

DIVERSITY & ECONOMIC OPPORTUNITY DEPARTMENT SBE/DVBE CONTRACT COMPLIANCE MANUAL (NON- FEDERAL)

SECTION 100 - SMALL BUSINESS ENTERPRISE PROGRAM/ DISABLED VETERAN BUSINESS ENTERPRISE PROGRAM

100 METRO POLICY STATEMENT:

The Los Angeles County Metropolitan Transportation Authority (Metro) is the recipient of non-federal funds from state and local funding sources. Metro is also the recipient of non-U.S. Department of Transportation (USDOT) federal funding sources. It is Metro's policy to provide maximum opportunity for Small Business Enterprises(s), Local Small Business Enterprise(s), and Disabled Veteran Business Enterprise(s) to compete and to foster increased SBE/DVBE participation in its procurement and contracting program. Metro shall take all necessary and reasonable steps to ensure nondiscrimination in the award and administration of non-federal funds.

- To take all reasonable steps to ensure nondiscrimination in the award and administration of non-federally funded contracts.
- To create a level playing field on which SBE/DVBEs can compete fairly for Metro contracts.
- To ensure that only firms that fully meet the eligibility requirements of the Metro SBE/DVBE Program and the California Department of General Services (DGS) certification criteria are permitted to participate as SBE/DVBEs.
- To help remove barriers to the participation of SBE/DVBEs in Metro contracts.
- To assist the development of firms that can compete successfully in the marketplace outside the SBE/DVBE program.

101 INTERPRETATION:

Any conflict, error, omission, or ambiguity which may arise between these instructions, California law, and Metro's SBE/DVBE Program shall be resolved first in favor of California Law and second in favor of Metro's SBE/DVBE program. Failure of a bidder or its subcontractors, consultants, suppliers, or other entities to carry out these requirements may be grounds for Metro to implement administrative penalties or other remedies imposed by Metro.

102 NON-DISCRIMINATION:

Metro's policy ensures that SBE/DVBE firms have an equal opportunity to receive and participate in projects that are state and/or locally funded. It is also Metro policy to ensure that there is no discrimination in the award and participation on the basis of race, color, national origin, or sex, in contract competition, award and performance.

103 INCORPORATION OF THE SBE/DVBE PROGRAM INTO THE CONTRACT:

The Board approved SBE Program adopted by Metro is hereby incorporated by reference into this contract as though set forth in full. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a material breach of this contract. The Contractor and all project subcontractors are subject to the requirements of the SBE Program and to all requirements of the SBE program. Metro will investigate any allegation of the Contractor, subcontractor, or any other participating business failing to carry out the requirements of this SBE Program. Should this investigation find merit in the allegations, Metro may pursue legal and/or contractual remedies and/or impose sanctions as provided for in the SBE program.

The Diversity & Economic Opportunity Department (DEOD) Contract Compliance Manual (Non-Federal) is a component of this Contract. It describes the SBE/DVBE Program requirements applicable to this Contract. The provisions and enforcement mechanisms set forth in the Contract Compliance Manual are in addition to all other provisions and enforcement mechanisms available to Metro set forth elsewhere in this Contract. The Contractor's compliance with the SBE/DVBE Program requirements will be monitored by Metro throughout the life of the contract.

104 GENERAL CONDITIONS AND SPECIAL PROVISIONS:

The General Conditions and Special Provisions of the subject Contract are incorporated by reference.

105 METRO ASSURANCE:

It is the policy of Metro to ensure that no person is excluded from participation, denied benefits, or otherwise discriminated against in connection with the award and performance of a contract on the basis of race, color, sex, religion, or national origin. Metro will not directly or indirectly, through contractual or other arrangements, use criteria or methods of administration, that defeat or substantially impair the objectives of the SBE/DVBE Program on the basis of an individual's race, color, sex, religion, or national origin.

106 MISREPRESENTATION:

Suspension or debarment proceedings may be initiated against any firm when:

- A. Attempts to participate in the Metro SBE/DVBE Program as an SBE/DVBE if the firm does not meet the eligibility criteria stated in the Certification Standards for SBE/DVBE programs and if it attempts to participate on the basis of false, fraudulent, or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty.
- B. In order to meet the SBE/DVBE subcontracting goals or other SBE/DVBE program requirements uses or attempts to use on the basis of false, fraudulent, or deceitful statements or representations, another firm that does not meet the SBE/DVBE eligibility criteria stated in the certification standards.

In either case, Metro shall take action through the Diversity & Economic Opportunity Department and/or Metro's Office of Inspector General further action and may refer the matter for prosecution under appropriate criminal statutes.

107 AUDIT AND INSPECTION:

The Contractor shall maintain records of all subcontracts entered into with SBE/DVBE firms and records of materials purchases from SBE/DVBE suppliers. Such records shall include the name, business address of each SBE/DVBE subcontractor or supplier, and the total dollar amount actually paid to each SBE/DVBE subcontractor or supplier. Metro reserves the right to audit the records and inspect the facilities of its contractors and any subcontractors of any tier for the purpose of verifying the SBE/DVBE participation and/or adherence to the SBE/DVBE program requirements. Contractor records shall be maintained for five years from contract completion and be made available upon request for Metro contracting studies. Contractors and subcontractors shall permit access to their records at the request of Metro. Notice is hereby given that state and local authorities may initiate or cooperate with Metro in auditing and inspecting such records.

SECTION 200 - SBE/DVBE PARTICIPATION

200 METRO OVERALL SBE and DVBE GOAL:

Metro has set an overall goal for SBE and DVBE participation. The overall SBE and DVBE goals apply to non-federally funded contracts Metro expects to expend for the fiscal year. Metro will strive to meet its overall goal through race neutral measures. Metro supports the use of race neutral measures to facilitate participation of SBE and DVBE and other small businesses and encourages prime contractors to subcontract portions of their work that they might otherwise perform with their own forces. To ascertain whether the overall SBE and DVBE goals are being achieved, Metro will track the dollar amount paid to all certified SBE and DVBE firms performing work called for in this contract that is eligible to be credited toward Metro's overall goal.

201 SBE/DVBE COMMITMENT(S):

After contract award, SBE and DVBE commitment percentages listed in the bid/proposal will be monitored and enforced from contract inception through contract completion. Failure to meet the SBE and DVBE commitment may result in penalties and/or administrative sanctions. SBE and DVBE administrative requirements are referenced in this Contract Compliance Manual (Non-Federal) and incorporated as part of the conformed contract.

202 CHANGES IN WORK LISTED TO SBE/DVBE FIRMS:

If Metro or the Contractor proposes changes for work contracted to an SBE or DVBE, the Contractor is required to notify the SBE or DVBE firm in writing within 10 working days prior to execution of the proposed change, reduction, or deletion of any work listed at time of contract award or after contract award.

The dollar amount of changes, as a result of contract modifications, change orders, or provisions sums, that increase or decrease the work commitment to an SBE or DVBE

firm(s) will be commensurately added to or subtracted from the total contract amount used to compute actual dollars paid to the SBE or DVBE. Failure to comply with Section 205 ("Crediting and Counting SBE/DVBE Participation") will be cause for non-compliance and assessment of administrative sanctions.

203 COMMERCIAL USEFUL FUNCTION (CUF):

To receive SBE/DVBE participation credit towards the SBE/DVBE contract commitments, SBE/DVBE firm(s) must perform a commercially useful function (CUF). An SBE/DVBE must perform at least 30% of its listed work with its own workforce or must not subcontract a greater portion of the work than would be expected on the basis of normal industry practices for that type of work. SBE/DVBE firms must be responsible for the execution of the work and carrying out its responsibilities by actually performing, managing, and supervising the work involved and normal industry practices.

To perform a commercially useful function, the SBE/DVBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. To determine whether an SBE/DVBE is performing a commercially useful function, Metro will evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing, and the SBE/DVBE credit claimed for its performance of the work, and other relevant factors.

An SBE/DVBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of SBE/DVBE participation. In determining whether a SBE/DVBE is such an extra participant, Metro will examine similar transactions, particularly those in which SBE/DVBES do not participate.

204 VIOLATION OF COMMERCIAL USEFUL FUNCTION:

If an investigation reveals that there has been a violation of the CUF provisions, that portion of the work found to be in violation will not be credited toward the SBE/DVBE commitment for the contract. Expenditures to an SBE/DVBE subcontractor or supplier will count toward SBE/DVBE commitment only if the SBE/DVBE subcontractor or supplier performs a commercial useful function.

If it is presumed that an SBE/DVBE is not performing a commercially useful function, Metro will ask the Contractor to submit a corrective action plan (CAP) to DEOD within five (5) Business Days of the noncompliant CUF determination. The CAP must identify how the contractor will correct the noncompliance findings for the remaining portion of the SBE/DVBE's work. Metro has five (5) Business Days to review the CAP in conjunction with the prime contractor's review. The Contractor must implement the CAP within five (5) Business Days of the Metro's approval. DEOD decisions on CUF determinations are administratively final and may not be appealed to Metro.

204 USE OF JOINT CHECKS

A joint check may be used between the Contractor or lower-tier subcontractor and an SBE/DVBE if the contractor obtains prior written approval from Metro for the proposed use of joint check. the use of joint checks with SBE/DVBE firms. By a joint check, Metro means a check issued by a prime contractor to an SBE/DVBE subcontractor and to a material supplier or another third party for items or services to be incorporated into a project.

To use a joint check, the following conditions must be met:

- All parties, including the Contractor, must agree to the use of a joint check
- Entity issuing the joint check acts solely to guarantee payment
- SBE/DVBE must release the check to the material supplier
- Metro must authorize the request before implementation
- Any party to the agreement must provide requested documentation within 10 days of Metro's request for the documentation
- Agreement to use a joint check must be short-term, not to exceed 1 year, allowing sufficient time needed to establish or increase a credit line with the material supplier.

