

FY 2010 - 11 Adopted Budget and Multi-Year Capital Plan

Small Business Development

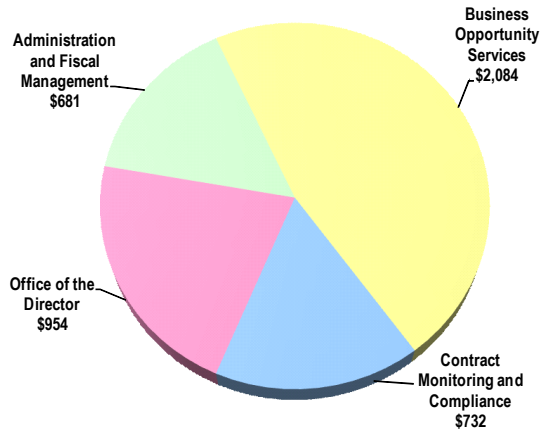
The Department of Small Business Development (SBD) administers small business programs to foster economic growth by providing contracting and business development opportunities for certified small business enterprises, ensures that employees working on County projects earn responsible and living wages, and certifies small businesses under five small business enterprises.

As part of the Economic Development strategic area, SBD is committed to the growth and development of small businesses by providing management, technical, and financial assistance, providing contracting opportunities through the application of small business program measures and monitoring County contracts for compliance with County small business program guidelines.

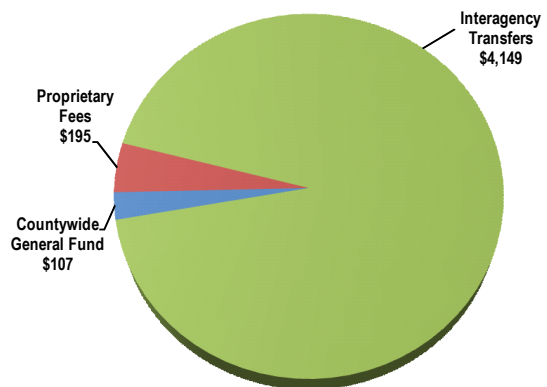
In these efforts, the Department collaborates with advisory boards, the Living Wage Commission, the local business community, financial institutions, and governmental agencies to also provide services such as mentoring, training, and bonding support.

FY 2010-11 Adopted Budget

Expenditures by Activity (dollars in thousands)

