Table of Contents

CHAPTER 1: SLBE POLICY ON CONSTRUCTION AND CONSTRUCTION-RELATED PROFESSIONAL SERVICES........................................................................................................... 1-1

CHAPTER 2: SLBE PROGRAM ON CONSTRUCTION AND CONSTRUCTION-RELATED PROFESSIONAL SERVICES.................................................................................. 2-1

I. DEFINITIONS........................................................................................................... 2-1

II. POWERS AND DUTIES OF THE DISTRICT.................................................. 2-3

III. GOALS AND INCENTIVES............................................................................. 2-4

A Overall Program Goals and Targets................................................................. 2-5

B Project Subconsultant Goals ........................................................................... 2-5

IV. BID DISCOUNTS AND EVALUATION CREDITS........................................ 2-5

A Informal Construction Contracts ................................................................. 2-6

B Construction-Related Professional Services.............................................. 2-6

V. CERTIFICATION OF SLBE FIRMS............................................................... 2-6

A Certification Standards ................................................................................. 2-6

B Investigations and Challenges of SLBE Status......................................... 2-7

VI. CONTRACT SIZE............................................................................................ 2-7

VII. INFORMAL CONTRACTING TARGETED TO SLBE CONSTRUCTION FIRMS......................................................................................................................... 2-7

VIII. CONTRACTING TARGETED TO SLBE CONSTRUCTION RELATED-PROFESSIONAL SERVICE FIRMS...................................................................................... 2-8

IX. PRE-AWARD PROCESSES........................................................................... 2-8

A Draft Contracting Documentation ............................................................... 2-8

B Good Faith Effort to Attain Goals ................................................................. 2-8
X. TARGETED OUTREACH ........................................................................ 2-10
    A Annual SLBE Meeting .................................................................. 2-10
    B Public Notice of Contract Opportunities .................................... 2-11
    C Pre-Proposal Meetings ............................................................... 2-11

XI. PROPOSAL SUBMISSION .................................................................. 2-11

XII. CONTRACT IMPLEMENTATION ..................................................... 2-12

XIII. DISPUTE RESOLUTION PROCESS .............................................. 2-12

XIV. CONTRACT COMPLIANCE ........................................................... 2-12
    A Assessing Participation ............................................................ 2-12
    B Monitoring Compliance .......................................................... 2-13

XV. SUBCONSULTANT UTILIZATION .................................................. 2-13
    A Workforce Compliance ........................................................... 2-13

XVI. SUBCONSULTANT SUBSTITUTION .............................................. 2-14

XVII. PROMPT PAYMENT ................................................................. 2-14

XVIII. ENFORCEMENT PENALTIES .................................................... 2-14

XIX. REPORTING AND TRACKING ..................................................... 2-14

XX. BUSINESS SUPPORTIVE SERVICES .......................................... 2-15

XXI. STAFF TRAINING ........................................................................ 2-15

XXII. PROGRAM REVISIONS ............................................................. 2-15

XXIII. PROGRAM REVIEW ............................................................... 2-15

XXIV. RULES, REGULATIONS, REQUIREMENTS AND FORMS ............. 2-15

XXV. SEVERABILITY ........................................................................... 2-16
1

SLBE POLICY ON CONSTRUCTION AND CONSTRUCTION-RELATED PROFESSIONAL SERVICES

It is the policy of the San Francisco Community College District (the District) to ensure full and equal business opportunity for all Small Local Business Enterprises (SLBEs) wishing to do business with the District.

The District has made the following findings concerning SLBEs:

∃ SLBEs that seek to enter into contracts with the District are at a competitive disadvantage with businesses from other areas because of the higher administrative costs of doing business in San Francisco (e.g., higher taxes, higher rents, higher wages and benefits for labor, higher insurance rates, etc.).

∃ The public interest is served by encouraging businesses to locate and remain in the District’s market area, the City and County of San Francisco, through the provision of bid discounts for construction or evaluation credits for construction related professional services in the awarding of District contracts to small local businesses.

∃ Policies and programs that enhance the opportunities and entrepreneurial skills of small local businesses will best serve the public interest because the growth and development of such businesses will have a significant positive impact on the economic health of the District’s market area.

