

**ADMINISTRATIVE GUIDELINES FOR THE  
EQUAL BUSINESS OPPORTUNITY - GOODS AND SERVICES POLICY**

**November 2025**

**CITY OF GRAND RAPIDS**

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## **SECTION 1: FOREWORD**

### **1.1 AUTHORITY, PURPOSE AND APPLICABILITY**

These Guidelines are promulgated by the City Manager pursuant to authority granted to the City Manager under the Equal Business Opportunity – Goods and Services Policy (EBO-Goods and Services Policy) adopted by the City Commission on the 13th day of July 2004, and amended on the 7<sup>th</sup> day of July 2009, and as amended on the 21st day of October, 2025, which EBO–Goods and Services Policy is expressly incorporated herein by reference and made a part hereof.

In support of the City’s Mission Statement and the City Commission Strategic Plan, the purpose of these Administrative Guidelines is to:

- A. Ensure non-discrimination in the performance and administration of City acquisition processes;
- B. Promote supplier diversity by providing all business enterprises access and an equal opportunity to participate on all city contracts for the acquisition of goods and services;
- C. Utilize strategies that enhance the growth and development of local, small and emerging businesses; and
- D. Establish requirements which shall be met by the Purchasing Department and all other City departments participating in the acquisition of goods and services.

### **1.2 LEGAL AUTHORIZATION**

The City of Grand Rapids is committed to public procurement of quality goods and services at economic prices and at the same time adhering to all laws, regulations, City ordinances and charter provisions which govern public purchasing. These guidelines shall be interpreted and applied in such a manner as to be consistent with legal authority for public purchasing.

### **1.3 PRINCIPLES**

In keeping with professional standards for purchasing, the following principles shall

apply to these Guidelines:

A. Ethics

The City holds all employees to high moral and ethical standards. All City employees involved in acquisitions shall adhere to the ethical standards promulgated by the National Institute of Governmental Purchasing and the Michigan Public Purchasing Officers Association as well as with the Administrative Policy 23-01 Employee Code of Conduct Policy.

B. Technology

The City is committed to the acceptance of and implementation of cost-effective technology. The Purchasing Department in consultation with the Information Technology Department (IT) shall evaluate and, where practicable, implement changes in technology. The areas of technology to be explored shall include but not be limited to electronic data interchange, imaging, automation of data collection and processing, e-commerce, Internet, World Wide Web, and computer hardware and software.

C. Environment

The City is committed to the preservation of the environment and encourages the purchase of sustainable products and materials. In addition, all City departments will recycle paper and other products whenever possible.

1.4 CONFLICT OF INTEREST

The City of Grand Rapids is committed to procuring quality goods and services needed by the City and its various agencies at the most economic price and at the same time adhering to the laws, regulations, City ordinances and charter provisions, policies and administrative guidelines that govern public purchasing. The laws of

the State of Michigan regarding conflicts of interest provide that no public servant may be a party directly or indirectly to a contract between that person and the public entity. The policies and guidelines of the City of Grand Rapids regarding the purchase of goods and services shall not be interpreted to create a conflict of interest or the appearance of a conflict of interest.

## **SECTION 2: DEFINITIONS**

### 2.1 DEFINITIONS

As used in these Guidelines or in the EBO – Goods and Services Policy, the following terms are defined as indicated:

<u>Asian</u>	<u>A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.</u>
<u>American Indian or Alaska Native</u>	<u>A person having origins in any of the original peoples of North America and South America (including Central America), and who maintains tribal affiliation or community attachment.</u>
<u>Acquisition:</u>	<u>The process of obtaining goods and services.</u>
<u>Award:</u>	<u>The selection of the bidder is made pursuant to the requirements set forth in the bid and the City Commission Policy.</u>
<u>Bid</u>	<u>An offer submitted by a prospective vendor in response to an invitation for bid issued by a purchasing authority; becomes a contract upon acceptance by the buyer.</u>
<u>Bid Applicant:</u>	<u>One who completes a Bidder Application/Registration packet.</u>
<u>Bid Discount</u>	<u>A business incentive practice allowing an original bid to be reduced by a certain percentage for having engaged in activities that embrace the City’s Mission Statement and City Commission Sustainability Plan with regard to social equity, prosperous economy, enriched lives and clean environment. The discounted bid amount is used in the selection process.</u>
<u>Bid Documents/ Packet:</u>	<u>Files containing all information relating to the bid.</u>
<u>Bid List:</u>	<u>A list of names and addresses of vendors from whom bids, proposals or quotations may be solicited.</u>
<u>Bid Opening:</u>	<u>The formal process in which bids are opened, usually in the presence of one or more witnesses, at the time and place specified within the bid document. The amount of</u>

