

TANGIBLE RESULT #7

Be Fair and Reasonable to Our Partners



MDOT will provide an easy, reliable procurement experience throughout the system.

RESULT DRIVER:

Wanda Dade

State Highway Administration (SHA)

TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

Angela Martin
Maryland Aviation Administration (MAA)

PURPOSE OF MEASURE:

To track MBE participation achieved on contracts within MDOT.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

MDOT TBUs report the data on a quarterly basis to Governor's Office of Small, Minority and Women Business Affairs (GOSBA) and MDOT. The information will be provided by MDOT from that report.

NATIONAL BENCHMARK:

N/A

The state goal/benchmark is 29 percent.

PERFORMANCE MEASURE 7.1

Percentage of Minority Business Enterprise (MBE) Participation Achieved by Each TBU

The MBE program is a statewide program to facilitate minority business participation on contracts. Each MDOT TBU tracks MBE participation data for internal program monitoring. Participation is reported on a quarterly year-to-date basis.

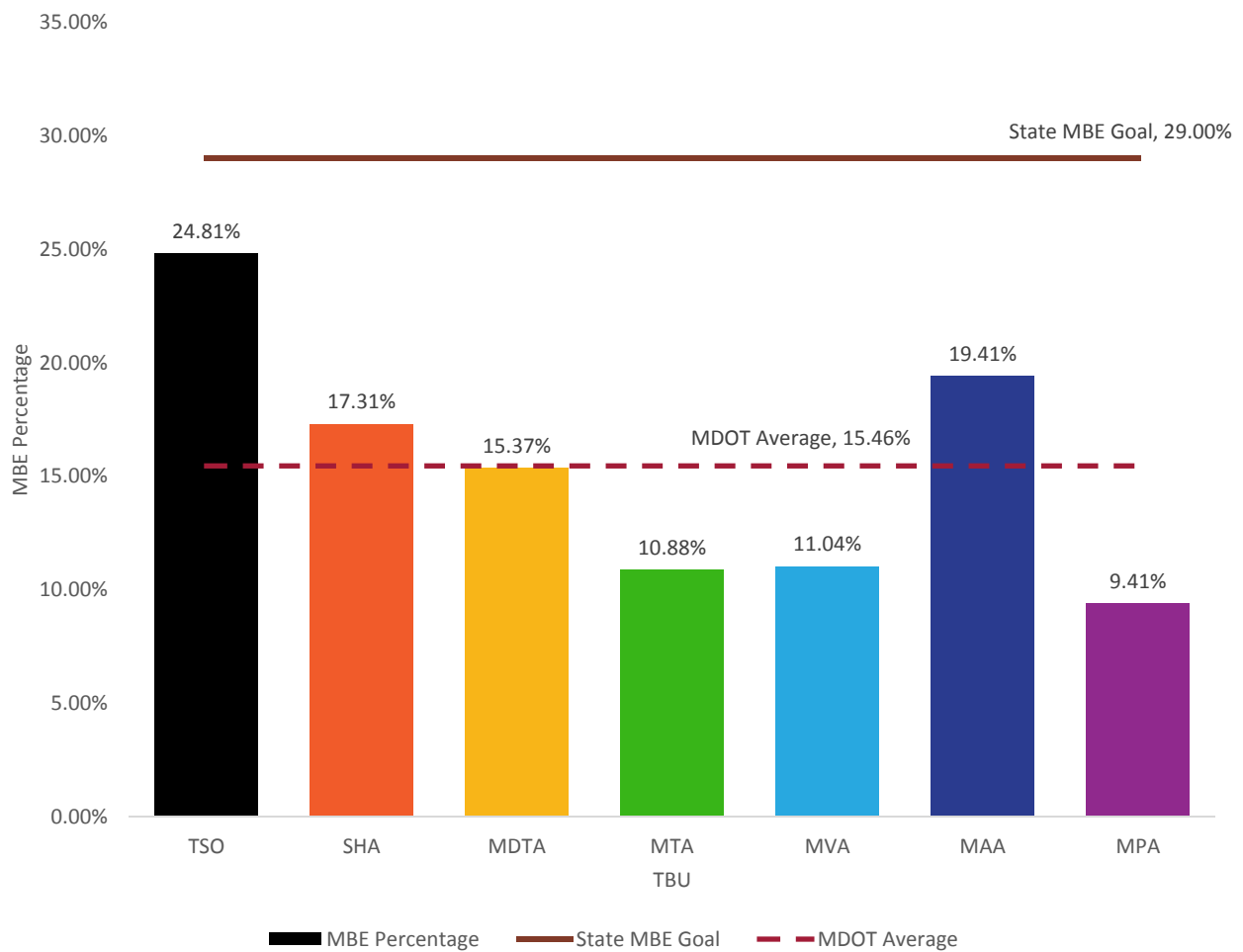
- MDOT MBE participation for the third quarter of FY2018 was approximately 15.46 percent (average of all TBUs) reflecting a slight decrease from the second quarter FY2018, which was approximately 16.15 percent. Participation is reported as year-to-date participation, so Q3 represents participation for FY 2018 (July 2017 – March 2018). Participation at the TBUs ranged from 9.41 percent to 24.81 percent.
- MBE participation is important as MDOT is subject to the statewide MBE goal of 29 percent as are all state agencies. Participation has been up and down during the last fiscal year, but overall the participation has not been at that level.
- Per the strategic plan, input was obtained from MDOT Procurement and Fair Practices staff regarding approaches to positively impact the goal. Unbundling of contracts, an increase in the number of smaller contracts and increased/enhanced outreach efforts are items that were recommended. Implementation of these items is on-going and should have a positive impact on participation.
- MDOT MBE Participation for FY 2017 was approximately 22.52 percent (average of all TBUs).