∃ The bid preference mechanism has the advantage of affording SLBEs a competitive Aplus when bidding or proposing on District contracts. The bid preference mechanism does not exclude any potential contractor. It encourages competition and thereby ensures that the District is contracting with responsible, efficient contractors. Consequently, the bid preference mechanism will assist SLBEs to obtain District contracts.

The staff of the District will take affirmative steps to encourage SLBEs to participate in District construction and construction-related professional services work at both the prime contractor and subcontractor level. Special effort will be taken to encourage small local businesses to participate in activities that enhance their ability to perform work. Outreach
efforts will be targeted to new businesses as well as existing businesses in the City and County of San Francisco.
I. DEFINITIONS

The following is a list of definitions for terms used throughout this SLBE Program. The terms are arranged in alphabetical order.

1. “Bid” shall mean and include offer by a bidder or contractor to perform or provide labor, materials or equipment to the District for a price.

2. “Bidder” shall mean a person or firm who submits a bid.

3. “Construction work” shall mean all public projects as defined by section 22002(b) of the California Public Contract Code, including construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any District-owned, leased or operated facilities. “Construction work” shall also mean maintenance as defined by section 20656 et seq. of the California Public Contract Code, including carpentry, electrical, plumbing, glazing, and other craft work consistent with preserving the District’s facilities in a safe, efficient, and continually usable condition.

4. “Construction-related professional services” shall mean architectural services, engineering services, and consulting and other professional services performed in preparation for, or in conjunction with, construction work.

5. “Contract” shall mean and include any agreement between the District and a person or company to provide labor, materials or equipment for a construction or construction-related professional service project funded by the District.

6. “Contractor” (See definition of prime contractor.)

7. “Consultant” (See definition of prime consultant)
8. “District” shall mean the San Francisco Community College District.

9. “Goals” shall mean the relevant share of Local Business Enterprise participation required by the District in construction and construction-related professional services contracts in a given trade or profession.

10. “Joint venture” shall mean an association of two or more businesses to carry out a single business enterprise for profit, for which purpose they combine their property, capital, efforts, skills and knowledge. Each party to the joint venture must hold a current, active license in good standing and must share in risks and gains to the extent of the party’s participation in the joint venture. To be counted for the purposes of this program, joint ventures must be certified by the San Francisco Human Rights Commission under Section V, below. The District is not governed by the City & County of San Francisco, nor the San Francisco Human Rights Commission. The District is merely using the SFHRC definition.

11. “Small Local Business Enterprise” or “SLBE” shall mean a business enterprise with an established office(s) located within the boundaries of the City and County of San Francisco and which has been certified by the San Francisco Human Rights Commission as a Local Business Enterprise.

12. “Statement of Qualifications” shall mean and include offer by a consultant in response to a Request For Qualifications to perform construction-related professional services to the District for a price.

13. “Operate” shall mean being actively involved in day-to-day management, and not merely acting as officers or directors.

14. “Participation” shall mean that in utilizing one or more SLBE firms to satisfy the District’s subconsulting requirements, the consultant may count toward his/her subconsulting goals only those SLBE firms that perform a commercially useful function for payment.

15. “Prime Contractor” shall mean any person(s), firm, partnership, corporation, or joint venture that submits a bid to perform work, and/or enters into a contract with the District.

16. “Prime Consultant” shall mean any person(s), firm, partnership, corporation, or joint venture that submits a statement of qualification or proposal to provide services, and/or enters into a contract with the District.

17. “Proposal” shall mean and include offer by a proposer or consultant to perform construction-related professional services to the District for a price.
18. “Proposer” shall mean a person of firm that submits a proposal or statement of qualifications.

19. “Project” shall mean a contract or series of contracts to perform construction work or construction-related professional services work.

20. “Subcontractor” shall mean any individual, partnership, corporation or other legal entity entering into a contract with the prime contractor to perform a portion of the work.

21. “Subconsultant” shall mean any individual, partnership, corporation or other legal entity entering into a contract with the prime consultant to perform a portion of the work.

22. “Target” shall mean the level of small local business participation in construction-related professional service contracts that the District encourages prime consultants to achieve in meeting the goals that reflect the availability of small local businesses in a given trade or profession.