	<u>each bid is recorded, and bids are made available for public inspection.</u>
<u>Bid Tabulation:</u>	<u>A public document listing all bidders who were solicited for bids and the bids received and opened at bid opening.</u>
<u>Bidder:</u>	<u>A business who submits an offer in response to a request for a bid or quote.</u>
<u>Black or African American</u>	<u>A person who has origins in any of the black racial groups of Africa.</u>
<u>Business Incubator:</u>	<u>A program that provides small or emerging businesses with affordable office space and shared support and business development services. Shared support and business development services include but are not limited to financial support, business counseling, management advising and professional assistance. Incubators play a nurturing role in helping newer businesses survive and grow during the start-up period when they are most financially vulnerable.</u>
<u>Certification (Certified):</u>	<u>The process that the City of Grand Rapids utilizes to determine whether businesses meet eligibility criteria as bona fide Micro Local Business Enterprises (MLBEMLE).</u>
<u>City:</u>	<u>City of Grand Rapids or the appropriate contracting Authority.</u>
<u>Collusion:</u>	<u>A secret agreement, whether expressed or implied, to commit a fraudulent, deceitful, unlawful, or wrongful act in contravention of competitive bidding requirements.</u>
<u>Commercially Useful Function:</u>	<u>The actual performance, management and supervision of the work on the contract, carried out by a business, including the following responsibilities: providing material and supplies used on the contract, negotiating the price, determining quantity and quality of the material, paying for material and installing the material if applicable.</u>
<u>Commodity Code:</u>	<u>A system (NIGP) of words and numbers (5-digit) designed to identify and list products or services by classes and sub-classes.</u>
<u>Commodity Group (Class):</u>	<u>A system (NIGP) of numbers (3-digit) designed to identify and list products or services by classes.</u>
<u>Compliance:</u>	<u>The conditions exist when a contractor meets the requirements of the EBO - Construction Policy and these Guidelines.</u>
<u>Conducting Business Activity:</u>	<u>The act of providing goods, professional services, and other business-related activities by businesses. Professional or other activity conducted by one or more persons located within the city limits for the purpose of gain or benefit that maintain an establishment within city limits, engage in the sales of goods and/or services from inside the city limits, and use real and personal property within the city limits for a related business activity.</u>

<u>Confidential Information (also called Trade Secrets, Privileged Information or Proprietary Information):</u>	<u>This is information describing technical process, tools, or mechanics that a business wishes to keep from the general public in order to maintain its competitive position in the market, and/or so that its business is not harmed.</u>
<u>Conflict of Interest:</u>	<u>Where an individual entrusted with goods and services is in a position or appears to be in a position to profit directly or indirectly from a City purchase. The conflict of interest includes those circumstances where improper purchasing processes are used to cultivate an unfair position of influence by a goods and service bidder.</u>
<u>Contract:</u>	<u>A legally binding agreement between two parties which consists of an offer by one party and acceptance of that offer by the other party. The contract is a result of a bid solicitation (entire document) and the acceptance of the bidder's complete offer.</u>
<u>Contract Administration:</u>	<u>The management of all actions that must be taken to assure compliance with the terms of the contract.</u>
<u>Current filing:</u>	<u>A company's tax returns are filed and all taxes due are paid.</u>
<u>Delegated Authority:</u>	<u>The authority and responsibility delegated by the Purchasing Agent to other City employees for the purpose of obtaining price quotes or making purchase in an amount of up to \$2,500 for goods not currently covered by City contract.</u>
<u>Diverse Business:</u>	<u>Within these guidelines, this term means MBEs, WBEs, Non-MWBEs, MLBEs, VOSBs, and businesses located within designated geographical areas.</u>
<u>Doing Business:</u>	<u>The conduct of any activity by businesses located in or conducting activity within the city limits for the purpose of gain or benefit. Businesses that maintain an establishment within city limits, engage in the sales of goods and/or services within the city limits or from inside the city limits, and use real and personal property within the city limits for a related activity.</u>
<u>Exception:</u>	<u>A situation in which the EBO Policy shall not apply in whole or in part. Exceptions shall be limited to those situations in which there is an over-riding public policy reason for not applying the EBO Policy. A request for exception to the EBO Policy must be made in accordance with these Guidelines.</u>
<u>Federal System for Awards Management (SAM):</u>	<u>The primary registrant database for the U.S. Federal Government. SAM collects, validates, stores and disseminates data in support of agency acquisition missions.</u>
<u>Formal Bid:</u>	<u>A bid which shall be submitted in confidence according to prescribed public procurement standards for public procurement.</u>