A request for a joint check agreement may be initiated by any party. If a joint check is used, the SBE/DVBE remains responsible for performing a CUF. Failure to comply with the above requirements disqualifies SBE/DVBE participation and results in no credit and no payment to the Contractor for SBE/DVBE participation.

A joint check may not be used between the Contractor or subcontractor and an SBE/DVBE regular dealer, bulk material supplier, manufacturer, wholesaler, broker, trucker, packager, manufacturer's representative, or other persons who arrange or expedite transactions.

206 SBE/DVBE'S WORK FORCE:

The SBE/DVBE shall solicit, hire, place on its payroll, direct, and control all workers performing work under its contract. The SBE/DVBE owner or its superintendent shall, on a full-time basis, supervise and control the work of the contract. The SBE/DVBE may, with the prior written consent of Metro, augment its work force with personnel of another firm. Metro shall approve the request in writing only when specialized skills are required, and the use of such personnel is for a limited time period.

The SBE/DVBE's utilization of labor, supervisory personnel, equipment, and material in the performance of the subcontract must be consistent with industry standards and demonstrate that the SBE/DVBE (and not some other business entity) is actually performing the contracted scope of work. An SBE/DVBE does not perform a CUF when it associates too closely with another business entity's work force, including the use of equipment or materials.

207 COUNTING SBE PARTICIPATION:

Metro will count SBE/DVBE participation, for firms performing a CUF, in accordance with

49 CFR Part 26.55. When an SBE/DVBE participates in a contract, Metro will count only the value of the work actually performed by the SBE/DVBE toward the SBE/DVBE contract goal(s).

- A. SBE/DVBE as the Prime Contractor: 100% SBE/DVBE credit for that portion of the work performed by the SBE/DVBE's own forces, including the cost of materials and supplies, for a construction contract, obtained by the SBE/DVBE for the work of the contract, including supplies purchased or equipment leased by SBE/DVBE (except supplies and equipment the SBE/DVBE subcontractor purchases or leases from the prime contractor or its affiliates). When an SBE/DVBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward SBE/DVBE goals only if the SBE/DVBE's subcontractor is itself an SBE/DVBE. Work that an SBE/DVBE subcontracts to a non-SBE/DVBE firm does not count toward SBE/DVBE contract goal(s).
- B. SBE/DVBE as a Joint Venture Contractor: 100% SBE/DVBE credit shall apply to the clearly defined and distinct portion of work performed by the SBE/DVBE's own workforce.
- C. SBE/DVBE as a Subcontractor: 100% SBE/DVBE credit shall apply to the subcontract work performed with the SBE/DVBE's own forces, including the cost of materials and supplies (does not include: the purchase of materials and supplies or the lease of equipment by the SBE/DVBE subcontractor from the prime contractor or its affiliates). Work that an SBE/DVBE subcontractor subcontracts to a non-SBE/DVBE firm shall not be credited towards the SBE/DVBE contract goal.
- D. Counting Expenditures with SBE/DVBEs for Materials or Supplies:
 - a. If the materials or supplies are obtained from an SBE/DVBE manufacturer, count 100 percent (100%) of the cost of the materials or supplies toward SBE/DVBE goals.
 - i. A manufacturer is a firm that owns (or leases) and operates a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications. Manufacturing includes blending or modifying raw materials or assembling components to create the product to meet contract specifications. When an SBE/DVBE makes minor modifications to the materials, supplies, articles, or equipment, the SBE/DVBE is not a manufacturer. Minor modifications are additional changes to a manufactured product that are small in scope and add minimal value to the final product.
 - b. If the materials or supplies are purchased from an SBE/DVBE regular dealer, count 60 percent (60%) of the cost of the materials or supplies (including transportation costs) toward SBE/DVBE goals.
 - i. A regular dealer is a firm that owns (or leases) and operates, a store, warehouse, or other establishment in which the materials, supplies, articles, or equipment of the general character described by the

specifications and required under the contract are bought, kept in sufficient quantities, and regularly sold or leased to the public in the usual course of business. Items kept and regularly sold by the SBE/DVBE are of the “general character” when they share the same material characteristics and application as the items specified by the contract.

1. To be a regular dealer, the firm must be an established business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. An SBE/DVBE supplier performs a CUF as a regular dealer and receives credit for 60 percent of the cost of materials or supplies (including transportation cost) when all, or at least 51 percent of, the items under a purchase order or subcontract are provided from the SBE/DVBE’s inventory, and when necessary, any minor quantities delivered from and by other sources are of the general character as those provided from the SBE/DVBE’s inventory.
 2. An SBE/DVBE may be a regular dealer in such bulk items as petroleum products, steel, concrete or concrete products, gravel, stone, or asphalt without owning, operating, or maintaining a place of business if the firm both owns and operates distribution equipment used to deliver the products. Any supplementing of regular dealers’ own distribution equipment must be by a long-term operating lease and not on an ad hoc or contract-by-contract basis.
 3. An SBE/DVBE supplier of items that are not typically stocked due to their unique characteristics (e.g., limited shelf life or items ordered to specification) will be considered in the same manner as a regular dealer of bulk items section above. If the SBE/DVBE supplier of these items does not own or lease distribution equipment, as described above, it is not a regular dealer.
 4. Packagers, brokers, manufacturers’ representatives, or other persons who arrange, facilitate, or expedite transactions are not regular dealers within the meaning of this section and are not eligible for 60% credit.
- c. If the materials or supplies are purchased from an SBE/DVBE distributor that neither maintains sufficient inventory nor uses its own distribution equipment for the products in question, count 40 percent (40%) of the cost of materials or supplies (including transportation costs).
- i. An SBE/DVBE distributor is an established business that engages in the regular sale or lease of the items specified by the contract. An SBE/DVBE distributor assumes responsibility for the items it purchases once they leave the point of origin (e.g., a manufacturer’s facility), making it liable for any loss or damage not covered by the carrier’s insurance. An

SBE/DVBE distributor performs a CUF when it demonstrates ownership of the items in question and assumes all risk for loss or damage during transportation, evidenced by the terms of the purchase order or a bill of lading (BOL) from a third party, indicating Free on Board (FOB) at the point of origin or similar terms that transfer responsibility of the items in question to the SBE/DVBE distributor. If these conditions are met, SBE/DVBE distributors may receive 40 percent for drop-shipped items. Terms that transfer liability to the distributor at the delivery destination (e.g., FOB destination), or deliveries made or arranged by the manufacturer or another seller do not satisfy this requirement and are not eligible for 40% credit.

- d. With respect to materials or supplies purchased from an SBE/DVBE that is neither a manufacturer, a regular dealer, nor a distributor, count the entire amount of fees or commissions charged that you deem to be reasonable, including transportation charges for the delivery of materials or supplies. Do not count any portion of the cost of the materials and supplies themselves.

Metro will determine the amount of credit awarded to a firm for the provisions of materials and supplies (e.g., whether a firm is acting as a regular dealer, distributor, or a transaction facilitator) on a contract-by-contract basis.

B. SBE/DVBE as a Trucker: Metro will use the following factors when counting SBE/DVBE participation for an SBE/DVBE trucking company:

- a. The SBE/DVBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting SBE/DVBE goals.
- b. The SBE/DVBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
- c. The SBE/DVBE receives credit for the total value of the transportation services it provides on the contract using trucks it owns, insures, and operates using drivers it employs.
- d. The SBE/DVBE may lease trucks from another SBE/DVBE firm, including an owner-operator who is certified as an SBE/DVBE. The SBE/DVBE who leases trucks from another SBE/DVBE receives credit for the total value of the transportation services the lessee SBE/DVBE provides on the contract.

(1) The SBE/DVBE may also lease trucks from a non-SBE/DVBE firm, including from an owner-operator. The SBE/DVBE that leases trucks equipped with drivers from a non-SBE/DVBE is entitled to credit for the total value of transportation services provided by non-SBE/DVBE leased trucks equipped with drivers not to exceed the value of transportation services on the contract provided by SBE/DVBE-owned trucks or leased trucks with SBE/DVBE employee drivers. Additional participation by non-SBE/DVBE owned trucks

equipped with drivers receives credit only for the fee or commission it receives as a result of the lease arrangement.

(2) The SBE/DVBE may lease trucks without drivers from a non-SBE/DVBE truck leasing company. If the SBE/DVBE leases trucks from a non-SBE/DVBE truck leasing company and uses its own employees as drivers, it is entitled to credit for the total value of these hauling services.

(3) For purposes of this paragraph (d), a lease must indicate that the SBE/DVBE has exclusive use of and control over the truck. This does not preclude the leased truck from working for others during the term of the lease with the consent of the SBE/DVBE, so long as the lease gives the SBE/DVBE absolute priority for use of the leased truck. Leased trucks must display the name and identification number of the SBE/DVBE.

SECTION 300 - ADMINISTRATIVE REQUIREMENTS

300 SBE CERTIFICATION REQUIREMENTS

A firm only holding a current SBE certification issued by Metro may participate in the Metro SBE Program. SBE firms bidding/proposing as primes or listed as a subcontractor to meet established SBE goals must be certified by bid/proposal due date. Metro has a responsibility to ensure that eligible SBE firms participate in the award of Metro contracts. If not, that firm's participation may not be counted as SBE participation in the contract. Bidders/Proposers shall ensure SBE firms are certified in the North American Industry Classification System (NAICS) codes for the work in which the SBE firm is listed to perform and for which the Bidder/Proposer seeks SBE credit towards its SBE commitment.

