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# Department of Small and Local Business Development

<http://dslbd.dc.gov>

Telephone: 202-727-3900

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Description	FY 2012 Actual	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Operating Budget	\$5,041,227	\$6,185,221	\$7,259,588	17.4
FTEs	19.2	31.0	44.8	44.3

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The mission of the Department of Small and Local Business Development (DSLBD) is to support the development, economic growth, and retention of District-based businesses, and promote economic development throughout the District's commercial districts.

## Summary of Services

The Department of Small and Local Business Development provides assistance and services to District-based businesses by positioning them to compete successfully for local, federal, and global business opportunities; advocating and promoting small business; providing one-on-one technical assistance, workshops, and training; certifying companies to do business in the city; and fostering small business development in commercial districts.

The FY 2014 proposed budget is presented in the following tables:

## FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table EN0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

**Table EN0-1**  
(dollars in thousands)

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
<b>General Fund</b>						
Local Funds	7,536	4,792	5,276	6,568	1,292	24.5
<b>Total for General Fund</b>	<b>7,536</b>	<b>4,792</b>	<b>5,276</b>	<b>6,568</b>	<b>1,292</b>	<b>24.5</b>
<b>Federal Resources</b>						
Federal Grant Funds	258	249	909	691	-218	-23.9
<b>Total for Federal Resources</b>	<b>258</b>	<b>249</b>	<b>909</b>	<b>691</b>	<b>-218</b>	<b>-23.9</b>
<b>Intra-District Funds</b>						
Intra-District Funds	9	0	0	0	0	N/A
<b>Total for Intra-District Funds</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>7,803</b>	<b>5,041</b>	<b>6,185</b>	<b>7,260</b>	<b>1,074</b>	<b>17.4</b>

\*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to Schedule 80 Agency Summary by Revenue Source in the FY 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

## FY 2014 Proposed Full-Time Equivalents, by Revenue Type

Table EN0-2 contains the proposed FY 2014 FTE level compared to the FY 2013 approved FTE level by revenue type. It also provides FY 2011 and FY 2012 actual data.

**Table EN0-2**

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change
<b>General Fund</b>						
Local Funds	20.3	16.7	24.0	39.0	15.0	62.3
<b>Total for General Fund</b>	<b>20.3</b>	<b>16.7</b>	<b>24.0</b>	<b>39.0</b>	<b>15.0</b>	<b>62.3</b>
<b>Federal Resources</b>						
Federal Grant Funds	4.0	2.5	7.0	5.8	-1.2	-17.3
<b>Total for Federal Resources</b>	<b>4.0</b>	<b>2.5</b>	<b>7.0</b>	<b>5.8</b>	<b>-1.2</b>	<b>-17.3</b>
<b>Total Proposed FTEs</b>	<b>24.3</b>	<b>19.2</b>	<b>31.0</b>	<b>44.8</b>	<b>13.8</b>	<b>44.3</b>

## FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table EN0-3 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

**Table EN0-3**  
(dollars in thousands)

Comptroller Source Group	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
11 - Regular Pay - Continuing Full Time	1,141	1,132	1,652	3,200	1,548	93.7
12 - Regular Pay - Other	301	387	690	414	-276	-40.0
13 - Additional Gross Pay	90	27	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	281	273	542	873	331	61.1
15 - Overtime Pay	1	0	0	0	0	N/A
<b>Subtotal Personal Services (PS)</b>	<b>1,814</b>	<b>1,820</b>	<b>2,884</b>	<b>4,487</b>	<b>1,603</b>	<b>55.6</b>
20 - Supplies and Materials	19	44	49	35	-14	-29.1
31 - Telephone, Telegraph, Telegram, Etc.	22	38	37	29	-8	-22.0
40 - Other Services and Charges	71	74	275	229	-46	-16.9
41 - Contractual Services - Other	571	835	910	567	-343	-37.7
50 - Subsidies and Transfers	5,301	2,144	2,000	1,899	-101	-5.0
70 - Equipment and Equipment Rental	5	86	29	13	-16	-55.6
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>5,989</b>	<b>3,221</b>	<b>3,301</b>	<b>2,772</b>	<b>-529</b>	<b>-16.0</b>
<b>Gross Funds</b>	<b>7,803</b>	<b>5,041</b>	<b>6,185</b>	<b>7,260</b>	<b>1,074</b>	<b>17.4</b>

\*Percent change is based on whole dollars.