<u>Full-Time Employee</u>	An employee who works an average of at least 30 hours per week or 130 hours per month.
<u>General Target Area:</u>	<u>The General Target Area (GTA) is a geographic area of the City targeted for housing and community development activities. The GTA includes nonresidential areas and deteriorated residential neighborhoods where program services for home maintenance, emergency repairs, homebuyer assistance, economic development, and code enforcement are provided. The GTA is established by the Department of Housing and Urban Development and the geographical areas are identified and mapped by the City.</u>
<u>Hispanic or Latino</u>	<u>A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.</u>
<u>Informal Bid:</u>	<u>A competitive bid or price quotation for supplies or services that does not require a non-disclosed bid, public opening, or public reading of bids.</u>
<u>Joint Venture:</u>	<u>A legal business entity comprised of two or more separate businesses established with the intent of undertaking a single joint venture project for profit; and for sharing of profits and losses; and by contribution of skills or property by the parties as described in the joint venture agreement.</u>
<u>Local small and emerging business:</u>	For the purpose of these administrative guidelines, local, small and emerging business are: <ul style="list-style-type: none"> <li>• <u>Local: Geographical areas of the proximity to the City of Grand Rapids including but not limited to: West Michigan, Kent County, Grand Rapids MSA and/or the City of Grand Rapids. Local is specifically defined in each of the applicable programs.</u></li> <li>• <u>Small: A business whose size meets the standards of the North American Industrial Classification Service (NAICS) as established by the Small Business Administration (SBA).</u></li> <li>• <u>Emerging: A small business whose size standard is 50% or less of the NAICS standard for a regular small business as established by the SBA.</u></li> </ul>
<u>Mentor:</u>	<u>A mentor, as used in a mentor-protégé relationship, is an established firm that provides experienced staff and resources to assist a protégé firm (small and emerging business). The mentor helps the protégé firm set and achieve goals within an established timeframe.</u>
<u>Micro Local Business Enterprise</u>	<u>A business designation provided by the City of Grand Rapids to businesses that meet all of the criteria of Administrative Policy 04-01.</u>

<u>Minority:</u>	<u>A person who is a citizen or lawful resident of the United States who is:</u> a. <u>Black, a person having origin in any of the black racial groups of Africa.</u> b. <u>Hispanic or Latino, a person of Cuban, Mexican, Puerto Rican, South or Central American ancestry. Persons with European Spanish ancestry are not included as Hispanic or Latino for purposes of these administrative guidelines.</u> c. <u>Asian American, a person having origins in any of the original people of the Far East, Southeast Asia, the Indian sub-continent, or the Pacific Islands.</u> d. <u>American Indian, a person having origins in any of the original peoples of North America.</u> e. <u>Native Hawaiian or Other Pacific Islander: A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.</u> f. <u>Two or more races or Multi-racial: refers to individuals who identify with a combination of two or more of the following race categories: White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, or Some Other Race.</u>
<u>Minority Business Enterprise (MBE):</u>	<u>A business concern that has obtained certification, by one of the City’s designated agencies, in accordance with Section 4.1B of these Guidelines.</u>
<u>National Institute of Governmental Purchasing (NIGP) Code:</u>	<u>An extensive library of descriptive codes assembled and organized into a coding structure to identify and describe a wide variety of products and services. The Code is used for tracking purchasing activity and for classifying suppliers by the types of products they provide.</u>
<u>Native Hawaiian or Other Pacific Islander</u>	<u>A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.</u>
<u>Non-Compliance:</u>	<u>The condition existing when a contractor fails to meet the requirements of the EBO – Construction Policy or these Guidelines.</u>
<u>Non-MWBE:</u>	<u>A business concern that is not a MBE or WBE.</u>
<u>Non-Responsive Bidder:</u>	<u>A firm formally submitting a proposal for work contemplated, which proposal in the judgment of the City of Grand Rapids is incomplete and not in compliance with all bid requirements.</u>
<u>North American Industry Classification Systems (NAICS):</u>	<u>The standard for used by Federal agencies in classifying business establishments for the collection, analysis, and publication of statistical data related to the business economy.</u>
<u>Personal Net Worth:</u>	<u>Personal financial condition of the controlling owner(s) of MLBE businesses as determined by SBA (8a) status. For certification as an MLBE with the City, Personal Net</u>

