



CITY OF RICHMOND
CITY AUDITOR

DATE: March 3, 2021

TO: Lincoln Saunders
Acting Chief Administrative Officer

FROM: Louis Lassiter *LL*
City Auditor

SUBJECT: Office of Minority Business and Development (OMBD) audit

The City Auditor's Office has completed the Office of Minority Business and Development (OMBD) audit and the final report is attached.

We would like to thank the OMBD and Procurement Services staff for their cooperation and assistance during this audit.

Attachment

cc: The Richmond Audit Committee
The Richmond City Council
Patricia Foster, Director of OMBD
Betty Burrell, Director of Procurement Services

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City of
RICHMOND
Office of the City Auditor

Audit Report# 2021-12
Office of Minority Business Development
March 3, 2021

Audit Report Staff

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Highlights

Audit Report to the Audit Committee, City Council, and the Administration

Why We Did This Audit

The Office of the City Auditor conducted this audit as part of the FY21 audit plan approved by the Audit Committee. The main objectives for this audit were to evaluate OMBD's goal setting process and test the scoring process for compliance.

We recommend the OMBD Deputy Director:

- Continue efforts to input the required information and implement the B2GNOW system.
- Ensure the established scoring worksheet is used to score RFQs.
- Implement procedures to ensure that the contract data is reloaded timely and included in the OMBD policy and procedures manual.
- Develop and implement controls to ensure that all active contracts with MBE/ESB goals are captured in the data used to generate the monthly letters
- Ensure that the letters requesting MBE-3 reports and payment verification letters are issued timely for all active contracts with MBE/ESB goals.

We recommend the OMBD Director:

- Work with the Procurement Services Director to develop procedures to ensure the information needed to score the RFQs is obtained and the required MBE/ESB forms are included in the solicitations.
- Work with the Procurement Services Director to develop procedures to ensure the information needed to generate the monthly letters is keyed into RAPIDS and contract awards are communicated to OMBD.

We recommend the Directors of OMBD & Procurement Services develop and implement a process to assess past participation efforts for competitive sealed bidding.

Office of Minority Business Development (OMBD)

Background – The Office of Minority Business Enterprise (OMBE) was created in 1993 and was renamed in 2006 to The Office of Minority Business Development (OMBD). The Office currently reports to the Deputy Chief Administrative Officer of Economic Development. OMBD's mission "is to facilitate opportunities that enable minority-owned, disadvantaged, and emerging small businesses to successfully participate in the full array of procurement and other growth opportunities available in the City of Richmond."

OMBD is responsible for:

- Registering minority business enterprises (MBEs) that want to do business with the City as a sub-contractor/vendor.
- Certifying emerging small businesses (ESBs).
- Establishing MBE/ESB goals for City procurements where opportunities exist for them to participate as sub-contractors.
- Advising the City on whether prime contractors are achieving MBE/ESB participation goals for change orders, contract modifications and contract renewal requests.
- Scoring Request for Proposals (RFPs) and Request for Qualifications (RFQs) for vendors that pledged goals to use good faith efforts to subcontract with MBE/ESB firms.
- Verifying proposed MBE/ESB participation for the lowest responsive and responsible bidders for Invitations for Bids (IFB).
- Monitoring and tracking payments to MBE/ESB subcontractors for contracts with MBE/ESB goals.

What Works Well

RFP Scoring Process

The auditor tested six proposals and noted that the proposals were scored in accordance with OMBD policies and procedures and the points were awarded using the established scoring worksheet criteria and assigned point values.

Verification of Proposed MBE/ESB Participation

The MBE/ESB participation was verified for the lowest bidders in accordance with OMBD policies and procedures for the three reviewed contracts. Also, the project files were adequately documented.

Needs Improvement

Finding #1 – Goal Setting Process - The current goal setting process is subjective in nature. However, with the implementation of the diversity management system (B2GNOW), it is anticipated that the goal setting process will become more objective through a formula based process.