II. POWERS AND DUTIES OF THE DISTRICT

In addition to the duties and responsibilities enumerated elsewhere in this Program, the District will do the following:

The District’s Chancellor or designee shall assume primary responsibility for achieving the goals of this program and shall review, on a continuing basis, all aspects of the Program’s operations to assure that the purpose is being achieved.

When the District determines that it has reason to believe a company has committed fraudulent acts in representing that it is an SLBE, the District may exempt the organization from future District contracts, enforce any of the penalties set out in section XVIII, below, and/or report such fraudulent companies to the appropriate government authorities for criminal prosecution.

The Compliance Officer will have primary responsibility to implement and enforce compliance with this Program.

The program requirements can be met by the District’s hiring staff or by hiring an outside consultant with appropriate experience, as determined by the District.

Where there is any dispute or disagreement over the application, intent or meaning of this program, the District in its sole discretion shall make the final determination.
III. GOALS AND INCENTIVES

There are two types of subconsulting goals: (1) overall program goals which represent the percentage of SLBE subconsulting utilization the District will seek to achieve on an annual basis on construction-related professional service contracts, and (2) construction-related professional service contract specific subconsulting goals which will be set on a project-by-project basis.

The District has also established incentives to enhance SLBE participation at the prime contractor level on construction contracts under $15,000 and on construction-related contracts under $500,000. The following table summarizes the application of the subconsulting goal and the prime contractor incentive programs:

<table>
<thead>
<tr>
<th>Type of program</th>
<th>Size of Contracts Included</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Prime Contracts</td>
<td>Bid discounts</td>
</tr>
<tr>
<td></td>
<td>Contracts below $15,000</td>
</tr>
<tr>
<td>Construction-related Professional service Prime Contracts</td>
<td>Evaluation credits</td>
</tr>
<tr>
<td></td>
<td>Contracts below $500,000</td>
</tr>
<tr>
<td>Construction-related Professional service Subcontracts</td>
<td>Contract subcontracting goals</td>
</tr>
<tr>
<td></td>
<td>All contracts with subcontracting opportunities and where SLBEs are available to perform subcontracts</td>
</tr>
</tbody>
</table>

Section III. B., below, addresses subconsultant goals, while Section IV addresses prime contractor bid discounts and prime consultant evaluation credits.

A Overall Program Goals and Targets

1. Goals

The District has established an overall program goal to ensure an adequate level of SLBE participation in District construction-related professional service subcontracts. The annual SLBE subconsultant participation goal will be based on the availability of certified small local businesses for construction-related professional services:

Construction-Related Professional Service Goals

SLBE subconsulting: 50%
**B Project Subconsultant Goals**

The District will set project-specific subconsultant goals on each construction-related professional service contract, based on the availability of SLBEs to perform the specified work required for the proposed project. The source used by the District to identify firms is the San Francisco Human Rights Commission’s LBE certification list as discussed in section V below.

It is the objective of the District that the SLBE goals are met on each construction-related professional service contract awarded. No contract with SLBE goals shall be awarded to any consultant who has failed to meet these goals unless the consultant has made a good faith effort to meet the goals but was still not able to do so.

**IV. BID DISCOUNTS AND EVALUATION CREDITS**

The District is offering to SLBE firms an incentive bid discount on construction projects under $15,000, and evaluation credits on construction-related professional services projects under $500,000. The bid discounts and evaluation credits are intended to counterbalance the competitive disadvantage experienced by small local business enterprises.

The discounts and evaluation credits will apply as summarized in the following table:

<table>
<thead>
<tr>
<th>Type of Incentive Offered</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction Prime Contracts</strong></td>
</tr>
<tr>
<td>Bid discounts for projects below $15,000</td>
</tr>
<tr>
<td><strong>Architecture and Engineering Prime Contracts</strong></td>
</tr>
<tr>
<td>Evaluation credits on projects below $500,000</td>
</tr>
</tbody>
</table>

**A Informal Construction Contracts**

The District may extend a ten percent (10%) discount to a SLBE prime contractor. Therefore the bid price on a construction bid that receives the discount will be considered ten percent lower. This bid discount will not affect the amount a contractor will be paid on performance of a contract. Bid discounts may apply to construction projects under $15,000, except where prohibited by state or federal law or regulation. Contracts below this size are not subject to the State law requirement that the lowest bidder be selected.
B Construction-Related Professional Services