	<u>Worth DOES NOT include the value of an individual's personal or primary residence.</u>
<u>Primary Business Location:</u>	<u>The official headquarters of a business where executive decisions are made and core administrative functions are managed. This is typically the address listed in business registration documents and reflects where the company is legally based, rather than where individual branches, stores, or franchise locations operate.</u>
<u>Project Manager:</u>	<u>An individual authorized by a City department to be the designated contact person and technical consultant for the acquisition of either specific goods or services, or for all acquisitions of the department.</u>
<u>Quote:</u>	<u>A statement of price, terms of sale, description of the goods offered, signed, stated on company letterhead, and in writing.</u>
<u>Quote Authorization Form (QAF):</u>	<u>An authorization form approved by the Purchasing Agent granting departments the authority to proceed with the bid process for purchases of goods between \$500 and \$2500.</u>
<u>Ready, Willing and Able:</u>	<u>A business that exists and actively seeks to do business with the City in order to be included in the pool of businesses available to perform on contracts, as determined by the City. Ready means that a business currently has the capacity and ability to perform work. Willing means that a business understands the requirements of the work requested and intends to perform the work. Able means that a business has demonstrated its capacity to perform the work.</u>
<u>Responsive Bidder:</u>	<u>A firm formally submitting a proposal for work contemplated, which proposal in the judgment of the City of Grand Rapids is complete and in compliance with the bid requirements.</u>
<u>Restrictive Specifications:</u>	<u>Stipulations that are imposed for bids of goods and services that restrain competition by excluding items that may satisfactorily meet actual needs.</u>
<u>Satisfactory Performance:</u>	<u>Contracted work completed by the subcontractor and accepted by the prime contractor.</u>
<u>Second Tier:</u>	<u>A vendor that supplies goods or services to a bidder.</u> <ol style="list-style-type: none"> <li>a. <u>Direct Second Tier: For purposes of bid discounts, a bidder may utilize a second tier vendor that provides goods and/or services, which pertain directly to the bid being let by the City.</u></li> <li>b. <u>Indirect Second Tier: A vendor that provides goods and/or services that cannot be identified in support of the requirements for a specific bid. Indirect second tier utilization cannot be counted toward a second-tier utilization bid discount.</u></li> </ol>

<u>Single/Sole Source:</u>	<u>The purchase of a goods or services from the only known available provider and/or occasioned by the unique nature of the requirement, supplier, or a condition, such as: one of a kind, monopolies, no substitutes, compatibility, standardization, use, and franchise.</u>
<u>Specification:</u>	<u>A description of the physical or functional characteristics, or of the nature of a good or service and the requirements to be satisfied by said good or service.</u>
<u>Supplier Diversity:</u>	<u>In support of the City's Strategic Plan and Equal Business Opportunity – Construction Program, supplier diversity is defined as a proactive practice that seeks to provide all construction contractors and subcontractors equal access to construction bidding opportunities in an effort to promote the City's Mission Statement and City Commission Sustainability Plan.</u>
<u>Sustainable Products:</u>	<u>Goods or materials whose production, use, and disposal created minimal or no negative environmental impact.</u>
<u>Term Contract:</u>	<u>Procurement method that establishes a source of supply for a specific list of goods and services, at specific prices, and covers a specific period of time (a term).</u>
<u>Top Management:</u>	<u>City Manager, Deputy City Manager, Chief Financial Officer, Chief Services Officer, and Department Directors of the City of Grand Rapids.</u>
<u>Two or more races or Multi-racial</u>	<u>refers to individuals who identify with a combination of two or more of the following race categories: White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, or Some Other Race.</u>
<u>Vendor:</u>	<u>A company who has done business with (sold to) the City.</u>
<u>Veteran:</u>	<u>As defined at 38 U.S.C. 101(2), means a person who served in the active military, naval or air service, and who was discharged or released under conditions other than dishonorable.</u>
<u>Veteran Owned Small Business (VOSB):</u>	<u>A small business whose size is no greater than 50% of the numerical size standard applicable to the NAICS and that is at least 51% unconditionally owned by one or more veterans; or in the case of any publicly owned business, at least 51% of the stock of which is unconditionally owned by one or more veterans; and whose management and daily business operations are controlled by one or more veterans.</u>
<u>White: (not of Hispanic origin)</u>	<u>All individuals with origins in any of the original peoples of Europe, North Africa or the Middle East.</u>
<u>Women Business Enterprise (WBE):</u>	<u>A business concern that has obtained certification, by one of the City's designated agencies, in accordance with Section 4.1B of these Guidelines.</u>

