

City of Rockford
MINORITY AND WOMEN BUSINESS ENTERPRISE PROCUREMENT POLICY

I. STATEMENT OF POLICY

The City of Rockford (the “City”) is committed to ensuring nondiscrimination in the award of City contracts and the participation of certified Minority and Women Business Enterprises (MWBEs) in its procurement of commodities and services. The City will work to remove barriers to the full participation of MWBEs in the award of such contracts by taking a proactive role in facilitating the development and certification of such businesses and enforcing compliance with all local, state, and federal nondiscrimination and equal employment opportunities statutes, as well as this policy.

II. POLICY OBJECTIVES

To ensure full implementation of and compliance with this policy, the City will:

- A. Establish a local program for certifying minority- and women-owned business enterprises as those entities are defined in this policy.
- B. Establish proactive policies and procedures which promote full participation by MWBEs in bidding on all City procurement offerings and requests for proposals, including procedures to identify and mitigate or eliminate obstacles to MWBE participation.
- C. Establish and enforce procurement policies and procedures which support participation in City procurement offerings by business entities whose subcontracting practices are non-discriminatory.
- D. Establish annual MWBE utilization goals commencing one (1) year from the adoption of this policy, based upon data collected in previous year(s). These goals shall be aspirational and shall serve only as a measure of the effectiveness of this Policy; goals shall not be imposed upon any individual contract or subcontract.

III. DEFINITIONS

- A. Minority Person - A minority person under this policy is defined as a member of one of the following groups:
 - 1. African American/Black: includes persons having origins in any of the Black racial groups of Africa.
 - 2. Hispanic: includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race.
 - 3. Asian: includes *Asian-Pacific persons* whose origins are from Japan,

China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong; and *Subcontinent Asian persons*, which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka.

4. **Native American:** includes persons who are enrolled members of a federally or state recognized Indian tribe, Alaska Natives, or Native Hawaiians.
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- B. **Minority Business Enterprise (MBE)** - Any legal for-profit entity that is organized to engage in commercial transactions and is at least fifty-one percent (51%) owned and controlled by one or more minority persons, and which has been certified as an MBE by the City of Rockford. The City shall also recognize certifications by the State of Illinois or the Illinois Unified Certification Program (UCP) as a Disadvantaged Business Enterprise.
 - C. **Women Business Enterprise (WBE)** – Any for-profit legal entity that is organized to engage in commercial transactions and is at least fifty-one percent (51%) owned and controlled by one or more women, and which has been certified as a WBE by the City of Rockford. The City shall also recognize certifications by the State of Illinois or the Illinois Unified Certification Program (UCP) as a Disadvantaged Business Enterprise.
 - D. **Bidder** - A firm submitting a price or proposal in response to an Invitation for Bid (IFB) or Request for Proposal (RFP).
 - E. **General Contractor** - A person or firm that has been awarded a contract with the City for goods or services as a result of a bid or proposal.
 - F. **Subcontractor** - A person or firm who supplies any of the work, labor services, supplies, equipment, materials, or any combination thereof under a contract with a General Contractor.
 - G. **Joint Venture** - An association of two or more businesses to carry out a single business enterprise for profit, and for which purpose they combine their expertise, property, capital, efforts, skills, and knowledge.
 - H. **Debarment** - A status under which a business entity is prohibited from doing business with the federal, state, or local government for a specific period of time. Debarment status is determined in accordance with government guidelines and procedures.

- I. MWBE Directory - A compilation of Minority and Women Business Enterprises certified by the City.

IV. ROLES AND RESPONSIBILITIES

- A. The Equal Opportunity Compliance (EOC) Officer shall be an employee of the Department of Law and shall:
 1. Monitor and administer this policy, including periodic review to identify needed revisions to achieve Policy Objectives.
 2. Oversee the MWBE certification process in accordance with this policy, including maintaining an up-to-date publicly available MWBE Directory. The EOC Officer will periodically review the criteria for certification to ensure the process is in line with other similar governmental certification requirements.
 3. Track and report on the City's MWBE utilization at the general contractor and subcontractor levels, as required by this policy.
 4. Take appropriate action, when necessary, to impose sanctions for contractor noncompliance with this policy as specified in the Rockford Code of Ordinances, Chapter 11, Article IV.
- B. The Diversity Procurement Coordinator shall be an employee of the Community and Economic Development Department and shall:
 1. Engage in community business outreach to increase the number of MWBEs certified with the City;
 2. Engage in MWBE outreach to provide support and connection to City and community resources aimed at equipping small businesses with the capability to fairly compete for City contracting opportunities.
 3. Develop programs and implement efforts to increase connections and relationships between MWBEs and general contractors to foster utilization of ready, willing, and able MWBEs as subcontractors on City contracts.

V. UTILIZATION OF MWBE GENERAL CONTRACTORS

The City of Rockford is committed to full participation in its bid process by MWBE general contractors. The City will develop, implement, and continuously monitor procurement policies, procedures, and assistance programs that are reasonably calculated to demonstrate measurable progress towards increased participation of MWBE general contractors in City contracts. Such measures will include, without limitation, the following:

- A. The Diversity Procurement Coordinator will refer certified or certifiable MWBEs, and small firms to external community organizations for business development advice and support.