Metro follows the standards and procedures defined by Metro's SBE Program Subpart E to determine whether an applicant is eligible for SBE certification. Interested individuals or companies will start the process by completing a SBE online application at <https://metro.gob2g.com/>

301 DVBE CERTIFICATION REQUIREMENTS

Metro has a responsibility to ensure that eligible DVBE firms participate in Metro contracting. Metro follows DGS criteria to determine whether an applicant holds a current DVBE Certification. A firm holding a current certification as an eligible Disabled Veteran Business Enterprise (DVBE) from the California Department of General Services (DGS) may participate in Metro's SBE/DVBE Program. Firms listed by Bidders/Proposers to meet an established DVBE subcontracting goal must be certified by bid due date. If not, that firm's participation may not be counted as DVBE participation in the contract. Bidders/proposers can search for current DGS certified DVBE firms at the following website: <https://caleprocure.ca.gov/pages/publicsearch/supplier-search.aspx>.

For an updated list of DVBE eligibility criteria and application instructions see the following website: <https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx?psNewWin=true>.

302 SBE/DVBE CERTIFICATION STATUS:

If a subcontractor becomes a certified SBE or DVBE during the life of the contract, the Contractor shall notify DEOD in writing with the date of certification to be counted toward the Contractor's SBE/DVBE commitment subject to compliance with the substitution and addition requirements, if applicable. The Prime and SBE/DVBE firm shall notify Metro of any change to its certification status. If an SBE/DVBE firm's certification is removed, the Prime and SBE/DVBE firms shall notify Metro. The counting of SBE/DVBE firm participation, if deemed ineligible, will be determined based on Metro's SBE program.

303 SBE DECERTIFICATION AND SUSPENSION:

A SBE remains certified until a Notice of Decision (NOD) is issued. Decertification has the following effects on a contract and the counting of SBE participation:

1. When a prime contractor has made a commitment to use a decertified firm, but a subcontract has not been executed before a decertification notice is issued, the SBE does not count toward the contract goal and the prime contractor is directed to meet the contract goal with an eligible SBE or demonstrate it has made good faith efforts to do so.
2. When Metro has made a commitment to use a SBE prime contractor, but a contract has not been executed before a decertification notice is issued, the decertified firm does continue to receive credit toward the SBE goal for the firm's work but does not count toward Metro's overall SBE goal.
3. If a prime contractor has executed a subcontract with the firm before the SBE has been notified of its decertification, the prime contractor may continue to use the firm and may continue to receive credit toward the SBE goal for the firm's work. However, the prime contractor may not extend or add work to the contract after the firm was notified of its decertification without prior written consent from Metro.
4. If Metro executed a prime contract with a SBE that is later decertified, the portion of the decertified firm's performance of the contract remaining after the notice of decertification is issued, will not count toward Metro's overall goal, but the SBE's performance of the contract may continue to count toward satisfying the contract goal.
5. If a SBE is decertified solely because it exceeds the business size standard during the performance of the contract, Metro may continue to count the portion of the decertified firm's performance of the contract remaining after the notice of decertification toward the contract goal and Metro's overall goal.
6. If a SBE is decertified because it was acquired by or merged with a non-SBE, Metro will not continue to count the portion of the decertified firm's performance on the contract remaining after the decertification toward either the contract goal or Metro's overall goal, even if the prime contractor has executed a subcontract with the firm or Metro has executed a prime contract with the SBE that was later decertified. In this case, if eliminating the credit of the decertified firm will affect the prime contractor's

ability to meet the contract goal, the prime contractor must replace the decertified firm with an eligible SBE to the extent needed to meet the contract goal or demonstrate good faith efforts to do so.

7. If a SBE's certification status is suspended, the SBE shall not be considered to meet a contract goal or count toward participation credit on contracts executed during the suspension period.

304 LOCAL SMALL BUSINESS ENTERPRISE (LSBE) PREFERENCE

An LSBE prime or LSBE subcontractor listed by a prime contractor to receive an LSBE preference, in accordance with LACMTA's LSBE Preference policy, are hereinafter referred to as SBEs.

SECTION 400 - CONTRACT COMPLIANCE MONITORING

400 CREATE A LEVEL PLAYING FIELD OF OPPORTUNITY TO PARTICIPATE:

The Contractor shall ensure that SBE/DVBEs it has committed to in its bid/proposal have a level playing field to successfully perform their contract responsibilities and further commits to meet the SBE/DVBE Commitment of Record for the contract. These efforts should include but are not limited to the following:

- A. Negotiate in good faith to attempt to finalize subcontract and supply agreements with SBE/DVBEs listed in its bid/proposal.
- B. Continue to provide assistance to SBE/DVBE subcontractors or SBE/DVBE suppliers in obtaining bonding, lines of credit, or other capital financing through referral to the DOT Bond Assistance Program (800) 532-1169.
- C. Contractors who failed to meet the SBE/DVBE goals established for the contract, but who were determined by Metro to have fulfilled the requirements to meet the goal, shall make additional documented efforts to seek out and utilize additional first tier SBE Subcontractors and Suppliers to increase SBE participation, during the life of the contract.
- D. Contractor shall immediately inform DEOD of any problems anticipated or concerns in achieving the SBE/DVBE commitment agreed upon at the time of award.
- E. Issue the SBE/DVBE(s) a written notice of any potential problem and provide a reasonable time frame for the SBE/DVBE to remedy the problem. The Contractor shall, concurrently with the issuance of the notice to the SBE/DVBE, send a copy of the notice by First Class mail, postage prepaid, to the Diversity & Economic Opportunity Department (DEOD). In instances where the SBE/DVBE fails to remedy the problems identified in the notice, the Contractor shall within sixty (60) days of the first written notice to the SBE/DVBE firm, take the steps outlined in Section 5.0 RESOLUTION OF DISPUTES BETWEEN CONTRACTOR AND (SBE/DVBE) SUBCONTRACTORS, prior to formally requesting approval from Metro to substitute an SBE/DVBE. Failure to comply with this section will be cause for non-compliance and assessment of administrative sanctions.

401 REVIEW AND MONITORING SYSTEM:

This section describes the review and monitoring system to ensure that all contractors, subcontractors, consultants, vendors, suppliers, dealers, brokers and other sources, and all Metro departments comply with the SBE/DVBE requirements and all other contract provisions related to SBE/DVBE participation. Metro will also provide monitoring and enforcement mechanisms to verify that work committed to SBE/DVBEs at contract award is actually performed by the SBE/DVBEs.

Non-compliance by the Contractor with the SBE/DVBE contract requirements constitutes a breach of contract, and requires, at a minimum, a written explanation and documented description of the contractor's efforts. Failure to comply may result in: (1) mandatory participation in an SBE/DVBE Program Training Session, reviewing the performance, accountability, record keeping and reporting aspects of the SBE/DVBE Program, and/or (2) termination of the contract, and/or (3) administrative sanctions, and/or (4) other appropriate remedies.

402 KICK-OFF MEETING:

Both the Contractors and the Subcontractor(s) or a designee shall attend the kick-off meeting concerning SBE/DVBE requirements and other matters, prior to or immediately after the initial Notice to Proceed is issued as applicable. The Contractor shall be responsible for informing the Subcontractors of all SBE/DVBE requirements as specified by LACMTA herein. The Contractor shall also participate in the DEOD Monthly SBE/DVBE Compliance meeting, if applicable.

403 REPORTING SBE/DVBE PARTICIPATION:

Contractor and all subcontractors (SBE and DVBE and non-SBE/DVBE firms) shall report payment details to Metro using the web-based B2Gnow by the 15th of each month. B2Gnow allows Contractors to manage their own records, maintain accurate contract information, and report payment details online, and submit system generated report to Metro. B2Gnow is mandatory for Contractors and subcontractors to use unless Metro instructs otherwise. Metro will provide the Contractor, subcontractors, suppliers, brokers, and truckers initial online training, login and password information, at no cost to the Contractor or its subcontractors, suppliers, and truckers. Contractor shall have fourteen (14) working days from Notice to Proceed (NTP) to register and obtain login and password with the B2Gnow. Subcontractors, at all tiers, shall register within thirty (30) working days of the NTP. The Contractor is responsible for ensuring that all subcontractors, suppliers, brokers, and/or truckers (at all tiers), both SBE and DVBE and non-SBE/DVBE firms participate in the B2Gnow based webinar trainings to comply with the verification of payments and other related reporting requirements through the software system.

After award, Contractor will receive instructions on how to set up their account and enter required Subcontractor data. Contractor must require each of its subcontractors (SBE and DVBE and non-SBE/DVBE) to enter required payment information into B2Gnow. Contractor shall submit all monthly reports, subcontractor agreements, and documents through the B2Gnow to Metro review and approval. Failure of Contractor or its

subcontractors to enter required information on a timely basis may result in delay of payment by Metro and assessment of SBE/DVBE non-compliance for reporting requirements as identified in Section 800 of this Manual. For the Small Business Programs Reporting System Contractor and Subcontractor User Guide please click on the following link:

http://media.metro.net/uploads/Metro_Connect/SBCRS%20USER%20GUIDE.pdf

1. CONTRACT COMPLIANCE SUBMITTALS

A. CONTRACTOR MONTHLY SBE/DVBE PROGRESS REPORT (FOR PROJECTS OVER \$100M)

The Contractor shall submit timely and complete monthly progress report summarizing the overall status of commitments to SBE/DVBE firms, attainments to SBE/DVBE firms, and prompt payment/retainage for all firms (SBE/DVBE and non-SBE/DVBE firms) performing on this contract.

