

Office of Local Business Development

www.olbd.dc.gov

Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$1,001,782	\$1,039,532	\$1,437,527	38.3
FTEs	8.0	10.0	10.0	0.0

The mission of the Office of Local Business Development (OLBD) is to process applicants into the local, small and disadvantaged business enterprise (LSDBE) program to help foster economic development and job creation in the District of Columbia. The OLBD advocates for the inclusion of LSDBEs in contracting opportunities with District government agencies and private sector partners. OLBD also monitors District agency and private sector memorandum of understanding (MOU) partners to ensure compliance with LSDBE goals.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Providing application services to local, small businesses so that they can compete for D.C. government contracts and District agencies have a qualified pool of certified LSDBE vendors. This goal will be measured by:
 - Processing 70 percent of applications within 45 days for forwarding to the Local Business Opportunity Commission (LBOC).
 - Issuance of 100 percent of LSDBE certificates within 15 days of LBOC approval.
- Monitoring, auditing, and evaluating D.C. government agencies and private sector MOU partners and reporting to the Mayor and District Council to determine compliance with D.C. Law 12-268, Mayor's Order 85-85 and private sector agreements, respectively as evidenced by:
 - Scheduling 70 percent of noncompliant agencies for consultation within 15 days after quarterly reporting.
 - Processing 80 percent of Affirmative Action Plans (AAPs) within 10 days of receipt.

Funding by Source

Tables EN0-1 and 2 show the sources of funds and FTEs by fund type for the Office of Local Business Development.

Table EN0-1

FY 2006 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Office of Local Business Development

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	959	1,002	1,040	1,438	398	38.3
Total for General Fund	959	1,002	1,040	1,438	398	38.3
Gross Funds	959	1,002	1,040	1,438	398	38.3

Table EN0-2

FY 2006 Full-Time Equivalent Employment Levels

Office of Local Business Development

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
General Fund						
Local Fund	8	8	10	10	0	0.0
Total for General Fund	8	8	10	10	0	0.0
Total Proposed FTEs	8	8	10	10	0	0.0

Expenditures by Comptroller Source Group

Table EN0-3 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table EN0-3

FY 2006 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Office of Local Business Development

Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
11 Regular Pay - Cont Full Time	560	523	615	614	-1	-0.2
12 Regular Pay - Other	1	11	0	21	21	100.0
13 Additional Gross Pay	10	14	9	8	-2	-17.3
14 Fringe Benefits - Curr Personnel	91	93	97	127	30	30.7
Subtotal Personal Services (PS)	662	641	722	770	48	6.7
20 Supplies and Materials	19	19	20	20	0	0.0
30 Energy, Comm. and Bldg Rentals	16	14	14	17	3	20.6
31 Telephone, Telegraph, Telegram, Etc	4	9	23	9	-14	-60.2
32 Rentals - Land and Structures	11	14	22	10	-12	-55.8
33 Janitorial Services	0	6	9	9	0	0.0
34 Security Services	0	12	12	10	-2	-14.9
35 Occupancy Fixed Costs	0	0	18	25	7	37.4
40 Other Services and Charges	225	246	168	554	387	230.5
70 Equipment & Equipment Rental	21	42	31	13	-18	-58.8
Subtotal Nonpersonal Services (NPS)	297	360	317	667	350	110.2
Total Proposed Operating Budget	959	1,002	1,040	1,438	398	38.3

Expenditure by Program

This funding is budgeted by program and OLBD has the following program structure:

Figure EN0-1

Office of Local Business Development



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- Scheduling 60 percent of noncompliant MOU partners for consultation within 45 days of quarterly reporting.

Gross Funds

The proposed budget is \$1,437,527 representing an increase of \$397,995 or 38.3 percent over the FY 2005 approved budget of \$1,039,532. There are 10 FTEs for the agency, unchanged from FY 2005 levels.

General Funds

Local Funds. The proposed budget is \$1,437,527, an increase of \$397,995 or 38.3 percent over the FY 2005 approved budget of \$1,039,532. There are 10 FTEs, unchanged from FY 2005 levels.

Changes from the FY 2005 approved budget are:

- A net increase of \$48,215 or 6.7 percent in personal services due to a net increase of \$18,367 for step and base pay increases, and \$29,848 to fully fund fringe benefits.

- A net decrease of \$220 in nonpersonal services due to a decrease of \$18,473 in fixed costs, primarily from reduced costs for telecommunications and rent; a decrease of \$18,473 in equipment costs; a decrease of \$3,274 in miscellaneous other services and charges and a decrease of \$30,000 to eliminate the LSDBE Marketplace. This is offset by an increase of \$70,000 to fund the agency's tri-annual audit of operations.
- An increase of \$350,000 for a mayoral enhancement to promote Local Small Disadvantaged Business Development in the District.

Programs

The OLBD is committed to the following program:

Business Development

	FY 2005	FY 2006
Budget	\$807,049	\$1,221,265
FTEs	9.0	9.0

Program Description

The **Business Development** program primarily supports the Citywide Strategic Priority area of *Making Government Work*. The purpose of Business Development is to process the applications for business enterprises seeking to become a certified company to compete for contracts in the LSDBE market; and the monitoring of agencies to make sure that they meet the 50 percent set-aside goal pursuant to D.C. Law 12-268, Equal Opportunity for Local, Small and Disadvantaged Business Enterprises Act of 1998, as amended.

This program has 2 activities:

- **Certification** - provides application services to local, small businesses so that they can compete for D.C. government contracts and District agencies can have a qualified pool of certified LSDBE vendors.
 - The gross budget is \$437,228, a decrease of \$1,997 from the FY 2005 approved budget of \$439,225.
- **Compliance** - monitor, audit and evaluate D.C. government agencies and private sector MOU partners and report to the Mayor and

District Council in order to determine compliance with D.C. Law 12-268, Mayor's Order 85-85 and private sector agreements, respectively.

- The gross budget is \$1,221,265, an increase of \$414,215 over the FY 2005 approved budget of \$807,049.

Program Budget Summary

The proposed **Business Development** program gross funds budget is \$1,221,265, an increase of \$414,216, or 51.3 percent over the FY 2005 approved budget of \$807,049. This program is funded entirely with Local funds. The gross funds budget supports 9 FTEs, unchanged from the FY 2005 approved FTE level.

Significant changes from the FY 2005 approved budget include:

- An increase of \$45,962 in personal services to fully fund fringe benefits costs and reflect the movement of 2 FTEs from continuing full-time to term status.
- A net increase of \$18,253 in nonpersonal services which is comprised of an increase of \$70,000 for the agency's tri-annual audit of operations, a decrease of \$30,000 to eliminate the LSDBE marketplace, a decrease of \$18,473 in the equipment budget, and a decrease of \$3,274 in miscellaneous other services and charges.
- An increase of \$350,000 in the Compliance activity for a mayoral enhancement to promote Local Small Disadvantaged Business Development in the District.

Key Result Measures

Program 1: Business Development

Citywide Strategic Priority Area(s): Promoting Economic Development

Manager(s): Nicole Copeland; Andre Banks

Supervisor(s): Jacquelyn Flowers, Director, Office of Local Business Development

Measure 1.1: Percent of applications processed within 45 days for forwarding to the LBOC Commission

	Fiscal Year		
	2005	2006	2007
Target	60	100	100
Actual	-	-	-

Measure 1.2: Percent of certificates issued within 15 days of Commission approval

	Fiscal Year		
	2005	2006	2007
Target	100	100	100
Actual	-	-	-

Note: Measure wording changed (5/2004).

Measure 1.3: Percent of noncompliant agencies scheduled for a meeting within 15 days after quarterly reporting

	Fiscal Year		
	2005	2006	2007
Target	60	70	75
Actual	-	-	-

Note: Measure wording changed (5/2004).

Measure 1.4: Percent of AAPs received that will be processed within 10 days

	Fiscal Year		
	2005	2006	2007
Target	70	80	85
Actual	-	-	-

Note: Measure wording changed (5/2004).

Measure 1.5: Percent of noncompliant MOU partners scheduled for a meeting within 45 days of quarterly reporting

	Fiscal Year		
	2005	2006	2007
Target	50	60	65
Actual	-	-	-

Note: Measure wording changed (5/2004).

Agency Management

	FY 2005	FY 2006
Budget	\$232,483	\$216,262
FTEs	1.0	1.0

Program Description

The Agency Management program provides operational support and the required tools to achieve operational and programmatic results. This program is standard for all Performance-Based Budgeting agencies. More information about the Agency Management program can be found in the Strategic Budgeting chapter.

Program Budget Summary

The proposed Agency Management program gross funds budget is \$216,262, a decrease of \$16,221, or 7 percent from the FY 2005 approved budget of \$232,483. This change includes a Local funds decrease of \$16,221. The gross budget supports 1 FTE, unchanged from the FY 2005 approved level.

Key Result Measures

Program 2: Agency Management

Citywide Strategic Priority Area(s): Making Government Work

Manager(s):

Supervisor(s): Jacquelyn Flowers, Director, Office of Local Business Development

Measure 2.1: Percent variance of estimate to actual expenditure (over/under)

	Fiscal Year		
	2005	2006	2007
Target	5	5	5
Actual	-	-	-

Measure 2.2: Cost of Risk

	Fiscal Year		
	2005	2006	2007
Target	N/A	N/A	N/A
Actual	-	-	-

Note: This measure replaces "Percent reduction of employee lost work-day injury cases." Cost of Risk will be a comprehensive measure of a wide range of risks confronting each agency, including but not limited to safety issues, financial risks, and potential litigation. Agencies will establish a baseline in FY 2004 (FY 2005 for PBB III agencies) and will seek to achieve reductions in the Cost-of-Risk in subsequent years. Lost workdays due to injuries will be one of many components of the Cost-of-Risk formula (1/9/04).

Measure 2.3: Percent of Mayor's Customer Service Standards Met

	Fiscal Year		
	2005	2006	2007
Target	63	63	63
Actual	-	-	-

Measure 2.4: Percent of Key Result Measures Achieved

	Fiscal Year		
	2005	2006	2007
Target	70	70	70
Actual	-	-	-

For more detailed information regarding the proposed funding for the activities within this agency's programs, please see schedule 30-PBB in the FY 2006 Operating Appendices volume.