On construction-related professional service contracts, evaluation credits will be applied to rating points for the consultant evaluations. Evaluation credit may apply to construction-related professional service contracts awarded under $500,000, except where prohibited by state or federal law or regulation. The District may extend evaluation credits as follows:

1. To joint ventures with SLBE participation:
   i) A two percent (2%) evaluation credit if SLBE participation in the joint venture is more than thirty-three percent (33%) but less than fifty-one percent (51%);
   ii) A three percent (3%) evaluation credit if SLBE participation in the joint venture is fifty-one percent (51%) or greater.

2. A five percent (5%) evaluation credit to non-SLBE consultants who meet or exceed the SLBE subconsulting goal.

3. A ten percent (10%) evaluation credit to a SLBE prime consultant.

A prime consultant may claim no more than one of the three evaluation credits.

V. CERTIFICATION OF SLBE FIRMS

A Certification Standards

Small local businesses must be certified prior to the time proposals are due in order to receive credit toward the achievement of the SLBE goals. If a firm has been certified as a Local Business Enterprise by the San Francisco Human Rights Commission (HRC), the District will accept the certification. Lists of HRC certified companies are located on the Internet at www.ci.sf.ca.us/sfhumanrights/directry.htm. HRC=s Local Business Enterprise certification requires geographical location in San Francisco and a demonstration of the economic disadvantage experienced by local businesses in San Francisco. For this reason, HRC certification is required by the District.

B Investigations and Challenges of SLBE Status

The District may, at its sole discretion, initiate an investigation of a certification if it has reason to believe there is some question regarding the degree of ownership and control. An investigation may also be initiated if a person, another firm, or an organization protests the certification of a SLBE. The protest must be in writing, addressed to the Contract Compliance Officer, and must clearly delineate the character of the protest, and must state the reasons, including any evidence, that the protester questions the validity of a SLBE certification.
The District will forward this information to HRC, and in addition, may independently investigate the complaint. If, upon completion of the investigation, the District determines that the complaint is meritorious, it will not include the challenged firm’s participation in its calculation of goal attainment. It may also levy penalties against the firm as described in Part XVIII, below.

VI. CONTRACT SIZE

The District will use its best efforts to design contracts to most effectively enhance the opportunity for participation by SLBE firms to the maximum extent feasible in accordance with applicable law. When feasible, the District will direct its project designers to identify work that could be performed by small local businesses. The District will use its best efforts to encourage SLBE firms to bid on the smaller units of work. Construction projects which are estimated to cost more than the advertisement threshold for construction work set forth in sections 22002 et seq. and 20656 et seq. of the California Public Contract Code, and which will take place at different locations, may be segmented and awarded separately. In determining whether projects should be divided, the following criteria will be reviewed:

- whether the project takes place in more than one location;
- the size and complexity of the project;
- the similarity of work involved;
- difficulty of dividing the project;
- public safety and convenience; and
- project segmentation cost.

VII. INFORMAL CONTRACTING TARGETED TO SLBE CONSTRUCTION FIRMS

The District will contact at least one SLBE firm to solicit a bid on informal construction contracts. Informal solicitation and bid activity will also be tracked and monitored by the Compliance Officer.

VIII. CONTRACTING TARGETED TO SLBE CONSTRUCTION RELATED-PROFESSIONAL SERVICE FIRMS

Whenever the District plans to contract for construction related professional services, the District will contact at least one SLBE firm to solicit a qualifications and/or a proposal on construction-related professional service contracts. Solicitation activity will also be tracked and monitored by the Compliance Officer.

IX. PRE-AWARD PROCESSES
Written SLBE procedures will be established for the procurement of construction and construction-related professional services. These procedures will guide the implementation of the pre-award process.

A Draft Contracting Documentation

District project managers or their designee will include the SLBE requirements in their documents for each project. This documentation will be developed consistent with the District’s SLBE program, as well as budgetary and other considerations. Upon receipt of draft documentation, the compliance officer will review the relevant documents to ensure inclusion of appropriate contracting language regarding the SLBE requirements.

