

MINORITY BUSINESS ENTERPRISE/ WOMEN'S BUSINESS ENTERPRISE/ SMALL BUSINESS ENTERPRISE POLICY

1. Overview

The Grand Rapids Housing Commission (GRHC) is the administering agency of over 4,000 units of rent assisted housing. Funding to enable GRHC housing programs and related services come from the United States Department of Housing and Urban Development (HUD).

As a recipient of HUD funding, regulations set forth in 2CFR, Section 200.321 requires that the GRHC take all necessary affirmative steps to assure that Minority Businesses Enterprises (MBE), Women's Business Enterprises (WBE), and Small Business Enterprises (SBE), are used when possible. In fulfilling this requirement, the GRHC will facilitate:

- A good faith, comprehensive, and continuing effort to meet the requirements of 2CFR, Section 200.231,
- That the GRHC has included the MBE, WBE, and SBE Policy and as an attachment to its Procurement Policy,
- That the GRHC Quality Assurance and Compliance Department will be implementing the outreach, reporting, and review of efforts and waivers in addition to maintaining policies and procedures,
- That the GRHC will be engaging in outreach and advocacy of this federal requirement, and
- That the GRHC will be monitoring and holding Contractors/Service Providers/Suppliers responsible for following these federal requirements in their contracting.

2. Purpose

The purpose of this Policy is to establish minimum goals for MBE, WBE, and SBE participation to be measured based on the total dollar value accrued to the aforementioned business enterprises, to promote equal opportunity for participation amongst business enterprises in all phases of contracting and purchases, and establish responsibilities for policy implementation and compliance.

3. Scope

This Policy, the outlined responsibilities, and resources apply to federally funded agreements and procurement contracts or subcontracts awarded by the GRHC and/or its Contractors, Service Providers, and Suppliers.

4. Definitions.

- **Business Enterprise:** Any legal entity that is organized in any form other than as a joint venture (sole proprietorship, partnership, corporation, etc.) to engage in lawful commercial transactions.

- **Contractor/Service Provider/Supplier:** Any person or legal entity providing goods, labor, or services to GRHC by contract for profit.
- **Good Faith Efforts:** Steps taken to achieve a goal or other requirement which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirements.
- **HUD:** The U.S. Department of Housing and Urban Development.
- **Minority Business Enterprise (MBE):** An MBE is a business concern that is at least fifty-one (51%) owned and controlled by one or more members of an ethnic minority group. The business must be owned by U.S. citizens or legal resident aliens, whose business formation and principal place of business are in the U.S. or its territories and whose management and daily operation is controlled by members of an ethnic minority group.
- **Prime Contractor:** A company submitting a bid to the GRHC.
- **Racial/Ethnic Identifiers:** White, Black/African American, American Indian/Alaskan Native, Hispanic/Latino, Asian, Middle Eastern, Native Hawaiian/Other Islander.
- **Small Business Enterprise (SBE):** means a business that is owned by one or more persons who are United States citizens or resident legal aliens, with a place of business located in the United States, and operates primarily within the United States, and is sized consistently with the requirements set forth in 13 CFR Section 121.201, which defines size standards for small businesses, based on either annual receipts or the number of employees.
- **Subcontractor:** Any business providing goods, labor, or services to a Contractor/Service Provider/Supplies in fulfillment of the Contractor's obligations arising from a contract with the GRHC.
- **Woman:** United States citizens who identify as the female gender.
- **Women Business Enterprise (WBE):** A WBE is a business concern that is at least fifty-one percent (51%) owned and controlled by one or more women. The business must be owned by U.S. citizens or legal resident aliens, whose business formation and principal place of business are in the U.S. or its territories and whose management and daily operation is controlled by women.

5. Participation Requirement

The GRHC will always encourage contractor and supplier diversity through the utilization of MBE, WBE, and SBE participation.

- For construction/rehabilitation, service providers, and supplier contracts, the participation goal of these enterprises is twenty percent (20%) of the entire contract value. This requirement is based on the total amount of each individual prime contract award by the GRHC. The participation requirement may be met either through the initial contract award (if the award is made to an MBE, WBE, and/or SBE) or the requirement may be addressed through subcontracts specified within the Prime Bidder's proposal or bid.