## **SECTION 3: ACQUISITIONS OF GOODS AND SERVICES**

### 3.1 COMPETITION

The rules and regulations of public procurement require competition and that qualified bidders are given the opportunity to compete on a fair, equal and open basis. Competition is the process by which at least three (3) bidders bid for the business of the City by offering the most favorable price, quality and service.

### 3.2 ACQUISITION APPROVAL LEVELS

Following are the acquisition approval levels established by the City of Grand Rapids and the method to be used for these acquisitions:

- Goods and Services over \$100,000 – City Commission Approval
- Goods and Services \$10,000 - \$99,999 – City Manager Approval
- Goods and Services \$5,000 - \$10,000 – Managing Director or Purchasing Agent approval
- Goods and Services \$2,500 - \$5,000 – Department Director approval
- Goods and Services \$500 - \$2,500 – Department Director approval
- Goods and Services under \$500 – Department Director/Manager approval

All purchases of the City of Grand Rapids must follow the competition and bid requirements established by the Purchasing Department, Fiscal Services and ethics policies. Responsible departments are required to ensure equal opportunity and non-discrimination by affirmatively identifying one to three (1-3) bidders from a diverse pool which should include but not be limited to MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs to solicit bids relevant to their projects.

A. Acquisitions of Goods and Services over \$100,000 – Formal Sealed Bids are required for any acquisition at this level. The formal sealed bidding process is required for any acquisition at this level. The formal sealed bidding process is a Purchasing Office Function.

1. Department Responsibilities:

- a. Departments shall designate a Project Manager who shall be responsible for the project from its inception to completion.
- b. Departments and/or the Project Manager shall secure all appropriate approvals prior to submitting a request to the Purchasing Department. Departments and/or the Project Manager shall ensure equal opportunity and non-discrimination by affirmatively identifying one to three (1-3) bidders from a diverse pool which should include but not be limited to MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs to solicit for bids relevant to their projects.
- c. Departments and/or the Project Manager shall submit bid specifications including the appropriate commodity codes to the Purchasing Department.
- d. Departments and/or the Project Manager shall assure that bidders are not solicited that are in noncompliance for contract compliance.
- e. Departments and/or the Project Manager shall make the award recommendation on the selection of a vendor to the Purchasing Department.

2. Purchasing Department Responsibilities:

- a. The Purchasing Department shall work with the departments and or the Project Manager to assure that the commodity codes are appropriate and the bid specifications are fair, equal and open and meet the needs of the department.
- b. The Purchasing Department shall provide departments with a bid list that includes a diverse pool of bidders which should include but

shall not be limited to MBEs, WBEs Non-MWBEs, MLBEs and VOSBs.

- c. The Purchasing Department shall solicit all bids in accordance with the Rules and Regulations of the City.
- d. The Purchasing Department shall conduct the formal bid opening and provide the department with the bid tabulations and all relevant data needed to make an initial award recommendation.
- e. The Purchasing Department shall obtain all approvals outlined in the City of Grand Rapids Charter, Ordinances, Policies and Procedures including but not limited to City Commission approval, Office of Equity and Engagement approval, Risk Management approval, and City Attorney approval as necessary.

3. Office of Equity and Engagement Responsibilities:

- a. The Office of Equity and Engagement shall work with departments and or the Project Manager to identify acquisition opportunities.
- b. The Office of Equity and Engagement shall work with both the Purchasing Department and with City departments to ensure non-discrimination in bidding and that a diverse pool of bidders which should include but shall not be limited to, MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs are solicited.
- c. The Office of Equity and Engagement shall maintain a current directory of Qualified as Certified Micro Local Business Enterprises.
- d. The Office of Equity and Engagement shall review and approve all bid lists greater than one hundred thousand (\$100,000) . Other bids

less than one hundred thousand (\$100,000) dollars and/or those lacking the indication of a process that provided for the solicitation of a diverse pool of bidders may be subject to the Office of Equity and Engagement review.