### Division Description

The Department of Small and Local Business Development operates through the following 4 divisions:

**Certification** – processes applicants into the Certified Business Enterprise (CBE) program, and monitors, tracks, and reports the activities of District government agencies and non-government project partners to ensure compliance with set-aside goals regarding the utilization and participation of CBEs pursuant to District Law 16-33, the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended.

This division contains the following 2 activities:

- **Certification** – processes and issues certifications designating a District-based business as a CBE; conducts inspections to ensure businesses are compliant with certification regulations; and responds to complaints regarding non-compliant certified companies; and
- **Compliance** – provides oversight of District Government agencies and non-government projects to ensure compliance with District regulations regarding CBE utilization and participation pursuant to District Law 16-33.

**Business Opportunities and Access to Capital** – provides District-based businesses with the knowledge and capacity-building tools necessary to form, develop, and expand by providing classes, training, technical assistance, and advocacy to promote greater participation in local, federal, and private-sector opportunities.

This division contains the following 4 activities:

- **Procurement Technical Assistance** – provides District-based small businesses with support to prepare for and gain access to federal government procurement opportunities;
- **Business Development** – develops and implements business management training sessions and technical assistance programs, and identifies and disseminates business and training opportunities to small and local businesses;
- **Trade and Export** – provides training, targeted services provision, trade mission support, and business opportunity identification in order to increase the number of District small businesses that export, grow the dollar value of exports from District businesses, and coordinate trade missions for qualified District-based businesses; and
- **Technology and Innovation** – provides support and assistance for technology companies pursuing opportunities in the development of Small Business Innovation and Research (SBIR) and Small Business Technology Transfer (STTR) program applications; develops and delivers training and technical assistance sessions, as well as unique multi-sector events, designed to support District technology entrepreneurs launch and grow their businesses; leverages expertise in federal and private commercialization practices to generate competitive grant applications for District-based small business

**Commercial Revitalization** – provides technical and funding assistance that supports, promotes, and fosters economic development in commercial districts and the retention, recruitment, and enhancement of small businesses throughout the city.

This division contains the following 5 activities:

- **Neighborhood Corridor Revitalization** – provides a broad range of programmatic initiatives that support commercial districts through technical assistance and grant resources; manages clean and safe services; and coordinates Business Improvement Districts (BIDS) and other business development entities throughout the city;
- **Capacity Building** – provides oversight, funding, compliance monitoring, and support for the growth and development of neighborhood business development, and manages grants to community-based organizations;
- **Main Streets** – fosters retail investment in the District by providing services and funding to help communities retain and recruit businesses, improve commercial properties and streetscapes, and attract consumers;
- **Commercial Clean Teams** – maintains commercial corridors; enhances litter clean-up efforts through the removal of debris from streets, sidewalks and storefronts; and removes graffiti and illegal sign postings within designated clean team service-delivery areas; and
- **Healthy Food Programs** - facilitates increased supply and demand for healthy foods in accordance with the FEED DC Act through the provision of technical assistance with regard to the purchase, marketing, and maintenance of healthy foods in District of Columbia food deserts.

**Agency Management** – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

## **Division Structure Change**

The Department of Small and Local Business Development has no division structure changes in the FY 2014 proposed budget.