Finding #2 – Past MBE/ESB Participation Efforts – Past participation efforts were not reviewed during the Request for Qualifications (RFQs) scoring process or when identifying the lowest responsive and responsible bidder for competitive sealed bidding (IFBs). Contractors who fail to meet pledged goals to use good faith efforts to subcontract with MBE/ESB firms may continue to receive City contracts.

Finding #3 – Compliance Monitoring - The monthly letters requesting MBE-3 Reports from the prime contracts for the second half of FY2020 were batched and mailed in May and September 2020. Also, payment verification letters were not remitted to the subcontractors after November 2019. OMBD attributes these delays to system issues, the pandemic, personnel medical leave, office relocation and the pending implementation of the new diversity management system.

Management concurred with 8 of 8 recommendations. We appreciate the cooperation received from management and staff while conducting this audit.



BACKGROUND, OBJECTIVES, SCOPE, METHODOLOGY, MANAGEMENT RESPONSIBILITY and INTERNAL CONTROLS

This audit was conducted in accordance with the Generally Accepted Government Auditing Standards promulgated by the Comptroller General of the United States. Those Standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

BACKGROUND

OMBD Overview

The Office of Minority Business Enterprise (OMBE) was created in 1993 and was renamed to the Office of Minority Business Development (OMBD) in 2006. Currently, the Office reports to the Deputy Chief Administrative Officer of Economic Development. OMBD's mission "is to facilitate opportunities that enable minority-owned, disadvantaged, and emerging small businesses to successfully participate in the full array of procurement and other growth opportunities available in the City of Richmond."

OMBD had six full-time employees (FTEs) and three vacancies with an adopted budget of approximately \$700,000 in FY2020. OMBD is responsible for:

- Registering minority business enterprises (MBEs) that want to do business with the City as a sub-contractor/vendor.
- Certifying emerging small businesses (ESBs).
- Establishing MBE/ESB goals for City procurements where opportunities exist for them to participate as sub-contractors.

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- Advising the City on whether prime contractors are achieving MBE/ESB participation goals for change orders, contract modifications and contract renewal requests.
- Scoring Request for Proposals (RFPs) and Request for Qualifications (RFQs) for vendors that pledged goals to use good faith efforts to subcontract with MBE/ESB firms.
- Verifying proposed MBE/ESB participation for the lowest responsive and responsible bidders for Invitations for Bids (IFBs).
- Monitoring and tracking payments to MBE/ESB subcontractors for contracts with MBE/ESB goals.

MBE Definition

A MBE is a business that is at least:

- 51% owned and controlled by a minority;
- 51% minority owned and operated by a minority group; or
- 51% percent of stock is owned and controlled by minority group members for a stock corporation.

A minority is a US citizen or legal resident alien that is African American, Asian American/Asian Indian American, Hispanic American, and Native American.

ESB Definition

ESB is a certification that is issued by the City's OMBD to businesses for up to seven years, which meets the below eligibility requirements.

- Annual gross receipts of \leq \$500,000 for past three fiscal years preceding application for certification if primarily engaged in the construction business or \leq \$250,000 if primarily engaged in a non-construction business;
- Less than 10 full-time employees;
- Not a subsidiary of another business or does not belong to a group of businesses owned and controlled by the same individuals;

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- Principal place of business entirely within the City of Richmond Enterprise Zone;
- Possess a City business license; and
- Pays applicable personal property, real estate and business taxes to the City of Richmond.