- B. Acquisition of Goods and Services \$10,000- \$99,999
- C. Acquisitions of Goods and Services over \$10,000 – Formal sealed bids are required for any acquisition at this level. The formal sealed bidding process is a Purchasing Department function.
- D. Goods over \$2,500 to \$10,000, and Services over \$500 to \$10,000 – These acquisitions are a function of the Purchasing Department.
  - 1. Department Responsibilities:
    - a. See Section 3.2,A1 for a delineation of responsibilities.
  - 2. Purchasing Department Responsibilities:
    - a. See Section 3.2,A2 for a delineation of responsibilities.
  - 3. Equity and Engagement Department Responsibilities:
    - a. See Section 3.2,A3 for a delineation of responsibilities.
- C. Goods and Services over \$500 up to \$2,500 –
  - 1. Delegated Authority: Acquisitions of goods over \$500 up to \$2,500 may be completed by an individual with delegated authority (IDA) responsibility in the user department.
    - a. Individuals With Delegated Authority (IDAs) shall:
      - 1. Secure all appropriate approvals and prepare written bid specifications for all items to be purchased.
      - 2. Solicit a minimum of three (3) quotations from a diverse pool of

bidders for every acquisition, which should include but shall not be limited to, MBEs, WBEs Non-MWBEs, MLBEs, and VOSBs.

3. Obtain and document quotations for all acquisitions of goods and services.
4. Utilize current term contracts where they exist. Only items available on that contract may be purchased against that term contract.
5. Make the final determination and award the acquisition.
6. Not split invoices or fragment acquisitions to fall below the delegated authority level.

b. Purchasing Department Responsibilities:

1. The Purchasing Department shall serve as a resource to provide information on specification writing, term contracts, and identification of bidders, which should include but shall not be limited to MBEs, WBEs , Non-MWBEs, MLBEs, and VOSBs as requested.

c. Equity and Engagement Responsibilities:

1. See Section 3.2,A3 for a delineation of responsibilities.
2. Purchasing Authority: Acquisitions of goods and services over \$500 up to \$2,500 must be handled by the Purchasing Department unless utilizing an individual with delegated authority (IDA) within the department.

a. Department Responsibilities:

1. See Section 3.2,A1 for a delineation of responsibilities.

b. Purchasing Department Responsibilities:

1. See Section 3.2,A2 for a delineation of responsibilities.

c. Equity and Engagement Responsibilities:

1. See Section 3.2,A3 for a delineation of responsibilities.

3. Quote Authorization Form (QAF): The Purchasing Department may, at the discretion of the Purchasing Agent, authorize the requesting department to obtain quotes for the acquisition of goods estimated between \$500 to \$2,500.

a. Requesting Department Responsibilities:

1. The department shall submit a requisition for goods to the Purchasing Department.
2. The department shall obtain a Quote Authorization Form (QAF) from the Purchasing Department.
3. The Project Manager responsible for the QAF shall submit written signed quotes and all documentation to the Purchasing Department for the issuance of a purchase order.
4. See Section 3.2,C1a for delineation of additional responsibilities.

b. Purchasing Department Responsibilities:

1. The Purchasing Department shall issue Quote Authorization Forms to the departments.
2. The Purchasing Department is responsible for generating and approving a purchase order for the project.
3. See Section 3.2,C1b for delineation of additional responsibilities.

c. Office of Equity and Engagement Responsibilities:

1. See Section 3.2,A3 for delineation of responsibilities.

- D. Goods and Services Under \$500 – These acquisitions are a function of individual departments.

1. Department Responsibilities:

- a. Departments shall designate an individual that shall secure all appropriate approvals and prepare bid specifications for all items to be purchased.
  - b. Departments shall utilize current term contracts where they exist. Only items available on that contract shall be charged to that term contract.
  - c. Departments shall obtain and document a minimum of three (3) quotations or prices from a diverse pool of bidders which includes but shall not be limited to MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs for all acquisitions under \$500.
  - d. Departments shall make the final determination and recommendation on the selection of a vendor and provide information including but not limited to commodity code, part/model number and description for the payment process.
  - e. Departments shall not split invoices or fragment acquisitions to fall below this level.
  - f. Departments shall develop and maintain a tracking system to report spending under \$500 with all vendors, including but not limited to MBEs, WBEs ,Non-MWBEs, MLBEs, and VOSBs.
2. Purchasing Department Responsibilities:
- a. See Section 3.2,C1b for delineation of responsibilities.
3. Equity and Engagement Responsibilities:
- a. See Section 3.2,A3 for delineation of responsibilities.

