

## AGENDA



## Recommendation for Council Action

**AUSTIN CITY COUNCIL**  
**Regular Meeting: April 12, 2018**

Item Number: **022**

### Purchasing Office

Authorize negotiation and execution of a multi-term contract with The University of Texas at Austin D/B/A TEXAS Extended Campus, to provide small business training, for up to three years for a total contract amount not to exceed \$510,000. (Note: Contracts with non-profit entities are exempt from City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

<b>Lead Department</b>	Purchasing Office.
<b>Fiscal Note</b>	Funding in the amount of \$70,830 is available in the Fiscal Year 2017-2018 Operating Budget of the Economic Development Department. Funding for the remaining contract term is contingent upon available funding in future budgets.
<b>Purchasing Language</b>	Professional Service.
<b>For More Information</b>	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> or to the buyer, Liz Lock, at 512-974-2034 or <a href="mailto:Liz.Lock@austintexas.gov">Liz.Lock@austintexas.gov</a> .
<b>Client Department(s)</b>	Economic Development Department.

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### **Additional Backup Information:**

The University of Texas at Austin (UT) through its TEXAS Extended Campus; will provide training to small business owners and entrepreneurs that will help them start a business, be successful, and grow their business. Annually, UT will deliver 55 classroom training sessions, and develop and provide five online training classes, for a total of 165 classroom sessions and 15 online classes over the contract's three year term. Classes will be offered on 16 general business topics in five subject areas: Getting Up and Running, Managing Money, Marketing, Managing People and Small Business Taxes.

The online training classes are being implemented in response to findings from small business needs assessment studies conducted by the Economic Development Department's Small Business Program. These studies, which collect direct information from small business owners, found that many small business owners are unable to attend classroom training at a set time and location due to their busy schedules. The solution is to have a curriculum of business classes available online, allowing small business owners to learn new skills at a convenient time and place that fits their schedule. The Small Business Program implemented four online classes as a pilot in 2017, and this contract will serve to further expand the Small Business Program's online training capabilities. The goal is to better accommodate small business owners' schedules, while making training more accessible to small businesses in all communities and geographic regions of the city.

The contract succeeds a five year agreement with the Center for Professional Education, a division of UT, that provided over 23,000 hours of training to approximately 5,000 participants, and achieved a 94% overall satisfaction rating from small business participants. The authorization for the previous contract had an annual authorization of approximately \$166,650, with an annual average spend of \$157,850.

If the City is unable to secure a contract for these services, small business owners may not have sufficient training on how to grow and develop their business.

### **Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	1 yr.	\$170,000
Optional Extension 1	1 yr.	\$170,000
Optional Extension 2	1 yr.	\$170,000
<b>TOTAL</b>	<b>3 yrs.</b>	<b>\$510,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.