

**Department of Small and Local Business Development (DSLBD) FY16-FY17 Performance  
Oversight Hearing Questions Committee on Business and Economic Development Kenyan  
McDuffie Chairperson**

**I. Agency Organization**

- 1.** Please provide a complete, up-to-date organizational chart for each division within the agency including, either attached or separately, an explanation of the roles and responsibilities for each division and subdivision.
- a. Please include a list of the employee's (name and title) for each subdivision and the number of vacant positions.
  - b. Please provide a narrative explanation of any organizational changes made during the previous year.

**Answer: See Attachment # 1**

**II. Personnel**

- 2.** Please provide a complete, up-to-date position listing for your agency, which includes the following information (*Please list this information by program and activity*):
- a. Title of position;
  - b. Name of employee or statement that the position is vacant, unfunded, or proposed;
  - c. Date employee began in position;
  - d. Salary and fringe benefits, including the specific grade, series, and step of position;
  - e. Funding status (local, federal);
  - f. Job requirements; and
  - g. Job status (continuing/term/temporary/contract)

**Answer: See Attachment # 2**

- 3.** Please provide the number of FY17 full-time equivalents (FTEs) for the agency, broken down by program and activity. Please also note the number of vacancies at the close of FY16, by program and activity, and current vacancy information thus far into *FY17*:

**Answer: See Attachment # 3**

- a. For each vacant position, please note how long the position has been vacant and whether or not the position has since been filled; and
  - b. How many vacancies within the agency were posted during FY16 and FY17, to date? **Answer: (6) Six**
- 4.** Please provide a detailed narrative description of the personnel process within the agency. Specifically, please describe how the personnel activity within the agency works in

coordination with the DC Department of Human Resources to ensure that human resource needs are met.

**Answer: As a tier 3 agency, DSLBD works closely with DCHR and follows its guidance when posting and recruiting for positions. The agency has an HR Liaison that is trained in DCHR procedures and requirements.**

**5.** Does the agency conduct annual performance evaluations of all its employees? Who conducts such evaluations? What steps are taken to ensure that all agency employees are meeting individual job requirements?

**Answer: Yes. Senior staff including managers and the Chief of Staff conduct annual performance evaluations of all employees. Per DCHR guidelines, DSLBD managers meet with their staff and outline goals for the year. Throughout the year managers also conduct mid-year reviews with their staff.**

**6.** Please list all employees detailed to or from your agency, if any. Please provide the reason for the detail, the detailed employee's date of detail, and the detailed employee's projected date of return.

**Answer: N/A**

**7.** Please provide the Committee with:  
a. A list of all employees who receive cell phones, personal digital assistants, or similar communications devices at agency expense:

**Answer:**

**Ana Harvey**

**Eric Rogers**

**Sherri Battle**

**Gabrielle Richards**

**Malik Edwards**

**Vonetta Martin**

**Cory Jefferson**

**Audrey Buchanan**

**Monica McCall-Matey**

**Melissa Resil**

**Yolanda Roy**  
**Makita Haynes-Burks**  
**Corey Beasley**  
**Ronnie Edwards**  
**Charles Wilson**  
**Patricia Harrison**  
**Shara Gibson**  
**Katina Bolden**  
**Milton Goodman**  
**Mekdy Alemayehu**  
**Sheila Edmondson**  
**Earl King, Sr.**  
**Katherine Mereand-Sinha**  
**Lauren Adkins**  
**Camille Nixon**  
**Lincoln Lashley**  
**Cristina Amoruso**  
**Saba Fassil**  
**Dian Herrman**  
**Jonathan Brady**  
**Marcia Harris**  
**Anju Grobe**  
**Melanie Gamarra**  
**Jenny Cruz**  
**Venessa Kadiri**  
**Brian McClure**  
**Jonathan Fanning**

**Kendrietta Leo**

**Ricky Capers**

**Noel Richey**

**Freguenet Demisse**

**Genet Ambaye**

**Derrick Colbert**

**Sophie Kamal**

- b. A list of all vehicles owned, leased, or otherwise used by the agency and to whom the vehicle is assigned:

**Answer:**

- **2006 Ford Taurus DC4341**
- **2007 Chevrolet Impala DC6051<sup>1</sup>**

- c. A list of employee bonuses granted in FY16 and FY17, to date, if any:

**Answer: No bonuses were granted in FY16 or FY17 to-date.**

- d. A list of travel expenses, arranged by employee:

**Answer: See Attachment #4**

- e. A list of the total overtime and workers' compensation payments paid in FY16 and FY17, to date.

**Answer: Total workers compensation paid in FY16 was \$37.44. FY17 is N/A.**

### **III. Budget**

**\*\*For questions 8-11, 14, 16 and 18 please see Attachment # 5**

**8.** Please provide a chart showing your agency's approved budget and actual spending, by program, for FY16 and FY17, to date. In addition, please describe any variance between fiscal year appropriations and actual expenditures for FY16 and FY17, to date.

**9.** Please list any reprogramming, in or out, which occurred in FY16 and FY17, to date. For

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<sup>1</sup> The cars listed are agency motor pool vehicles.

each reprogramming, please list the total amount of the reprogramming, the original purposes for which the funds were dedicated, and the reprogrammed use of funds.

- 10.** Please identify any programs for which funding has been reduced or eliminated and include the following:
- a. Amount of the reduction by object class;
  - b. Any personnel reductions; and
  - c. Impact of change on the program, DSLBD, and its customers (internal and external).

**Answer: N/A**

- 11.** Please provide a complete accounting for all intra-District transfers received by or transferred from the agency during FY16 and FY17, to date.

- 12.** Please list all memoranda of understanding (MOU) entered into by your agency during fiscal years 2015, 2016, and 2017, to date. For each, indicate the date entered, and the termination date.

**Answer: See below**

- **FY 2016: The DC Commission on the Arts and Humanities transferred \$75,000 to DSLBD to be used to fund the Art All Night event. The MOU was executed on March 29, 2016.**
- **FY 2016: The DC Commission on the Arts and Humanities transferred an additional \$50,000 to DSLBD to be used to fund the Art All Night event. The MOU was executed on September 7, 2016.**
- **FY 2017: The DC Commission on the Arts and Humanities transferred \$125,000 to DSLBD to be used to fund the Art All Night event. The MOU was executed on January 12, 2017.**

- 13.** Please identify any special purpose revenue accounts maintained by, used by, or available for use by your agency during FY16 and FY17, to date. For each account, please list the following:
- a. The revenue source name and code;
  - b. The source of funding;
  - c. A description of the program that generates the funds;
  - d. The amount of funds generated by each source or program in FY16 and FY17, to date; and
  - e. Expenditures of funds, including the purpose of each expenditure, for FY16 and FY17, to date.

**Answer: N/A**

14. Please provide a complete accounting of all federal funds received for FY16 and FY17, to date.

15. Please identify all legislative requirements that the agency lacks sufficient resources to properly implement.

**Answer: DSLBD is working with the Mayor's Budget Office and the Deputy Mayor for Greater Economic Opportunity on developing our budget and ensuring the agency has sufficient resources to comply with legislative requirements.**

16. Please provide the agency's fixed costs budget and actual spent for FY16 and FY17, to date. Please include a narrative description of any substantial changes in these costs.

17. Please list and describe all fines and fees that the agency collects. Include FY16 and FY17 totals collected for each. Also indicate the last time that these fees/fines have been adjusted/increased.