City's Goal

Per Section 21-220 of the City Code, the City's goal is to increase the dollar value of contracts awarded to MBE and ESB contractors and subcontractors to the highest possible level in any particular field of contracting. Per City Code Section 21-216, to increase the number of MBEs and ESBs that participate meaningfully in contracts, the City uses and requires good faith efforts by parties engaging in City contracts:

1. "To stimulate the creation and development of minority business enterprise and emerging small business contractors and subcontractors, and to advance in reasonable and responsible ways, and deliberately and consistently over the long-term, their entrance into and participation in contracts;
2. To encourage, in reasonable and responsible ways and deliberately and consistently over the long-term, the participation of minority and local disadvantaged individuals at higher skill and responsibility levels within non-minority firms engaged in contracting and subcontracting; and
3. To encourage voluntary efforts by the private sector aimed at increasing the participation of minority business enterprises and emerging small businesses in contracts."

Good faith is defined as the sum total of efforts by a firm to provide for equitable participation of MBE and ESB subcontractors. The past efforts are comprised of documented participation of MBE/ESB firms through subcontracting or joint ventures. Future efforts are comprised of proposed efforts to allow for equitable participation of MBE and ESB subcontractors.

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OBJECTIVE

The objectives for this audit were to evaluate OMBD's goal setting process and test the scoring process for compliance.

SCOPE

The audit scope covered OMBD's goal setting and scoring processes in place for fiscal year 2020 and the current environment unless otherwise stated. This audit originally included Procurement Services. However, during planning, it was decided to reschedule the Procurement Services portion of the audit and focus on OMBD.

METHODOLOGY

The Auditors performed the following procedures to complete this audit:

- Interviewed staff;
- Documented and evaluated processes and controls;
- Reviewed and tested the scoring process for compliance with OMBD policies and procedures and City Code requirements;
- Reviewed the current and proposed goal setting processes;
- Analyzed contract spending and subcontractor payments to determine if pledged goals to use good faith efforts to subcontract with MBE/ESB firms were met;
- Analyzed data in the automated systems; and
- Performed other tests, as deemed necessary.

MANAGEMENT RESPONSIBILITY

City of Richmond management is responsible for ensuring resources are managed properly and used in compliance with laws and regulations; programs are achieving their objectives; and services are being provided efficiently, effectively, and economically.

INTERNAL CONTROLS

According to the Government Auditing Standards, internal control, in the broadest sense, encompasses the agency's plan, policies, procedures, methods, and processes adopted by management to meet its mission, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes systems for measuring, reporting, and monitoring program performance. An effective control structure is one that provides reasonable assurance regarding:

- Efficiency and effectiveness of operations;
- Accurate financial reporting; and
- Compliance with laws and regulations.

Based on the audit test work, the auditor concluded adequate internal controls and procedures are in place to ensure that RFPs are properly scored and proposed MBE/ESB participation is verified for IFBs in accordance with OMBD's policies and procedures. However, improvements are needed in the following areas to further help the City achieve its goal of increasing MBE/ESB participation in City contracting:

- Goal setting process;
- RFQ scoring process;
- Assessing the lowest bidders' past participation efforts for IFBs; and
- Compliance monitoring.

These observations are discussed throughout this report.

FINDINGS and RECOMMENDATIONS

What Works Well

RFP Scoring Process

The auditor reviewed and tested six vendor proposals that were scored during FY2020 and noted:

- The proposals were properly scored in accordance with OMBD's policies and procedures.
- The established scoring worksheet was used to score the proposals. The proposals were evaluated based upon documented good faith including past participation efforts and proposed MBE/ESB participation.
- Scores were assigned in accordance with the established point values for the scoring criteria.

Verification of Proposed MBE/ESB Participation for IFBs

The auditor reviewed and tested the MBE/ESB participation verifications for the lowest bidder for three contracts awarded under the competitive sealed bidding process and noted:

- The MBE/ESB participation was verified and documented in accordance with OMBD's policies and procedures.
- The project files were adequately documented.
- Verification emails confirming the primes' MBE/ESB participation were sent to Procurement Services.

