

**QUESTION: From the backup it appears that there are some ethnic categories where the prime contractors are not meeting goals. How is this being monitored and what is the impact for the contractor?**

The Job Order Contract is an assignment-based contract – at award, we don't know the exact scopes of work that will arise and the subs that are included at award are an estimation of the forces that will be necessary. At the time of contract award, the prime contractors each submitted compliance plans that included subcontractors for scopes of work they anticipated would arise during the life of the contract and all were compliant by meeting the goals at contract award.

As assignments are made, when a scope of work a subcontractor for a listed for arises, the prime is required to use that subcontractor. If the prime contractor does not use the subcontractor listed for that scope of work without prior approval from SMBR, it will result in a violation of the MBE/WBE Procurement Ordinance. Additionally, if a new scope arises on an assignment and the prime contractor intends to subcontract the scope, they are required to follow the Request for Change Process, which includes contacting SMBR for a list of certified firms in that scope of work and contacting the firms on the list. If this does not occur, this will also result in a violation. This is monitored as each assignment is made through reporting on a subcontractor utilization form that must be received and reviewed prior to issuance of a notice to proceed with work.

Due to the nature of these contracts being assignment-based, SMBR monitors the assignments to ensure subcontractors listed on the approved compliance plans are used for those scopes of work toward achievement of the goals. The contracts have been reviewed to ensure compliance to date, and will be continued to monitored. When the contract is closed out, all the assignments will be reviewed again for compliance in their entirety and if issues occurred that were not caught through previous reviews, a violation will be issued, and sanctions, as outlined in the MBE/WBE Procurement Program Ordinance and Rules will be enforced.