

MARYLAND



JUDICIARY



**Department of Procurement,
Contract & Grant Administration**

Diversity & Outreach Program

**Annual Report
Fiscal Year 2023**

The Maryland Judiciary (Judiciary) is an independent branch of Maryland government. The Judiciary's budget, which is approximately 1.2 percent of the state's total budget, is submitted and approved annually through the state's legislative process.

The Judiciary's Diversity & Outreach Program (Program) was established to encourage and increase participation in Judiciary procurements by Minority Business Enterprises (MBEs) and Veteran-Owned Small Business Enterprises (VSBEs).

The Judiciary's Department of Procurement, Contract & Grant Administration (DPCGA) is responsible for procuring goods and services for the Judiciary in accordance with its policies and procedures and, as such, oversees the Program. The DPCGA offers opportunities for participation through several procurement methods such as Request for Proposals (RFP) and Invitation for Bids (IFB). The commodity areas include but are not limited to: consulting and professional services, information technology products and services, janitorial supplies and services, moving services, office supplies, renovation services, and printing and graphic services. These spend categories provide a wide range of opportunities for MBE and VSBE participation both as prime contractors and subcontractors. The DPCGA will continue to encourage and promote procurement opportunities in a manner that maximizes participation from both MBE and VSBE contractors.

Notification of Judiciary Procurement Opportunities

The DPCGA evaluates procurement requests submitted by Using Units to identify subcontracting opportunities for MBEs and VSBEs. There are procurement requests for which no subcontracting opportunities exist, such as proprietary licenses, maintenance, or other services contracts where only a single element of work exists. In those instances, DPCGA encourages MBEs and VSBEs to respond to the solicitations as a prime contractor. The Program does not limit MBEs and VSBEs to participate only as subcontractors; however, subcontracting goals are based on the dollar value of the procurement and the extent to which the procurement itself is susceptible to subcontracting opportunities.

For procurements expected to exceed \$200,000 (including the value of all possible option years), the Diversity & Outreach Coordinator chairs the Procurement Review Group (PRG). The PRG assigns MBE and/or VSBE subcontracting goals for the procurement based on a review of the scope of work and key business areas associated with the RFP. The appropriate MBE and/or VSBE subcontracting language along with the subcontracting goal is then included in the solicitation document.

To qualify as an MBE for Judiciary procurements, MBEs must be certified by the Maryland Department of Transportation (MDOT). Additional information can be found at: <https://marylandmdbe.mdbecert.com/>.

To qualify as a VSBE for Judiciary procurements, VSBEs must complete three steps: 1) supplier registration, 2) veteran verification, and 3) Veteran-Owned Small Business Enterprise (VSBE) Certification. These steps are outlined by the State of Maryland VSBE Program and are

completed within eMarylandMarketplace Advantage (eMMA). Additional information can be found at: <https://gomdsmallbiz.maryland.gov/Pages/VSBE-Program.aspx>.

The DPCGA distributes solicitations for the procurement of goods and services valued over \$25,000 throughout the state in the following ways:

- **Judiciary’s Procurement Portal (see details below)**

<https://www.mdcourts.gov/procurementportal>

Information regarding the Judiciary’s Diversity & Outreach Program, including MBE and VSBE, is available at: <https://mdcourts.gov/procurement/mbe>

Information regarding the state’s MBE and VSBE programs can be found at the links below.

- [Maryland Department of Transportation MBE certification](#)
- [Maryland Veteran-Owned Small Business Enterprise \(VSBE\) Program](#)

- **Judiciary Procurement Portal**

<https://www.mdcourts.gov/procurementportal>

On July 1, 2022, the DPCGA launched an online Procurement Portal, which now allows the office to exclusively accept Bids and Proposals electronically. This implementation was a direct result of significant feedback from our supplier community regarding the administrative burden and operational inefficiencies associated with printing and delivering multiple paper copies of Bids and Proposals. Feedback from the supplier community confirms that the Procurement Portal further removes barriers of entry for MBE and VSBE suppliers and allows them to compete for Judiciary business without the previous time and expense associated with the paper Bid and Proposal submittal process. The DPCGA continues to receive overwhelmingly positive feedback from the supplier community at pre-bid/pre-proposal conferences, as well as at outreach events.

- **State of Maryland eMaryland Marketplace Advantage (eMMA)**

<https://emma.maryland.gov>

eMarylandMarketplace Advantage (eMMA) is the State of Maryland’s internet-based procurement system. This platform allows potential suppliers to quickly access the state’s procurement opportunities, including the Judiciary’s solicitations. Posting public notices on eMMA enables the Judiciary to capitalize on the broad exposure and services in place for suppliers interested in participating in State of Maryland procurements. On eMMA, Judiciary solicitations are posted by commodity code. When posted, each supplier registered under the applicable United Nations Standard Products and Services Code (UNSPSC) automatically receives a notice that the solicitation has been posted. Utilizing the public notice feature of eMMA assists the Judiciary with quickly identifying qualified and engaged suppliers for its solicitations.

- **Direct Solicitations**

Procurement Officers are encouraged to identify and directly send solicitations to potential contractors who have indicated their ability to provide a specific product or services under the applicable UNSPSC code(s).