The monthly progress report shall be updated to Metro by the 15th day following the reporting month. The monthly report shall provide, at a minimum, the following information:

1. General Contract Value Information: The following general contract value information must be provided:
 - a. Original Contract Amount
 - b. Running Total of Change Order Amount
 - c. Current Contract Amount
 - d. Amount Paid to Contractor during each month
 - e. Amount Paid to Contractor from inception to Date
 - f. SBE/DVBE Contract Goal
 - g. Total Dollar Amount of SBE/DVBE Commitment
 - h. SBE/DVBE Commitment as Percentage of Current Contract Amount
2. Contractor/Subcontractor Information: The following general information shall be prepared for the Contractor and each subcontractor (at every tier level): Name, address, phone, SBE/DVBE status, contact person, contractor(s), name, date contract agreement signed, scope of work, anticipated first date of performance and anticipated last date of performance.
3. Shortfall Mitigation Plan: Contractor may be notified to submit a Shortfall Mitigation Plan, at any time, throughout the life of the project, if the utilization of SBE/DVBE firms is not consistent with the Contractor's commitment at the time of contract award.
 - a. Forecast Chart: Time-based cumulative curve showing planned vs. actual attainment throughout the life of the project.

4. Supplemental Reports: Metro reserves the right to request additional reports to evaluate Contractor's performance in meeting SBE/DVBE commitment and compliance with program requirements.
5. SBE/DVBE Trucking Verification Report (For Construction Projects Requiring Trucking): The Contractor must develop and submit an SBE/DVBE Trucking Verification Report, for Metro DEOD approval, prior to commencing any trucking activity. The Contractor must report, by the fifth (5th) day of each month, for the preceding month's trucking activity. The Contractor shall submit documentation showing the amount paid to SBE/DVBE trucking companies listed to perform on the contract. This monthly documentation shall indicate the portion of revenue paid to SBE/DVBE trucking companies which is claimed toward SBE/DVBE participation. The Contractor shall also obtain and submit documentation to the DEOD showing the amount paid by SBE/DVBE trucking companies to all firms, including owner-operators, for the leasing of trucks.
 - a. The SBE/DVBE who leases trucks from a non-SBE/DVBE is to credit only for the fee or commission it receives as a result of the lease arrangement. The records must confirm that the amount of credit claimed toward SBE/DVBE participation conforms with Section 207.
 - b. The Contractor shall also obtain and submit documentation showing the truck number, owner's name, California Highway Patrol CA number and if applicable, the SBE/DVBE certification letter of the owner of the truck for all trucks used during that month for which SBE/DVBE participation will be claimed. The Contractor shall promptly pay SBE/DVBE trucking companies in accordance with the prompt payment provisions prescribed in herein.
6. **For Contracts that Require a Small Business Engagement Outreach Plan (EOP) – FOR PROJECTS OVER \$100M.**

The EOP shall but is not limited to:

- a. Assessment of SBE/DVBE and small business outreach event(s) held by Proposer prior to the Phase 2 Work Proposal Due Date, including a description of Proposer's plan to follow-up with SBE/DVBE firms and small businesses.
- b. Identify a Small Business Liaison Officer to oversee Contractors outreach efforts to engage the small business communities.
- c. Identify strategies for advertising of contracting opportunities.
- d. Identify where contracting opportunities will be posted.
- e. Identify assistance provided to small and disadvantaged business community during the bidding process.

- f. Identify strategies to engage potential protégé's in support of the Mentor Protégé Contracting and Outreach Mentoring Program (COMP) requirements.
- g. Identify methods used to engage with minority and women-owned firms and professional organizations.
- h. Identify methods used to provide Project updates to the small and disadvantaged business community; and
- i. Development of a Project website.
- j. Provide monthly updates to the EOP as part of its monthly reporting requirement.

Failure to comply with this section shall be cause for non-compliance and assessment of administrative sanction(s) as outlined in Section 800 - SANCTIONS FOR VIOLATIONS of this Manual.

7. **For Contracts \$25M and Above: SBE/DVBE Contracting Outreach and Mentoring Plan (COMP):**

A. The Contractor shall:

- a. Comply with the COMP requirements as outlined herein;
- b. Mentor the required number of protégés, as identified;
- c. **For Post-Award COMP Submittal Only**, the Contractor must submit its COMP no later than 45 days after execution of the Contract with Metro. The post-award COMP submittal must include a completed Protégé Pre-Assessment Form (attached to this Manual) and executed Mentor Protégé Agreement (MPA) for all SBE/DVBE firms identified for protégé development in the COMP.
- d. Bidders/Proposers are strongly encouraged to expand their subcontracting networks by including firms with whom they have not previously partnered, particularly small and disadvantaged businesses.
- e. Firms must be Metro certified SBE, DBE or DVBE certified before they are proposed in the COMP to be eligible for participation in the COMP program.
- f. Firms listed as a Protégé in the Contractor's COMP must be utilized during the performance of the contract. The Contractor may not terminate an approved Protégé without DEOD's prior written approval.

B. Examples of protégé development assistance may include:

- 1. Training in technical aspects of operating the business, such as invoicing,

accounts receivable, marketing, business forecasting and associated budgeting, human resource and information technology development, selection techniques for insurance and banking relationships.

2. Assistance in preparation of change orders, claim filing, resolution of dispute scheduling and other aspects of performance.
3. Assistance in the preparation of contract documents, proposals and Statements of Interest.
4. Guidance regarding the protégé's procedures in accounting for daily actual cost of labor, production and overhead.
5. Identify protégé's unique challenges and provide a plan to address each challenge.
6. Establishing relationships, teaming agreements;
7. Other areas appropriate for protégé needs.

C. The COMP shall at a minimum, also include the following:

1. The name and address of the mentor and protégé point of contact;
2. Define how the Contractor will track mentor protégé arrangements, measure and evaluate successes and lessons learned, schedules and milestones; submittal of quarterly updates to Metro on the mentor protégé arrangements and overall component;
3. Definitions and roles for the protégé, mentor and Contractor;
4. Define guidelines concerning the withdraw or termination of a mentor protégé agreement; requiring Metro approval prior to termination of protégé agreement; and
5. Ensure that protégé involved in a mentor protégé agreement must be an independent business entity. A protégé must be SBE/DVBE certified before it begins in a mentor protégé arrangement.

D. Protégé Pre-Assessment

Contractor shall submit for review and approval by Metro, a completed Protégé Pre-Assessment form (attached to this Manual) to identify any weaknesses in the Protégé's financial operations, business planning, project management, construction/professional practices, etc.

E. Mentor-Protégé Agreement

Contractor shall submit, for review and approval by Metro, a detailed Mentor Protégé Agreement (MPA) for each protégé identified for mentor protégé development no later than 45 days after execution of the Contract with Metro.

The MPA shall include, but not limited to, the following:

1. Names of the mentor SBE/DVBE protégé agreeing to the arrangement.

2. Description of mentoring activities and associated level of effort, including estimate of hours.
3. Deliverables associated with mentoring work.
4. Duties and responsibilities of Mentor and Protégé, including list of key personnel.
5. Benchmarks to measures mentoring progress.
6. Process for evaluating mentor/protégé relationship.
7. Termination provisions.

The Contractor shall submit final executed and signed MPA prior to the protégé beginning work as stated by their contract. The Contractor shall submit to Metro, for its approval, any necessary or proposed revisions and updates to the MPA throughout the Life of Project (LOP).

F. Mentor Protégé Status Report

No later than at the scheduled halfway point or annually if the MPA spans over multiple years, submit a written report on the progress of all mentor protégé(s).

G. Protégé Post-Assessment

Within 30 days of the completion of the MPA, mentors and protégés shall conduct a post assessment of the MPA on the Metro Post-Assessment Form (attached to this Manual) and submit it to DEOD.

Failure to comply with this section will be cause for non-compliance and assessment of administrative sanction(s) as outlined in Section 800 - SANCTIONS FOR VIOLATIONS of this Manual.

- B. EXECUTED SBE/DVBE SUBCONTRACT AGREEMENTS:** The Contractor shall submit copies of all executed SBE or DVBE and non-SBE/DVBE subcontract agreements, and/or purchase orders (PO) for all firms listed prior to award, within 14 working after the Contractor executes their contract or PO with Metro. For firms added after contract award, the Contractor shall submit subcontract agreements, supplier agreements, and/or purchase orders (PO) via the Request to Add a Subcontractor (RTA) process within fourteen (14) working days after execution. Failure to comply with this section will be cause for non-compliance and assessment of administrative sanctions, and may include, imposing a special assessment against the Contractor.

The SBE or DVBE and non-SBE/DVBE subcontracts or POs should be sent via email to DEOD Post-Award Compliance Unit (PACU) at sbcomplianceinquiry@metro.net. The Contractor shall incorporate the SBE/DVBE Contract Compliance Manual into each subcontract and/or PO executed under this DOT-assisted contract and each subcontractor, consultant, dealer, broker, vendor, or other source shall agree to the terms and conditions. The Contractor shall

immediately notify DEOD in writing, within the fourteen (14) working days of execution of the prime contract of any problems it may have in obtaining the subcontract agreements from listed SBE/DVBE firms within the specified time. Failure to notify DEOD may deem the Contractor in non-compliance with this requirement.

The Contractor shall include the following language verbatim in each subcontract agreement the Contractor signs with SBE and DVBE subcontractor(s):

1. CONTRACT ASSURANCE:

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable SBE requirements in the award and administration of non-federal contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

Enforcement: If a contractor or subcontractor fails or refuses to include the contract assurances verbatim in all DOT-assisted contracts, subcontracts and/or purchase orders agreements, Metro may impose penalties and administrative sanctions for non-compliance, as contained in Section 800.

2. PROMPT PAYMENT:

Prompt Payment and Progress Payment language must be included in all non-SBE/DVBE and SBE/DVBE subcontract agreements (at all tier level) verbatim:

Pursuant to the California Business and Professions Code Section 7108.5, the Contractor shall pay each subcontractor under this Contract for satisfactory performance of its subcontract work no later than seven (7) days after its receipt of each Progress Payment from Metro.