5.1 Threshold Triggers

The MBE, WBE, and/or SBE requirements of twenty percent (20%) apply to all procurement contracts of more than \$250,000. This threshold of more than \$250,000 contract value applies to suppliers of goods, professional services contracts, and construction/rehabilitation work. The GRHC will make a good faith effort to implement MBE, WBE, and/or SBE requirements on amounts below this threshold.

6. Responsibilities

6.1 GRHC Responsibilities

The GRHC is tasked with completing the following objectives for this program area:

- GRHC will create templates to facilitate Contractors, Service Providers, and Suppliers providing vital data regarding **MBE, WBE, and SBE utilization** throughout the project lifecycle.
- GRHC will require the submission of a Utilization Plan for Contractors, Service Providers, and Suppliers being awarded a contract.
- GRHC will be reviewing Utilization Plans and providing feedback to entities on their submitted plans to maintain tracking of submitted plans.
- GRHC will be adopting for its own procurement and utilization efforts the affirmative steps for implementing **MBE, WBE, and SBE utilization**:
 - Place qualified **MBE, WBE, and SBE** on the GRHC solicitation list where practicable, indicating the area of qualification (MBE, WBE, and/or SBE), and the types of contracting, services, and supply opportunities of interest to the **MBE, WBE, and/or SBE**.
 - Notify MBE, WBE, and SBE firms on the **MBE, WBE, and SBE solicitation list** of contracting opportunities in writing, when applicable, on the first day of the procurement solicitation.
 - When economically feasible, structure procurement solicitations so that the total requirements are divided into subsets consisting of smaller tasks or quantities for the purpose of retaining multiple firms or to facilitate subcontracting opportunities within the larger contract that would be suitable for small **MBE, WBE, and SBE**.
 - Requiring the Prime Bidder or Prime Contractor, if subcontracts are to be let, to take the affirmative steps listed in this policy for documenting efforts to implement requirements for **MBE, WBE, and SBE**.
 - Recommend that the **MBE, WBE, and SBE** use the services and assistance, as appropriate, of such organizations as the:
 - Small Business Administration
 - Minority Business Development Agency of the Department of Commerce
 - Grand Rapids Area Chamber of Commerce
 - Grand Rapids Minority Business Council
 - Grand Rapids Area Black Businesses
 - West Michigan Hispanic Chamber of Commerce
 - Small Business Association of Michigan
 - Michigan Small Business Development Center

- GRHC will work with the above-named organizations to expand its list of **MBE, WBE, and SBE** contractors, service providers, and suppliers.
- GRHC will require all Contractors, Service Providers, and Suppliers to provide to GRHC a revised Utilization Plan when changes in contracting with **MBE, WBE, or SBE** occur of no later than **fifteen (15) days** from the date of a noted change.
- GRHC requires Contractors, Service Providers, and Suppliers to document their efforts for their contracting and subcontracting.
- GRHC has provided Contractors, Service Providers, and Suppliers a template to enable standardized documentation of efforts. GRHC will request a **quarterly** ongoing submission of these efforts until project closeout to ensure ongoing actions are being taken by the entities.
- GRHC has established quarterly reporting from Contractors, Service Providers/Suppliers for the purpose of being able to complete federal reporting on efforts to HUD as per the HUD Form 2516 Contract and Subcontract Activity form and data requested on this form.
- GRHC will be conducting a final project closeout file review for program areas to ensure **quarterly** submissions have been provided and supporting documentation is provided.

6.2 Contractors' responsibilities of Implementing Requirements for MBE, WBE, SBE

Contractors should:

- Use GRHC templates to facilitate streamlined data capture regarding **MBE, WBE, and SBE utilization** throughout the project lifecycle.
- Complete and submit your Utilization Plan to indicate expected utilization.
- Adopt and implement the affirmative steps for implementing **MBE, WBE, and/or SBE Utilization**:
 - Place qualified **MBE, WBE, and/or SBE** on the **MBE, WBE, and/or SBE** solicitation list, indicating the area of qualification (MBE, WBE, SBE) and types of contracting and subcontracting opportunities of interest to the **MBE, WBE, and/or SBE**.
 - Notify **MBE, WBE, and/or SBE** firms on the **MBE, WBE, and/or SBE** solicitation list of contracting opportunities in writing on the first day of the procurement solicitation.
 - When economically feasible, structure procurement solicitations so that the total requirements are divided into subsets consisting of smaller tasks or quantities for the purpose of retaining multiple firms or to facilitate subcontracting opportunities within the larger contract that would be suitable for small **MBE, WBE, and SBE**.
 - Recommend that the **MBE, WBE, and SBE** use the services and assistance, as appropriate, of such organizations as the:
 - Small Business Administration
 - Minority Business Development Agency of the Department of Commerce
 - Grand Rapids Area Chamber of Commerce
 - Grand Rapids Minority Business Council