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PERFORMANCE MEASURE 7.1

Percentage of Minority Business Enterprise (MBE) Participation Achieved by Each TBU

Chart 7.1.1: MBE Percentage Q3 FY2018



TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

Angela Martin
Maryland Aviation Administration (MAA)

PURPOSE OF MEASURE:

To track MBE prime contractor participation achieved on contracts within MDOT to ensure MDOT provides opportunities to all of business partners.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

Data will be collected from MDOT and TBUs.

NATIONAL BENCHMARK:

N/A

PERFORMANCE MEASURE 7.2

Number and Percent of Contracts Awarded to MBE Firms as the Prime Contractor

Participation of MBE firms as a prime contractor is important to facilitate their growth and enable them to compete in the general marketplace after graduation. MBE firms “graduate” from the program when reaching designated thresholds (re. company gross receipts and personal net worth of owners).

Information on the total number of prime contracts awarded as well as the number of MBE prime contracts awarded is reported. This approach reflects the information that is reported to the Governor’s Office of Small, Minority and Women Business Affairs (GOSBA). The year-to-date percentage of MBE prime contractors for MDOT for the third quarter of FY 2018 (January – March 2018) was approximately 5 percent. The percentages for the MDOT TBUs ranged from 1 percent to 9 percent.

Per the strategic plan, input from the Procurement and Fair Practices staff was obtained regarding approaches to increase the number of MBE primes. Unbundling of contracts, increasing the number of smaller contracts in areas with high levels of MBE firms and increased/enhanced outreach and technical assistance to these MBE firms are items that were recommended. Implementation of these changes is on-going and should have a positive impact on the participation of MBE firms as prime contractors.

PERFORMANCE MEASURE 7.2

Number and Percent of Contracts Awarded to MBE Firms as the Prime Contractor

Chart 7.2.1: MDOT Prime Contracts vs. MDE Prime Contracts by TBU Q3 FY2018

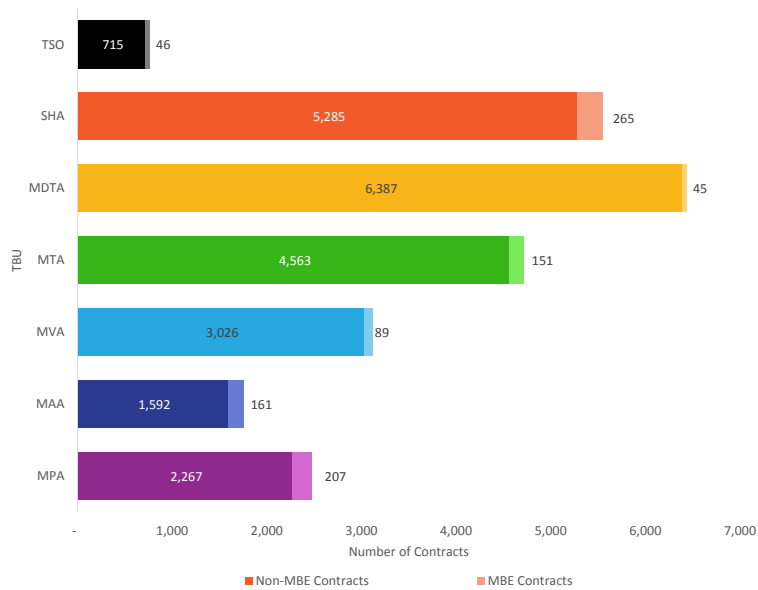
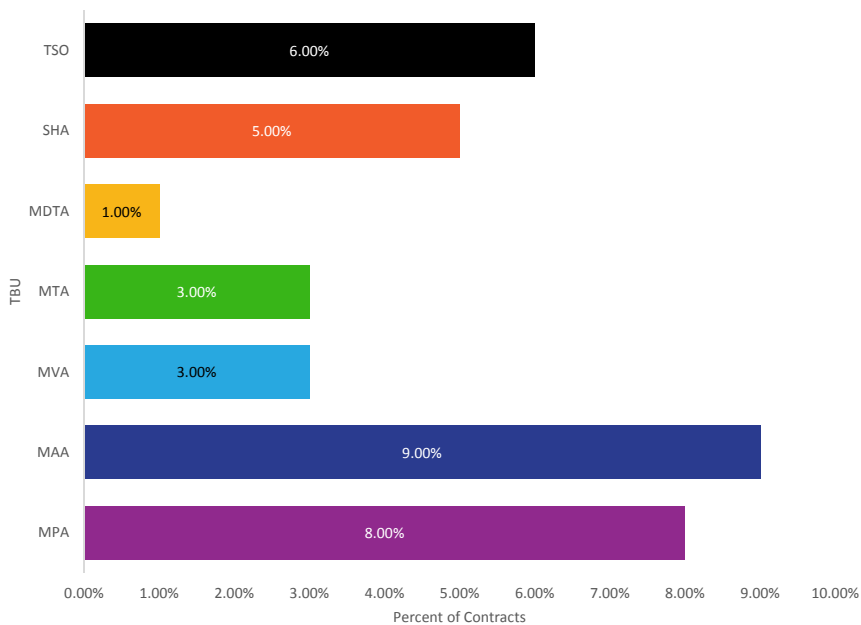


Chart 7.2.2: Percent of MBE Prime of Total Contracts by TBU for Q3 FY2018



TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

Trisha O'Neal
Maryland Port Administration (MPA)

PURPOSE OF MEASURE:

Track compliance with State mandate for awarding 15 percent of MDOT's total eligible procurement expenditures on SBR designated contracts.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

SBR goal is calculated quarterly from eligible contracts and expenditure data exported from FMIS, iFMIS and US Bank for Corporate Credit Card data.

NATIONAL BENCHMARK:

The Governor's Office of Women, Small, Minority Business Affairs maintains the State's official record of SBR designation and spending across 77 participating agencies, including MDOT's TBUs. The State's mandate is 15% or better.

