

June 26, 2013

**EXTEND THE REMEDIAL PROGRAM FOR MINORITY AND WOMEN-OWNED BUSINESS
ENTERPRISE PARTICIPATION IN GOODS AND SERVICES CONTRACTS**

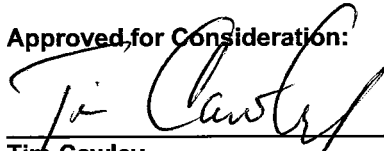
THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

~~That the Board extend the Remedial Program for Minority and Women Owned Business Enterprises~~

Participation in Goods and Services Contracts, as amended and attached hereto, until December 31, 2016.

~~HISTORY: On February 28, 2007, the Board adopted the current Remedial Program for Minority and~~

Approved for Consideration:




Tim Cawley
Chief Administrative Officer

Respectfully submitted:



Barbara Byrd-Bennett
Chief Executive Officer

Approved as to Legal Form: 



James L. Bebley
General Counsel

The Board of Education of the City of Chicago



**REMEDIAL PROGRAM
FOR
MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE
PARTICIPATION
IN
GOODS AND SERVICES CONTRACTS**

Effective

July 1, 2013

The Office of Business Diversity

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**REMEDIAL PROGRAM FOR
MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE
PARTICIPATION IN GOODS AND SERVICES CONTRACTS**

POLICY STATEMENT

THE BOARD OF EDUCATION OF THE CITY OF CHICAGO (THE BOARD), UPON THE RECOMMENDATION OF THE CHIEF EXECUTIVE OFFICER (THE CEO),

Chicago Board of Education (the "Board"), upon the recommendation of the Chief Executive Officer ("CEO"), based upon (1) the Board's findings that it has been a passive participant in discriminatory practices against racial and ethnic minorities and women in the procurement of goods and services industry in Chicago, and that it has a compelling interest in remedying that passive discrimination, and (2) its desire to continue narrowly tailored remedies to address that compelling interest.

1.6 The focus groups conducted by Ms. Holt confirm that M/WBEs continue to face barriers to participation in the CPS procurement process for goods and services. Specifically, the findings from the focus groups demonstrate that those barriers include:

- Difficulty obtaining public sector prime contracts
- Difficulty obtaining bonding and insurance
- Difficulty securing subcontracting opportunities in the public sector
- Difficulty obtaining contracts in the private sector
- Difficulty working with vendors who use M/WBE information for purposes of securing a bid or putting together a proposal submission and who do not ultimately utilize the services of the M/WBEs

1.7 A review of the April 2006 focus group information and the related reports from expert Colette

Holt further demonstrates that the following are and continue to be barriers to the success

2.4 Commercially Useful Function: Responsibility for the execution of a distinct element of the work of the contract which is carried out by actually performing, managing, and supervising the work involved, or fulfilling responsibilities as a joint venture.

2.5 Contract Specific Goals: The subcontracting goals for MAMDF participation established for a

2.14 Office of Business Diversity (OBD): The department with primary responsibility for administering and monitoring the M/WBE Program to ensure inclusion of qualified M/WBE companies on CPS contracts.

2.15 Subcontractor or Supplier: A person or entity that enters into a Goods and/or Services related contract with a Prime Vendor to provide goods or services pursuant to a contract between the Prime Vendor and CPS.

2.16 Women Business Enterprise (WBE): A business that is certified as a Women Business Enterprise by the City of Chicago, County of Cook or such other government entity recognized

by OBD.

III. EFFECTIVE DATES

3.1 The Business Diversity Program for Goods and Services Projects is continued effective as of July 1, 2013 and on that date shall supersede entirely the program adopted in February 2007 and extended in December 2012 for all contracts, renewals and extensions entered into on or

- a. Promulgating administrative rules and regulations for the Program and enforcing with Prime Vendors or Suppliers.

b. Submitting annual Program evaluation reports to the Board, CAO, Department of

- q. developing and maintaining a list of diverse, qualified and pre-approved vendors for certain contracts for goods and services.
- r. contacting private sector organizations and non-profit groups engaged in economic development activities and M/WBE trade and commercial associations and soliciting

their assistance in obtaining M/WBE participation.

- s. seeking recommendations of additional M/WBEs from private industry M/WBE

VI. CONTRACT AWARD PROCESS

6.1 Bid/Proposal Specifications

The Department of Procurement and Contracts shall insert within the specifications for each

Contracts that any bid or quotation that does not include an appropriate M/WBE Compliance Proposal be rejected by the Department of Procurement and Contracts.

Agreement between a Prime Vendor or Qualifier and a M/WBE to which the Prime

e. In making the determination of Good Faith Efforts, OBD will consider, at a minimum, the efforts of a Prime Vendor or Supplier to:

1. solicit through all reasonable and available means (e.g. attendance at pre-

[REDACTED]

12. implement a strategy for the training, employment, or continuing education of

present or former CPS students. The proposed program must involve substantial numbers of students and commit Prime Vendor or Supplier resources; meet

and effective;

13. participate in the CPS Mentor-Protégé Program ("Mentor Program") to provide technical assistance to increase M/WBEs' self-sufficiency, competitiveness and profitability;

14. provide objectively measurable resources to M/WBE business development or

subcontractors; payroll records; tax returns and records; and books of account. Prime Vendor or Supplier shall retain these records for at least three years after completion of the work.

Prime Vendor or Supplier shall periodically report to OBD all expenditures to achieve Program compliance.

7.3 Inspections

OBD may, with or without notice, periodically conduct on-site inspections of any contract

performance site or the place of business of any Prime Vendor or Supplier. OBD may be

Where the Prime Vendor or Supplier has established the basis for the substitution to the

satisfaction of OBD, the Prime Vendor or Supplier shall make Good Faith Efforts to fulfill the Program Compliance Plan. The Prime Vendor or Supplier may seek the assistance of

OBD in obtaining a new MAND if the Contract Specific Order cannot be

reached and Good Faith Efforts have been made, the Prime Vendor or Supplier may

8.6 Contract Modifications

The Contract Specific Goals applicable to a contract are also applicable to contract modifications. If a contract modification is within the scope of the M/WBE's subcontract performance, the dollar amount to be paid to the M/WBE must be adjusted by the Prime Vendor or Suppliers.

IX. NON-COMPLIANCE AND SANCTIONS

9.1 Determination of Non-Compliance

OPD shall monitor Prime Vendor's or Supplier's performance under the Program

Compliance Plan, as well as the fulfillment of any special conditions, work order goals, or

1. Referral by OBD to the Inspector General (IG) for investigation.
2. Initiation of proceedings to debar the Prime Vendor or Supplier and all persons or entities affiliated with them if warranted by IG investigation.
3. Reporting the debarment of any person or entity to other governmental agencies.
4. Referral to appropriate law enforcement authorities for investigation and possible prosecution.

b. Prime Vendor or Supplier may protest the OBD's determination of Section 9.3 sanctions

by filing a written appeal in accordance with the Appeals Process within fourteen (14) business days of receipt of OBD's determination, stating the grounds for such appeal and including all relevant information and documentation

c. The CAO's designees for the Appeals Process shall review the OBD's determination and make a recommendation to the CAO. The CAO's decision will be final. Sanctions will not be imposed until the CAO's final decision has been made.