3. PROMPT PAYMENT OF RETENTION TO SUBCONTRACTORS:

Prompt Payment of Retention to Subcontractors (Required in all SBE and DVBE and non-SBE/DVBE subcontract agreements verbatim):

The prime contractor agrees further to return retainage payments to each subcontractor within seven (7) days after the subcontractor's work is satisfactorily completed. The prime contractor and Metro shall provide for prompt and regular incremental acceptances of portions of the subcontractors work to release payment of retention. The prime contractor shall pay all retainage owed to the subcontractor for satisfactory completion of the accepted work within seven (7) days after Metro has inspected and approved subcontractors' work (at all tier levels). The prime withholding a subcontractor's retention until the end of the project is not permitted. Retention must be released upon completion of the SBE/DVBE and non-SBE/DVBE subcontractor's work.

For the purposes of this section, a subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by Metro. When Metro has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by that acceptance is deemed to be satisfactorily completed. Upon completion of subcontractor's work, the prime must inspect the work. If accepted, the prime notifies the Metro PM for inspection. When Metro and prime contractor at any tier, have made an incremental acceptance of a portion of a subcontractor's work, the work of the subcontractor covered by that acceptance is deemed to be satisfactorily completed. After Metro's acceptance, the primes must release retention within seven (7) working days.

To ensure accepted work and payment, subcontractors must submit acceptable documentation (conditional and unconditional releases, certified payroll, etc.) to the prime.

405 DELAY OR POSTPONEMENT OF PAYMENT:

Any delay or postponement of payment beyond the 7-day time limit shall be for good cause and only upon prior written approval by DEOD.

406 NON-PROGRESS OR RETAINAGE PAYMENT INQUIRIES:

If Subcontractor (at any tier) is not paid within 7 working days according to prompt payment and or retainage. The subcontractor must notify the prime contractor in writing within 30 working days from the time payment should have been received. The subcontractor shall copy the Metro DEOD and the Contract Administrator. The prime contractor (or lower tier direct subcontractor) has 7 working days to respond in writing back to the inquiring subcontractor. The prime contractor shall also copy the Metro DEOD and Contract Administrator.

407 VIOLATION OF PROMPT PAYMENT:

The Contractor and all subcontractors, consultants and suppliers shall comply with all prompt payment requirements in the Contract. Any violation of the prompt payment provision shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor.

408 FINAL REPORTING: The Contractor shall report all final payments in the Metro's B2GNow within fourteen (14) working days of final payment.

409 FAILURE TO COMPLY: If it is determined that the contractor is non-compliant with prompt payment provisions, the contractor will receive written notification from Metro with details of this deficiency. If additional clarification is required, the contractor must

respond to the request within five (5) working days. Failure to comply may result in the assessment of appropriate administrative sanctions and/or penalties. Failure of the Contractor and/or its listed subcontractors to comply with any part of the mentioned may result in non-compliance determination and administrative sanctions may be imposed as prescribed in SBE/DVBE Assessment of Non-compliance and Administrative Sanctions.

SECTION 500 - RESOLUTION OF DISPUTES BETWEEN METRO CONTRACTOR AND SUBCONTRACTORS

The Contractor must include in its SBE/DVBE Subcontract Agreement(s) the Dispute Resolution provisions in Section 500 of the Contract Compliance Manual (non-Federal) for disputes arising out of or related to this contract between Contractor and any lower tier Subcontractors which cannot be settled by discussions between the parties involved. The Contractor and Subcontractor, in the event of a dispute to their contract, agree to proceed through informal meetings, mediation, or arbitration, or any combination thereof.

500 DISPUTES:

Disputes between the Contractor and any lower tier SBE/DVBE subcontractors, which cannot be settled by discussions between the parties involved, shall be settled as described herein. Contractor shall notify Metro of such dispute within ten 10 days of failure to resolve through written cure notice process described above.

These provisions shall not apply to disputes between the Contractor and Metro. These provisions do not alter in any way or waive compliance with any provisions in Section General Conditions "Submittal of Claims" included in the Contract Documents.

The Contractor and Subcontractors shall include the dispute resolution provision in their contract. Both parties shall agree to proceed through informal meetings, mediation, or arbitration, or any combination thereof. Dispute submittals shall include terms and timeframes and the service or assistance to be employed.

501 INFORMAL MEETINGS:

The Diversity and Economic Opportunity Department will coordinate informal meeting requests, to assist in the resolution of disputes between Contractor and subcontractor. The assigned Diversity and Economic Opportunity Representative will conduct the informal meetings with parties in dispute. All parties must agree to the procedure.

502 MEDIATION:

The parties to a contract may agree to endeavor to settle a dispute through informal mediation under independent third-party organizations. Metro's Diversity and Economic Opportunity Department is considered an independent third party. Submission to informal mediation is voluntary; is not binding and offers advisory opinions.

503 ARBITRATION:

Should the parties fail to resolve any SBE/DVBE related dispute arising out of or related to the contract via informal meetings or mediation, the parties are contractually obligated

to submit the claims for arbitration within 120 days from date Metro is notified of dispute. Arbitration conducted pursuant to the contract shall be binding upon all parties to the arbitration. All arbitration is to be conducted in a manner consistent with section 1020 et seq. of the Public Contract Code and Section 1296 of the Code of Civil Procedure.

Available mediation and arbitration services include:

The American Arbitration Association (213) 362-1900
Dispute Resolution Center (818) 794-2125

The Contractor shall incorporate this Section into each SBE/DVBE subcontract related to work arising under this contract and shall not incorporate by reference.

Only when resolution of SBE/DVBE disputes attempted through informal meetings, mediation, and/or arbitration has failed may the Contractor formally request substitution of an SBE/DVBE subcontractor.

504 TIMELINESS:

Should the parties proceed to arbitration, money due, if any, shall be placed in a trust account. Such funds shall be released to the appropriate party within five (5) working days of a determination being issued by the arbitrator.

NOTE: Arbitration findings are binding upon the parties. However, the findings do not in any way relieve the contractor of its obligation to meet the SBE/DVBE goals.

SECTION 600 – ADDING/TERMINATING/REPLACING AN SBE/DVBE SUBCONTRACTOR

Contractors shall obtain written approval from DEOD prior to adding, terminating, and/or replacing SBE/DVBE subcontractors.

600 ADDING SBE/DVBE SUBCONTRACTORS:

If contractors determine that there are additional opportunities for SBE/DVBEs not originally listed, they may exercise efforts by requesting to add SBE/DVBE firm(s) to their contract. Metro shall authorize the addition of SBE/DVBE subcontractor(s) for credit toward the contract commitment upon verification of certification. Prior to adding SBE/DVBE subcontractors, written requests must be submitted to DEOD and Contract Administration for approval. This request must include the Request to Add SBE/DVBE or Non-SBE/DVBE Subcontractor form (reference Appendix B), specifying the scope of work, dollar amount, period of performance, and applicable North American Industry Classification System (NAICS) code(s), with an SBE/DVBE certification letter attached.

If the SBE/DVBE firm is a Regular Dealer, the Contractor and the SBE/DVBE firm must complete and submit, along with the RTA, the DEOD Form 6: Regular Dealer-Distributor Affirmation Form to determine appropriate SBE/DVBE credit. The request to add a new certified firm to the contract is to be submitted to DEOD and approved, prior to any commencement of work. In addition to the Request to Add SBE/DVBE or Non-

SBE/DVBE Subcontractor form, the prime contractor request must include the following documentation:

- A. Written justification for adding additional firm(s) to contract team;
- B. Provide subcontract agreement for added firm(s) with dollar amount of scope of work, period of performance, and required flow down provisions;
- C. Provide certified letter evidencing certification status of firm(s) to be added;
- D. Documentation of prime contractor outreach efforts and selection process undertaken for the scope of work to be performed by the proposed added firm(s);
- E. Identify if the added firm(s) replacing another originally listed certified firm or is a result of reducing scope of work originally listed. (The prime contractor shall comply with substitution requirements when making changes to the original scope committed to another certified firm).

Enforcement: Failure by the contractor to comply with the “request to add requirements,” shall constitute a material breach of the contract and may result in termination of contract or imposition of administrative sanctions for non-compliance.

After formal approval by Metro the contractor must provide a copy of the Subcontract Agreement.

- 601** Pursuant to 49 the California Public Contract Code Section 4100, no Contractor at any tier may terminate a listed SBE/DVBE subcontractor (or an approved substitute SBE/DVBE), or any portion of its work, without Metro prior written consent, unless the termination or reduction was initiated by Metro that had the effect of eliminating some or all of the work to which a SBE/DVBE was committed to perform.

A termination includes any reduction or underrun in work listed for an SBE/DVBE not cause by a material change to the prime contract by Metro. This requirement also applies to instances that include, but are not limited to when a prime contractors seek to perform work originally designed for an SBE/DVBE subcontractor with its own workforce or that of its affiliate, non-SBE/DVBE firm, or with another SBE/DVBE firm

The prime contractor must utilize the specific SBE/DVBES listed to perform the work and supply the materials for which each is listed unless the contractor obtains prior Metro written consent. Unless Metro’s consent is provided, the prime contractor will not be entitled to any payment for work or materials unless it is performed or supplied by the listed SBE/DVBE.