During the open solicitation period, the Diversity & Outreach Coordinator participates in pre-bid and pre-proposal conferences and provides support to the Procurement Officer by providing information to potential MBE and/or VSBE prime contractors and subcontractors. Once the RFP submission period has closed, the Diversity & Outreach Coordinator reviews the MBE and VSBE forms submitted with the proposals to determine the responsiveness of the proposals based upon the recommended goals. After contract award, the Diversity & Outreach Coordinator, or designee, participates in the kickoff meeting to provide additional guidance to prime contractors and MBE/VSBE subcontractors regarding compliance.

Data Collection for Prime Contractor (Direct) Spend (Tier I) and Subcontracting (Indirect) Spend (Tier II)

For Fiscal Year (FY) 2023, the overall aspirational MBE goal set for the Judiciary was 29 percent. The Judiciary achieved an overall MBE spend of 24 percent, representing a significant increase over the 20 percent achieved in FY 2022.

The VSBE component was added to the Program in FY 2021 with a goal of 1 percent. The pool of designated VSBEs, particularly under certain North American Industry Classification System (NAICS) codes, remain limited. Despite this limitation, the Judiciary achieved a 0.7% VSBE spend in FY 2023. This is directly attributable to the Judiciary's active engagement with and direct outreach to VSBE firms.

The total FY 2023 procurement spend is calculated from all Purchase Orders issued by the DPCGA. Expenditures allocated to account codes unrelated to procurement activities have been excluded from the total spend figure.

Tier I data for MBE and VSBE suppliers is collected using GEARS, the Judiciary's financial system. New suppliers are identified by the Judiciary's Department of Budget and Finance weekly. The DPCGA reviews the new supplier information to verify MBE and VSBE eligibility. Eligibility is then recorded in GEARS. The DPCGA has recently executed an MOU with the Maryland Department of Transportation to receive consistent updates to the MBE database. Quarterly, the Judiciary will run a query to compare the MBE status of suppliers in GEARS to the MDOT database and resolve any inconsistencies. This will ensure that the data is of the highest integrity on an ongoing basis.

For Tier II data, prime contractors report the status of subcontractor goals on a Prime Contractor Reporting Form. On a monthly basis, Subcontractor Payment Reports are required from the MBE or VSBE subcontractor regarding the status of the MBE or VSBE goals. The Outreach & Diversity Coordinator, or designee, follows up as needed.

Once the reports are submitted, they are reconciled by contract by verifying the information on both reports and by checking prime contractor invoices and payments in GEARS. Verified Tier II data is then recorded in the overall records for the Program.

For both Tier I and Tier II spend, the Judiciary only reports confirmed payments made to MBEs and VSBEs.

MINORITY BUSINESS ENTERPRISE (MBE) FISCAL YEAR 2023 DATA

MBE Tier I (Direct Spend)

| | |
|----------------------------|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Direct MBE Spend: | \$21,700,690.85 |
| <i>Direct MBE % Spend:</i> | 22% |

MBE Tier II (Indirect Spend)

| | |
|------------------------------|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Indirect MBE Spend: | \$1,990,778.75 |
| <i>Indirect MBE % Spend:</i> | 2% |

Total MBE Participation (Tier I and Tier II)

| | |
|--|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Payments to all MBEs (Tier I and Tier II): | \$23,691,469.60 |
| Total MBE % Spend: | 24% |

VETERAN-OWNED SMALL BUSINESS ENTERPRISE (VSBE) FISCAL YEAR 2023 DATA

VSBE Tier I (Direct Spend)

| | |
|-----------------------------|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Direct VSBE Spend: | \$677,324.63 |
| <i>Direct VSBE % Spend:</i> | <i>0.7%</i> |

VSBE Tier II (Indirect Spend)

| | |
|-------------------------------|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Indirect VSBE Spend: | \$40,534.08 |
| <i>Indirect VSBE % Spend:</i> | <i>0.04%</i> |

Total VSBE Participation (Tier I and Tier II)

| | |
|---|-----------------|
| Total Procurement Spend: | \$99,030,591.39 |
| Total Payments to all VSBEs (Tier I and Tier II): | \$717,858.71 |
| Total VSBE % Spend: | 0.7% |

Fiscal Year 2024 Diversity & Outreach Program Objectives

- The Judiciary’s average contract award value is advantageous to MBE and VSBE suppliers being able to compete for business as prime contractors. To highlight this, RFP and IFB templates include language encouraging both eligible MBE and VSBE contractors to respond as prime contractors. This will be emphasized in outreach efforts.
- The Judiciary’s overall procurement spend increased by 5% in FY 2023. As the Judiciary’s overall procurement spend continues to increase, the Diversity & Outreach team will set aggressive but attainable subcontracting goals on larger procurements to increase Tier II MBE and VSBE spend in FY 2024.
- The Judiciary has already confirmed participation in nine outreach events, both locally and nationally, to raise awareness of its procurement opportunities. This includes several events in partnership with other state entities. The DPCGA will be advertising these outreach events on its website.
- In FY 2024, the Judiciary maintains its aspirational goal of 30% for the Program, allocated as follows: 29% for MBE and 1% for VSBE.



**Department of Procurement,
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Diversity & Outreach Program

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