What Needs Improvement

Finding #1 – Goal Setting Process

Condition:

OMBD is responsible for establishing MBE/ESB participation goals for Invitation for Bids (IFBs), Request for Qualifications (RFQs), and Request for Proposals (RFPs). The goals are currently set based on the MBE/ESB availability in OMBD's Business Directory, prior utilization on similar goods/services contracts, and discussions with the user agencies. There is no formula-driven process in place to determine the goals based on the availability of MBEs/ESBs and adjustments for identified market conditions.

Criteria:

Goals established for City contracts should be reasonable, achievable, and legally defensible. The methodology used to determine the goals and any adjustments made should be well documented and supported.

Causes:

The current goal setting process is subjective in nature. It does not consider the availability of all MBEs/ESBs in the State or region. The determination of availability is limited to the registered or certified firms in the City's OMBD Directory. However, with the implementation of the diversity management system (B2GNOW), it is anticipated that the goal setting process will become more objective through a formula based process. Per the system manual, contract goals will be set based upon statistical methods, past achievements, and current market conditions.

Per OMBD staff, the system will use the licensure data from the Department of Professional and Occupational Regulation (DPOR) to identify the number of contractors available in the State or region for specified goods/services. This data will be compared to the number of certified firms

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from the Virginia Department of Small Business and Supplier Diversity (SBSD) and OMBD's MBE/ESB Business Directory that are available to provide the identified goods and services. The system will use this information to calculate the MBE/ESB availability percentage.

OMBD purchased the system in 2018 and is working to phase in the implementation. Per OMBD staff, the below tasks need to be completed to implement the system.

- OMBD is populating the system with data from DPOR, SBSD, and OMBD Business directory.
- OMBD is in the process of adding the contract information, subcontractors, and MBE goals.
- An interface needs to be developed to upload contract spending data from RAPIDS to B2GNOW. A service request for this was initially created in July 2019 but was not approved by the Department of Finance due to higher priority initiatives. This request was closed in February 2020. A new service request was opened on January 4, 2021. However, the status of this request was unknown as of fieldwork completion.

Upon full implementation of the system, the goal setting component can be used.

Effect:

Without an evidence-based goal setting process in place, OMBD may not establish reasonable, achievable, and legally defensible goals for City contracts.

Recommendation:

- 1. We recommend that the OMBD Deputy Director continue efforts to input the required information and implement the B2GNOW system.*

Finding #2 – Past MBE/ESB Participation Efforts

Condition:

Past participation efforts were not reviewed during the Request for Qualifications (RFQs) scoring process and when identifying the lowest responsive and responsible bidder for IFBs (competitive sealed bidding).

Request for Qualifications

In accordance with City Code Sections 21-45 and 21-46, OMBD developed a scoring worksheet to assess a bidder's qualifications with respect to past and proposed MBE/ESB participation efforts for RFQs. However, the participation effort points were not awarded using the established scoring worksheet criteria and assigned point values. Points were awarded based upon the firms' pledged goals to use good faith efforts to subcontract with MBE/ESB firms for the RFQ under review. Firms were awarded the maximum points (100) if they committed to the full MBE/ESB goal assigned to the project.

The auditor reviewed and re-scored nine qualification statements using OMBD's established scoring worksheet criteria and noted:

- 1 out of 9 firms would have received the minimum number of points (50) to be pre-qualified per City Code requirement;
- 5 out of 9 firms would not have received the minimum number of points to be pre-qualified per City Code requirements unless the Chief Administrative Officer (CAO) granted a waiver; and
- 3 out of 9 firms may have been pre-qualified if they met past pledged MBE/ESB participation goals. The auditor was unable to recalculate the past participation efforts as the amount of payments paid to the primes and subcontractors when the RFQs were originally scored could not be readily determined.

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Below is a comparison of the scores assigned by OMBD and the auditor's re-scores.