B Good Faith Effort to Attain Goals

It is the policy of the District to fulfill its subconsulting goals for SLBE participation, where applicable. In order to award a contract to a prime consultant that has failed to meet the SLBE subconsulting goals, the District must determine that the prime consultant’s efforts were those a prime consultant actively and aggressively seeking to meet the goals would have made. Efforts that are merely pro forma are not good faith efforts to meet the goals. Efforts which could not reasonably be expected to produce a level of SLBE participation sufficient to meet the goals are not good faith efforts, even if they are sincerely motivated.

1. Good Faith Effort Criteria

A prime consultant’s evidence of the following actions demonstrate the minimum good faith effort to meet the District’s SLBE goal:

1) Contacting the District to identify SLBEs. This includes attending pre-proposal meetings to receive instruction on the District’s SLBE program.

2) Contacting the San Francisco Human Rights Commission to identify SLBEs.

3) Publishing advertisements in at least two trade papers, where relevant or papers focusing on SLBEs, two weeks prior to qualification/proposal submittal, unless the District waives the requirement because trade papers do not exist or time limits imposed by the District do not permit that advertising.

4) Submitting request for qualifications/proposals to potential SLBEs with adequate specifications regarding the type of services and delivery schedule required to comply with the prime consultants solicitation. This level of effort must be sufficient to ensure that willing SLBEs, that perform services within the scope of the project, respond to the request. A sufficient effort includes:
i) Identifying with specificity units of work that SLBEs have the capacity to perform;

ii) Soliciting qualifications from firms certified with the SFHRC in the professions and/or specialty required for the advertised project in a number specified by the District

iii) Providing the scope of work and other documentation necessary for the targeted SLBEs to prepare a statement of qualifications.

5) Considering available SLBEs by contacting those willing and able to perform services within the scope of the project by:

iv) Having documented follow-up contact with a majority of the SLBE firms solicited in accordance with the required level of SLBE contact.

v) Directly negotiating with SLBE firms.

vi) Offering smaller portions of work or other assistance that could reasonably be expected to produce a level of SLBE participation sufficient to meet the goals.

Prime consultants should maximize the use of available resources and methods to solicit SLBE subconsultant participation. This will help ensure that subconsulting goals are met in the most cost-effective and timely manner possible.

Consultants who have not met the goals for SLBE participation must demonstrate in their proposal documents that they have used good faith efforts to utilize SLBE subconsultants. Upon submittal of a proposal, consultants who have not met the goal will submit a Good Faith Effort Report. On this Report, pursuant to requirements 1, 2 and 4, above, the consultants will list:

∃ The names of all SLBE firms contacted by the consultant to solicit their proposals.
∃ The name and title of the persons contacted.
∃ The date initial contact was made.
∃ The dates of all follow-up contacts.

The prime consultants will also identify specifically the portion of work for which a request for proposal or qualifications were issued, the dates that project documentation was made available to the SLBE, and the reason that the SLBE=s qualifications or proposal was rejected, pursuant to requirement 5, above. Consultants will attach all documents certifying that the above five steps have been followed, including but not limited to, letters, facsimiles, telephone logs, copies of advertisements and other documents relating to their efforts to solicit SLBE participation.
2. Good Faith Effort Review

If a consultant has not met the goals for SLBE participation, the District is to review the Good Faith Effort and make a recommendation whether the proposal should be accepted or rejected. The Compliance Officer will make a determination whether the consultant made a good faith effort to attain the goals. In addition to other actions in investigating the proposal, the Compliance Officer may contact the SLBE firms listed on the Good Faith Effort Report to verify the information provided by the consultant. When requested by the District, the consultant will also provide further documentation regarding its efforts to attain SLBE participation.

3. Appeals

Whenever the Compliance Officer recommends rejection of a proposal that has not met the goals, the consultant may appeal that denial to the Chancellor or his/her designee. The Chancellor may also review the Compliance Officer=s decision to award a contract based on good faith effort when the SLBE goal is not met. The Chancellor or his/her designee may overrule the Compliance Officer=s decision to deny an award of a contract to a consultant who has not met the goals only if the Chancellor or designee determines that the consultant took the above steps in making a good faith effort to solicit SLBE participation.