PERFORMANCE MEASURE 7.3

Percent of Payments Awarded to Small Business Reserve (SBR) Contracts

Maryland's economy is powered by the jobs and innovative resources generated by small businesses. The Small Business Reserve (SBR) Program is a race-and gender-neutral program that provides small businesses with the opportunity to participate as prime contractors on State contracts and procurements by competing with other small businesses instead of larger, more established firms.

To ensure compliance with State regulations, each TBU is required to participate in the SBR Program by spending at least 15 percent of its annual fiscal year eligible procurement expenditures on SBR designated contracts. SBR designated contracts are only awarded to Maryland certified small businesses.

For Q1 CY2018, MDOT achieved 9.37 percent participation, which is an increase of 1.04 percent from Q4 CY2017. 9.37 percent of its eligible procurement expenditures were spent with Maryland certified small businesses; however only 3.38 percent of its eligible procurement expenditures were spent on SBR designated contracts.

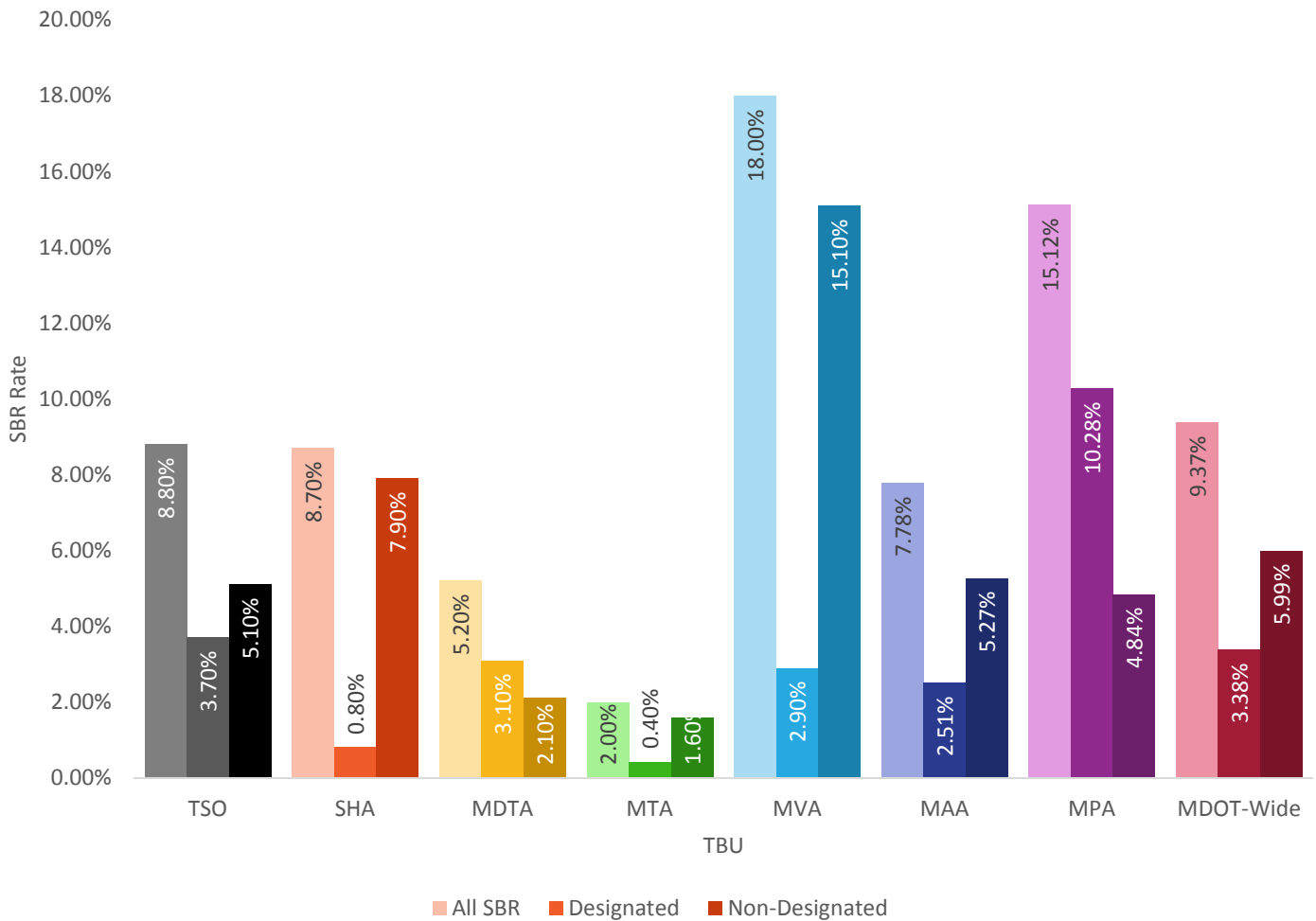
To increase the SBR Program participation rates, MDOT provided documented policy guidelines to all TBUs. These guidelines focus on increasing the SBR participation rate by requiring an annual strategic plan from each TBU. Some strategies include:

- Require Procurement Review Group's approval of SBR designation;
- Create a SBR liaison and reporting expert;
- Train and work closely with purchasing card holders to emphasize Maryland certified small businesses; and
- Increase small business outreach and vendor education.

PERFORMANCE MEASURE 7.3

Percent of Payments Awarded to Small Business Reserve (SBR) Contracts

Chart 7.3.1: Annual Small Business Reserve Rate by TBU Q1 CY2018



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TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

Cheryl Stambaugh
Motor Vehicle Administration (MVA)

PURPOSE OF MEASURE:

To track the percent of VSBE contract values to ensure that MDOT continues a contractual relationship with VSBEs in Maryland.

FREQUENCY:

Annually (in January)

DATA COLLECTION METHODOLOGY:

Using the financial management system at MDOT.

NATIONAL BENCHMARK:

N/A

The State's mandate is 1% or better of its total dollar value of procurement contracts.