RFQ	Vendor	MBD Score	Audit Dept. Re-Calculated Score	Change Over Scored	Would Prime have Qualified based on Re-Score?
RFQ #1 MBE Goal 15%	A*	100	84	16	Maybe
	B*	100	90	10	Maybe
	C*	100	45	55	No
RFQ # 2 MBE Goal 10%	A*	100	74	26	Maybe
	B*	100	40	60	No
	C*	100	30	70	No
	D*	100	35	65	No
	E	100	25	75	No
	F	100	64	36	Yes

*The Audit Department re-calculated scores may be lower. The auditors were unable to assign point values for past participation efforts. The information needed to score this criterion was not readily available. Given the assigned point values for past participation, the scores would have potentially decreased but not increased. The firm for the score noted in green did not have any previous contracts with the City; therefore excluding the past participation criteria from the analysis did not impact the score.

Invitation for Bids

Upon notification from Procurement Services, OMBD reviews and verifies the proposed MBE/ESB participation for the apparent low bidder for the IFB under review by:

- o Confirming the identified MBE/ESB firms that the prime will use are registered/certified with OMBD or certified by the State or other certifying entity; and
- o Verifying the registered or certified MBE/ESB firms have been contacted by the prime to work on the project and the scope of work that they will perform.

The auditor reviewed three IFBs and confirmed that the proposed participation was verified and documented per OMBD policies and procedures. However, past participation is not taken into account when determining the lowest responsive and responsible bidder. Contractors who fail to

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meet pledged goals to use good faith efforts to subcontract with MBE/ESB firms may continually receive City contracts.

The auditor analyzed 90 contracts awarded through competitive sealed bidding (IFBs) to determine if the primes met their pledged goals to use good faith efforts to subcontract with MBE/ESB firms. The prime contractors did not meet the pledged goals to use good faith efforts to subcontract with MBE/ESB firms for 38 contracts. Below is a summary of the proposed and actual MBE/ESB utilization for firms that failed to meet their pledged goals to use good faith efforts to subcontract with MBE/ESB firms for two or more contracts.

Prime	Total Number of Contracts Reviewed	Number of Contracts That The Prime Did Not Met Goal	Total Dollars Paid to Prime	Total Proposed MBE/ESB Utilization	Total Payments Issued to MBE/ESB	Actual Utilization
Prime A	6	3	14,596,348	2,585,011	2,065,572	80%
Prime B	5	2	4,274,278	784,573	625,913	80%
Prime C	4	3	4,183,844	561,810	398,028	71%
Prime D	4	2	1,520,166	236,153	189,674	80%
Prime E	4	2	2,204,317	346,320	302,636	87%
Prime F	3	2	5,261,416	687,156	399,411	58%
Prime G	2	2	2,192,201	418,091	349,424	84%

On average the firms failed to meet approximately 20% of their pledged goals to use good faith efforts to subcontract with MBE/ESB firms for the reviewed contracts. However, the percentage of contracts where the primes failed to meet pledged goals could be higher. This analysis only includes contracts for which the primes have reported MBE/ESB subcontractor payments. Contracts for which the primes have not reported any subcontractor payments were not included in the data used for this analysis.

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Criteria:

Request for Qualifications

Per City Code Sections 21-45 and 21-46, OMBD is required to develop forms and criteria to assess a bidder's prequalification with respect to past and proposed MBE/ESB participation efforts and no bidder receiving less than 50% of the possible participation points can be pre-qualified unless granted a waiver by the CAO. OMBD scoring worksheet should be used to award up to 100 points to the bidders/offerors based upon documented proposed and past participation efforts.

Invitation for Bids

Per City Code Section 21-54 (12), the bidder's past performance with regard to its minority business enterprise and emerging small business participation efforts is one of the factors that shall be considered when determining the lowest responsive and responsible bidder.

Causes:

RFQs - OMBD changed the scoring process for RFQs as the bidders/offerors did not always provide the information needed to score the qualification statements using the scoring worksheet criteria. Per OMBD, some of the bidders/offerors have expressed concerns that the scope of work included in the RFQs is insufficient to determine where MBE/ESB subcontractors can be utilized. The auditor also noted that the RFQ language does not explicitly identify which MBE/ESB forms are required. Also, there is an inconsistency in the forms included in the RFQ solicitations.