- 1. Metro may provide such written consent, if agreed, for reason(s) stated by the prime contractor, that the prime contractor has good cause to terminated a listed SBE/DVBE or any portion of its work.
- 2. Good cause does not exist if the prime contractor seeks to terminate a SBE/DVBE or any portion of its work that it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the SBE/DVBE contractor was engaged, or so that the prime contract can substitute another SBE/DVBE or non-SBE/DVBE contractor after contract award. Good cause includes the following circumstances:

1. The listed SBE/DVBE subcontractor fails or refuses to execute a written contract.
2. The listed SBE/DVBE fails or refuses to perform the work of its subcontract in a way consistent with normal industry standard.
3. The listed SBE/DVBE subcontractor fails or refuses to meet the contractor's reasonable non-discriminatory bond requirements.
4. The listed SBE/DVBE subcontractor becomes bankrupt, insolvent, or exhibits credit unworthiness.
5. The listed SBE/DVBE subcontractor is ineligible to work on public works projects because of suspension and debarment proceedings pursuant to 2 CFR parts 180, 215, and 1200 or applicable State law.
6. It is determined that the listed SBE/DVBE subcontractor is not a responsible contractor.
7. The listed SBE/DVBE subcontractor voluntarily withdraws from the project and provides written notification of its withdrawal.
8. The SBE/DVBE is ineligible to receive credit for the type of work required.
9. The SBE/DVBE owner dies or becomes disabled resulting in the inability of the SBE/DVBE contractor to perform the work on the contract.
10. Other documented good cause that compels the termination of an SBE/DVBE subcontractor

To terminate an SBE/DVBE or to terminate a portion of an SBE/DVBE's work, the contractor must use the following procedures before submitting a request to terminate an SBE/DVBE subcontractor or any portion of work to DEOD:

1. The prime contractor must give notice, in writing, to the SBE/DVBE subcontractor, with a copy to DEOD concurrently, of its intent to request to terminate and the reason for the proposed request.
2. The SBE/DVBE subcontractor shall be given five (5) Business Days to respond, advising Metro and the prime contractor of the reasons, if any, why it objects to the proposed termination of its subcontract/or portion thereof and why Metro should not approve the prime contractor's request.
3. If a written objection is filed by an SBE/DVBE subcontractor, Metro shall give written notification within at least five (5) Business Days, to the SBE/DVBE subcontractor of its right to an informal hearing regarding the request to terminate.
4. If no written objection is filed by the SBE/DVBE subcontractor, the prime's request to terminate shall be approved. Failure by the SBE/DVBE subcontractor to respond with a written objection may constitute the SBE/DVBE subcontractor's consent for termination.
5. When an SBE/DVBE subcontractor or any portion of its work is terminated by the prime Contractor, or if work committed to an SBE/DVBE is reduced due to overestimations made prior to award, the prime contractor must use good faith efforts to include additional SBE/DVBE participation to the extend needed to meet the contract goal. Good faith efforts shall be documented by the Contractor and made available to Metro upon request within 7 days. Metro shall provide a written

determination to the Contractor whether or not good faith efforts have been demonstrated.

6. In addition to post-award terminations, the provisions of this section apply to pre-award deletions or changes to SBE/DVBEs, or their listed work put forward by offerors in negotiated procurements.
7. The prime contractor shall obtain prior Metro written consent before making a termination.

Replacement of an SBE/DVBE Subcontractor

After receiving Metro's written authorization to an SBE/DVBE termination request, the Contractor must obtain Metro's written agreement for SBE/DVBE replacement. The contractor must find or demonstrate GFEs to find qualified SBE/DVBE replacement firm(s) to perform the work to the extent needed to meet the SBE/DVBE commitment.

The following procedures must be followed to request authorization to replace an SBE/DVBE firm:

- A. Submit a request to replace an SBE/DVBE with other forces or material sources in writing to the Metro, which must include:
 - a. Description of remaining uncommitted work item made available for replacement SBE/DVBE solicitation and participation.
 - b. The proposed SBE/DVBE replacement firm's business information, the work they have agreed to perform, and the following:
 - Quote for bid item work and description of work to be performed
 - Proposed subcontract agreement and written confirmation of agreement to perform on the Contract
 - Request to Add an SBE/DVBE or Non-SBE/DVBE Subcontractor Form
- B. If the Contractor has not identified an SBE/DVBE replacement firm, submit documentation of GFEs to use SBE/DVBE replacement firms within seven (7) Business Days of Metro's authorization to terminate the SBE/DVBE. The Contractor may request Metro's approval to extend this submittal period to a total of 14 Business Days.
- C. Submit documentation of actions taken to find an SBE/DVBE replacement firm, such as:
 - Search results of certified SBE/DVBEs available to perform the original SBE/DVBE work identified and or other work the contractor had intended to self-perform, to the extent needed to meet the SBE/DVBE commitment
 - Solicitations of SBE/DVBEs for performance of work identified

- Correspondence with interested SBE/DVBEs that may have included contract details and requirements
- Negotiation efforts with SBE/DVBEs that reflect why an agreement was not reached
- If an SBE/DVBE's quote was rejected, provide reasoning for the rejection, such as why the SBE/DVBE was unqualified for the work, or why the price quote was unreasonable or excessive
- Copies of each SBE/DVBE's and non-SBE/DVBE's price quotes for work identified, as Metro may contact the firms to verify solicitation efforts and determine if the SBE/DVBE quotes are substantially higher
- Additional documentation that supports the good faith effort

Metro will provide a response in writing to the Contractor's SBE/DVBE replacement request within five (5) Business Days. The Contractor must submit a Request to Add SBE/DVBE or Non-SBE/DVBE Subcontractor form if the replacement plan is authorized by the Metro.

If adding SBE/DVBE firm(s) for credit toward the goal, verification of certification is required prior to receiving credit toward the contract specific goal. If the SBE/DVBE firm is a Regular Dealer, the Contractor and the SBE/DVBE firm must complete and submit, along with the RTA, the DEOD Form 6: Regular Dealer-Distributor Affirmation Form to determine appropriate SBE/DVBE credit. SBE/DVBEs must be certified at the time of the addition.

Failure to comply with this or any other SBE/DVBE requirement may result in assessment of appropriate administrative sanctions.

SECTION 700 - GOAL ATTAINMENT DURING LIFE OF CONTRACT

- A. The Contractor shall not make any falsification of subcontractor information, up to and including Subcontractor's name, subcontract amount and/or actual work to be performed by SBE/DVBE firms.
- B. The Contractor shall utilize SBE/DVBEs according to the participation levels committed to at the time of contract award and demonstrate an adequate and positive effort to do so throughout the life of the contract.
- C. Metro is not required to review good faith effort packages throughout the life of the project. It is the Contractor's responsibility to ensure that it maintains all required good faith effort documentation and make it available upon Metro's request.
- D. The dollar amount of change orders, contract modifications, or provisions sums for design, construction, operations, and maintenance, that increases or decreases the scope of work committed to SBE/DVBEs, shall be commensurately added to or subtracted from the total contract amount used to compute actual dollars paid to SBE/DVBEs regardless of who performed the work.
- E. All contract amounts revised as a consequence of a change order, contract modification or provisional sum, shall be reflected in the Contractor's monthly progress report referenced herein in Section 403.

- F. All submittal forms, containing any contract value, revised as a consequence of a Change Order, contract modification, provisional sums shall be accompanied with a copy of relevant support documentation.
- G. The Contractor shall report all final payments in Metro's B2Gnow system within fourteen (14) working days of final payment as prescribed in Section 405.
- H. Listed first-tier subcontractors shall enter into subcontract agreements with the Contractor within the specified time frame of fourteen (14) working days after the Contractor executes their contract or PO with Metro. Failure to execute subcontract agreements in a timely manner shall be considered a violation of the SBE/DVBE Program requirements and may be deemed "just cause" for termination.
- I. When an SBE/DVBE subcontracts part of the work of its contract to another firm, the value of the subcontracted work may be counted toward SBE/DVBE commitment only if the subcontractor is itself an SBE/DVBE. Work that an SBE/DVBE subcontracts to a non-SBE/DVBE firm does not count toward SBE/DVBE commitment.
- J. When an SBE/DVBE performs in a joint venture or teaming agreement, only the percentage of the SBE/DVBE joint venture is eligible for credit. Work must be performed by the SBE/DVBEs own work forces.
- K. Failure to adhere to any of the requirements of this Section shall constitute a breach of contract and may result in the Metro's terminating the contract for default and/or imposing appropriate sanctions as outlined in the section entitled Remedies for Breach of SBE/DVBE Requirements.

SECTION 800 – SANCTIONS FOR SBE/DVBE PROGRAM VIOLATIONS

- A. Failure to Comply:
 - 1. Failure to adhere to any of the SBE/DVBE Program requirements shall constitute a breach of contract and may result in Metro terminating the contract for default and/or imposition of appropriate sanctions as outlined in this section.
 - 2. Staff shall review the contractor's monthly progress reports to determine whether the utilization of SBE/DVBE firms is consistent with the contractor's commitment at the time of contract award.
 - 3. Failure to utilize an SBE/DVBE as listed toward the goal is a breach of contract and may result in the imposition of administrative sanctions.
 - 4. At the end of the contract, if it is determined that the Contractor's SBE/DVBE utilization is not consistent with the commitment, the contractor shall be required to submit written evidence of its good faith efforts (GFE) within ten (10) Business Days, upon Metro's request. For failure to respond, the contractor will be deemed non-compliant and subject to administrative sanctions.
 - 5. If it is determined that the contractor's efforts documentation is acceptable, the contractor shall be deemed to be in compliance with the requirements of the SBE program.

