

Getting Your Foot in the Door March 8, 2023

Maryland's Socioeconomic Procurement Programs

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Governor's Office of Small, Minority & Women Business Affairs

- Oversight, monitoring, and compliance of three socioeconomic procurement programs across 70 state agencies/departments
 - Small Business Reserve (SBR) Program
 - Minority Business Enterprise (MBE) Program
 - Veteran-Owned Small Business Enterprise (VSBE) Program
- Conduct statewide outreach and training programs
 - T.I.P.S. Webinar Series (*Training & Insights for Procurement Success*)
 - Ready, Set, GROW! Procurement Connections
 - Public Data Mining Strategies
- Curate online resources for small business growth and development
 - Home of the Maryland Procurement Forecast

https://goMDsmallbiz.maryland.gov

Doing Business with the State of Maryland



1 – Maintain your Good Standing with SDAT

All vendors receiving a contract award (payment) or seeking to obtain socioeconomic certification must be in good standing with the Maryland Department of Assessments and Taxation.

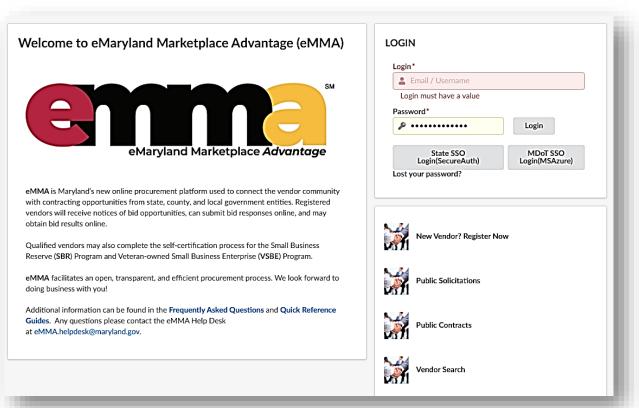
https://dat.maryland.gov



2 – Register in eMMA

All state-funded purchases greater than \$15,000 must be published on eMaryland Marketplace Advantage (eMMA), our vendor registration and procure-to-pay platform.

https://emma.maryland.gov



3 – Certification

Certification is *not a requirement* for doing business with the State of Maryland.



Why Certify?

Nearly every contract with state funding is reviewed for small business designation and/or minority, women, and veteran inclusion through our socioeconomic procurement programs.

Socioeconomic Procurement Programs

SBR Program

\$448 million in payments

MBE Program

• \$1.1 billion in awards

VSBE Program

• \$30 Million in awards



Small Business Reserve (SBR) Program

- Prime contracting program
- 15% set-aside
- Race and gender neutral
- State-defined small business eligibility standards apply

Minority Business Enterprise (MBE) Program

- Subcontracting program
- 29% aspirational goal
- Race and gender specific
- For-profit businesses

Veteran-Owned Small Business Enterprise (VSBE) Program

- Subcontracting program
- 1% aspirational goal
- Includes disabled veterans
- For-profit businesses

MBEs and VSBEs are encouraged to perform as a prime contractor.



Small Business Reserve (SBR) Program

- Race and gender neutral
- Online certification process (eMMA); same-day
- Annual renewal

Minority Business Enterprise (MBE) Program

- Race and gender specific
- Application-based certification process with MDOT's Office of Minority Business Enterprise; 90 days
- Annual renewal

Veteran-Owned Small Business Enterprise (VSBE) Program

- Veterans only;
 verification required
- Small business; 51% ownership & control
- Online certification process (eMMA);
 3-days
- Annual renewal

What is Procurement?



The act of obtaining or buying goods and services through a process that includes preparation, processing, selection, compliance, and approval of payments.

State Finance & Procurement (SF&P)

Code of Maryland Regulation (COMAR)

Procurement Process

1. Need Identification

Focuses on the various types of goods and services that are procured by the state.

2. Pre-Solicitation

Planning stages prior to preparing a procurement solicitation.



State of Maryland Procurement Manual

Procurement Process

3. Solicitation Preparation Includes procedures for drafting solution.

6. Award Process

Includes the steps for approving contract awards.

7. Contract Administration **Process**

Focuses on post-contract award activities



Opening the vendor responses to solicitations.





Competition is Key

- Competition is an integral part of procurement
- Socioeconomic programs DO NOT eliminate competition

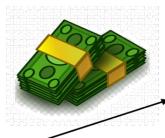


You are at a competitive disadvantage if you don't understand how the customer buys things.

Procuring Goods & Services

| Prime Contractor | Subcontractor |
|---|--|
| Legal contract with the state organization | Legal contract with the prime contractor |
| Responds to requests from state organization Builds relationships with MBE and VSBE subcontractors | Builds relationships with prime contractors Responds to requests from prime contractors |
| Follows State regulations and procedures for contracting Chooses MBE and/or VSBE subcontractors | Follows prime contractor's policies and procedures Verifies payments from prime with the state organization |









Subcontractors

Key Attributes of Maryland's Socioeconomic Procurement Programs

- Public procurement processes are open and transparent
- There is no cost to receive or maintain SBR, MBE, or VSBE certifications; annual renewals are required
- Firms are encouraged to obtain certification in each program for which they qualify

Key Attributes of Maryland's Socioeconomic Procurement Programs

- Qualifying solicitations between \$50,000 and \$50,000 are automatically designated as SBR
- There is no cap to solicitations designated as SBR;
 value may exceed \$500,000
- SBR designated solicitations may include MBE goals