- B. The EOC Officer will provide certification and renewal information and assistance to MWBEs and potential MWBEs referred by the Diversity Procurement Coordinator.
- C. For IFBs and RFPs, the City Central Services Division will work with MWBEs and small firms to waive the corporate experience requirement, when required, for firms that have at least one year's relevant corporate experience and/or the firm's principals have substantial relevant experience prior to forming or joining the firm.
- D. The City Central Services Division will waive or reduce all or part of the City's bonding and/or insurance requirements for certain projects if the City determines that the requirements would unnecessarily inhibit an MWBE or small firm from performing the contract and the firm's experience and performance record has demonstrated that it is capable of doing so. However, the City will not waive or reduce any requirement relating to liability insurance, workers' compensation insurance, or any other insurance measures which relate directly to workers' safety or the safety of the public.
- E. The Diversity Procurement Coordinator will organize networking sessions to acquaint MWBEs and small firms with larger contractors to encourage the involvement of MWBEs and small firms in major construction projects.
- F. The Diversity Procurement Coordinator will encourage effective mentor-protégé relationships through which established contractors would teach MWBE and smaller firms about management skills, business development, banking and bonding relationships, and other relevant aspects of doing business.
- G. The City Central Services Division will work with City Departments to endeavor to break large projects into smaller, discrete work assignments which can more easily be performed by smaller firms, when appropriate.
- H. Contractors responding to IFBs and RFPs will be required to provide information on their MWBE status as well as the status of the subcontractors they plan to use under the contract, if awarded.
- I. The EOC Officer will maintain a City certification and de-certification process for MWBE firms, including provisions which grant City certification to firms that have been certified as MBE or WBE by the State of Illinois or the Illinois Unified Certification Program (UCP) as a Disadvantaged Business Enterprise. The City will periodically review the criteria for certification to reduce any unnecessary burdens.
- J. The Diversity Procurement Coordinator will assist MWBEs in gaining general contractor experience and with joint venture partners on any procurement offering.

K. The EOC Officer will monitor and report publicly on at least a semi-annual basis to the City's Community Relations Commission the following information:

1. the amount of dollars and the percentage of overall dollars paid to MWBE firms during the period, as processed in the City's financial accounting system;
2. the amount of dollars and the percentage of contract dollars awarded to MWBEs for IFBs and RFPs during the period;
3. the number of awards and percentage of awards to MWBEs for IFBs and RFPs during the period; and
4. general contractor compliance with this policy.

Reports containing this information will be made publicly available on the City's website.

VI. UTILIZATION OF MWBE SUBCONTRACTORS

A. The City of Rockford shall require general contractors to demonstrate their commitment to achieve the participation goals of the City and to demonstrate their commitment for equal opportunity to ready, willing, and able MBE and WBE subcontractors as a condition of being deemed a "responsible" bidder. The City will undertake, including without limitation, the following measures to encourage MWBE participation as subcontractors on City contracts:

1. The EOC Officer will maintain a City-certified MWBE Directory that will be published on the City's website. General contractors will be referred to this directory and encouraged to select ready, willing, and able subcontractors from it when preparing their bid.
2. The City's Bidding and Contract General Conditions will contain a "prompt payment" provision requiring that general contractors pay subcontractors for satisfactory performance no later than 30 days after receipt of each payment from the City.
3. The City will require each general contractor submitting a bid to identify each subcontractor they will use on the contract, including the estimated dollar amount of the subcontract and the percentage to total bid that will be awarded to MWBE subcontractors. Bids from contractors who fail to complete the City's Subcontractor Utilization Form will be disqualified.
4. The City will require bid winners, as a contract condition, to notify the City of any changes to the subcontractors they will use.

5. The EOC Officer will review all bid documentation concerning MWBE subcontractor utilization as well as contractor compliance with the City's Equal Opportunity Employment Ordinance.
 6. As part of each bid package from the Purchasing Department, bidders will be required to identify the MBE and WBE subcontractors that will be utilized for the work. Bidders will also be required to provide information related to their good faith efforts to contact MWBEs regarding subcontracting opportunities.
 7. Any deviation from the MBE and WBE utilization represented in the general contractor's bid package may be reviewed by the EOC Officer in order to make a determination that the deviation is based on objective and nondiscriminatory factors or legitimate business necessity, such as withdrawal by the subcontractor, events subsequent to the bid submission that render the subcontractor unqualified for the project, etc.
- B. The EOC Officer shall take appropriate action, when necessary, to impose sanctions for discriminatory conduct by general contractors toward subcontractors following the procedure described in the Rockford Code of Ordinances, Chapter 11, Article IV, Sections 11-23.
- C. The EOC Officer will monitor and report publicly on at least a semi-annual basis to the City's Community Relations Commission the following information:
1. the amount of dollars and the percentage of total contract dollars estimated to be awarded to MWBE subcontractors during the period (based upon winning general contractor estimates).

Reports containing this information will be made publicly available on the City's website.

VII. POLICY/PROGRAM REVIEW

- A. The EOC Officer shall monitor the implementation of the policy and progress of the program. The EOC Officer shall report to the City's Community Relations Commission on the progress in achieving the City's MWBE utilization goals.
- B. The City Council shall periodically review this Policy and the several reports mandated herein to determine whether the policy is achieving its stated goals and whether modifications are necessary.
- C. The City will conduct a public hearing at least annually, in a meeting of the City's Community Relations Commission, to solicit public comments regarding the efficacy of the program.