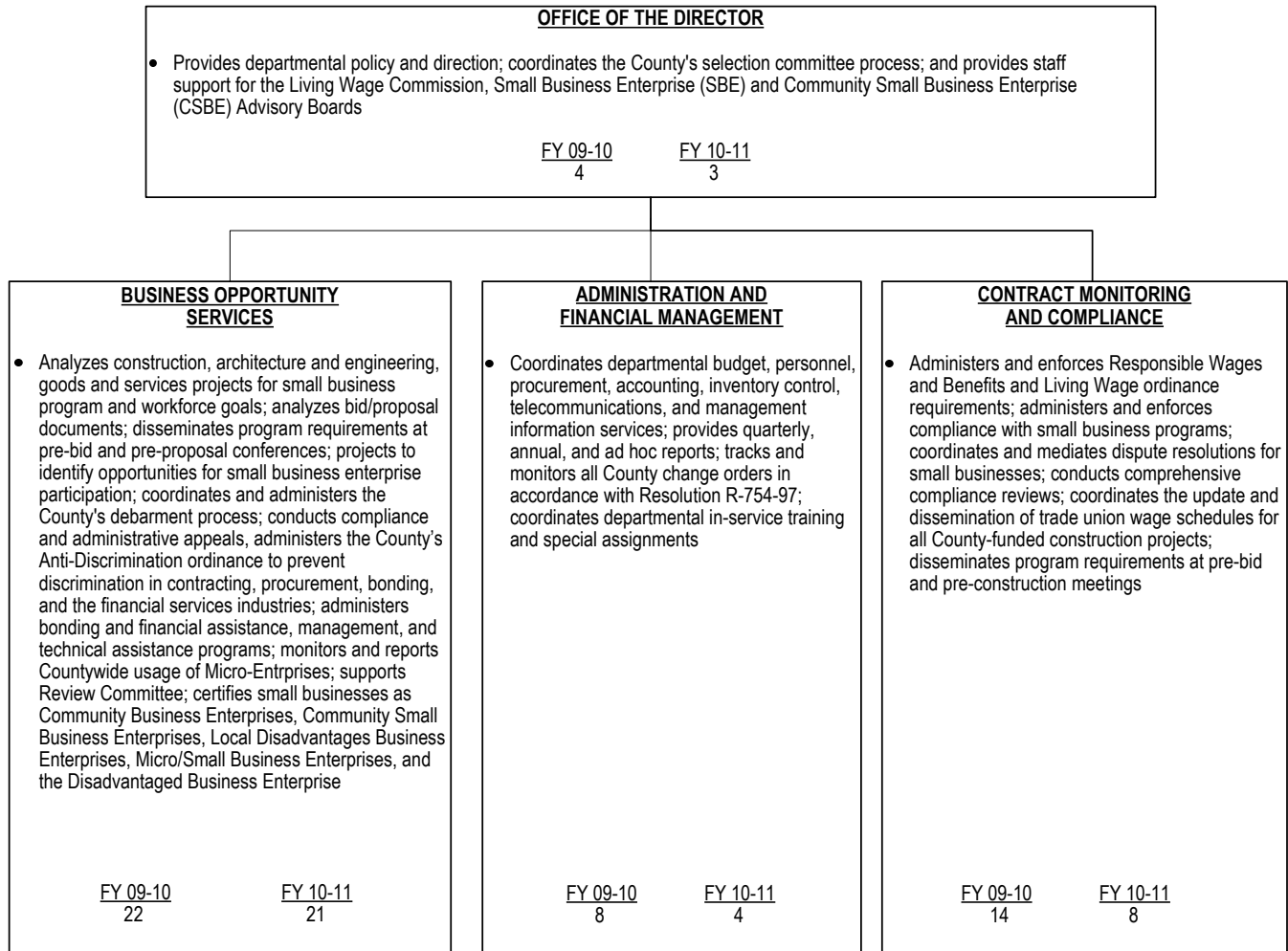


Revenues by Source (dollars in thousands)



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TABLE OF ORGANIZATION



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FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 08-09	Budget FY 09-10	Adopted FY 10-11
Revenue Summary			
General Fund Countywide	0	0	107
Carryover	534	122	0
Contract Monitoring Fees	1,094	1,214	195
Miscellaneous Revenues	3	0	0
Transfer From Other Funds	0	91	0
User Access Program Fees	1,240	633	972
Fees for Services	0	57	177
Capital Working Fund	3,048	3,476	3,000
Total Revenues	5,919	5,593	4,451
Operating Expenditures Summary			
Salary	4,200	3,352	2,881
Fringe Benefits	1,232	996	813
Other Operating	245	917	741
Capital	11	18	16
Total Operating Expenditures	5,688	5,283	4,451
Non-Operating Expenditures Summary			
Reserve	0	188	0
Other Non-Operating Adjustments	0	122	0
Total Non-Operating Expenditures	0	310	0

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 09-10	Adopted FY 10-11	Budget FY 09-10	Adopted FY 10-11
Strategic Area: Economic Development				
Administration and Fiscal Management	990	681	8	4
Business Opportunity Services	2,137	2,084	22	21
Contract Monitoring and Compliance	1,095	732	14	8
Office of the Director	1,061	954	4	3
Total Operating Expenditures	5,283	4,451	48	36

DIVISION: ADMINISTRATION AND FISCAL MANAGEMENT

The Administration and Fiscal Management Division is responsible for the coordination of the Department's budget, personnel, procurement, accounting, inventory control, telecommunications, and management information service.

- Produces quarterly, annual, and ad hoc reports
- Tracks and monitors all County change orders in accordance with resolution R-754-97
- Administers Cone of Silence Ordinance data tracking and reporting processes

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- *In FY 2009-10, the Department eliminated one Accountant 3, one Clerk 2, and miscellaneous operating line items including printing and postage a result of revenue constraints related to charges for indirect costs (\$166,000); this reduction will impact the Department's ability to provide customer service in the front office, provide administrative support to wages distribution and to the department, and reduce accounting and budgetary support including consolidation of support for accounts payable with the Office of Grants Coordination*
- *The FY 2010-11 Adopted Budget includes the elimination of one Computer Services Manager (\$152,000); this adjustment will impact the department's ability to manage and coordinate the small business management information systems and related IT programs*

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DIVISION: CONTRACT MONITORING AND COMPLIANCE

The Contract Monitoring and Compliance Division is responsible for compliance monitoring and enforcement of small business program goals, workforce goals, prompt payment requirements, and responsible and living wages requirements.