PERFORMANCE MEASURE 7.4

Percent of Veteran Owned Small Business Enterprise (VSBE) Participation

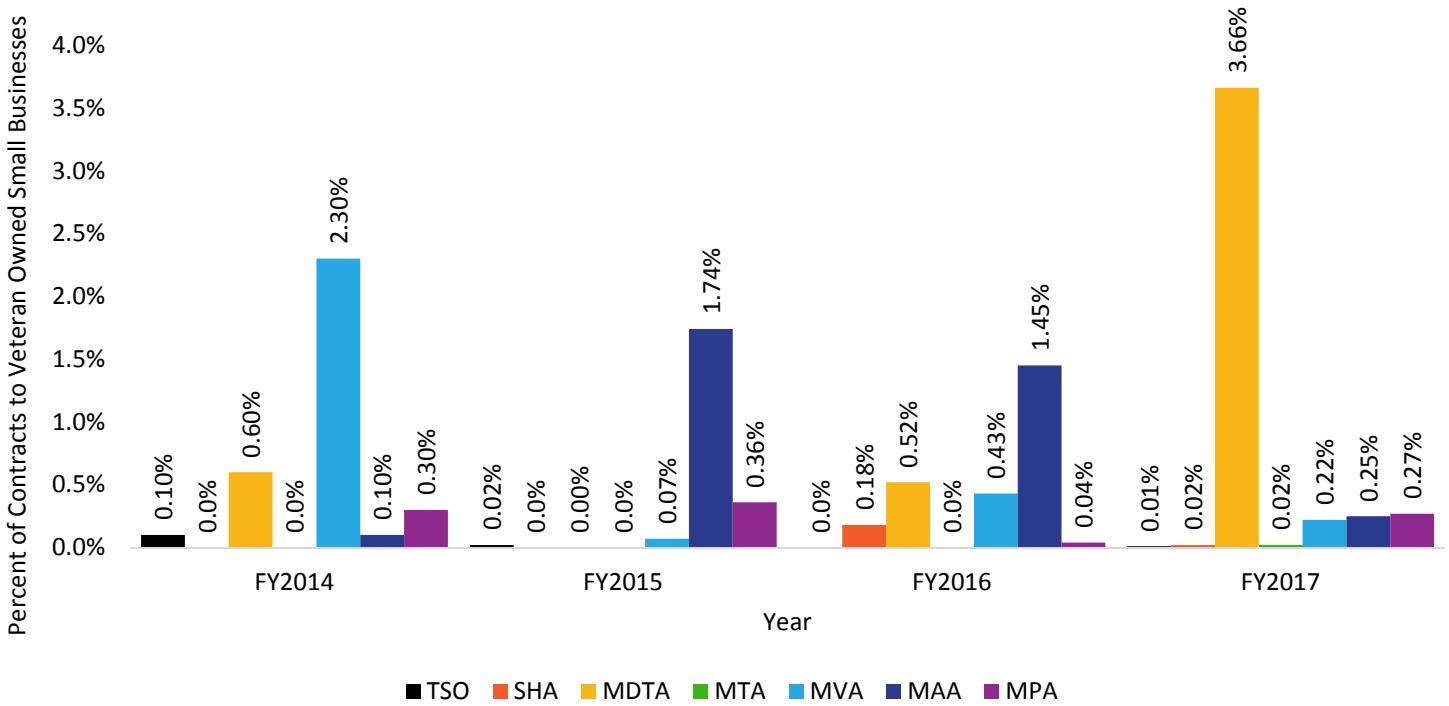
MDOT considers small business, especially veteran owned small businesses, to be an important sector of the business community. Procurement opportunities for this business segment are directly linked to the socioeconomic well-being of the State. MDOT is committed to attaining or exceeding the State mandated goal for veteran businesses.



PERFORMANCE MEASURE 7.4

Percent of Veteran Owned Small Business Enterprise (VSBE) Participation

Chart 7.4.1: Veteran Owned Small Business Enterprise Participation by TBU FY2014-FY2017



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TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

George Zurek
Maryland Transportation Authority (MDTA)

PURPOSE OF MEASURE:

To determine the level of satisfaction of our business partners with processes MDOT-wide.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

The PM Driver administers a Level of Satisfaction survey to MDOT's partners. After the survey cutoff date, the data is then compiled and analyzed. An Outlook email address has been established for easier quarterly reporting.

NATIONAL BENCHMARK:

TBD

PERFORMANCE MEASURE 7.5

Level of Satisfaction of Our Business Partners

Tracking business partner satisfaction will allow MDOT to determine how satisfied partners are with current business processes. This performance measure is crucial to gauging MDOT's effectiveness in being fair and reasonable to its business partners. Partners include contractors, consultants, vendors, other State agencies, federal, State, and local governments, trade associations, commissions, etc. This data can be used to improve those processes that may be ambiguous or cumbersome, and make them more user-friendly. It is important that people who avail themselves of this opportunity know that their comments are taken seriously, and that MDOT is committed to meeting or exceeding business partner expectations.

This performance measure captures MDOT's business partner satisfaction through quarterly surveys. Each quarter, a certain business segment (i.e. construction, IT, A&E, etc.) is selected to be surveyed and the results are then reported. Each business segment will be surveyed one time per year. This quarter we surveyed MDOT's Architectural and Engineering business partners. Surveys are distributed via Survey Monkey.