## FY 2014 Proposed Operating Budget and FTEs, by Division and Activity

Table EN0-4 contains the proposed FY 2014 budget by division and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

**Table EN0-4**

(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
<b>(1000) Agency Management Program</b>								
(1010) Personnel	17	20	18	-2	0.1	0.2	0.2	0.0
(1015) Training and Education	14	17	15	-2	0.1	0.2	0.1	0.0
(1020) Contracting and Procurement	14	17	15	-2	0.1	0.2	0.1	0.0
(1030) Property Management	39	17	18	1	0.1	0.2	0.1	0.0
(1040) Information Technology	40	0	40	40	0.1	0.0	0.1	0.1
(1050) Financial Management	46	122	112	-10	0.5	0.2	0.2	-0.1
(1055) Risk Management	14	17	15	-2	0.1	0.2	0.1	0.0
(1060) Legal	150	157	163	5	0.0	0.0	0.0	0.0
(1070) Fleet Management	1	2	6	5	0.0	0.0	0.0	0.0
(1080) Communications	14	126	236	109	0.1	1.4	2.1	0.8
(1085) Customer Service	66	118	70	-47	0.9	1.7	1.1	-0.6
(1090) Performance Management	84	173	327	154	0.1	1.3	3.2	1.8
<b>Subtotal (1000) Agency Management Program</b>	<b>500</b>	<b>785</b>	<b>1,034</b>	<b>249</b>	<b>2.4</b>	<b>5.6</b>	<b>7.5</b>	<b>1.9</b>
<b>(2000) Certification</b>								
(2010) Certification	482	619	937	319	5.3	5.2	7.3	2.1
(2020) Compliance	0	0	877	877	0.0	0.0	9.0	9.0
(2050) Capacity Building	0	0	0	0	0.6	0.0	0.0	0.0
<b>Subtotal (2000) Certification</b>	<b>482</b>	<b>619</b>	<b>1,814</b>	<b>1,196</b>	<b>5.9</b>	<b>5.2</b>	<b>16.3</b>	<b>11.1</b>
<b>(3000) Business Opportunities and Access to Capital</b>								
(3010) Training and Education	150	0	0	0	1.3	0.0	0.0	0.0
(3020) Business Opportunities	272	0	0	0	2.6	0.0	0.0	0.0
(3030) Capital Acquisition	0	135	0	-135	0.0	1.4	0.0	-1.4
(3040) Procurement Technical Assistance	0	481	479	-2	3.3	4.0	4.0	0.0
(3050) Access to Capital	67	0	0	0	0.0	0.0	0.0	0.0
(3060) Business Development	0	747	658	-89	0.0	7.2	6.6	-0.6
(3070) Trade and Export	474	796	498	-298	0.0	3.0	4.0	1.0
(3080) Technology and Innovation	0	0	82	82	0.0	0.0	0.8	0.8
<b>Subtotal (3000) Business Opportunities and Access to Capital</b>	<b>964</b>	<b>2,159</b>	<b>1,717</b>	<b>-442</b>	<b>7.2</b>	<b>15.6</b>	<b>15.4</b>	<b>-0.2</b>

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**Table EN0-4 (Continued)**

(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
<b>(4000) Commercial Revitalization</b>								
(4010) Neighborhood Corridor Revitalization	742	0	245	245	2.0	0.0	1.8	1.8
(4020) Capacity Building	2,354	465	245	-220	1.7	1.6	1.8	0.2
(4030) Main Streets	0	888	904	16	0.0	1.6	1.0	-0.6
(4040) Commercial Clean Teams	0	1,270	1,100	-170	0.0	1.5	0.0	-1.5
(4050) Healthy Food Programs	0	0	200	200	0.0	0.0	1.0	1.0
<b>Subtotal (4000) Commercial Revitalization</b>	<b>3,095</b>	<b>2,623</b>	<b>2,694</b>	<b>71</b>	<b>3.7</b>	<b>4.7</b>	<b>5.6</b>	<b>0.9</b>
<b>Total Proposed Operating Budget</b>	<b>5,041</b>	<b>6,185</b>	<b>7,260</b>	<b>1,074</b>	<b>19.2</b>	<b>31.0</b>	<b>44.8</b>	<b>13.8</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the proposed funding for the activities within this agency's divisions, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2014 Proposed Budget Changes

The Department of Small and Local Business Development's (DSLBD) proposed FY 2014 gross budget is \$7,259,588, which represents a 17.4 percent increase over its FY 2013 approved gross budget of \$6,185,221. The budget is comprised of \$6,568,370 in Local funds and \$691,218 in Federal Grant funds.

### Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2013 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DSLBD's FY 2014 CSFL budget is \$5,318,370, which represents a \$41,930, or 0.8 percent, increase over the FY 2013 approved Local funds budget of \$5,276,440.

### Major CSFL Cost Drivers

The FY 2014 CSFL calculated for DSLBD included an adjustment entry that is not described in detail on table 5. This adjustment was made for an increase of \$17,567 in personal services to account for the Fringe Benefit growth rate adjustment based on 4.2 percent year-over-year growth, and \$24,363 in nonpersonal services, based on the Consumer Price Index factor of 2.4 percent. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments".

### **Agency Budget Submission**

**Increase:** The Local budget proposal for the Department of Small and Local Business increases in three areas: An increase of \$384,892 will be used for 4.0 additional FTEs and planned salary step increases. 3.0 FTEs are needed for CBE Compliance and Enforcement and 1.0 FTE will support the newly launched Healthy Food activity. The Fringe Benefit budget proposes an increase of \$87,949. Additionally, DSLBD proposes an increase of \$30,727 to match its spending plan in Local Funds in nonpersonal services, mainly in office support for procurement technical assistance activities.

**Decrease:** DSLBD proposes a Local fund reduction of \$402,746 because of a reduced grant match requirement. The effects of the projected reduced funding that will be received from the DC STEP Federal grant will be felt throughout various activities. DSLBD plans to adjust travel schedules and reduce spending in supplies, equipment, telephones, and contractual services. Another proposed Local decrease of \$100,821 in Subsidies and Transfers will be used to offset the funding for the development of the Healthy Foods activity. This new activity will be within the same Commercial Revitalization program.

In Federal Grant funds, a proposed reduction of \$197,962 will align the DC STEP Federal Grant with the projected award amount. DSLBD proposes to further reduce the Federal Grant budget by \$38,415 through personal services realignment and the elimination of 1.2 FTEs.

### **Mayor's Proposed Budget**

**Cost of Living Adjustment:** This agency received a proposed cost of living adjustment (COLA) in both Local and non-Local funds. This adjustment includes \$18,814 in Federal Grant funds. For more information about the Local funds portion of the COLA, please see the Workforce Investments chapter contained in Volume 3 (Agency Budget Chapters – Part II) of the FY 2014 Proposed Budget and Financial Plan.

**Technical Adjustment:** A total \$1,150,000 and 11.0 FTEs will be added to the Local funds budget. These positions will perform a comprehensive review of the Certified Business Enterprise (CBE) program in the areas of compliance and enforcement. This will enable DSLBD to continue to bolster and reform the CBE program.

**Increase:** An additional \$100,000 in Local funds will support the H Street Main Streets program to include Bladensburg Road.

## FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table EN0-5 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

