



# Contract Compliance Requirements

The City of Madison is proud to have *values* that support and sustain investing our resources in partners that will help us advance racial equity and social justice. In order to make sure that City of Madison dollars and the dollars of our tax payers are aligned with our values, we will conduct contract compliance on all projects we fund.

## Contract Requirements



**Subcontracting:** Provide Maximum Feasible Opportunity to Targeted Business Enterprises (TBEs)\*

- » Applies to: Developer and Prime Contractor
- » Frequency: Once before bidding for Subcontractors
- » Details:
  - Once a schedule of values is complete, send to the Affirmative Action Manager [contractcompliance@cityofmadison.com](mailto:contractcompliance@cityofmadison.com).
  - Do not bid for Subcontractors until the Affirmative Action Manager sets a goal for TBEs on the project. When bids are advertised for the project, include the TBE goal.
  - It is expected that the Prime Contractor subcontract with TBE firms to meet the TBE goal set by the Department of Civil Rights.
  - Email a list of subcontractors to [contractcompliance@cityofmadison.com](mailto:contractcompliance@cityofmadison.com) before the project starts to set up your online reporting.
  - If the TBE goal is not met, documentation of TBE *Good Faith Efforts* must be submitted to ensure that the Prime Contractor did all that was possible to subcontract with TBEs.
  - Once the slate of Subcontractors is approved and (if necessary) TBE Good Faith Efforts are approved, the contract’s commitment to TBEs will be set. This will be the expected percentage of construction costs that will be paid to TBEs.



**Affirmative Action Plan (AA Plan)** must be approved for the project duration

- » Applies to: Developer, Prime Contractor and all Subcontractors.
- » Frequency: One AA Plan per entity must be approved before that entity begins work on site
- » Details:
  - Affirmative Action Plans are submitted online. Federal Affirmative Action Plans may be submitted (via email to [aaplan@cityofmadison.com](mailto:aaplan@cityofmadison.com)) in lieu of the model online plan with additional appendices provided to meet the City of Madison requirements.

**\*Targeted Businesses Enterprises (TBEs) include:**

- » Small Business Enterprises (SBE)
- » Minority Business Enterprises (MBE)
- » Women Business Enterprises (WBE)
- » Disadvantaged Business Enterprises (DBE)
- » Section 3 Businesses

Each of these business types have a directory of certified businesses that can be found on our [website](#).

The Targeted Business Enterprise (TBE) Goal that is set depends on the funding source for the project:

- » City of Madison Public Works Construction Projects
  - Small Business Enterprises
- » Tax Incremental Financing (TIF)
  - Small Business Enterprises
- » US Housing and Urban Development (HUD)
  - Small Business Enterprises
  - Minority Business Enterprises
  - Women Business Enterprises
  - Disadvantaged Business Enterprises
  - Section 3 Businesses
- » WHEDA (Wisconsin Housing & Economic Development Authority)
  - We use WHEDA’s Emerging Business Enterprise (EBE) requirements and their 25% EBE goal
- » Department of Transportation (DOT) (Madison Metro Projects)
  - We use the DOT’s Disadvantaged Business Enterprises and their required DBE goal percentages
- » Department of Natural Resources (Madison Water Utility Clean Water Fund Projects)
  - We use the DNR’s Disadvantaged Business Enterprises and their required DBE goal percentages, which are usually 8%

## Contract Requirements Cont.



**Job Openings:** post with Department of Civil Rights **RAISE Program** (Referrals for Interviews and Sustainable Employment)

- » Applies to: Developers, Prime Contractors and all Subcontractors (including Vendors and Suppliers)
- » Frequency: Every time you are hiring
- » Details:
  - All job openings must be posted to the **RAISE Program** beginning when the contract is signed and for one year after that date.
  - If you receive a referral from one of our partner agencies, it is expected for you to offer an interview to the candidate they are referring.



**On Site Visit:**

- » Department of Civil Rights staff will visit the work site at least once during the project.

## Reporting Requirements



**Subcontractor Reporting:** Committed Cost Status Report

- » Applies to: Prime Contractor
- » Frequency: Monthly, due on the 15th of the month for the previous month
- » Details:
  - This report is submitted online and lists the amounts paid to Subcontractors. Enter the report online by following the **online instructions**.
  - Note – if you want additional training on how to submit this report online, sign up on our **training website**.
  - The Department of Civil Rights uses this report to track achievement of the TBE goal commitment set in #1 above.
  - As a reminder, if that commitment is not met, **TBE Good Faith Efforts** must be submitted and approved.



**Labor (workforce) Reporting:** Monthly Employment Utilization Report

- » Applies to: Prime Contractor and Subcontractors
- » Frequency: Monthly, due on the 15th of the month for the previous month
- » Details:
  - This report is submitted online and lists the demographic information of employees performing construction work. Of all hours worked on the project, 13% must be worked by people of color and 3% must be worked by women. This report allows us to track these demographics. Enter the report online by following the **online instructions**.
  - Note – if you want additional training on how to submit this report online, sign up on our **training website**.
  - If the project's hours worked are less than 13% for people of color and/or 3% for women, **Good Faith Effort** documentation must be provided and approved.



**Wage Reporting** (Only applicable on federally funded projects)

- » Applies to: Prime Contractor and Subcontractors
- » Frequency: Weekly
- » Details:
  - Federally funded projects require certain wages per hour for employees. Payroll records allow us to ensure that employees are being paid per federal guidelines.
  - Payroll records are submitted using **LCP Tracker**.