PERFORMANCE MEASURE 7.5

Level of Satisfaction of Our Business Partners

Chart 7.5.1: A&E MDOT Partner Responses to “How satisfied are you with the timeliness of payments after your invoice has been submitted?” Q2 CY2018

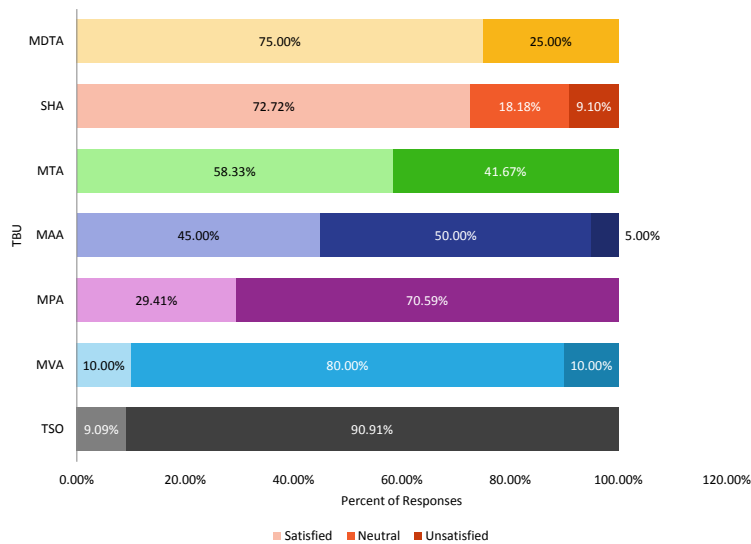
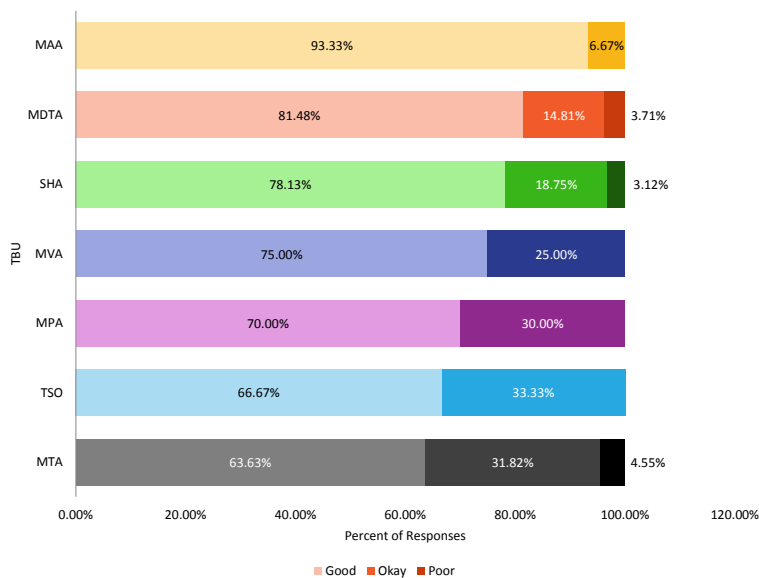


Chart 7.6.2: A&E MDOT Partner Responses to “Please rate MDOT transportation business units on how fair and reasonable they are in the management of MDOT contracts.” Q2 CY2018



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PERFORMANCE MEASURE 7.5

Level of Satisfaction of Our Business Partners

Chart 7.5.3: A&E MDOT Partner Responses to “Is the procurement process transparent?” Q2 CY2018

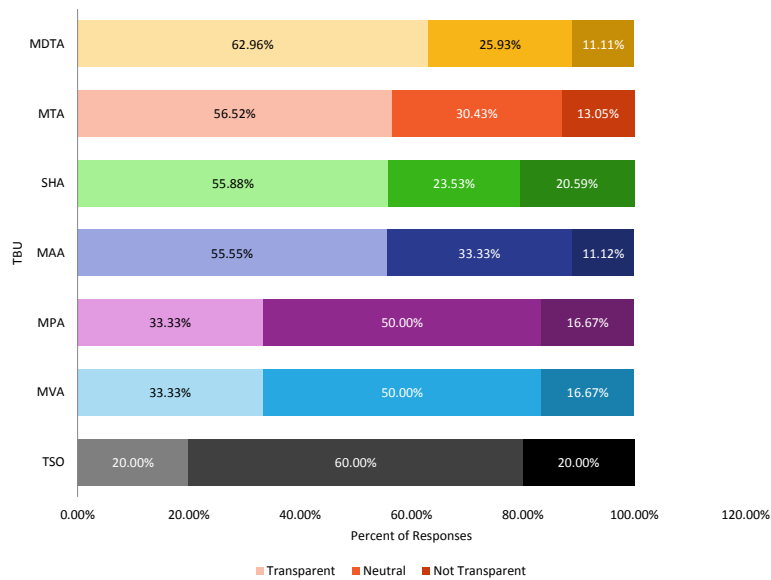
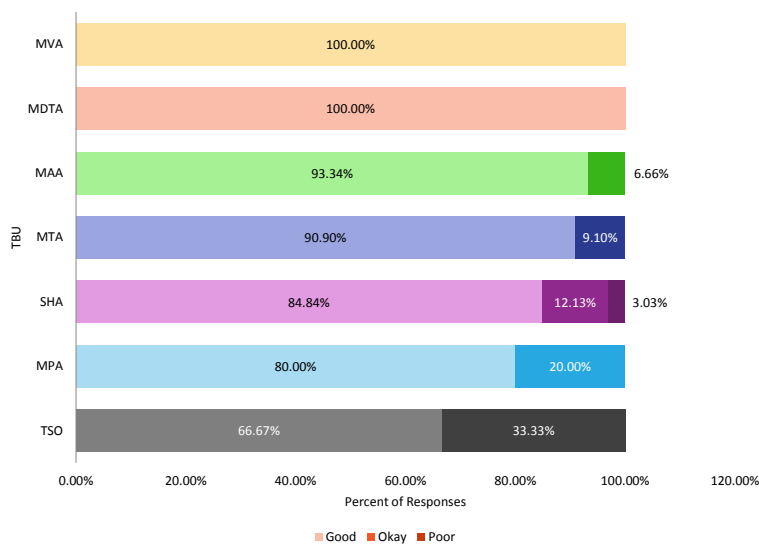


Chart 7.5.4: A&E MDOT Partner Responses to “Please rate the MDOT transportation business units as business partners.” Q2 CY2018



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TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

David Lynch
Maryland Transit Administration (MTA)

PURPOSE OF MEASURE:

To assess the number and percent of invoices properly paid to MDOT's partners in compliance with State requirements so MDOT can be responsive to business partners' needs.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

MDOT finance reports data monthly by TBUs.