**Table EN0-5**  
(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2013 Approved Budget and FTE</b>		<b>5,276</b>	<b>24.0</b>
Other CSFL Adjustments	Multiple Programs	42	0.0
<b>LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)</b>		<b>5,318</b>	<b>24.0</b>
Increase: Additional FTEs and planned salary step increases	Multiple Programs	385	4.0
Increase: Fringe Benefit rate adjustment	Multiple Programs	88	0.0
Increase: Nonpersonal services, mainly office support	Multiple Programs	31	0.0
Decrease: Grant match for State Trade and Export	Multiple Programs	-403	0.0
Promotion (DC STEP) Federal grant			
Decrease: Subsidies and Transfers	Commercial Revitalization	-101	0.0
<b>LOCAL FUNDS: FY 2014 Agency Budget Submission</b>		<b>5,318</b>	<b>28.0</b>
Technical Adjustment: Annualize Certified Business Enterprise (CBE) compliance and enforcement	Certification	1,150	11.0
Increase: Expansion of H Street Main Streets to include Bladensburg Road	Commercial Revitalization	100	0.0
<b>LOCAL FUNDS: FY 2014 Mayor's Proposed Budget</b>		<b>6,568</b>	<b>39.0</b>
<b>FEDERAL GRANT FUNDS: FY 2013 Approved Budget and FTE</b>		<b>909</b>	<b>7.0</b>
Decrease: Align DC STEP Grant with projected grant award	Business Opportunities and Access to Capital	-198	0.0
Decrease: Realignment of FTEs and Fringe Benefit rate adjustments	Business Opportunities and Access to Capital	-38	-1.2
<b>FEDERAL GRANT FUNDS: FY 2014 Agency Budget Submission</b>		<b>672</b>	<b>5.8</b>
Cost of Living Adjustment: FY 2014 proposed adjustment	Multiple Programs	19	0.0
<b>FEDERAL GRANT FUNDS: FY 2014 Mayor's Proposed Budget</b>		<b>691</b>	<b>5.8</b>
<b>Gross for EN0 - Department of Small and Local Business Development</b>		<b>7,260</b>	<b>44.8</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

## Agency Performance Plan

The agency's performance plan has the following objectives for FY 2014:

### Certification, Compliance and Enforcement

**Objective 1:** Improve the business certification process, increase participation, and strengthen compliance and enforcement of the CBE program (including One City Action Plan Action 1.1.6 and 5-Year Economic Development Strategy 1.17).

## Key Performance Indicators

### Certification, Compliance, and Enforcement

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
Average number of business days for certification application determinations	28	30	30	30	28	26
Percentage of certification applications processed within 45 business days	88%	85%	85%	85%	85%	85%
Number of certification applications processed	1,042	1,194	1,100	1,150	1,200	1,250

### Business Opportunities and Access to Capital

**Objective 1:** Assist small businesses with accessing capital, expanding business opportunities and training and education resources (including One City Action Plan 1.1.3 and 5-Year Economic Development Strategy items 1.3, 2.7 and 5.3).

## Key Performance Indicators

### Business Opportunities and Access to Capital

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
Number of small businesses participating in training and education activities	3,658	3,000	2,875	3,000	3,200	3,400
Number of small businesses participating in international business matching activities (exporting activities) <sup>1</sup> (One City Action Plan Action 1.1.3) <sup>2</sup>	Not Available	5	17	15	20	25
Number of DSLBD Clients obtaining HUB Zone and 8(a) certification [5-Year Economic Development Strategy 1.3] <sup>3</sup> (new in FY 2013)	Not Available	Not Available	Not Available	Baseline	TBD	TBD

## Commercial Revitalization

**Objective 1:** Extend economic development to District neighborhoods through commercial revitalization initiatives and programs.

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### Key Performance Indicators

#### Commercial Revitalization

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
Number of graffiti removed in commercial corridors	88%	85%	85%	85%	85%	85%
Number of trashbags collected in commercial corridors	121,604	200,000	157,011	150,000	175,000	200,000
Number of tree boxes maintained in commercial corridors <sup>4</sup>	Not Available	20,000	7,463	Not Available	Not Available	Not Available

## Agency Management

**Objective 1:** Provide administrative support and the required tools to achieve operational and programmatic effectiveness within DSLBD.

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### Key Performance Indicators

#### Agency Management

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
Number of webpage views (new in FY 2013)	Not Available	Not Available	114,689	117,500	120,000	122,500

#### Performance Plan Endnotes:

<sup>1</sup>In FY 2012 DSLBD named this indicator “# of businesses participating in exporting activities.”

<sup>2</sup><http://mayor.dc.gov/page/one-city-action-plan>

<sup>3</sup>A baseline has to be established in FY 2013.

<sup>4</sup>In FY 2012 DSLBD could not obtain reliable data to support this indicator, and therefore, will not use this indicator in FY 2013.