**Answer: The Small and Certified Business Enterprise Development and Assistance Amendment Act of 2014, effective June 10, 2014 (D.C. Law 20-108) provided for additional fines to be assessed. Specific penalties assessed by the Department can be outlined in DC Code 2-218.48, civil penalties imposed in 2-218.63(c) and fees collected in 2-218.49a(a-1).**

**For FY 16, DSLBD assessed Xerox, a penalty of \$247,009 based on the firm's failure to subcontract \$9,680,361.75 to CBEs and failure to submit quarterly reports. Additional details concerning this contract are outlined in question #62.**

18. For each revenue account outside the General Fund that is available for use by the Department, please provide the following:

- a. Name of the account;
- b. Statutory authority for the account;
- c. Purpose of the account;
- d. Balance in the account at the beginning and ending of FY 2016;
- e. Deposits into the account, including the source of such deposits;
- f. Expenditures from the account;
- g. Expected revenue to the account; and
- h. Expected expenditures from the account in FY 2017.

**Answer: See Attachment # 5**

#### **IV. Agency Programs and Policies**

19. Please list each policy initiative of your agency during FY16 and FY17, to date. For each initiative please provide:

- a. A detailed description of the program;
- b. The name of the employee who is responsible for the program;
- c. The total number of FTE's assigned to the program; and
- d. The amount of funding budgeted to the program.

**Answer: See Chart Below**

Strategic Initiative	Initiative Description	FTEs Assigned	Manager
Develop a creative economies strategy by launching a small business incubator.	Work with the Office of Motion Pictures and Film Development, DMPED and the Commission on Arts and Humanities to create a small business ecosystem to support the developing film industry and the maker community. Assuming success, expand into other sectors within the creative industry.	3	Shara Gibson
Implement industry based public private partnership models to effectively aid district based firms in building capacity for business opportunities	Strategic Partnerships and Initiatives (SPI) will aid firms by identifying and entering into strategic partnerships so as to leverage financial, technical and operational assistance from private, local state and federal partners for the benefit of small business enterprises. The agency will accomplish this initiative by leveraging educational resources and capacity building programs. This includes workshops, networking opportunities and business development trainings for small and emerging contractors. SPI will improve upon programs such as CEO Growth Academy and FastTrac DC while creating new partnerships such as the MWAA Certification Program established in FY15-FY16. SPI will streamline functions of the business opportunities division by organizing existing resources. Doing so will allow SPI to be more intentional in targeting available resources and identifying new sources of assistance to small business enterprises.	2	Shara Gibson
Develop and Release new CBE business application	The operating system for the CBE Business Online application is set to expire in one (1) or two (2) years. This will make the system currently housing all business applications for the CBE program	8	Melissa Resil

	<p>obsolete. The new system will be compatible with all internet browsers and will also shorten the application process. This will in turn increase the number of certified businesses and improve the business certification process. The Mayor's approved FY17 budget includes a one-time increase of \$750,000 for the building of a new enterprise system. Funding is allocated through OCTO.</p>		
<p>Revise and finalize certification and compliance Standard Operating Procedures</p>	<p>Revising and finalizing certification and compliance standard operating procedures will bring consistency to processes and maximize efficiency. The current Certified Business Enterprise (CBE) program application is only compatible with Internet Explorer 9 or above. The system is also currently running on the Microsoft 2008 operating system. Funding in the FY17 budget will go towards developing the new enterprise system. Doing so will streamline the process (i.e. shorten the application and make it more business friendly) and address many concerns DSLBD and the business community have expressed. The new system will allow for an increase of certified firms as we will decrease the technology barriers and process barriers that are currently experienced with the system.</p>	8	Melissa Resil
<p>Electronically integrate the Compliance and Enforcement expendable budget process with the OCFO and OCP</p>	<p>By the end of the fiscal year, the agency will have completed its Enterprise system. The system, at this point should be nearly fully automated. This initiative will be accomplished through taking the following steps: continuing to work with OCFO to confirm the final District spend with SBES and CBES; continue working with OCP to connect procurements via (PASS) utilizing funding source, object class and comp sources to link and track Special Exceptions and Waiver Requests against Expendable budget; Continue working</p>	12	Ronnie Edwards



	with OCFO, OCP and OCTO to ensure timely, consistent data feeds pursuant to mutually agreeable timeframes; and formalize independent agency reporting. Taking these steps will ensure the CBE program is fully compliant with the law.		
Continue Enhancements to the Compliance database for automated tracking systems	This initiative will help streamline and establish controls to automatically capture transfers between agencies, regarding the Expendable Budget Process. In FY17, DSLBD will actively engage stakeholders such as OCFO and the Mayor's Budget team to develop a more streamlined and automated process; our goal is to make the transfer process automated, so the Compliance database will capture real time adjustments related to the expendable budget.	12	Ronnie Edwards
Share lessons learned from DC Main Streets through a citywide conference.	DSLBD and its partners can help leaders in neighborhoods throughout the District apply the lessons and experiences from the existing 10 Main Streets programs. Modeled on the very successful Entrée DC event for restaurant entrepreneurs, a one-day conference will include sessions on how to recruit businesses, managing the nighttime economy and other strategic sessions to address concerns of local businesses.	4.5	Lauren Adkins

**20.** Please describe any initiatives your agency implemented within FY16 and FY17, to date, to improve the internal operation of the agency or the interaction of the agency with outside parties. Please describe the results, or expected results, of each initiative.

**Answer: See Attachments # 6 and # 7**

**21.** The "Small and Certified Business Enterprise Waiver and Recertification Amendment Act of 2014" was enacted in March 2015. Please explain all the steps DSLBD has taken to implement this law?

**Answer: On March 18, 2015, DSLBD published a special notice and synopsis of amendments made by the Small and Certified Business Enterprise Waiver and Recertification Amendment Act of 2014 ("Amendments"). The special notice and synopsis**

were distributed to all CBE’s and District agencies and posted on DSLBD’s website. In addition, DSLBD held a series of training sessions for agency Directors and Contracting Officers on the new requirements imposed by the Amendments. DSLBD also revised its certification and compliance policy and process to ensure compliance with the Amendments.

22. Please provide a list of all studies, research papers, and analyses (“studies”) the agency prepared, or contracted for, during FY16 and FY17, to date. Please state the status and purpose of each study.

**Answer:**

<i>Study</i>	<i>Description</i>	<i>Status</i>
CBE Waiver Gap Analysis, 2016	DSLBD prepared internally a data assessment of the CBE program waivers issued to District agencies in FY2015. This analysis led to developing an external survey to learn more about areas with high waivers.	Complete
CBE Capacity & Availability Study	DSLBD contracted to conduct a baseline survey of the Certified Business Enterprise program businesses’ capacity and availability to conduct work in areas of significant CBE Waivers. The survey is complete, although analysis of survey data remains inconclusive absent further research.	Complete
Feasibility Study for a Main Street Program to serve 14th Street and Kennedy Streets	DSLBD issued a grant to a CBE to conduct this study during FY 2016 which determined that it was possible to create such a program but also identified the benchmarks which will show that neighborhood organizations are ready.	Complete

23. If applicable, please explain the impact on your agency of any legislation passed at the federal level during FY16 and FY17, to date.

**Answer: N/A**

24. Please list all regulations for which the agency is responsible for oversight or implementation. Please list by chapter and subject heading, including the date of the most recent revision.

**Answer: Title 27, Chapter 8 LOCAL, SMALL AND DISADVANTAGED BUSINESS ENTERPRISES CONTRACTING [27-800 through 27-899] The most recent comprehensive revisions were made October 23, 2009; most recent revisions, however, were registered July 20, 2012.**

**25.** Did the agency meet the objectives set forth in the performance plan for FY16? Please provide a narrative description of what actions the agency has taken to meet the key performance indicators or any reasons why such indicators were not met.