NATIONAL BENCHMARK:

N/A

PERFORMANCE MEASURE 7.6

Number and Percent of Invoices Properly Paid to Our Partners in Compliance with State Requirements

MDOT will treat contractors fairly by promptly paying invoices. Contractors should be able to trust MDOT TBUs consistency of payment with a goal of paying invoices within 30 calendar days 99 percent of the time. January through March of 2018 MDOTs on time percentage is 96.1%.

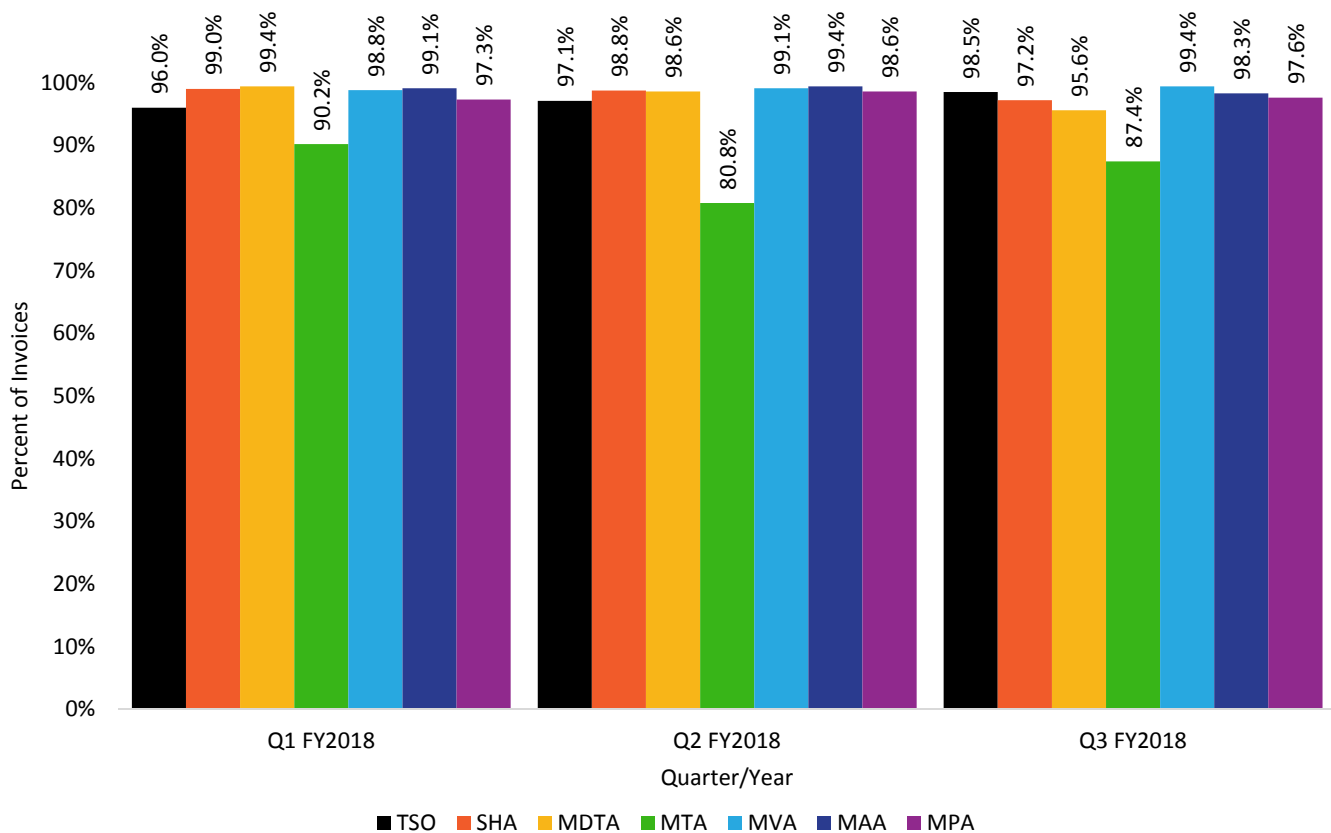


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PERFORMANCE MEASURE 7.6

Number and Percent of Invoices Properly Paid to Our Partners in Compliance with State Requirements