The decision of the Chancellor or his/her designee on the consultant=s good faith effort shall be final.

X. TARGETED OUTREACH

A Annual SLBE Meeting

An annual meeting will be held with the small local business community to inform them of contracting opportunities anticipated in the next year.

B Public Notice of Contract Opportunities

Notice of construction-related professional services request for proposals, request for qualifications, and construction request for bids will be provided by the District to SLBE consultants and subcontractors. These efforts will include but not limited to:

∃ Solicitation notices and information distributed through targeted mailers, faxes, e-mails, and local media to SLBE firms;
∃ Solicitation notices and information provided at special outreach events;
∃ Solicitation notices and information published at the District=s Contracting Web located at www.ccsf.cc.ca.us, and
∃ Personal contact with firms by District staff to offer general information about advertised and upcoming contracts.
In coordination with the Compliance Officer, the Office of Facilities Planning and Construction may provide special forums and targeted outreach activities tailored to the individual project.

On a regular basis, the District may distribute announcements on its Web site providing information on upcoming construction-related professional service and construction opportunities.

C Pre-Proposal Meetings

On selected large projects, the District will hold pre-proposal meetings to explain the process for proposing, the contract to be performed, and the provisions of the SLBE Program. Information on the SLBE program requirements shall be made available by the District to prospective proposers and subconsultants at the conference. Attendance at these pre-proposal meetings will be mandatory and count toward a consultant’s good faith effort to meet the SLBE program goals.

XI. PROPOSAL SUBMISSION

Prime consultants must submit with their proposal an Identification Listing for Prime consultants and Subconsultants form. This form will identify the particular SLBE firms to be utilized in performing the work, specifying for each, the dollar value of the participation, the types of work to be performed, and such information as may reasonably be required to determine the responsiveness of the proposal. This form will be available for public review.

Prime consultants must submit with the Proposal an Affidavit of Non-Disciplinary or Investigatory Action, attesting that no adverse action has been taken against them by the Equal Opportunity Commission, State of California Department of Fair Employment and Housing, or the U.S. Department of Labor Contract Compliance Program. If any action has been taken, the consultants must provide an explanation for any such actions, except where legal action is pending.

XII. CONTRACT IMPLEMENTATION

During the contract implementation phase, the Office of Facilities Planning and Construction is responsible for total contract oversight, with support and assistance from appropriate District offices.

XIII. DISPUTE RESOLUTION PROCESS

The District, at its sole discretion, may establish a process for resolving disputes that arise
out of this program that occur during the post-award phase of construction-related professional service contracts.

XIV. CONTRACT COMPLIANCE

A Assessing Participation

The prime consultant is responsible for ensuring that those SLBEs committed to perform work under the consultant’s contract perform a commercially useful function. Failure to fulfill this obligation will be considered a breach of the contract and damages may be assessed.

The prime consultant will be given credit toward the SLBE goals only when the SLBE performs a commercially useful function. The District will consider that a commercially useful function has been performed when a SLBE is responsible for the execution of a distinct element of the work by actually performing, managing and supervising the work involved in accordance with normal industry practice, and when the firm receives due compensation as agreed upon for the work performed.

In order to perform a commercially useful function, SLBEs must manage the work they have contracted. This management must include scheduling work operations, ordering equipment and materials, preparing the submitted payrolls and all other required reports and forms, and hiring and firing employees, including supervisory employees. The SLBE must perform the work of the contract with its own workforce. A limited portion of the work may be subcontracted consistent with normal industry practice.

B Monitoring Compliance

Consultants must maintain the SLBE percentages indicated at the time the contract is awarded throughout the term of the contract. The only exception is when an amendment expands an area of work where a non-SLBE firm is currently providing services on a contract or reduces the scope of work committed to the SLBE.

The District will monitor compliance with these requirements during the term of the contract. If there is cause to believe that a consultant or subconsultant has failed to comply with any of the requirements of this Program, or the contract provisions pertaining to local business enterprise utilization, the District will notify the consultant. The District may require such reports, information, and documentation from consultants, subconsultants and proposers as are reasonably necessary to determine compliance with the requirements.