6. If it is determined that the contractor's efforts documentation is not acceptable, the contractor will receive written details of any deficiencies. If additional clarification is required, the contractor must respond to the request within five (5) working days. Failure to comply may result in the assessment of appropriate administrative sanctions and/or penalties.
7. If Metro determines that the Contractor's good faith efforts are not acceptable, at the end of the contract, Metro shall assess the appropriate administrative sanctions, as identified in Section C - Appropriate Administrative Remedies below.
8. If it is determined that the contractor is in non-compliance with prompt payment provisions, the contractor will receive written details of this deficiency. If additional clarification is required, the contractor must respond to the request within five (5) working days. Failure to comply may result in the assessment of appropriate administrative sanctions and/or penalties.

B. Remedies for Breach of SBE/DVBE Requirements

Contractor(s) found in violation of Metro's SBE/DVBE program requirements, during the performance of the contract, shall be required to "correct" its deficiency or be subject to the Administrative Sanctions listed in this Section. Being subject to appropriate administrative remedies or sanctions does not preclude Metro from invoking other contract and/or legal remedies available under state or local law.

C. Appropriate Administrative Remedies

Appropriate administrative remedies will be imposed on Contractors deemed non-compliant to the SBE/DVBE Program requirements. Contractors' failure to provide documentation of efforts, as requested for SBE/DVBE participation, will also be subject to appropriate administrative remedies. Contractor notifications shall be made by certified mail.

The appropriate administrative remedies shall include, but is not limited to the following:

1. Mandatory SBE/DVBE Training Session(s) for Contractor(s) found in violation of SBE/DVBE program requirements (SBE/DVBE Training will be coordinated by DEOD, and all associated expenses, including, but not limited to, travel, lodging, meals etc., will be the responsibility of the Contractor.)
2. Penalties as described in the "Assessment for SBE/DVBE Non-Compliance," (referenced in Sub-Section D)
3. Suspension of payment(s) to the Contractor
4. Termination of the Contract for default.
5. Debarment

D. Assessment for SBE/DVBE Non-Compliance

If the Contractor fails to comply with the SBE/DVBE Program requirements, contract

payments shall be reduced by one or more of the following methods:

1. A penalty of five thousand dollars (\$5,000) per day, from the date the Contractor is determined to be in non-compliance with the SBE/DVBE Program requirements until compliance is determined.
2. Penalties of ten percent (10%) of the total contract value, including any approved change orders, for failure to meet SBE/DVBE commitments or to demonstrate efforts.
3. Penalties may be deducted from payments due the Contractor, from any funds retained.

E. Appeal of Sanction Determination/Contractor's Right to a Hearing

The Contractor will have five (5) Business Days from the date of the notice to file a written appeal with the Deputy Executive Officer of the Diversity & Economic Opportunity Department (DEO) or his/her designee.

Failure to respond within the five (5) day period shall constitute a waiver of the Contractor's right to appeal and to a hearing. If the Contractor files an appeal, the DEO or his/her designee, shall issue a written determination within ten (10) Business Days Business Days of receipt of the written appeal.

If the Contractor requests a hearing, the DEO or his/her designee, will convene an informal hearing panel that consists of impartial Metro staff, to hear the matter. A date will be set, and all parties will receive written notice. The DEO, or his/her designee, shall issue the written determination of the hearing panel within ten (10) Business Days from date of hearing.

The appeal and/or hearing decision is final. There shall be no further appeal.

APPENDIX A – DIVERSITY AND ECONOMIC OPPORTUNITY MANUAL DEFINITIONS

Annual SBE/DVBE Goals: Targeted levels established by Metro for participation of SBEs and DVBEs in Metro contracts.

Business Day: Any day that is not a Saturday, a Sunday, or a federal or State public holiday.

Change Order (CO): A written order by Metro's Contracting Officer directing Changed Work.

Changed Work (or Change): Additions, deletions, or other revisions to the Work within the general scope of the Contract. Changed Work must be directed by Metro by a Change Order or agreed to by the parties in an Amendment or other Modification. Includes Work that does not involve an adjustment to the Contract Price and/or Contract Time. Does not include Work performed or time spent by Contractor to correct any Deficiency.

Commercially Useful Function: Work performed by a SBE/DVBE firm in a particular transaction that in light of industry practices and other relevant considerations, has a necessary and useful role and the firm's role is not a superfluous step added in an attempt to obtain credit toward goals. If, in Metro's judgment, the firm (even though an eligible SBE/DVBE) does not perform a commercially useful function in the transaction, no credit toward the goal may be awarded.

Contract: This contract, entered into between Metro and the Contractor for the Project, including the Project Requirements and all other Exhibits; all Modifications; the Incorporated Documents; the Incorporated Manuals (including this Manual); and any other attachments incorporated in this Contract by attachment or by reference.

Contractor: The individual, firm, partnership, corporation, joint venture, or combination thereof, which may also be referred to by the term "it", that has entered into the Contract with Metro. Includes Contractor's successors, assigns, employees, officers, Contractor's Representatives, and agents. In context may also include Subcontractors, Suppliers, and any other persons for whom the Contractor may be legally or contractually responsible.

Contracting Opportunity: Any decision by Metro or its contractors to institute a procurement action to obtain a product or service commercially (as opposed to intergovernmental actions).

Department: Functional unit of Metro, responsible for management and administration of specific projects included within the capital and operating budget.

Directory of Certified Firms: List of Certified Firms used by Metro and its contractors to identify potential SBE/DVBE subcontractors and suppliers.

Disabled Veteran: A veteran of the United States military, naval or air service; who has service-connected disability of at least 10% or more; and the veteran must reside in California. The definition will always defer to the latest California Military and Veterans Code.

Disabled Veteran Business Enterprise (DVBE): A business enterprise certified by the State of California's Department of General Services (DGS). The enterprise must meet all DGS certification requirements which currently include:

- Business must be at least 51% owned by one or more disabled veterans.

- DVBE limited liability companies must be wholly owned by one or more disabled veterans.
- Daily business operations must be managed and controlled by one or more disabled veterans.
- Home office must be located in California. The home office cannot be a branch or subsidiary of a foreign corporation, foreign firm, or other foreign based business.
- The definition will always defer to the latest California Military and Veteran code.

Small Business Enterprise (SBE): A SBE firm is, generally, one that has demonstrated to Metro, by a preponderance of the evidence, that it meets the requirements of Metro's Small Business Enterprise Program, Subpart E, Certification Standards and Procedures, concerning Business Size, Owners Economic Disadvantage (Personal Net Worth), Quality of Ownership and Ownership Discretion and Control. It is a firm that:

- (1) Is owned by Individuals who can demonstrate, by a preponderance of the evidence, that they are economically disadvantaged. It requires an individual's personal net worth (PNW) to be within the SBE Program PNW Limits. Currently limits on PNW are defined as an average of less than \$2.047 million over the previous three years, excluding individual applicant owner's interest in their primary residence and the PNW of the applicant business).
- (2) Has had average annual gross receipts (over the previous three years), under the SBE Small Business Size Table amounts, as defined by SBA regulations (13 CFR 121.402), according to the industry in which the firm actively does business, or average gross receipts are not greater than \$30.72 million over the previous three years.
- (3) Is at least 51 percent owned by one or more such economically disadvantaged individuals, or in the case of any business organized as a corporation, at least 51 percent of the shares are held by one or more economically disadvantaged individuals.
- (4) Is an independent business whose management and daily business operations are controlled by one or more of the economically disadvantaged individuals who own it.
- (5) Is a for profit business.

DOT Assisted Contract: Any contract or modification of a contract between Metro and a contractor which is paid for in whole or in part with DOT financial assistance.

LACMTA or Metro: The Los Angeles County Metropolitan Transportation Authority

Manufacturer: Means a business that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the contractor.

Non-Compliance: The condition existing when a contractor has failed to implement or meet the requirements of r Metro policy or procedure pertaining to SBE/DVBE participation.

Pre-Bid/Construction Conference: A meeting held by Metro after award of contract on a particular construction project, but prior to the beginning of any work, at which the prime contractor is advised of its federal, state, and local compliance obligations and any final technical requirements.

Pre-Proposal Conference: A meeting held by Metro prior to the bid/proposal closing date of a particular project, at which prospective bidders/proposers are advised of Metro specification requirements which include SBE/DVBE provisions.

Professional/Technical Services Contract: Contracts for the professional and technical services of accountants, architects, engineers, landscape architects, lawyers, planners, surveyors, title companies, urban designers, appraisers, option negotiators, and other persons performing similar services for Metro.

Protégé: A small business who is guided and supported by a more experienced prime contractor.

Public Works Contract: Contracts for the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.

Secretary: The Secretary of U.S. Department of Transportation or any person whom he/she has designated to act for him/her.

State: State of California.

Statement of Compliance: The statement on the back of Payroll Form WH 347, whereby the Contractor declares how the fringes are paid whether by cash or through a bona fide fringe program.

Subcontract: Any contract, including contracts of any tier, to furnish Work, Goods or Equipment between the Contractor and/or any Subcontractor or Supplier.

Subcontractor: Any individual, firm, partnership, corporation, joint venture, or combination thereof, other than employees of the Contractor that enters into a legal agreement with the Contractor or any Subcontractor to furnish Work, Construction Equipment or Goods. Unless otherwise specified, Subcontractor includes a Subcontractor of any tier.

Wages: The basic hourly rate of pay, any contribution made pursuant to, or cost anticipated to provide, a bona fide fringe benefit plan, fund, or program.

APPENDIX B
Request To Add SBE/DVBE or Non-SBE/DVBE Subcontractor

Project Name: _____ **Contract No.** _____

Prime Contractor: _____

Contractor herewith requests that _____, a _____ Small Business Enterprise/ Disabled Veteran Business Enterprise (SBE/DVBE)* or _____ Non-SBE/DVBE, subcontracted to _____, be added to the approved list of subcontractors on this project in accordance with our approved subcontracting plan.

*If the proposed subcontractor is an SBE/DVBE, the contractor must attach a SBE/DVBE certification letter to this form.