**Answer: Yes. Please See Attachment # 6**

**26.** Please list and describe any ongoing investigations, studies, audits, or reports on your agency or any employee of your agency, or any investigations, studies, audits, or reports on your agency or any employee of your agency that were completed during FY16 and FY17, to date.

**Answer:**

- **The Office of the Inspector General for District of Columbia “Agencies’ Compliance with Small Business Enterprise Expenditure Goals” (Dated June 2015), - DSLBD has requested closure of all the recommendations.**
- **The Office of the District of Columbia Auditor for District of Columbia “Agencies’ Compliance with Fiscal Year 2016 Small Business Enterprise Expenditures Goals through the 1st Quarter of Fiscal Year 2016” (March 16, 2016)**
- **The Office of the District of Columbia Auditor for District of Columbia “Agencies’ Compliance with Fiscal Year 2015 Small Business Enterprise Expenditures Goals” (March 31, 2016)**
- **The Office of the District of Columbia Auditor for Subcontracting Requirements for Government-Assisted Projects: A Review of DSLBD’s Compliance Monitoring Function (Dated July 5, 2016)**
- **The Office of the District of Columbia Auditor for District Agencies Did Not Provide Sufficient Oversight of Private Development Projects and Have Not Collected Potentially Significant Fines (Dated August 1, 2016)**
- **The Office of the District of Columbia Auditor for District of Columbia Agencies’ Compliance with Fiscal Year 2016 Small Business Enterprise Expenditure Goals through the 3rd Quarter of Fiscal Year 2016 (Dated December 22, 2016)**

**27.** Please identify all electronic databases maintained by your agency, including the following:

- a. A detailed description of the information tracked within each system;
- b. Identification of persons who have access to each system, and whether the public can be granted access to all or part of each system; and
- c. The age of the system and any discussion of substantial upgrades that have been made or are planned to the system.

**Answer: See attachment # 8**

**28.** What has the agency done in the past year to make the activities of the agency more transparent to the public?

**Answer: DSLBD continued posting 35% subcontracting waiver requests on its website to allow for public comment prior to a determination. The agency is also one of a number of agencies participating in Grade.DC.gov, a citywide customer service feedback tool that captures survey data and social media content to grade District agencies. In addition, DSLBD engaging constituents through CBE Connect, an online portal and one stop shop for all things CBE. CBEs can use this site as a tool to learn about current and future contracting and procurement opportunities with DC Government agencies. Moreover, this tool was serialized into book format and distributed again for the second year to Council and the small business community.**

**29.** Please identify ways in which the activities of the agency and information retained by the agency could be made more transparent.

**Answer: DSLBD is actively pursuing strategies to increase the transparency of the agency through enhancements to CBE Online capabilities, investments in CBE compliance tools to display compliance information online, and enhancements to improve DSLBD's website.**

**30.** Please identify any statutory or regulatory impediments to your agency's operations.

**Answer: None**

**31.** Please identify all recommendations identified by the Office of the Inspector General or the D.C. Auditor during the previous year. The Office of the District of Columbia Auditor made several recommendations concerning DSLBD's compliance monitoring in its July 5, 2016 report. Please note what actions have been taken to address these recommendations.

**See Attachment # 9 (OIG Response)**

a. Please specifically address what DSLBD has done, or plans to do, so that it is always informed of the final agreement between the District and a developer so DSLBD is able to verify the total dollar amount of the work and thus the SBE/CBE requirement.

**Answer: See below**

**DSLBD seeks to streamline the development databases to link all the funding agencies pipelines to a Central Database. DSLBD strongly believes that if a Central Database were built to house all the District's government assisted projects in one central location, the District Government would be able to provide oversight over the public private development projects. From the start of a "Letter of Interest"; to the execution of the "Subsidy Agreement" with the funding agency; tracking the requirements in the agreements, and accessing penalties with noncompliant developers and contractors.**

**DSLBD would like to work with the Mayor and the Council, as part of the development team to design the Central Database to ensure that the technical features and operational practices in the systems are according to District laws to adequately monitor the various requirement contained in the agreements that each**

**developer signed with the District government.**

**32.** Please explain the goals and objectives of the DSLBD Trade Mission. How many missions have been conducted in FY16 and FY17, to date? What are the section criteria for participation by certified business enterprises?

**Answer: The DSLBD trade missions and international business-to-business (B2B) matching services are key components of our export program, helping DC firms build relationships, identify suitable business partners, and set up meetings with pre-qualified potential customers (or partners) in relevant export markets. Specific goals include the number of B2B meetings conducted during the trade missions, number of international business support grants funded by DSLBD, number of small and local business participants, and the percentage of certified business enterprises (CBEs) that participate in the trade missions organized by DSLBD.**

**For FY 2016, DSLBD organized and led one DC trade mission to two countries: Azerbaijan and Georgia. Mission dates were September 12-16, 2016. Eight professional services firms participated in the event. The DC mission participants were all Certified Business Enterprises (CBEs) as well. DSLBD coordinated with the Embassy of Georgia and the Embassy of the Republic of Azerbaijan to arrange the in-country briefings, B2B appointments, and meetings with relevant government officials.**

**For FY 2017, DSLBD is organizing the Washington, DC Trade Mission to Central America, which will be held from March 26-31, 2017, including a two-day international business conference in San Jose, Costa Rica. More than ten DC-based businesses have submitted their online application for initial consideration and market assessment in various Central American countries. DSLBD is providing International Market Access (IMA) grants to qualified small and local businesses that meet the eligibility criteria for reimbursement funding.**

**The selection criteria for trade mission participation by certified business enterprises include the following requirements:**

- 1. Have an exportable product or service, and complete an international marketing plan prior to approval;**
- 2. Be a small business as defined by SBA size standards;**
- 3. Operate a business concern in the District of Columbia to manufacture, assemble, and/or distribute a product or provide a service;**
- 4. Maintain a principal office in the District of Columbia for a minimum of six months prior to project start date;**
- 5. Meet the local licensing and registration requirements set forth by DCRA and OTR;**
- 6. Meet the fundamental export readiness criteria as defined by the US Department of Commerce.**

**33.** Please provide a detailed description of the Small Business Capital Access Fund, including how many loans were provided in FY16 and FY17, to date. What is the agency's criteria for approval of the loan? What is the total number of loans granted in FY16 and FY17, to date,

and what is the remaining balance in FY17.

**Answer: The purpose of the Small Business Capital Access Fund (Fund) is to provide eligible recipients with capital to increase their purchasing power, build capacity and grow their business. The Fund was established as a non-lapsing fund that would provide financial assistance, including grants, loans and loan guarantees to eligible recipients. No loans were granted in FY16 or in FY17 to-date. In last year's *FY17 Budget Support Act of 2016*, Subtitle (IX)(A), the Designated Fund Transfer Act of 2016, swept \$228,362 from the Small Business Capital Access Fund. The agency looks forward to capitalizing and resuming disbursing loans by the end of FY17.**

**34.** Please explain the goals and objectives of the DSLBD CEO Academy and the total number of graduates in FY16 and FY17, to date

**Answer: The CEO Growth Academy is a DSLBD initiative that prepares small, emerging enterprises in the real estate and construction industries to take advantage of the District's local procurement power. It entails an extensive six month training program for CEOs and executives of emerging real estate and construction firms. Eligible firms must have at least \$250,000 in revenue in order to participate in the program.**

**The objectives of CEO Growth Academy are to: 1.) Position businesses with better access and take advantage of contracting opportunities; 2.) Create a pipeline to drive revenue for growing businesses; and 3.) Help build capacity for quality performance. In FY16, there were 15 graduates, all of whom were CBE firms in construction or real estate development.**

## **V. Business Enterprise Certification and Recertification**

**35.** Please provide a detailed description of the business enterprise certification process, including a step by step explanation of the procedures from initial application.

**Answer: See below:**

- 1. Successfully complete the Certified Business Enterprise (CBE) Program Webinar (not applicable for recertification, upgrade, and joint venture certification);**
- 2. Submit the online CBE application (online application must include the uploaded checklist items); and**
- 3. DSLBD review and determination.**

**All new applicants must successfully complete the CBE Program Webinar. This is a mandatory step to begin the CBE certification process. The webinar provides the applicant with the eligibility requirements for the CBE program, the eligibility requirements for each of the certification categories and screenshots of the online application with instructions and helpful hints. The webinar also has a handout section that contains a sample checklist (i.e. list of documents the business may need to upload), useful telephone numbers and a list of frequently asked questions. Applicants have twenty-four hours to complete the webinar once they begin the course. A passing score of 80% is required to receive credit for the webinar. The webinar can take about sixty minutes to complete. If a business does not**

**complete the webinar in the allotted time or fails the webinar, DSLBD resets the account of the business to allow the business to retake the course. Once a business successfully completes this process, the date of completion is good for one year. If the applicant does not submit an application within one year, the applicant is required to retake the webinar.**

**After successful completion of the webinar, an applicant can register in the CBE Business Online system to begin the online application process. The certification application is currently sixteen steps and requires a business to upload documents related to the business structure and certification categories the business selects during the registration process. Once the applicant initiates an application in the online system they have thirty days to submit the application. If an application is not submitted within this timeframe, the application is deleted automatically from the online system. If a business submits within this timeframe the application is assigned to a Business Certification Specialist for review and determination.**

**The assigned Specialist sends an introductory email to the business notifying the business of their assigned Specialist (a business can also obtain this information online) within five business days. The assigned Specialist has ten business days (inclusive of the aforementioned five days) to determine whether or not the submission is deficient or ready for processing. If an application is deficient, the Specialist sends a deficiency email or closure email depending on the severity of the deficiencies. If an application is deficient the applicant has two business days to provide the deficient information. If an application is closed, the applicant is able to submit a new application once all deficiencies are resolved.**

**If a business is more than 50% owned by a District resident (i.e. the business has submitted documentation to qualify for the Resident-Owned Business category), the application, barring any deficiencies, must be processed within twenty business days or less (DSLBD has a fifteen business day internal goal). All other Certification applications are processed within forty-five business days (DSLBD has a performance goal of thirty business days).**

**Applications submitted for recertification are processed using the same process detailed above. If a business has had no material change in ownership, address or size and is in good standing with the District, the business can receive their number in minutes using the self-recertification application process.**

**36.** Please describe any changes you have made or anticipate making to the certification process and what steps you will take to inform the public of these changes.

**Answer: In FY16 DSLBD made enhancements to the online application and online checklists for certification and recertification applications to streamline the process and decrease the amount of documents requested during the application process.**

**In FY16, DSLBD released the new self-recertification application (pursuant to D.C. Code § 2-218.61). If a business has not had a material change in ownership, address or size (if designated as a Small Business Enterprise or SBE) since the last approved application, the**

business can submit a self-recertification affidavit, instead of a full recertification application (that requires the completion of nine steps and a number of document uploads), to receive their new certification number instantly. A full recertification can take up to forty-five business days.

During the CBE certification application process, businesses self-select NIGP codes that relate to the services or goods the business is able to provide. In fiscal year 2017, DSLBD no longer evaluates the codes the business selects during the application process to determine whether or not the business has past performance or has the capacity to provide the selected services or goods. The vetting for capacity and performance is the responsibility of the Office of Contracting and Procurement (OCP) and/or any entity or individual seeking to provide a CBE with a contracting opportunity. This change will reduce the certification processing time as DSLBD will no longer be vetting businesses regarding their codes. DSLBD will only require that the business is licensed to provide the services identified in the selected codes. If the business is a regular dealer (supplier of goods), DSLBD will require that the business demonstrate their ability to supply the selected goods (i.e. supplier or authorized reseller agreements and a website or catalog).

In FY17 DSLBD will complete additional maintenance to the CBE Online system to address reported bugs or issues with the online application system. DSLBD will also begin the development of a new enterprise system that will replace the current CBE Online application system. This new system will address browser issues and streamline the application process. The RFP was released, responses have been received and DSLBD is currently in the evaluation stage for this project.

The public will be notified via the DSLBD website and CBE Online email notification of any enhancements or changes to the online application system or application process. Communication will also be made in the form of a press release on the DSLBD website.

**37.** How have you expanded the agency's online services over the past fiscal year? What new online services are being offered? What are your targets for viewership and what are your results thus far in FY17?

**Answer:** See responses listed above. All expanded online services are targeted to businesses seeking certification with DSLBD and existing certified businesses. We will have results once we collect feedback on the requirements for the new online system in FY17.

**38.** How does the agency track applications for the various classifications of business enterprise certifications and recertification?

**Answer:** CBE Online tracks each application submitted. The system has the ability to filter records and display categories of certification and recertification. DSLBD also utilizes Quickbase for reporting purposes.

**39.** The "Small and Certified Business Enterprise Waiver and Recertification Amendment Act of 2014" created a new self-certify protocol for re-certification. Please describe the steps the



agency has taken to implement the new process. Please indicate how many CBE's have been re-certified under the new process.

**Answer: DSLBD has released a new online Self-Recertification application within the CBE Business Online system. Prior to this release any application that met the requirements for self-recertification were processed manually by Business Certification Specialist in ten business days or less. DSLBD needed to work with the OCTO to update the CBE Business Online system to comply fully with the new law. This is currently an option for businesses seeing re-certification. The business is no longer required to complete a full recertification application, upload supporting documents and wait up to forty-five business days. Pursuant to D.C. Code § 2-218.61, if a business has not had a material change in ownership, address or size (if designated as a Small Business Enterprise or SBE) since the last approved application, the business can submit a self-certification affidavit, instead of a full re-certification application, to receive their new certification number instantly. The affidavit must also attest that the business is in good standing with the Department of Consumer and Regulatory Affairs (DCRA) and maintains clean hands with the Office of Tax and Revenue.**

*The number of CBEs re-certified under the new process:*

- **Approved for FY16: 311**
- **Approved for FY17 (as of 2/3/17): 66**

**40.** Please provide the committee with the number of business enterprises that are certified in each CBE category.<sup>2</sup>

**Answer:**

- 1.) Local Business Enterprise (LBE): 1402**
- 2.) Small Business Enterprise (SBE): 1331**
- 3.) Disadvantaged Business Enterprise (DBE): 690**
- 4.) Development Enterprise Zone (DZE): 864**
- 5.) Longtime Resident Business (LRB): 134**
- 6.) Resident Owned Business (ROB): 774**
- 7.) Veteran-Owned Business (VOB): 86**
- 8.) Local-Manufacturing Business Enterprise (LME): 2**

**41.** How many applications for business enterprise certifications were received in FY16 and FY17 to date? How many re-certifications?

**Answer: See below:**

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<sup>2</sup> Note: This number reflects the number of active businesses as of 2-3-2017 that are within each certification category. This number changes as applications are approved.