- Monitors compliance with small business programs, Responsible Wages and Benefits requirements, and Living Wage ordinance requirements
- Coordinates and mediates dispute resolutions for small business programs
- Conducts comprehensive compliance reviews
- Coordinates the update and dissemination of trade union wage schedules for all County-funded construction projects
- Disseminates program requirements at pre-bid and pre-construction meetings
- Reviews change orders for compliance with small business program measures

Strategic Plan Outcome - Measures

- ED2-4: Maximization of living wage opportunities for all Miami-Dade County residents

Objectives	Measures			FY 08-09		FY 09-10		FY 10-11
				Target	Actual	Target	Actual	Target
Maximize contractor compliance with wage, benefits, and participation goals	Value of underpaid wages recovered on County contracts (in thousands)*	OP	↔	\$194	\$536	\$194	\$330	\$141
	Percentage of completed projects where identified small business opportunities were achieved*	OC	↑	100%	96%	100%	100%	50%
	Percentage of monitored projects in compliance with living and responsible wages*	OC	↑	100%	96%	100%	97%	50%
	Value of underpaid wages identified on County contracts (in thousands)*	OP	↔	N/A	\$456	\$0	\$496	\$178

*FY 2009-10 Actual and FY 2010-11 Targets reduced as a result of reductions implemented

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2009-10, the Division monitored over 524 procurement and construction projects valued at over \$3.38 billion for compliance with small business participation and/or responsible and living wage requirements
- *In FY 2009-10, the Department eliminated two SBD Compliance Officer 2 and two SBD Compliance Officer 1 positions as a result of revenue constraints related to charges for indirect costs (\$297,000); this reduction will impact the Department's ability to properly enforce the Living and Responsible Wage Ordinances, reduce timely compliance reviews, audits and reporting, and decrease the monitoring of goods and services contracts for small business goals*
- In FY 2010-11, the Department will transfer one SBD Compliance Officer 2 and two SBD Compliance Officer 1 positions to Miami-Dade Aviation to continue monitoring and administering small business programs (\$258,000)

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DIVISION: BUSINESS OPPORTUNITY SERVICES

The Business Opportunity Services Division is responsible for the administration of project review recommendations of small business program measures, administers certification of small businesses, and coordinates internal and external small business support services including outreach, technical, bonding, and financial assistance.

- Coordinates and administers the County's debarment process
- Analyzes construction, architecture and engineering, bid/proposal documents and goods and services solicitations for inclusion of Small Business and Community Workforce program goals
- Conducts compliance, administrative appeal, and SBE certification denial hearings
- Analyzes proposed legislation for programmatic impact to all stakeholders
- Certifies small businesses as Community Business Enterprises (CBE), Community Small Business Enterprises (CSBE), Local Disadvantaged Businesses (LDB), Micro/Small Business Enterprises (Micro/SBE), and Disadvantaged Business Enterprises (DBE)
- Administers Wage Theft Ordinance
- Administers the County's Anti-Discrimination ordinance to prevent discrimination in contracting, procurement, bonding, and the financial services industries
- Conducts pre-award compliance reviews on all projects with contract measures
- Coordinates and provides staff support to Review Committee
- Monitors and reports countywide usage of Micro-Enterprises
- Administers the Bonding and Financial Assistance programs
- Reviews change orders for goal analysis impact
- Coordinates resolution of prompt payment issues
- Develops recruiting, marketing, and outreach strategies
- Implements expedited project review process for small business measures under the Economic Stimulus Program (ESP)

Strategic Plan Outcome - Measures

- ED1-1: Increased number of businesses and employment opportunities in higher-paying, targeted industries (priority outcome)

Objectives	Measures			FY 08-09		FY 09-10		FY 10-11
				Target	Actual	Target	Actual	Target
Increase participation of small businesses in County contracts	Percentage of County contract expenditures with small business goals	EF	↑	10%	14%	10%	15%	10%
	Value of assigned goals (in millions)*	OC	↑	\$530	\$280	\$237	\$118	\$165

*FY 2010-11 Target is based on 10 percent of the total value of projects that are estimated to be reviewed

- ED1-9: Improved access to capital for small and minority businesses linked to meaningful technical assistance