IFBs - A process is not in place to assess a bidder's past MBE/ESB participation efforts for competitive sealed bidding. MBE/ESB participation is not taken into account unless a contract is subject to renewal or modifications. OMBD will recommend approval or denial of renewal or modification requests based upon if the prime is meeting its pledged goal to use good faith efforts to subcontract with MBE/ESB firms for the contract under review. However, not all contracts are

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subject to renewal or modifications. Also, contracts can still be renewed even if OMBD denies the request.

Effect:

Firms may be inappropriately pre-qualified for projects without receiving the minimal number of points or obtaining a waiver from the CAO. If pre-qualified, bidders are eligible to bid on projects and maybe awarded contracts. This may negatively impact the City's ability to achieve its goal to increase MBE/ESB participation in City Contracts.

Recommendations:

- 2. We recommend that the OMBD Deputy Director ensure the established scoring worksheet is used to score RFQs.*
- 3. We recommend that the OMBD Director work with the Procurement Services Director to develop procedures to ensure the information needed to score the RFQs is obtained and the required MBE/ESB forms are included in the solicitations.*
- 4. We recommend that the Directors of OMBD and Procurement Services develop and implement a process to assess past participation efforts for competitive sealed bidding.*

Finding #3 – Compliance Monitoring

Condition:

OMBD did not conduct compliance monitoring for MBE/ESB firms' participation on City contracts timely during FY2020.

- Monthly letters requesting MBE-3 Reports were batched and mailed to the prime contractors. The letters requesting reports for December 2019 – April 2020 were sent in

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May 2020. The letters requesting reports for May 2020 – September 2020 were mailed in September 2020.

- Payment verification letters were mailed to the MBE/ESB subcontractors every two months during calendar year 2019. However, the letters have not been sent out since November 2019.

Criteria:

OMBD monitors payments made to MBE/ESB primes, subcontractors, and vendors. Prime contractors are required to remit monthly MBE-3 Reports to report their MBE/ESB utilization. The MBE-3 Reports captures the subcontractors that participated on the contract, description of completed work, and issued payments. OMBD sends letters to prime contractors by the 5th of each month requesting MBE-3 Reports and subcontractor invoices to substantiate the reported information. The MBE-3 Reports are reviewed for accuracy and completeness and entered into the OMBD tracking system. OMBD also sends letters to the MBE/ESB subcontractors to verify the payments reported by the prime contractors. Per OMBD staff, the payment verification letters are mailed quarterly.

Causes:

The monthly letters were not sent out timely to the prime contractors due to the below attributing factors:

- The contract information (e.g., number, value, and MBE/ESB goal) is keyed into RAPIDS by the Department of Procurement Services. This information is then uploaded into the OMBD tracking system. This data needs to be periodically reloaded (refreshed) to capture the most up to date information in the tracking system. Per OMBD staff, they only became aware of this requirement in January 2020. The data was reloaded in January 2020,

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September 2020, and January 2021. As such, new contracts were not captured in the data used to send out the monthly letters to the prime contractors.

- Contracts were keyed into RAPIDS with null (blank) MBE/ESB goals. As such, these contracts were not captured in the data used to send out the monthly letters. Only active contracts with MBE/ESB goals greater than zero are captured in the data.
- Adequate controls were not in place to ensure that all active contracts with MBE/ESB goals were captured in the data used to send out the monthly letters. Per OMBD staff, Procurement Services does not notify them of the contract awards through competitive negotiations. Sometimes, they only become aware of the contract award when the prime remits the MBE-3 Reports.
- The letters requesting MBE-3 Reports were sent out in batches in May 2020, September 2020, and January 2021 due to the pandemic, relocation of OMBD Offices from City Hall to Main Street Station, personnel medical leave, and pending implementation of the new diversity management system.
- Per OMBD, the payment verification letters were not issued beyond November 2019 due to the same reasons noted above for batching the letters for the prime contractors.