- **Certification Application Received in FY16: 500**
- **Certification Application Received in FY17: 138**
- **Recertification Application Received in FY16: 496**
- **Recertification Application Received in FY17: 123 (number includes re-certification and self-recertification applications)<sup>3</sup>**

**42.** What is the number of certification specialists on staff?

**Answer: There are currently four (4) Business Certification Specialists and two (2) Business Certification Analysts on staff.**

**43.** What is the average monthly rate of applications reviewed by certification specialists?

**Answer: 20 Business Days.**

**Answer: About 289 a month.**

**44.** How many CBE applications are processed by a certification specialist each year?

**Answer: Based on FY16 data, about 276.**

**45.** How many certifications were revoked in FY16 and FY17, to date, and for what reasons?

**Answer: One business was revoked in FY16. DSLBD investigated the business after receiving a number of sworn complaints and found the business did not qualify as a local business enterprise. In FY17 the certification division revoked one business. The business informed DSLBD that they had dissolved their business. DSLBD also verified with DCRA that the business was dissolved, and therefore no longer licensed to conduct business in the District.**

**46.** What is the average wait time for processing business enterprise certification applications, and what is the number and percentage of CBE certifications that were processed within the average wait time. What is the average wait time for re-certification applications?

**Answer: For FY16, 88% of applications were processed in forty-five business days or less. In FY17, 99% of applications were processed within 45 business days. Average wait time for both fiscal years are between twenty and twenty-five business days.**

**47.** What has the agency done to reduce the wait time?

**Answer: DSLBD has reviewed the required checklist documents and reviewed internal**

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<sup>3</sup> *Note: In FY17 DSLBD has received 315 applications (as of 2/2/17). In FY16 DSLBD received 1103 applications. These numbers do not include Upgrade applications.*

processes to improve the wait time during the application processing time. The Department is currently drafting Standard Operating Procedures for the certification division to improve this process as well.

**48.** For certification and re-certification applications found deficient, what is the average time before an applicant receives official notice of the agency's determination?

**Answer:** Business Certification Specialist are to review assigned applications and provide businesses with a notice of deficiency or closure notice (depending on the severity of the deficiencies) within ten business days (from the date the application is submitted to the Department).

**49.** Please provide an analysis of the complaints received regarding the certification process. Include:

- a. Number and percentages by certification and re-certification;
- b. A description of the most common complaints;
- c. A description of the actions taken to address and reduce these common incidences; and
- d. A description of the process areas that remain the most problematic for clients.

**Answer:** Businesses may contact the Department regarding issues they are facing with the certification process. Complaints are handled as they are received on a case by case basis as it is usually related to an application being processed by the Department. While the agency does not track the percentage of complaints received (as it pertains to the certification process, the most frequent complaints concern application processing issues. These processing issues are mostly related to the length of time it takes to render a determination or the checklist documentation being requested throughout the process. The Department continues to take proactive steps to rectify these concerns including improvements to the CBE Business Online System, the development of a new enterprise system and the development of Standard Operating Procedures for the certification division. The most problematic issue for businesses seeking certification is that the online system is only compatible with Internet Explorer 9 or above. No other browser can be used. This will be addressed when DSLBD releases the new enterprise system.

## **VI. Protests and Appeals Procedures**

**50.** Please describe the process for handling client protests and appeals in response to adverse determinations made by the agency of an application for certification or recertification.

**Answer:** Entities whose application for certification or recertification are denied receive a denial notice issued by the Department. The Denial notice instructs them on how they can appeal the agency's denial by submitting a written request for a hearing directly to the OAH within twenty days of being served the notice denying the application.

How many protests and appeals were processed by the agency for FY16 and FY17, to date?

**Answer:** FY16: 8 and FY17: 1

**51.** What are the most common protests/appeals handled by the agency?

**Answer: Businesses who are denied certification (certification or recertification).**

**52.** How many agency decisions appealed to the Office of Administrative Hearings were overturned?

**Answer: One agency decision was overturned in FY16.**

## **VII. Enforcement and Compliance**

### **a. Monitoring and Inspections**

**53.** Please provide a detailed description of the compliance monitoring process, including the tracking system in place for monitoring District agencies' compliance meeting their small business enterprise expendable budget requirements and compliance with CBE subcontracting requirements on government-assisted projects.

**Answer: See below**

#### **Compliance and Monitoring**

**As of October 1, 2016, Fiscal Year (FY) 2016 DSLBD has ten (10) Compliance Specialists, including: four Senior Compliance Specialists whom all reports to the Deputy Director of DSLBD. Each fiscal year DSLBD's Compliance and Enforcement Division sets and monitors District Government agencies and independent authorities' spending of procurement dollars with local and Small Business Enterprises (SBEs) pursuant to DC Official Code 2-218.41. In addition, for each construction project where the District provides government assistance to a private developer performing work in excess of \$250,000, D.C. Code § 2-218.46 stipulates that at least 35 percent of the dollar volume of the work must be subcontracted to an SBE.**

**Another function of the division is to ensure that all compliance mechanisms are implemented within DSLBD. In FY 2017, DSLBD anticipated that the Compliance and Enforcement Division would obtain one new FTE, which consist of one Investigator. This additional FTE will allow the agency the ability to sufficiently support and implement all components of the Compliance and Enforcement Division, including compliance over the Public-Private Development (PPD) Projects and performing investigations and ongoing spot checks.**

**Agencies are required to: 1.) Submit documentation supporting contracts awarded by the District Government, which contains the subcontracting requirement; 2.) Submit documentation supporting the funding subsidies for all active government assisted projects**

in the District, which include agreements, contracts, quarterly reports, and occupancy certificates; 3.) Submit special exceptions, acknowledge/confirm adjusted SBE Goals throughout the year; 4.) Confirm the SBE spending; 5.) Submit waiver request; and 6.) Upload copies of the contracts awarded by District Agencies.

### *I. Agency Compliance*

The Compliance and Enforcement Division is required to: 1.) Provide trainings to explain the compliance monitoring process; 2.) review, understand, and explain the Citywide Appropriate Budget; 3.) determine what Agencies should be monitored (based on program and activity, and expendable budget); 4.) Determine what comptroller source group codes should be excluded; 5.) Extract and upload financial data, which include the Approved Citywide Appropriated Budget and Expenditures; 6.) Review, evaluate, and approve Special Exceptions; 7.) Ensure Annual Allocations are confirmed by agency heads throughout the year; 8.) Process waiver requests; 9.) Review and track procurements for D.C. Code 2-218 and against the expenditures; 10.) Ensure all contracts are submitted to DSLBD; 11.) All supporting documentation (contracts, determination of findings, subcontracting plans, waiver requests, quarterly reports, vendor verifications forms, canceled checks, etc.,) are reviewed, evaluated, and maintained; 12.) Draft and send non-compliant letters every quarter; and 13.) Ongoing open communications with the agencies.

### *Goal Setting<sup>4</sup>*

The Compliance and Enforcement Division is responsible for enforcing and ensuring compliance with D.C. Official Code 2-218.01 et seq. DSLBD works with agencies to address any issues related to compliance including assisting with the identification of available SBEs.

- Approximately 60 days prior to the start of each fiscal year, DSLBD receives a data dump from the Office of the Chief Financial Officer (OCFO), of the District's Proposed Budget for Fiscal Year 2016, the proposed budget includes the operating and capital dollars summarized by program, activity, comptroller source group, and appropriated fund.
- DSLBD identified and confirmed the comptroller object codes to be excluded, which includes personnel and fixed costs for agency staff salaries, utilities, rent and other

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<sup>4</sup> DSLBD utilizes a citywide, user-assigned electronic data system called "Quickbase" that tracks agency expenditures and compliance towards achieving goals. DSLBD updated Quickbase and released the New 2016 DSLBD Agency SBE Compliance Application in August 2014.

fixed costs that cannot be contracted out to SBEs. These costs are not subject to the SBE spending requirement.