- Grand Rapids Area Black Businesses
- West Michigan Hispanic Chamber of Commerce
- Small Business Association of Michigan
- Michigan Small Business Development Center
- Requiring the Prime Bidder or Prime Contractor, if subcontracts are to be let, to take the affirmative steps listed in this policy for documenting efforts implementing requirements for **MBE, WBE, and/or SBEs**.
- Comply with submission of a revised Utilization Plan when changes in contracting with MBE, WBE, or SBE occur of no later than **fifteen (15) days** from the date of a noted change.
- Document efforts for contracting **MBE, WBE, and/or SBEs** and require subcontractors to complete documentation efforts for any subcontracting.
- Adopt GRHC's template for documentation of efforts. Provide GRHC an updated copy of these as part of the quarterly report until project closeout.
- Comply with your GRHC established quarterly reporting to enable GRHC to complete federal reporting on all efforts to HUD as per the HUD Form 2516 and data requested on this form.
- Coordinate with the GRHC on final project closeout file review for all program areas to ensure all quarterly submissions have been provided and all supporting documentation is provided.

7. Documentation of Efforts to Contract With MBE, WBE, and SBE.

All Contractors, Service Providers, and Suppliers will be required to provide evidence of efforts taken to fulfill the **minimum goals for MBE, WBE, and SBE**. Efforts should include the type of action taken whether outreach, direct solicitation, or training, any contact with MBE, WBE, or SBE businesses and the outcome for that contracting opportunity. GRHC has created a template to facilitate the ability for Contractors/Service Providers/Suppliers to document and report their efforts using the list provided below and on the quarterly report.

7.1 Efforts to Award Contract to MBE, WBE, and/or SBE Business Concerns

The following non-exhaustive list is provided as guidance and/or examples on the acceptable type of efforts which should be documented:

- Make frequent and timely advertisements in newspapers and periodicals that market to **MBE, WBE, and/or SBEs**.
- Maintain a log of dates of advertisements and the name of the publication and/or maintain copies of the advertisement itself.
- Record copies of the responses made by certified **MBE, WBE, and/or SBEs** to your advertisement and/or make timely follow ups to responses received by **MBE, WBE, and/or SBEs**.
- Log responses from **MBE, WBE, and/or SBEs**. If you received responses to your solicitations, but did not select the **MBE, WBE, and/or SBEs**, maintain records describing why a response from a certified **MBE, WBE, and/or SBEs** was not selected.

- Source and utilize lists of certified **MBE, WBE, and/or SBEs** such as the ones located at the Grand Rapids Area Chamber of Commerce.
- Maintain a log of all communications, including names, contacts, and dates, as well as, maintain records including: copies of notices/solicitations, dates of contact, letters, etc.
- Conduct pre-bid, pre-award, or other meetings to inform **MBE, WBE, and/or SBEs** of available opportunities and maintain a cord of the names of companies, dates, and locations of meetings attended.
- Contact community organization and state/federal business assistance offices that provide support in the recruitment and placement of **MBE, WBE, and SBEs**.
- Send written notification to **MBE, WBE, and SBEs** and trade associations located within the region where the work will be performed.
- Provide documents/plans/bid specifications to **MBE, WBE, and SBEs** and allow adequate time for them to respond to bids.
- Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by **MBE, WBE, and SBEs**.
- Establish delivery schedules which encourage participation by **MBE, WBE, and SBEs**.
- Undertake specific steps to reasonably structure the contract scope of work for the purpose of subcontracting with, or obtaining supplies from **MBE, WBE, and SBEs**.
- Make efforts to solicit **MBE, WBE, and SBEs** located outside the region where the scope of work is to be performed and evaluate their ability to participate.
- Document the evaluation you conducted to determine eligibility for participation.
- Provide the same subcontract terms and conditions to **MBE, WBE, and SBEs** as the ones offered to other contractors/subcontractors in the ordinary course of business.
- Document the terms and conditions being offered to both entities and make efforts to engage in either telephone or direct, in-person negotiations with **MBE, WBE, and SBEs** whose quotes were too high.

