be unfunded with the least amount of impact. We understand that these would be non-recommended reductions. The list should include the FY24 budget cost associated with each position and should focus on budgeted positions—both full- and part-time—that have been vacant for more than one year.

We request receipt of these lists no later than Friday, April 28 so that we can review them as part of our development of the Approved FY24 Operating Budget in May. Thank you in advance for your cooperation.

cc: Councilmembers
        Heads of County departments and offices

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(7)

44-20. The department could strengthen its alignment with the Bill by explaining how each activity mentioned in the response addresses inequitable policing and disparate outcomes (documented by ELE4A and others).

Procurement

✳ Department Level OBET Questions

1. How will your overall budget support the department's commitment to advancing racial equity and social justice? To aid you in the formulation of your response, we've offered a list of activities, using the GARE framework, that demonstrate department-level commitments to racial equity and social justice. More information about the GARE framework is below and here.

Normalize - Establish racial equity as a key value by developing a shared understanding of key concepts across the department and create a sense of urgency to make changes

⭐ Form a Racial Equity CORE Team.

⭐ Allocate or support the use of staff time for CORE team activities.

The Office of Procurement has currently identified the department's Racial Equity CORE Team and has scheduled upcoming meetings to identify activities, resources, and the development of the vision statement. With the establishment of the CORE team, the next steps are to evaluate and implement available opportunities that align with the initiative's mission.

Organize - Build staff and organizational capacity, skills, and competencies through training while also building infrastructure to support the work, like internal organizational change teams and external partnerships with other institutions and community.

⭐ Designate resources for staff participation in GARE conferences and other department-specific racial equity and social justice professional development.

⭐ Develop a strategy to engage communities in planning, design, or other decision-making processes.

The role of the CORE Team Lead is absorbed as an additional responsibility by an existing FTE, with resources allocated to meet the goals of the department's racial equity and social justice mission. At this time, a plan has not yet been developed to require Procurement staff to complete the recommended courses, however, the Division of Central Services is working to establish a training program to address and fulfill certification goals. The recommended racial equity training classes will be incorporated into the proposed department training schedule.

Operationalize - Put theory into action by implementing new tools for decision-making, measurement, and accountability like a Racial Equity Tool and developing a Racial Equity Action Plan.

(8)

⭐ We've not made commitments in this area and will use the text box to explain.

In FY22, Procurement eliminated a 36% staff vacancy rate with an aggressive recruitment initiative. These efforts resulted in over 75% of female and minority hires. Although a survey or official focus group were not established during that time, discussions have been established with Procurement's HR staff to develop an official process to meet have not yet been established, discussions have begun to The Office of Procurement . In terms of conducting organizational assessments, Procurement has assigned staff within the Division of Central Services to develop a process to meet this requirement.

2. How does your department's budget allocate funds towards ensuring that public documents (including websites and related apps), policies, plans, meetings, and hearings are readily accessible to the public? Please use the checkboxes below to indicate which activities your department budget will enable.Then, in the text box that follows, please describe how your budget targets resources towards these activities.

⭐ Translating documents and marketing material to relevant languages based on the project impact area. Completed in partnership or at the advisement of the Office of Community Partnerships.

⭐ Ensuring interpretation services (ASL and closed-captioning) are available to the public in all relevant places and programs (such as service desks, service phone lines, open houses, public meetings, etc.).

⭐ Ensuring accessibility for people with disabilities using Section 508 of the Rehabilitation Act; Web Content Accessibility Guidelines; and compliance with the Americans with Disabilities Act as a minimum standard.

⭐ We're doing something else and will use the text box to describe.

Minority, Female, and Disabled Persons (MFD) Program. The MFD program focuses on ensuring that County contract awards include equitable participation by certified minority, female, or disabled-owned businesses. The program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach and internal seminars, and monitors contracts subject to MFD participation to ensure compliance. DBRC also resolves disagreements between the prime contractor and its MFD subcontractors to ensure timely payments from the prime to the subs. Wage Requirements Law (WRL): The WRL program ensures that County contractors and subcontractors pay their employees a "living wage" in compliance with the annually adjusted rate established by the Maryland State Commissioner of Labor and Industry for the Montgomery County region. The WRL wage rate is a flat wage rate (currently $16/hour) that affect mostly non-professional services contractors' employees. We require the contractors to submit quarterly wage reports for our review. Besides the hourly wage rate, the reports also include employees' race and gender information as supporting records for wage equity. Prevailing Wage Law (PWL): The PWL is patterned after the Federal Davis-Bacon and State of Maryland's prevailing wage laws. It requires the local prevailing wage be paid to workers on County-financed construction contracts. The prevailing wage rate is a rate paid for comparable work in the private sector within the County. The rates are calculated by the State, based on surveys of construction company employers. Many construction related subcontractors are minority owned small businesses. Our PWL program helps to ensure the employees in these businesses are paid with equitable wages. Outreach efforts: Besides being very active on many social media platforms and sending out weekly newsletters, Procurement conducts monthly and annual outreach events, many of them are with a focus on minority owned businesses. For example, in May 2022, we hosted a Minority Business Event, providing abundant information on how to do business with Montgomery County; what are some upcoming

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contracting opportunities and where to find resources, etc. Also, based on feedback from a minority business group, we switched our virtual monthly Open House event from MS Teams to Zoom, extending the audience pool and increasing access for businesses. For our in-person events, we have been hosting them in different community centers throughout the County, to give easy access to residents that are in different locations and different demographic areas.

3. What persistent gaps or limitations could inhibit your department's ability to advance racial equity and social justice?

The Office of Procurement's workforce consists of over 30% new hires (MLS and non-MLS) that are actively working to address delays in Procurement actions due to prolonged vacancies. These vacancies also increased the workload of existing staff. These issues coupled with time constraints for staff to administer and complete the training necessary to perform day-to-day operations have left little time to devote to additional initiatives.

ORESJ Rating

2-Department-level budget demonstrates a commitment to advancing racial equity and social justice in Montgomery County

ORESJ Justifcation

Department responses indicate a commitment to, and taking action in, two of the three areas of the GARE framework, specifically in the areas of normalizing and organizing. While the department was able to identify actions they're taking in both the normalize and organize areas of the GARE Framework, due to the relatively new makeup of their departmental staff (over a third are new hires), they have not been able to devote the resources needed to operationalize their efforts. Accompanying information shows a level of awareness regarding where they are on their equity journey and how they intend to progress as the department continues to staff up and get new employees trained. As an overarching point, the results of the activities identified speak to compliance and legal standards, which while critical, do not demonstrate whether the overall distribution of County contracts, subcontracts (in number and/or value) is equitable. A closer analysis of the barriers to MFD certification and challenges of MFD contractors/subcontractors (by industry, size, and ownership demographics) could help illuminate areas of opportunity that if addressed could help close gaps in business growth, survival, and revenues. In addition to living wage and prevailing wage standards, the department could explore job quality policies and practices to ensure that the jobs created by County contracts provide benefits, stable scheduling, and other job attributes that can improve worker well-being. Finally, to understand the effectiveness of existing outreach, the department could include feedback surveys, partnerships with CDFIs and others to ensure information is reaching intended audiences through trusted messengers.

Public Information

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