- Approximately 30 days prior to the start of each fiscal year, agencies request Special Exceptions by object code and comptroller source group; Special Exceptions are submitted, reviewed and approved/denied.
- DSLBD identifies Anticipated Transfers, which are funds that one agency will transfer to another agency for services.
- DSLBD Expendable Budgets and Proposed SBE Goals are established for each monitored agency.

## ***II. Public Private Development Projects***

Compliance and Enforcement is also responsible for monitoring government-assisted projects. In this capacity, Compliance and Enforcement is required to provide oversight that will lead to an increase in CBE participation in PPDs. To accomplish this, the agency is required to: 1.) Provide trainings to explain the reporting process to developers, general contractor, and project managers 2.) Ensure all supporting documentation, which include (agreements, budgets, contracts, subcontracting plan, quarterly reports, vendor verification forms/cancel checks, occupancy certificates, etc.) are submitted to DSLBD and maintained; 3.) Meet with developers; 4.) Review and track expenditures against the CBE Goal; 5.) Draft and send deficiency letters; and 6.) Ongoing open communications with the agencies and developers.

The Compliance Team is expected to communicate with the Developers on a regular basis, to ensure that the requirements stated in their contract are met and reviewed by the Compliance Specialists and that quarterly reports are received in a timely manner.

In addition, Developers may be subject to fines and penalties, if the contract requirements are not met. DSLBD will notify the Developers of non-compliant via deficiency letters, in-person meetings, emails, etc.,

All SBE/CBE Expenditures are clearly delineated and reported in a manner to track expenditures both quarterly and cumulatively in the Quickbase Application.

## ***III. Complaints and Investigations***

The Compliance and Enforcement Division is required to: (1) track, review, and evaluate all complaints; (2) conduct desk reviews, spot checks and site visits; (3) draft reports for spot checks/ site visits and subpoenas.

**54.** Please describe any changes you have made or anticipate making to the monitoring process

since last fiscal year, and include the efforts you have taken to inform the public and stakeholder community of these changes.

**Answer: See below**

- **Change 1** – Primes (Businesses and Developers) will have access to Quickbase, to upload supporting documentation and record quarterly expenditures.
- **Change 2** - Implemented a comprehensive, electronic data driven financial and procurement compliance monitoring system, with the support of critical partner agencies: The OCFO; OCP; and OCTO to link all procurement related electronic data systems in an effort to facilitate “real time” data sharing eliminating human error receiving substantially more reliable data, reducing human error, enhancing the accuracy data reported.
- **Change 3** - Streamlined and establish controls to automatically capture transfers between agencies, regarding the Expendable Budget Process. In FY2016, DSLBD has implemented steps to streamline the transfer process by creating a field in Quickbase to track “Anticipated Transfers” between agencies; however, our goal is to make the transfer process automated, so the Compliance database will capture real time adjustments related to the expendable budget.
- **Change 4** - DSLBD will develop and implement enforcement strategies for complaints, and conduct more site reviews on low achieving projects.
- **Change 5** - Conduct semi-annual on-site trainings on Compliance Monitoring Processes, which include the Expendable Budget Process, Public-Private Development Projects, Subcontracting Module, Waiver Request, Quarterly Reporting, and Complaints.
- **Change 6** - Agencies will be held accountable for submitting their Subcontracting Quarterly Reports in a timely manner, and meeting their SBE Spending Goal.

**55.** What online upgrades have you made to your compliance monitoring system over the past fiscal year? What new online upgrades are being considered for FY17?

**Answer: Below**

**DSLBD will open up the Subcontracting Module to the Primes (Beneficiary), to record payments against their CBE Goal in DSLBD Quickbase Application. In addition, DSLBD will allow access to the Developers and General Contractors, to record payments against their CBE Goal in the Public Private Development Module. Access will be limited to specific areas in the Quickbase Application, and DSLBD Compliance Specialists will be responsible for validating the information recorded in the Compliance Database.**

**DSLBD implemented a comprehensive, electronic data driven financial and procurement compliance monitoring system, with the support of critical partner agencies: The Office of**

**the Chief Financial Officer (OCFO); Office of Contracting and Procurement (OCP); and Office of the Chief Technology Office (OCTO) to link all procurement related electronic data systems in an effort to facilitate “real time” data sharing eliminating human error receiving substantially more reliable data, reducing human error, enhancing the accuracy of data reported.**

**Streamlined and established controls to automatically capture intra-district transfers and re-programming between agencies, by extracting and uploading budget adjustments. In FY2016, DSLBD implemented steps to streamline the transfer process by creating a field in Quickbase to track “Anticipated Transfers” between agencies; however, our goal is to make the transfer process automated, so the Compliance database will capture real time adjustments related to the expendable budget.**

**56.** What changes have you made to increase the performance of District government agencies, developers, and general contractors who have failed to comply with small and certified business enterprise utilization requirements?

**Answer: DSLBD has updated the Public Private Development Module to include some fields that will be beneficial to tracking the project expenditures, against the CBE Goal. DSLBD will open up the Subcontracting Module to the Primes (Beneficiary) to record payments against their CBE Goal in DSLBD Quickbase Application. DSLBD will also allow access to the Developers and General Contractors, to record payments against their CBE Goal in the Public Private Development Module. Access will be limited to specific areas in the Quickbase Application, and DSLBD Compliance Specialists will be responsible for validating the information recorded in the Compliance Database.**

**DSLBD has improved communications by corresponding with Agencies, Developers and General Contractors on a more frequent basis, which include reminders of requirements, deadlines, and consequences of being non-compliant which are subject to corrective measures, fines and/or penalties.**

a. Has the agency conducted any analyses to determine their effectiveness in enhancing performance compliance?

**Answer: Yes. DSLBD has made significant progress in determining the agency’s effectiveness in enhancing performance in compliance, by providing feedback to the Agencies and Developers regarding status, implementing deadlines, and enforcing accountability. To the extent deficiencies are being identified, appropriate corrective measures are being implemented and necessary improvements made.**

b. Have changes been implemented for FY16 and FY17, to date?

**Answer: Yes. businesses will have access to the Subcontracting Module, and Developers and General Contractors will have access to the PPDs Module will have access to Quickbase, to upload supporting documentation and record quarterly expenditures. In addition, DSLBD has made significant progress in determining our effectiveness in enhancing performance in compliance, by providing feedback to the Agencies and**



**Developers regarding status, implementing deadlines, and enforcing accountability.**

**57.** How does the agency coordinate with other District agencies to keep abreast of CBE compliance matters and performance? Please explain.

**Answer: See below**

**DSLBD has implemented a comprehensive, electronic data driven financial and procurement compliance monitoring system, with the support of critical partner agencies: OCFO; OCP; and OCTO to link all procurement related electronic data systems in an effort to facilitate “real time” data sharing eliminating human error receiving substantially more reliable data, reducing human error, enhancing the accuracy data reported. Meaning, we report out to Agency’s to confirm their SBE spend on a quarterly basis, which is maintained in the Quickbase Application.**

**The agency has also streamlined and establish controls to automatically capture intra-district transfers and re-programming between agencies, by extracting and uploading budget adjustments. DSLBD continued to communicate with Agencies, by corresponding with the Agency monthly regarding subcontracting and waiver requests. Also, DSLBD draft letters on a quarterly basis regarding the findings of the Agencies procurements, cross reference against the payment data received through SOAR.**

**Furthermore, in FY 2016, DSLBD held numerous training sessions to ensure that all requirements are understood and satisfied. As previously stated, agencies have been divided among seven compliance specialists who, among other duties, will be directly responsible for communicating with agency liaisons and assisting with compliance related issues.**

58. Please describe the small and certified business utilization waiver process and include the following in the narrative:

**Answer below:**

**Answer: The law anticipates, that there will be occasions where an appropriate CBE may not be available to meet governmental procurement needs and therefore allows agencies to request a waiver from CBE requirements.**

**Waivers may be granted due to: (1) lack of CBEs available to provide the service; (2) available CBEs lacking the business capacity to fulfill the terms and conditions of the requested service; or (3) the goods and services requested are proprietary or specialized in nature. The DSLBD Director, in her discretion, may find that agency needs cannot be met at the time of procurement.**

**Furthermore, Agency Liaison can request a waiver in the Quickbase system for receiving and processing waiver requests, to have the 35% subcontracting requirement waived.**

**Instructions and trainings are made available to all Agency end users. In addition,**

Agencies were advised that waivers could only be considered when submitted by designated agency representatives and should be submitted well in advance of anticipated contract awards in order to avoid delays in processing; in addition, supporting documentation must be attached or submitted via email, which include justification to demonstrate the unavailability of SBEs, including market analysis, outreach and consultation with DSLBD, etc.