Effect:

Prime contractors are required to remit monthly MBE-3 Reports to report their MBE/ESB utilization. Failure or untimely mailing of the letters requesting the reports could result in the prime contractors not reporting or untimely reporting MBE/ESB utilization. Untimely reporting and updating the OMBD tracking system could result in inaccurate tracking of MBE/ESB utilization, contract spending data, and the primes receiving incorrect credit for MBE/ESB participation. Also, not verifying the payments reported on the MBE-3 Reports with the subcontractors could result in inaccurate information being keyed into the tracking system.

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Recommendations:

- 5. We recommend that the OMBD Deputy Director implement procedures to ensure that the contract data is reloaded timely and included in the OMBD policy and procedures manual.*
- 6. We recommend that the OMBD Deputy Director ensure that the letters requesting MBE-3 reports and payment verification letters are issued timely for all active contracts with MBE/ESB goals.*
- 7. We recommend that the OMBD Deputy Director develop and implement controls to ensure that all active contracts with MBE/ESB goals are captured in the data used to generate the monthly letters.*
- 8. We recommend that the OMBD Director work with the Procurement Services Director to develop procedures to ensure the information needed to generate the monthly letters is keyed into RAPIDS and contract awards are communicated to OMBD.*

APPENDIX A: MANAGEMENT RESPONSE FORM
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#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
1	We recommend that the OMBD Deputy Director continue efforts to input the required information and implement the B2GNOW system.	Y	OMBD is working with the Virginia Department of Professional and Occupational Regulation (DPOR) to gain access to information that is critical to the B2GNOW system.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Deputy Director		4/15/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
2	We recommend that the OMBD Deputy Director ensure the established scoring worksheet is used to score RFQs.	Y	OMBD will work to ensure the scoresheet is utilized to score RFQs.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Deputy Director		4/1/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
3	We recommend that the OMBD Director work with the Procurement Services Director to develop procedures to ensure the information needed to score the RFQs is obtained and the required MBE/ESB forms are included in the solicitations.	Y	OMBD will work with Procurement Services to develop a procedure that will insure all OMBD forms needed for proper scoring are included in all solicitations.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Director		4/1/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
4	We recommend that the Directors of OMBD and Procurement Services develop and implement a process to assess past participation efforts for competitive sealed bidding.	Y	The Departments will coordinate to develop and implement a process to assess past participation efforts for competitive sealed bidding.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Directors of OMBD and Procurement		12/31/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION

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#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
5	We recommend that the OMBD Deputy Director implement procedures to ensure that the contract data is reloaded timely and included in the OMBD policy and procedures manual.	Y	Policy and Procedures will be updated to reflect the process.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Deputy Director		1/1/2022
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
6	We recommend that the OMBD Deputy Director ensure that the letters requesting MBE-3 reports and payment verification letters are issued timely for all active contracts with MBE/ESB goals.	Y	B2GNOW is capable of completing this recommendation, pending DIT configuration.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Deputy Director		4/1/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
7	We recommend that the OMBD Deputy Director develop and implement controls to ensure that all active contracts with MBE/ESB goals are captured in the data used to generate the monthly letters.	Y	OMBD will work with Procurement Services to determine how to best capture this data. The new compliance software will automatically generate the monthly letters.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Deputy Director		5/1/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
8	We recommend that the OMBD Director work with the Procurement Services Director to develop procedures to ensure the information needed to generate the monthly letters is keyed into RAPIDS and contract awards are communicated to OMBD.	Y	OMBD and the Procurement Services Director will meet to discuss the best action plan to address a procedure that can ensure all necessary information is captured. OMBD is recommending an electronic checklist that must be completed to finalize solicitations and or awards.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Director		5/1/2021
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION