

BPW Advisory No.: 2011-1

Martin O'Malley
Governor



Date: April 20, 2011

Nancy K. Kopp
Treasurer

**Subject: PROCUREMENT — FAMILY INVESTMENT PROGRAM:
HIRING AGREEMENTS; ELIGIBLE CONTRACTS**

Peter Franchot
Comptroller

Effective: Immediately

Sheila McDonald
Executive Secretary

Purpose: To encourage the use of hiring agreements as a mechanism for providing current and former Family Investment Program recipients with employment opportunities on State procurement contracts.

Authority: State Finance & Procurement Article, §13-224, Annotated Code of Maryland; Board of Public Works Secretary's Agenda Items 18 (1/13/99); 9 (10/4/00); and 4 (4/20/11).

Background: A hiring agreement – basically a sidebar to a State procurement contract – is an agreement between a contractor and the Department of Human Resources through which they agree to cooperatively identify and hire former and current Family Investment Program recipients to fill job openings on the contractor's State procurement project.

The hiring agreement statute, enacted into the State Procurement Law in 1998, required the Board of Public Works to “designate the types of procurement contracts that are eligible contracts” (eligible for hiring agreements). The Board approved an Action Agenda Item directing the Departments of Budget & Management, General Services, and Transportation and the University System of Maryland to select eligible contracts for hiring agreements. The Board also required DHR to submit an annual report.

This Advisory restates the Board of Public Works commitment to this valuable program.

Procedure:

- (1) The designated procurement units are DBM; DGS; and DOT. Note, the Board of Public Works encourages the University System of Maryland (which was exempted from State Procurement Law provisions after the hiring agreement statute was enacted) to voluntarily participate in the program as a designated procurement unit. In consultation with DHR, the designated procurement units shall select certain procurement contracts as contracts eligible for hiring agreement status. The Board emphasizes that all procurements should be reviewed for hiring agreement status, including construction, maintenance, and services procurements.
- (2) When a procurement is selected as eligible, DHR shall be available to provide information to bidders and offerors about the program and should attend pre-bid/pre-proposal conferences. The contractor recommended for contract award will enter into a hiring agreement with DHR coincident with entering into the procurement contract

with the procurement agency. The hiring agreement provides for DHR to assign an account representative to the contractor; that account representative will process the contractor's job notices; refer screened and qualified current and former FIP participants for those jobs; and assist in developing job-training and support services.

- (3) DHR shall provide a report to the Board of Public Works no later than November 1 annually that summarizes the previous fiscal year's results, specifically reporting:
- For each eligible contract that the designated procurement units referred to DHR that fiscal year:
 - Agency awarding contract
 - Type of contract, *e.g.*, construction, services, information-technology, maintenance
 - Scope of work of contract
 - Dollar value of contract
 - Which referrals of eligible contracts to DHR resulted in hiring agreements, which did not result in hiring agreements, and any explanation for the latter.
 - Number of persons offered employment through each hiring agreement.
- (4) Each designated procurement unit shall provide a report to the Board of Public Works no later than November 1 annually that summarizes the review undertaken by the unit in designating contracts as eligible for hiring agreement status.

Questions concerning Hiring Agreements under DHR's Family Investment Program may be addressed to:

Larry C. Ingram, Program Manager
311 W. Saratoga Street, Baltimore, MD 21201
410.767.8188
Fax: 410.333.0832
hireagmt@dhr.state.md.us

Questions concerning this Advisory may be addressed to:

Board of Public Works
Fax: 410.974.5240

Mary Jo Childs, Procurement Advisor
410.260.7335
mchilds@comp.state.md.us

Gregory Bedward, General Counsel
410.260.7335
gbedward@comp.state.md.us