- a. Differences in the waiver request process practiced by the various requesting agencies, developers and contractors;

**Answer: Waivers are only considered when requested by agency representatives. No requests are received directly from contractors. The process is the same for all agencies. However the process of providing supporting documentation varies and most of the time contribute to delays in processing.**

- b. The number of resources devoted to reviewing waiver requests;

**Answer: During FY 2016, approximately nine Compliance Specialists were involved in drafting responses to waiver requests.**

- c. The average turnaround time for a waiver request determination; and

**Answer: The average turnaround time for a waiver request determination during FY 2016 was about thirty days**

- d. The number of waivers granted in FY15, FY16, and FY17, to date.

<b>Fiscal Year</b>	<b>Approved</b>
<b>2015</b>	<b>120</b>
<b>2016</b>	<b>155</b>
<b>2017</b>	<b>56</b>
<b>Total</b>	<b>275</b>

- **In FY 2017, DSLBD goal is to process as many waiver request in twenty days**

**Answer: DSLBD opens the Special Exceptions process. The estimated gross expendable budget is finalized in the CSBE Compliance Reporting database, and agencies are required to review and submit requests by October 1, request exceptions for one of five justifications pursuant to 27 DCMR 830.1. DSLBD reviews and approves or denies requests for procurement if: 1.) No small business can perform the work, 2.) The work is proprietary, 3.) The line item is for specialized government services, (4) there are federal or other restrictions on the funds, or 5.) There are requirements for the work to be completed by a non-CSBE, such as for existing multi-year contracts.**

59. In the FY16 release of the District Spending Plans, there were a substantial number of agency exceptions requested and granted. Please describe the exception process and include the following:

- a. The total number of exceptions requested; **2228**
- b. The number exceptions granted and the basis for DSLBD’s approval; **1645**
- c. The total number of exceptions denied; and **583**
- d. The top agencies with the most exception requests.

**Answer:**

Agency	No. of Special Exception
<b>Department of Energy and Environment Count</b>	<b>192</b>
<b>Department of Behavioral Health Count</b>	<b>136</b>
<b>Office of the State Superintendent of Education Count</b>	<b>91</b>
<b>Department of Employment Services Count</b>	<b>91</b>
<b>Department of Human Services Count</b>	<b>70</b>
<b>District of Columbia Public Schools Count</b>	<b>61</b>
<b>Office of the Attorney General for the District of Columbia Count</b>	<b>54</b>
<b>Department of Health Count</b>	<b>48</b>
<b>Child and Family Services Agency Count</b>	<b>44</b>
<b>Department of Health Care Finance Count</b>	<b>43</b>

60. Does the agency have issues regarding the small and certified business enterprise waiver process, and if so, please explain?

**Answer: No, based on legislative changes, DSLBD has revised its process to comply with the new requirements.**

61. Concerning waiver requests from contracting entities, how many such requests did DSLBD receive to waive SBE/CBE utilization requirements in FY16 and FY17, to date?

Fiscal Year	Total Number of
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	Waiver Request Submitted
2016	213
2017	68
Total	281

Please break the number down by the following categories and note the requesting agency:

- a. Purchases of goods and services by District government agencies;
- b. CBE utilization on government-assisted projects, and
- c. CBE utilization on equity participation projects.
  - i. How many waiver requests were approved? Please provide a justification for each waiver; **See Attachment # 10**
  - ii. How many waiver requests were denied? Please explain; and
  - iii. What is the average turnaround time for approving/denying a waiver request from a contracting entity?

**Answer: See Attachment # 10**

**Each year, DSLBD works with agencies to set a CBE spending goal. Waivers reduce the agencies goal from the original total if there are no qualified CBE are capable and available to perform the work. As of December 19th, 2016, there were only 1392 CBEs available to contract with over multiple industries, with some industry groups underrepresented within the CBE pool. Of the 211 approved waivers in FY 2016 and 2017, we only denied 22 thus far. Also, more than two-thirds of the waiver requests submitted, were approved because no CBE had the requested capacity to perform the work. In addition, the average turnaround time for approving/denying a waiver request from a contracting entity is 30 days.**

Total Number of Waiver Request Submitted						
	Fiscal Year	Closed	Withdrawn	Denied	Approved	Total Number of Waiver Request Submitted
	2016	24	16	18	155	213
	2017	4	2	4	56	66
	<b>Total</b>	<b>28</b>	<b>18</b>	<b>22</b>	<b>211</b>	<b>279</b>

62. Does the agency receive blanket waiver requests from contracting agencies from CBE utilization

requirements? If so, please identify the agencies.

- a. What particular industries are impacted by this process; and
- b. What procedures have been put in place to process such requests?

**Answer: Yes, we have received requests both written and verbal for consideration of blanket approval of waivers from several of the Human Services/Human Care related agencies (i.e., DBH; CFSA; DHS). Human Services and procurements that are competition exempt are the particular industries impacted the most by this process. Currently DSLBD does not approve blanket waiver request. However, we evaluate each waiver request, on an case by case basis.**

63. Please list the recommendations you have made to contracting agencies to suspend, debar, levy fines or other penalties against a contractor, developer or small or certified business enterprise found not in compliance with certified business program requirements. Include in your listing the following:

- a. The name of the contractor/developer/CBE entity involved;
- b. Project name;
- c. Contract identification;
- d. A description of the infraction; and
- e. A description of the agency's recommendation.

**Answer: See below:**

**(1) Goel Services filed an application for re-certification as a CBE on October 7, 2014 (“Application”). The Application states that Goel Services’ principal office is located at 6201 Dix Street NE, Washington, D.C. 20019 (“District Office”). DSLBD relied upon the information contained in the Application to determine that Goel Services qualified as a local business and certified the Company as a CBE. On or about January 11, 2016, following receipt of numerous complaints, including information alleging that Goel Services’ principal office was actually located in Maryland, DSLBD’s Compliance and Enforcement Division launched an investigation into the services and operations of Goel Services. The investigation involved a review of information supplied by Goel Services to obtain (re)certification and several unannounced visits to both the District Office and Maryland Office to determine if Goel Services’ principal office was indeed located in DC**

**Following a thorough review of all the evidence, DSLBD has determined that Goel Services does not qualify as a local business enterprise. DSLBD also finds that Goel Services failed to report changes that affect its continuing eligibility for certification as required by 27 DCMR 814.1 and D.C. Official Code 2-218.63(a)(3)(F). Goel had its Certification revoked by DSLBD on September 27, 2016; On December 7, 2016, Goel dropped its appeal and Goel Services is no longer a CBE.**

**On September 9, 2014, the District of Columbia Office of Contracting and Procurement (“OCP”), on behalf of DHCF, issued Modification No. 00014**

(“M00014”) to extend Contract No. POTO-2006-R-0077 with Xerox. M00014 consisted of a two year and twenty-one day base period, and two one-year option periods. The base period of performance under M00014 was September 10, 2014 to September 30, 2016, valued at \$38,721,447. OCP previously granted a waiver for M00014, reducing the 35% CBE subcontracting requirement of D.C. Official Code § 2-218.46 to 25%; thereby setting the CBE requirement at \$9,680,361.75 for the base period of M00014. DSLBD found that Xerox failed to subcontract \$9,680,361.75 to CBEs, and Xerox failed to submit quarterly reports detailing CBE utilization.