Objectives	Measures			FY 08-09		FY 09-10		FY 10-11
				Target	Actual	Target	Actual	Target
Increase number of small businesses accessing capital from technical assistance	Certified Businesses provided bonding assistance	OP	↔	110	144	115	199	140
	Certified Businesses assisted with small business loan applications	OP	↔	54	29	60	58	48
	Certified Businesses obtaining small business loans	OP	↔	4	8	10	2	8
	Certified Businesses obtaining bonding	OP	↔	10	48	20	33	36

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- ED4-2: Customer-friendly environment for regulated businesses and entities doing business with Miami-Dade County (priority outcome)

Objectives	Measures			FY 08-09		FY 09-10		FY 10-11
				Target	Actual	Target	Actual	Target
Increase the number of small businesses for optimal participation	Small business graduations	OC	↑	20	40	15	6	15
	Certified small businesses*	OP	↔	871	1,373	900	1,112	1,550

In FY 2009-10, these measures were assigned to the Department of Procurement Management

* FY 2009-10 Actual higher than Target due to heightened interest in certification for unique County projects, including the Ballpark Project, Port Tunnel, and American Recovery and Reinvestment Act (ARRA) projects

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- The Department has a \$4 million Letter of Credit to provide financial and cash flow assistance through guaranteed lines of credit to certified small businesses working on County projects
- In FY 2009-10, the Department reviewed projects valued at over \$1.6 billion for small business participation
- In FY 2009-10, the Division processed 2,187 Monthly Utilization Reports, confirmed 751 payments to contractors and processed 1,694 contract awards
- *In FY 2009-10, the Department eliminated a Division Director, Manager, Clerk 3, a Contract Development Specialist 2 position and miscellaneous operating line items including parking, outside contracts and printing as a result of revenue constraints related to charges for indirect costs (\$508,000); this reduction will impact staff support to the Review Committee and Advisory Boards, review time on goods and services contracts, and reduce administrative and management support in the department*
- *In FY 2009-10, the Department eliminated two Technical Assistance Coordinator positions and operational line items including outreach funding as a result of revenue constraints related to charges for indirect costs (\$207,000); this reduction will eliminate support to the Advisory Boards, will impact the Department's ability to provide assistance to certified firms including prompt payment resolution, contract disputes, management and technical assistance, and bonding and financial assistance training; and outreach recruitment*
- *The FY 2010-11 Adopted Budget includes the elimination of a Technical Assistance Coordinator (\$122,000); this adjustment will impact the department's ability to provide support for prompt payment enforcement, contract disputes, and technical assistance*
- As part of the FY 2010-11 Adopted Budget, the Certification Unit was transferred back to SBD (\$485,000, six positions); two additional positions were funded to provide additional resources to manage re-certifications (\$279,000)
- The FY 2010-11 Adopted Budget includes funding for one position from the General Fund to monitor and administer the Wage Theft and Living Wage programs and provide assistance for small business outreach programs (\$107,000)
- *As an operational efficiency measure, in FY 2009-10, the Department merged Project Review and Analysis and Business Support Services into Business Opportunity Services*
- *The FY 2010-11 Adopted Budget includes the elimination of two Contract Development Specialist 1 positions (\$137,000); this adjustment will impact the department's ability to analyze and review projects for small business and community workforce program goals*

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BUDGET ENHANCEMENTS OR REDUCTIONS AND ADDITIONAL COMMENTS

- *The FY 2010-11 Adopted Budget includes the elimination of one Administrative Officer 3 and operating line items including court reporting and pool vehicles in the Director's Office (\$126,000); this adjustment will reduce resources available for the coordination of department agenda items, management of the Selection Committee process, and coordination of amendments to small business program ordinances, resolutions and administrative orders*
- In FY 2010-11, the Department will continue to facilitate the business development assistance and information regarding certification and outreach through research partnerships

Department Operational Unmet Needs

Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Hire one Accountant 3 to process accounts payable and assist with budgetary matters	\$2	\$74	1
Hire one Clerk 2 to assist with customer service activities	\$2	\$35	1
Hire one Division Director, one Manager, one Clerk 3, and three Contract Development Specialists to assist with the review and analysis of contracts	\$12	\$383	6
Hire four Small Business Development Compliance Officers to assist in compliance reviews and the enforcement of small business program goals	\$8	\$189	4
Hire three Technical Assistance Coordinators to provide internal and external small business support services	\$6	\$206	3
Hire one Computer Services Manager to manage and coordinate small business management information systems	\$2	\$114	1
Hire one Administrative Officer 3 position to provides assistance with the department's agenda coordination	\$2	\$80	1
Total	\$34	\$1,081	17