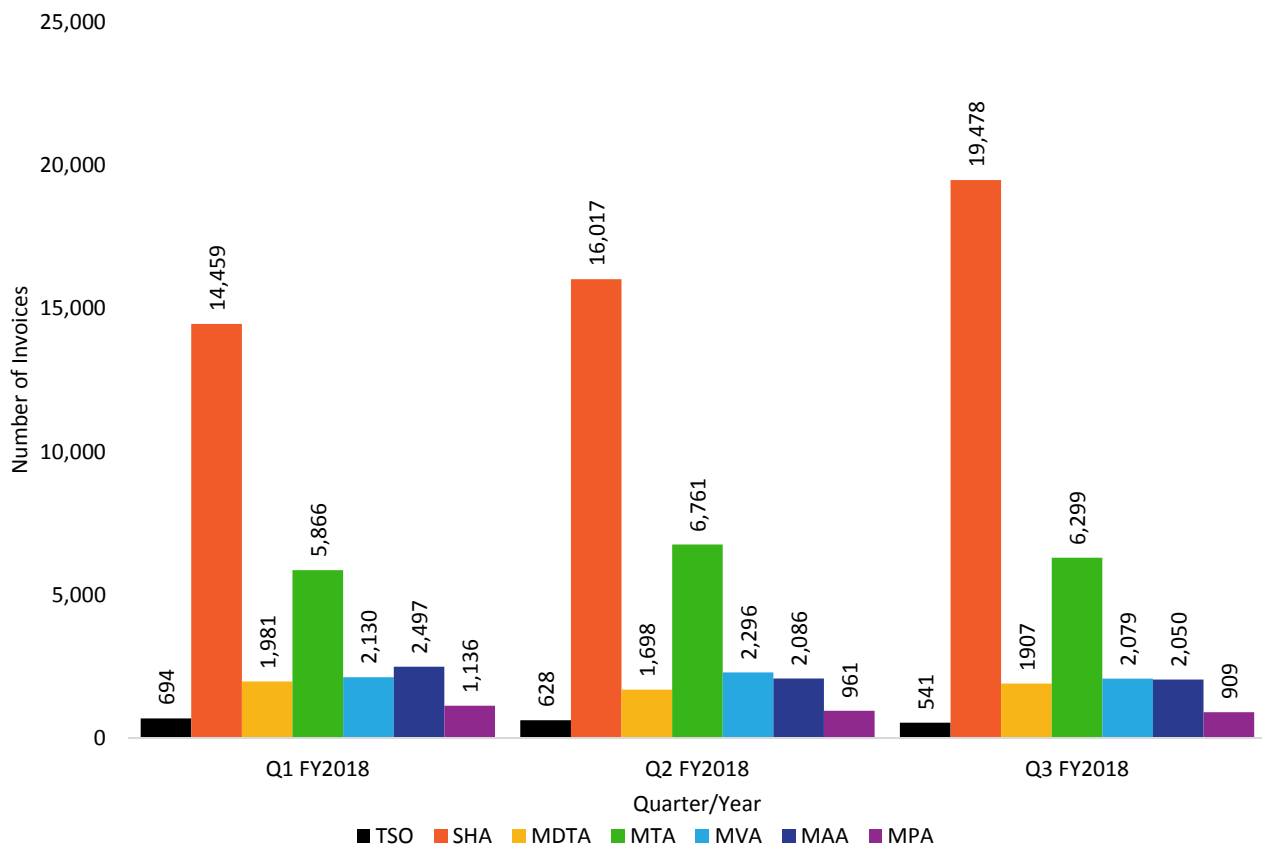
Chart 7.6.1: Percent of Invoices Properly Paid Within 30 Days of Invoices Q1-Q3 FY2018



PERFORMANCE MEASURE 7.6

Number and Percent of Invoices Properly Paid to Our Partners in Compliance with State Requirements

Chart 7.6.2: Total Number of Invoices Paid by Q3 FY2018

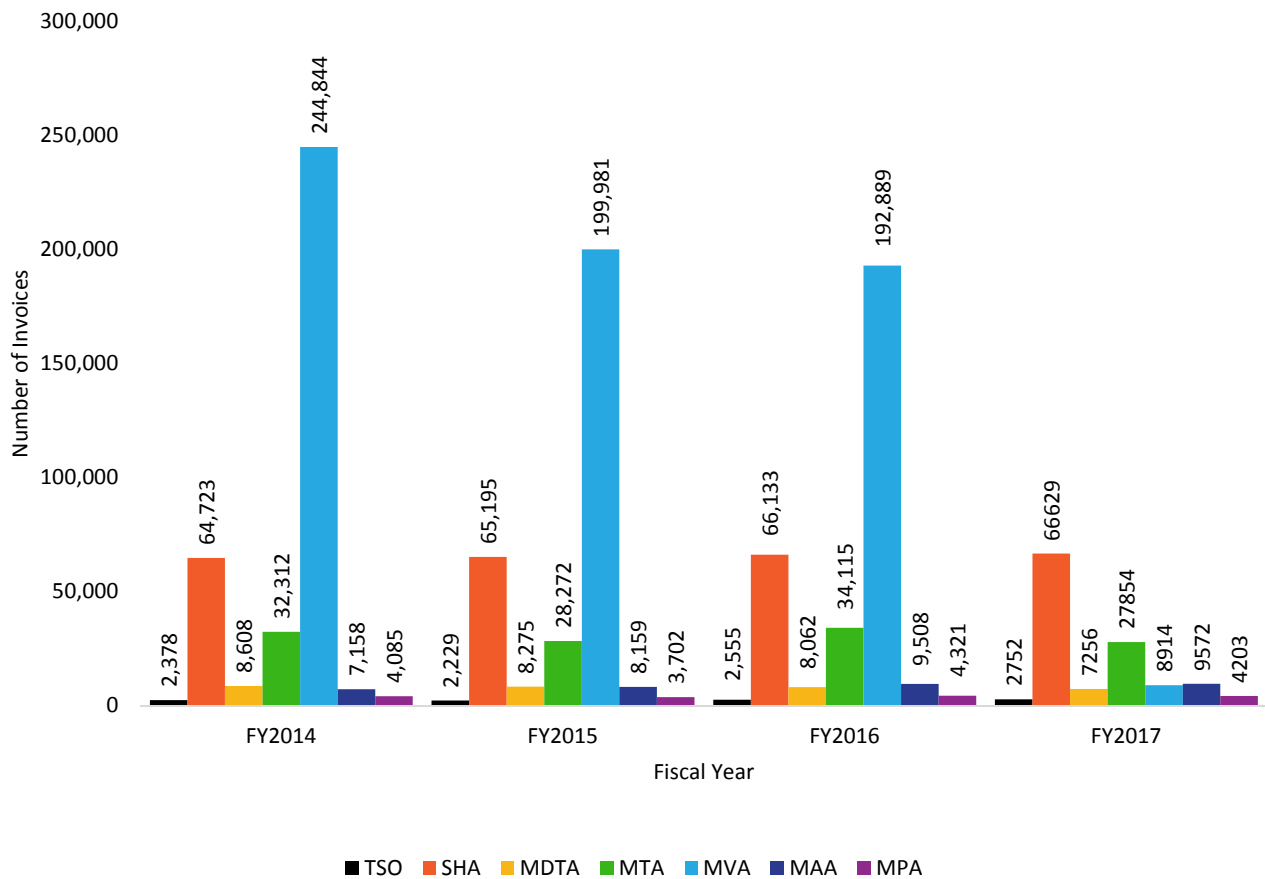


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PERFORMANCE MEASURE 7.6

Number and Percent of Invoices Properly Paid to Our Partners in Compliance with State Requirements