DSLBD assessed a penalty of \$247,009 based on Xerox’s failure to subcontract \$9,680,361.75 to CBEs and failure to submit quarterly reports.

64. Please provide any analyses of the complaints received regarding the waiver process. Include:
- a. A description of the most common complaints;
  - b. A description of the action taken to address and reduce these common incidences; and
  - c. A description of the parts of the process that remain the most problematic for the District government agency and private sector stakeholders.

**Answer:** Some of the most common complaints received regarding the waiver process, asks: 1.) What about my agency’s unique needs? 2.) Is prior poor performance a basis for requesting a waiver? 3.) How do I find SBEs or other CBEs? 4.) How is a waiver request withdrawn? and (5) Does DSLBD verify a vendor’s capability and capacity for the NACIS or NIPG Codes it lists?

<p><b>Is prior poor performance a basis for requesting a waiver?</b></p>	<p><b>Yes to the extent that no other SBE or CBE can perform the service or work (or a portion thereof) and the poor performance of the incumbent or potential vendor is documented via a CAR and the vendor clearly failed to perform</b></p>
<p><b>What about an agency’s unique needs?</b></p>	<p><b>1. Such needs should be discussed at the beginning of the fiscal year when the Agency submits its annual spending plan and negotiates its expendable budget with DSLBD. 2. Prior to a solicitation or procurement occurring, the procuring agency director with assistance from the OPC CO should reach agreement with DSLBD on unique needs (this second option should be the extreme exception)</b></p>
<p><b>How can SBEs or other CBEs be found?</b></p>	<p><b>visit the DC Supply Schedule found at <a href="http://ocp.dc.gov/page/district-columbia-supply-schedule">http://ocp.dc.gov/page/district-columbia-supply-schedule</a> and the DSLBD CBE Tool</b></p>

	found at <a href="http://dslbd.dc.gov/service/find-certified-companies">http://dslbd.dc.gov/service/find-certified-companies</a> Using key words or NIPG Codes (to the fifth place e.g. not 948-00 Health Relates Services but rather, 948-65 Nursing Home Services) <b>Find Certified Companies Find Certified Companies</b>
How is a waiver request withdrawn?	CO issues a concise memo to DSLBD with the reason for withdrawal

### VIII. DC Main Streets and Business Improvement Districts

65. Please provide the following for the DC Main Streets organizations:

- a. Changes in geographic area for each Main Street organization;

**Answer: Three Main Streets programs requested boundary changes in FY2016 and all requests were approved. The following chart summarizes these changes.**

<b>H Street</b>	<b>Expanded to Benning Rd from the Starburst intersection to I-295.</b>
<b>Shaw</b>	<b>Expanded to Barry Place and Florida Avenue, NW at the north, 10th Street, NW at the west, 6th Street, NW at the east</b>
<b>Tenleytown</b>	<b>Expanded 1/2 block east and west from Wisconsin Avenue on the cross streets of Brandywine Street and Chesapeake Street</b>

- b. Budgets for each Main Street organization; and

**Answer: The following chart includes the budget information submitted from DC Main Streets programs to DSLBD. This information was gleaned from each organization's 2016 report to the IRS via Form 990, except for the Tenleytown and Van Ness programs, which are too young to have filed a report with the IRS. Numbers for those programs were reported via quarterly reports to DSLBD.**

<b>Program Name</b>	<b>Grants from DSLBD (Main Streets and Clean Teams)</b>	<b>Matching Funds Raised Privately</b>	<b>Total Budget</b>
<b>Barracks Row</b>	<b>\$233,000</b>	<b>\$76,150</b>	<b>\$309,150</b>
<b>Congress Heights</b>	<b>\$276,000</b>	<b>\$78,850</b>	<b>\$354,850</b>
<b>Deanwood Heights</b>	<b>\$249,000</b>	<b>0</b>	<b>\$249,000</b>
<b>Dupont Circle</b>	<b>\$266,000</b>	<b>\$100,000</b>	<b>\$366,000</b>
<b>H Street</b>	<b>\$397,000</b>	<b>\$165,000</b>	<b>\$562,000</b>
<b>North Capitol</b>	<b>\$257,000</b>	<b>\$72,500</b>	<b>\$329,500</b>
<b>Rhode Island Ave</b>	<b>\$239,000</b>	<b>\$411,000</b>	<b>\$650,000</b>
<b>Shaw</b>	<b>\$281,000</b>	<b>\$255,490</b>	<b>\$536,490</b>
<b>Tenleytown</b>	<b>\$200,000</b>	<b>\$28,547</b>	<b>\$228,547</b>
<b>Van Ness</b>	<b>\$200,000</b>	<b>\$19,380</b>	<b>\$219,380</b>

- c. Identify all alternative sources of funding for which Main Street organizations are eligible.

**Answer: As independent, nonprofit organizations, all 12 Main Streets organizations are free to seek any type of funding which would be open to any other nonprofit organization.**

66. Please provide the following information for the Districts Business Improvement Districts:
- a. A description of each BID Litter Cleanup Assistance Program, including the role of each government or non-government institution that interacts with the program; and

**Answer: DSLBD does not monitor BIDs on an annual basis and does not have any information about litter removal programs conducted by any of the BIDs. Any oversight provided for BIDs is conducted during the renewal of each BID's charter, which happens every five years and which is delegated to DSLBD by the Executive Office of the Mayor. At that time, DSLBD conducts a public hearing in which people can present comments about the BID's operation which would be germane to the Mayor's consideration to renew the**



**BID's charter for another five years.**

- b. Spending plan for each BID.

**Answer: DSLBD does not monitor BIDs on an annual basis and does not have any information about their budgets beyond what is submitted with the initial application. When community leaders seek to establish a BID, they present petitions from a majority of the property owners, along with other application materials, to DSLBD which acts as a delegate for the Mayor of DC to review the applications and conduct a public hearing about the application.**

67. Please provide an update on the establishment of the Georgia Avenue and Eastern Market Main Streets that were funded in the FY16 budget.

**Answer: The FY 2016 Budget did not include funding to establish a new Main Street program on Georgia Avenue, but did include funding for new Main Street programs in the Eastern Market and Mount Pleasant/Columbia Heights commercial districts. Programs in both areas have been designated as full participants in the DC Main Streets program and grants of \$200,000 have been awarded to each organization. The FY 2016 Budget also included funding for a new Clean Team along Georgia Avenue. The Lower Georgia Avenue Clean Team grant was awarded to Collaborative Solutions for Communities.**

The FY 2017 Budget

### **IX. Spending Pressures**

68. Please answer the following related to spending pressures:
- a. Please identify and explain any and all spending pressures for the current fiscal year;
  - b. Please explain your plans to curtail spending to remedy these pressures;
  - c. Will this plan result in a balanced agency budget;
  - d. For potential spending pressures please identify how the agency will curb spending; and
  - e. Please explain how any current or potential spending pressures will affect services to the public.

**Answer: None at this time**

69. Are there any other concerns DSLBD would like to share with the Committee?

**Answer: Not at this time. We look forward to working with the Committee.**