Firms found to be in violation of these provisions may be subject to penalties described in section XVIII, below.
XV. SUBCONSULTANT UTILIZATION

Compliance, reporting, and tracking for construction-related professional services contracts requires the collection and maintenance of complete contract data. The Compliance Officer, working with the appropriate District Office, will maintain on a centralized database, information about the proposal process, award, and implementation, including amendments, actual payments, and subconsultant use. This information gathering is essential to the District=s ability to monitor compliance and make improvements in the contracting process. Subconsultants whose scope of work has been reduced will be afforded an opportunity to review the modification with the District. The names of companies listed on the successful statement of qualifications and on successful proposals will be posted.

A Workforce Compliance

Prior to being awarded a contract, each firm must submit to the District the following Equal Employment Opportunity Statement on the firm=s letterhead:

__________________________, agrees that it shall not discriminate against any employee in the workplace or against any applicant for such employment because of race, religion, sex, color, or national origin, handicap, age, gender identification, or sexual orientation.

XVI. SUBCONSULTANT SUBSTITUTION

No substitution can be made of a listed subconsultant without the prior written approval of the District. The subconsultant will be notified in writing of a substitution. In the event a SLBE subconsultant is to be replaced, the consultant shall be required to make good faith efforts to replace the original SLBE firm with another SLBE firm. The procedures for reviewing the consultant=s good faith efforts will be as set out above.

XVII. PROMPT PAYMENT

Consultants submitting invoices are to be paid within 30 days of submitting an approved invoice. District expects prime consultants to pay subconsultants promptly. Failure may disqualify a consultant from future contracts.

XVIII. ENFORCEMENT PENALTIES
Legally enforceable penalties will be included in all contract specifications and contracts. During project compliance reviews, if consultants are found to be in non-conformance with program requirements, penalties will be imposed. These penalties may include the District=s taking the following actions:

1. Declaring the consultant non-responsive and ineligible to receive the award of the contract;
2. Suspending the contract;
3. Withholding funds proportionate to the violation;
4. Rescinding the contract based upon a material breach of contract pertaining to SLBE utilization; or status; termination of contract.
5. Disqualifying a proposer, consultant, or other business from eligibility for providing goods or services to the District for a period not to exceed two years;
6. Disqualifying a business= status as a SLBE under the District=s program.

XIX. REPORTING AND TRACKING

Information on the SLBE Program shall be reported to the Board of Trustees at least twice annually. The District will request information on the ethnicity and gender of all businesses utilized on District contracts. This information will be used for tracking and information purposes.

XX. BUSINESS SUPPORTIVE SERVICES

The District=s Small Business Development Center will provide general business assistance information on where to go to obtain business start-up materials, license requirements, general business training and assistance, and financial assistance. The business assistance will be provided in cooperation with public and private agencies, the Small Business Administration, construction and construction-related organizations, and through the District=s course offerings and other public and private sources of business training and financing.

The District=s Small Business Development Center will refer the interested parties to appropriate non-credit training classes for SLBEs.

XXI. STAFF TRAINING

A comprehensive staff training program will be provided to all appropriate District personnel. The Program will be designed to ensure that all staff with construction and construction-related professional service contract procurement and management responsibilities are competent in contract administration, able to evaluate appropriate project size, and knowledgeable of the District programs aimed at encouraging diversity in
contracting. This training will be included in the new employee orientation program.

**XXII. PROGRAM REVISIONS**

The Chancellor or designee shall review proposed policy and program changes as well as the performance and outcomes of District contracting. The Chancellor in his/her discretion may establish an appropriate committee which may assist the Chancellor in these tasks. The committee may be composed of construction prime and subcontractors and construction-related professional services consultants.

**XXIII. PROGRAM REVIEW**

This Program will be reviewed by the District in five years. Changes in the Program which are required to administer it more effectively may be made by the District at any time.

**XXIV. RULES, REGULATIONS, REQUIREMENTS AND FORMS**

The District shall be authorized to issues rules, regulations, requirements, and forms.

**XXV. SEVERABILITY**

The provisions of this Program are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Program, or the invalidity of the application thereof to any person or circumstances shall not affect the validity of the remainder of this Program, nor the validity of its application to other persons or circumstances.