Description of Work (Specify Subcontractor's Portion of Work): Design ☐ Construction ☐

Expected Start Date: _____ **Expected End Date:** _____

NAICS Codes/ Description (List only those codes that are applicable):

Code(s)	Description:

Name of Proposed Firm: _____

Address _____ **City** _____ **State** _____ **Zip** _____

Email _____ **Telephone** _____

Contact Person _____ **Title** _____

Public Work Contractor Registration # _____

☐ Copy of Public Works Registration Attached

☐ Copy of Certification Regarding Debarment, Suspension and Other Responsibility Matters Attached

California Contractors State License # _____

If the Work/Services require DIR Registration, per California Labor Code §1725.5, complete below:

a. DIR Registration No.: _____

b. DIR Registration Date: _____

Subcontractor Counting and Calculating SBE/DVBE Credit:

☐ As Subcontractor ☐ As Joint Venture ☐ As Supplier (60% for SBE/DVBE Credit)
☐ Trucking (Owner Operator) ☐ As Broker (SBE/DVBE credit for fees/commissions only)

Subcontract Amount \$ _____ Amount Claimed as SBE/DVBE Commitment: \$ _____

Contract Type (for proposed subcontractor):

- ☐ Time & Material (Not to Exceed) ☐ Contract Term: _____ through _____
- ☐ Lump Sum / Firm Fixed Price / Unit Price

Solicitation Process: This subcontractor was selected using the following process:

Competitive Selection:

- ☐ 3 Quotes (Best Value) ☐ Advertisement – Negotiated (Best Value)
- ☐ Advertisement – Low Bid ☐ Other _____

Subcontractor	SBE/DVBE	Bid or Proposal Amount
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	

Non-Competitive:

- ☐ Sole Source Award ☐ Other _____

Justification for selection: _____

Has this subcontractor teamed with any other subcontractors on this contract?

- ☐ Yes ☐ No

List all lower tier subcontractors that this subcontractor has teamed with on this contract and provide a separate Request to Add SBE/DVBE or Non-SBE/DVBE Subcontractor form for each.

Subcontractor	SBE/DVBE	Scope of Work
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	

Prime Contractor:_____ **Contract No.**_____

Proposed Subcontractor: _____

I hereby certify that the proposed firm (reference above) has been contracted in accordance with the terms of Metro's contract and that the proposed firm is not replacing another certified firm originally contracted to perform the scope of work, nor is a result of reducing or seeking to substitute the scope of work of another listed firm.

Name & Title of Certifying Official: _____

Signature: _____

Date: _____

FOR METRO APPROVAL	
Selected Subcontractor: _____	
This section to be completed by Vendor Contract Management only Contractor Debarment ☐ Yes ☐ No Pre-Qualified (1st Tier ☐ Yes ☐ No Subcontractor >\$100,000) ☐ Yes ☐ No Organizational Conflict Consent for Adding (If Non-SBE/DVBE, DEOD does not require approval signature) ☐ Yes ☐ No	Additional Comment(s): _____ Name / Title Date
This section to be completed by the Diversity & Economic Opportunity Department (DEOD) only Certification NAICS Verified ☐ Yes ☐ No Regular Dealer ☐ Yes ☐ No Broker ☐ Yes ☐ No Approved for Adding ☐ Yes ☐ No	Additional Comment(s): _____ Name / Title Date

For Small Business Programs Payment Reporting System Contractor and Subcontractor User Guide please click on the following link:

http://media.metro.net/uploads/Metro_Connect/SBCRS%20USER%20GUIDE.pdf

EXHIBIT "A"
COMP Program - Protégé Pre-Assessment Form

A. Protégé Business Information

Firm name: _____
 Firm CEO: _____ MPA Coordinator: _____
 Firm's address: _____
 Street
 City State Zip code _____
 Phone: _____ Fax (optional): _____
 Email: _____ Website: _____
 Industry/Trade of business: _____
 Number of years in business: _____ Number of full-time employees: _____
 Status of Business Certification (Check all that apply): ☐ DBE ☐ SBE ☐ DVBE
☐ Other: _____
 Has this firm been awarded any past Metro contracts or subcontracts? ☐ Yes ☐ No
 If yes, which contract/s & year: _____
 Is the firm currently in an active Mentor-Protégé Agreement on another Metro contract? ☐ Yes ☐ No
 If yes, which contract/s: _____
 Scope of work in subcontract: _____

B. Protégé Needs Assessment

Check which categories assistance is needed:

☐ Business Plan ☐ Strategic Action Plan ☐ Market Research ☐ Marketing Plan ☐ Marketing Materials ☐ Website Development ☐ Organizational Development ☐ Operations Assessment ☐ Office computer software ☐ Technical computer software ☐ Banking Services ☐ Payroll Administration ☐ Personnel Management ☐ Prevailing Wage Requirements ☐ Metro/ Industry Relationship Building ☐ Prevailing Wage Requirements ☐ Metro's LCP Tracker (Payroll Reporting) ☐ Other: _____	☐ Cost Accounting ☐ Prompt Payment Procedures ☐ Bonding & Insurance ☐ Obtaining Permits/Subcontracts ☐ Scheduling & Purchasing ☐ Project Planning & Scheduling ☐ Construction Equipment and Materials ☐ Pre-award & Bid Assessment ☐ Blueprint Reading ☐ Job Cost & Work in Progress ☐ Preparing Job Orders & Changes ☐ Information Systems Consulting ☐ Records & Contract Management ☐ Technical Work Related to contract ☐ Bidding and working as Prime Contractor ☐ Metro's B2GNow Reporting System ☐ Other: _____ ☐ Other: _____
---	--

Does this firm have a business plan? ☐ Yes ☐ No (if yes, please provide a copy to the mentor)

C. Name Additional Protégé Personnel Participating in Mentor-Protégé Activities

1. Name: _____	Title: _____
2. Name: _____	Title: _____

D. Outline – Contractor Outreach & Mentorship Plan (COMP)

Mentors after your pre-assessment of the protégé please complete the below outline, which will be used as a guide for discussions with your protégé. This will also help guide the Mentor-Protégé relationship in the creation of the final detailed COMP which will be reviewed and approved by Metro prior to the execution of Mentor Protégé Agreement.

Objective 1: _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

Objective 2: _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

Objective 3: _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

*Final COMP may include more than 3 objectives

Creative strategies and innovative non-traditional mentorship approach to address the needs of the protégé firm	Mentorship		Responsible Party	Objective Addressed
	Start Date	End Date		
1.				
2.				
3.				

EXHIBIT "B"

COMP Program - Protégé Post-Assessment Form

Complete at the conclusion of the Mentor Protégé Agreement (MPA)

A. Protégé Business Information

Firm name: _____
Firm CEO: _____ MPA Coordinator: _____
Firm's address: _____
Street _____
City _____ State _____ Zip code _____
Phone: _____ Fax (optional): _____
Email: _____ Website: _____
Industry/Trade of business: _____
Status of Business Certification (Check all that apply): ☐ DBE ☐ SBE ☐ DVBE
☐ Other: _____
Scope of work in subcontract: _____

B. Mentor Information

Firm name: _____
Firm CEO: _____ MPA Coordinator: _____
Firm's address: _____
Street _____
City _____ State _____ Zip code _____
Phone: _____ Fax (optional): _____
Email: _____ Website: _____

C. Protégé Needs Assessment

Check which categories the mentorship addressed during the COMP period:

- | | |
|--|--|
| ☐ Business Plan | ☐ Cost Accounting |
| ☐ Strategic Action Plan | ☐ Prompt Payment Procedures |
| ☐ Market Research | ☐ Bonding & Insurance |
| ☐ Marketing Plan | ☐ Obtaining Permits/Subcontracts |
| ☐ Marketing Materials | ☐ Scheduling & Purchasing |
| ☐ Website Development | ☐ Project Planning & Scheduling |
| ☐ Organizational Development | ☐ Construction Equipment and Materials |
| ☐ Operations Assessment | ☐ Pre-award & Bid Assessment |
| ☐ Office computer software | ☐ Blueprint Reading |
| ☐ Technical computer software | ☐ Job Cost & Work in Progress |
| ☐ Banking Services | ☐ Preparing Job Orders & Changes |
| ☐ Payroll Administration | ☐ Information Systems Consulting |
| ☐ Personnel Management | ☐ Records & Contract Management |
| ☐ Prevailing Wage Requirements | ☐ Technical Work Related to contract |
| ☐ Metro/ Industry Relationship Building | ☐ Bidding and working as Prime Contractor |
| ☐ Prevailing Wage Requirements | ☐ Metro's B2GNow Reporting System |
| ☐ Metro's LCP Tracker (Payroll Reporting) | ☐ Other: _____ |

Did this firm have a business plan at the beginning of the mentorship? ☐ Yes ☐ No
If Yes, where any changes made because of the mentorship? ☐ Yes ☐ No (please attach)
If No, was a business plan created during the mentorship period? ☐ Yes ☐ No (please attach)

E. Post Assessment Results - Contractor Outreach & Mentorship Plan (COMP)

Mentors, after you have completed the COMP please evaluate completion of each objective from the Pre-assessment. Please include supplemental attachment if additional space is needed for responses.

Objective 1 Completed: ☐ Yes ☐ No _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

Objective 2 Completed: ☐ Yes ☐ No _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

Objective 3 Completed: ☐ Yes ☐ No _____

Barriers: _____

Benchmark 1: _____

Benchmark 2: _____

Summary of strategies and innovative non-traditional mentorship approaches used during COMP.	Mentorship		Objective Addressed & Completed
	Start Date	End Date	
1.			
2.			
3.			

Mentor Signature Date

Protégé Signature Date

Print Name

Print Name