8. MBE, WBE, and SBE Outreach

GRHC and Contractors should adopt and implement the affirmative steps for implementing **MBE, WBE, and SBE Utilization:**

- Place qualified **MBE, WBE, and SBE** on the GRHC solicitation list, indicating the area of qualification (MBE, WBE, and/or SBE), and the types of contracting, services, and supply opportunities of interest to the **MBE, WBE, and/or SBE**.
- Notify MBE, WBE, and SBE firms on the **MBE, WBE, and SBE solicitation list** of contracting opportunities in writing on the first day of the procurement solicitation.
- When economically feasible, structure procurement solicitations so that the total requirements are divided into subsets consisting of smaller tasks or quantities for the purpose of retaining multiple firms or to facilitate subcontracting opportunities within the larger contract that would be suitable for **MBE, WBE, and SBE**.

- When feasible, establishing delivery schedules within procurements to encourage participation by **MBE, WBE, and/or SBEs**.
- Recommend that **MBE, WBE, and SBEs** use the services and assistance, as appropriate, of such organizations as the:
 - Small Business Administration
 - Minority Business Development Agency of the Department of Commerce
 - Grand Rapids Area Chamber of Commerce
 - Grand Rapids Minority Business Council
 - Grand Rapids Area Black Businesses
 - West Michigan Hispanic Chamber of Commerce
 - Small Business Association of Michigan
 - Michigan Small Business Development Center
- Requiring the Prime Bidder or Prime Contractor, if subcontracts are to be let, to take the affirmative steps listed in this policy for documenting efforts to implement requirements for **MBE, WBE, and SBEs**.

9. MBE, WBE, and SBE Waivers.

If, after the Contractor, Service Provider, and/or Supplier takes the affirmative steps listed in this policy and makes a good faith effort to subcontract to an **MBE, WBE, and/or SBE** firms, the Contractor, Service Provider, and/or Supplier is unable to meet the **MBE, WBE, and/or SBE** requirement, the Contractor, Service Provider, and/or Supplier may submit, with either their bid or during the project implementation, a written **MBE, WBE, and/or SBE Waiver Request** to the GRHC for evaluation. The request must set forth the reasons for the inability to meet any or all the **MBE, WBE, and/or SBE** participation requirements together with an explanation of the good faith efforts undertaken. A Waiver Request may be obtained directly from the GRHC.

10. Reporting Requirements

10.1 Initial Documentation

Contractors will provide GRHC their Utilization Plan indicating how they plan on achieving the use of **MBE, WBE, and/or SBEs**.

The utilization Plan template form will be available online at grhousing.org/request-for-bids.php. This form will be provided as part of the procurement package and can also be requested by written solicitation directed to the GRHC staff for a copy, if needed. Utilization Plans should be provided to GRHC for review from Contractors, Service Providers, and Suppliers.

10.2 Quarterly Reporting

Contractors, Service Providers, and Suppliers will be required to complete quarterly reporting. Reports are due the fifth (5th) day of each month following the quarter mark. The following table depicts quarter marks and report due dates:

Quarterly Reporting			
January-March	April-June	July-September	October-December
Due: April 5 th	Due: July 5 th	Due: October 5 th	Due: January 5 th

11. Corrective Actions

GRHC will notify Contractors, Service Providers, and Suppliers via a written request for information when additional material or corrections need to be provided. Contractors, Service Providers, and Suppliers are required to follow the instructions contained within the notification to comply with the request from GRHC.

12. GRHC Authority to Monitor and Audit

The GRHC has the discretion to perform ongoing monitoring of Contractors', Service Providers', and Suppliers' performance in compliance with the requirements contained herein and audit at any time to ascertain compliance with this policy and applicable rules and regulations. Notice of monitoring and auditing efforts will be given to the Contractors, Service Providers, and Suppliers with reasonable time.

13. Project and Program Closeout

GRHC will perform a review of the project file and notify the respective Contractor, Service Provider, and Supplier on the project file containing all the appropriate documentation including:

1. MBE, WBE, and/or SBE Utilization Plan
2. Quarterly Reporting
3. Documentation of Efforts
4. Other supporting certification needed on file

All Contractors, Service Providers, and Suppliers will comply with providing documentation needed to close their respective project files.