Key Attributes of Maryland's Socioeconomic Procurement Programs

- Contracts over \$100,000 are evaluated for MBE and VSBE inclusion
- Purchasing agency must conduct a pre-bid meeting for all solicitations that include an MBE and/or VSBE goal
- Prime contractor must name MBEs and VSBE subcontractors in the bid/solicitation

Key Attributes of Maryland's Socioeconomic Procurement Programs

- MBE and VSBE subcontractors cannot be removed by the prime without written consent from the agency head
- MBEs with dual certification can meet multiple subgoals on the same contract
- VSBEs with MBE certification can fulfill both subcontracting goals on the same contract

Key Attributes of Maryland's Socioeconomic Procurement Programs

- MBE prime contractors may fulfill up to 50% of a subgoal
- VSBE prime contractors may fulfill 100% of a subgoal verify
- SBR, MBE & VSBE Liaisons are positioned in every participating agency
 - Liaisons participate on the PRG
 - The liaison directory is published online

State Contracting Pipeline



eMaryland Marketplace Advantage (eMMA)



Procurement Forecast



Board of Public Works

Mining the Pipeline

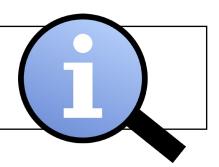
Data mining is the process of finding and extracting usable data from a larger data set to identify patterns and correlations.

The information can be used to increase revenue, cut costs, improve customer relationships, reduce risk, and more.













- Competitors
- Pricing
- Contracting cycles
- Purchasing agencies
- Purchasing officers



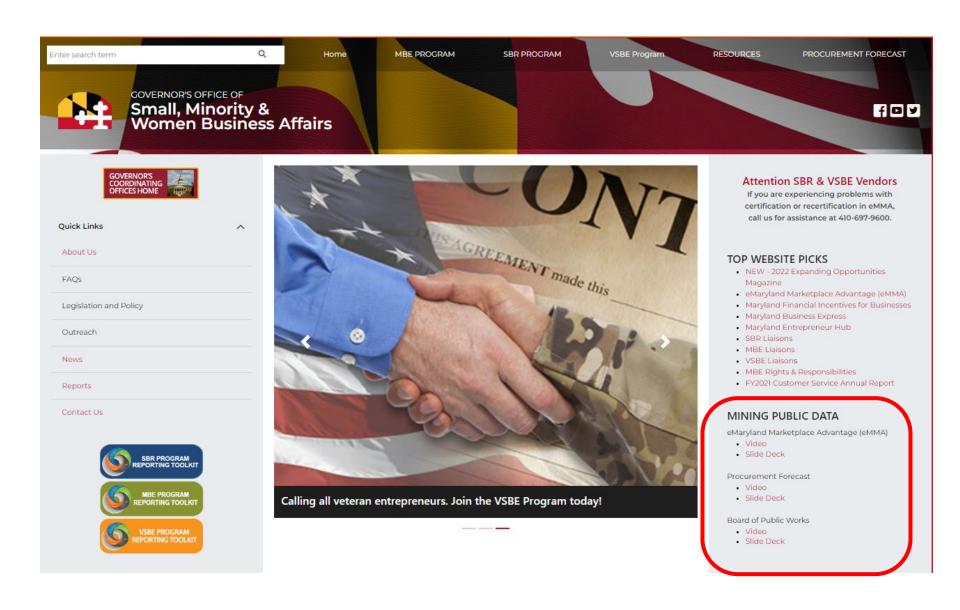
Sub Contractors

- Primes who win state contracts
- Contracting cycles
- Socioeconomic program inclusion
- Purchasing agencies



Tutorials: Governor's Office of Small, Minority & Women Business Affairs

https://gomdsmallbiz.maryland.gov/Pages/default.aspx



Pipeline: Board of Public Works Agenda

https://bpw.maryland.gov/Page
s/meetingDocuments year.aspx
?year=2023





DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT

ACTION AGENDA January 25, 2023



Contact: Courtney League 410-767-5516 courtney.league@maryland.gov

34-C.

CONSTRUCTION CONTRACT Judiciary

Contract ID: Construction of New Baltimore City District Court/Multi-Service Center; BC-

500-190-001

ADPICS No.: 001B3600256

REPUSED

Contract Description: Originally built in 1973, the Shillman Building located at 500 N. Calvert Street in Baltimore has operated for many years as a State Office Building and is now being renovated to become the newest Baltimore City District Court. The project includes the complete gutting of the building, removal of the existing roof, removal of the entire exterior brick façade, and removal of portions of steel structure. The new building will remain a five-story structure and is designed with the utmost in anerov efficiency, extensive security, and is required to receive a LEED Silver, using.

Award: Cam Construction Co., Inc.; Timonium, MD

Contract Term: 1,460 Calendar Days

Amount: \$68,065,318

Procurement Method: Competitive Sealed Bidding

Bids:

| Bidders | Amouni |
|---|--------------|
| Cam Construction, Co., Inc.; Timonium, MD | \$68,065,318 |
| Towson Mechanical, Inc.; Parkville, MD | \$70,079,200 |
| Dustin Construction, Inc.; Ijamsville, MD | \$71,263,500 |
| Costello Construction of MD, Inc.; Columbia, MD | \$72,793,200 |
| w.m. Cahlosser Co., Inc.; Hyattsville, MD | \$86,977,000 |

MBE/VSBE Participation: 40% (8% African American and 11% Women) / 5.09%

Performance Security: Performance and payment bonds for 100% of contract amount.

Incumbent: N/A

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- Ready, Set, GROW! Procurement Connections Workshops
- Resources
- Events

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