Chart 7.6.3: Total Number of Invoices by TBU FY2014-FY2017



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TANGIBLE RESULT DRIVER:

Wanda Dade
State Highway Administration (SHA)

PERFORMANCE MEASURE DRIVER:

Mike Zimmerman
The Secretary's Office (TSO)

PURPOSE OF MEASURE:

To determine what percentage of protests are legitimate and how MDOT can reduce the number of non-legitimate protests to create better solicitations for business partners.

FREQUENCY:

Quarterly

DATA COLLECTION METHODOLOGY:

MDOT TBU procurement departments report protest data to TSO Procurement on a monthly basis. Data is aggregated for reporting purposes.

NATIONAL BENCHMARK:

N/A

PERFORMANCE MEASURE 7.7

Number of MDOT Procurement Protests Filed and Percent of Protests Upheld by the Board of Contract Appeals

Minimizing protests and understanding how to avoid non-legitimate protests will enable MDOT to develop better solicitations and foster better relationships with business partners. Tracking contract protests will allow MDOT to determine how many protests are being filed without warrant, how many are legitimate, and how MDOT can create more concise solicitations for partners. The protest process is important because it allows a company doing business with the State to have confidence in the State's solicitation process by understanding that an aggrieved entity has the ability to be heard.

The TSO Office of Procurement (OOP) is collecting data from all the TBUs and is documenting the number of protests as well as the reason for the protest.

The TSO OOP will collect data regarding protests so that it may administer a root cause analysis and implement corrective/preventive actions. Currently there is not enough detail to determine the root cause.

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PERFORMANCE MEASURE 7.7

Number of MDOT Procurement Protests Filed and Percent of Protests Upheld by the Board of Contract Appeals

Chart 7.7.1: Running Twelve Month Procurement Protests by Quarter CY2017 - CY2018

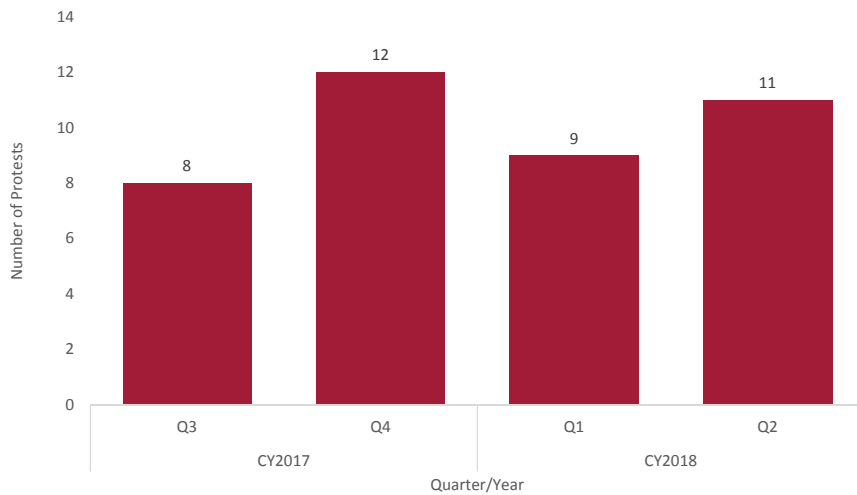
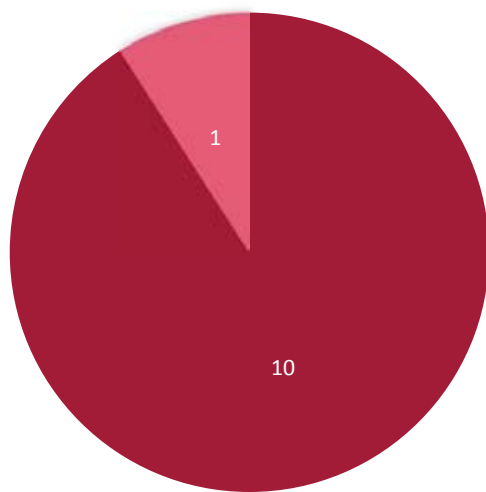
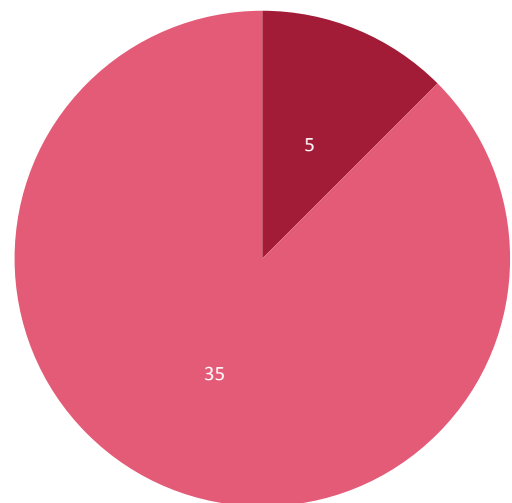


Chart 7.7.2: Q2 CY2018 Protests Appealed/Not Appealed



■ Not Appealed ■ Appealed

Chart 7.7.3: Running 12-Month Appeals Won/Lost/Pending, CY2017-CY2018



■ Pending Appeals ■ MDOT Won ■ MDOT Lost, 0