### 3.3 BID SPECIFICATIONS AND AWARD CRITERIA

It is the responsibility of the departments and the Project Managers to manage their acquisitions in accordance with the policies and procedures set forth by the City.

A. Responsibilities:

1. It is the responsibility of the department and/or the Project Manager to provide accurate and detailed specifications for the goods and services they wish to obtain. Specifications shall be clear, concise and non-restrictive.
2. It is the responsibility of the department and the Project Manager to assure that the specifications written are fair, equal and open; and that such specifications allow for participation and competition from diverse bidders, including but not limited to MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs. If a department identifies that the acquisition requires a single/sole source vendor; the department shall request an exception from the Purchasing Office and Office of Equity and Engagement.
  - a. Single/sole source requests will not be approved under the following circumstances:
    - i. Personal preference for a product or vendor.
    - ii. The justification is solely based on factors such as quality, cost, vendor performance, or immediate availability for delivery.
    - iii. The statement of "no substitution" is the only rationale.
    - iv. Lack of planning exists on behalf of the requesting department.
    - v. The requesting department made no attempt to identify single/sole source small businesses, including but not limited to MBEs, WBEs, Non-MWBEs, MLBEs and VOSBs.

- vi. Offers of trade-in allowances, no cost options or accessories, or special "package" or "deals" are made.
3. Equipment requested by departments from vendors on a trial, loan, demonstration or evaluation basis must be obtained through the standard bid process for services regardless of the actual cost of the trial, loan, demonstration or evaluation.

B. Award Responsibilities:

1. The City requires that bids be awarded based solely on the requirements set forth in the bid documents including the requirements contained in these Guidelines. The award criteria that will affect the bid price, bidders, and successful vendors shall be legally related to the bid, objective, measurable, and clearly stated. No criteria can be used to evaluate the bid that is not set forth in the bid documents.
2. Bids awarded under department authority shall be based on award criteria provided to all bidders at the time quotes are taken, including the requirements contained in these Guidelines.

3.4 TERM CONTRACTS

- A. Term contracts will be based on firm, fixed pricing, for the ongoing provision of goods and services to City departments. Term contracts shall be utilized as a procurement method that establishes a source of supply for a specific list of goods and services, at specific prices, and cover a specific period of time (a term). Term contracts are used to consolidate the acquisition of goods and services to achieve volume buying at reduced costs, while providing flexibility and convenience to City departments. The City shall promote the utilization of diverse vendors, which should

include but not be limited to MBEs, WBEs, Non-MWBEs, MLBEs and VOSBs on all term contracts.

B. Term contracts shall include, but not be limited to, a one-year term with two- year renewal options, and may be utilized by a single department, multiple departments, or citywide.

1. The Purchasing Department will supply in an electronic format, an updated and current list of term contracts held by the City.
2. Departments shall routinely review the term contract list before purchasing goods or services.
3. The Office of Equity and Engagement shall serve as a resource to City departments by facilitating the identification and utilization of diverse businesses, including but not limited to MBEs, WBEs, Non-MWBEs, MLBEs, and VOSBs.
4. Departments shall designate a Project Manager to administer the term contract as it relates to their department. The Project Manager shall be responsible for assuring that the contractual relationship is completed successfully and in accordance with the City's terms and conditions. Project Manager responsibilities include but are not limited to:
  - a. Monitoring vendor performance;
  - b. Communicating with vendors to assure understanding of the City's requirements within the scope of the contract documents;
  - c. Evaluating vendor performance;
  - d. Notifying the Purchasing Department promptly of any disputes, failures to perform or other concerns;
  - e. Documenting relevant activities under the contract;

- f. Informing vendors of billing practices; and
  - g. Processing payments to vendors.
- C. The establishment of a contract does not automatically authorize any user to purchase the goods or services from the vendor holding a term contract. If the department is not listed as user under the term contract, the Project Manager must contact the Purchasing Department to be added to the term contract.
- D. The establishment of a term contract does not automatically authorize the purchase of any goods or services from the vendor holding a term contract. The item must be specified in the term contract or added by the Purchasing Department at the request of the user department.
- E. Vendors shall invoice the appropriate department(s) listed on a term contract. The Purchasing Department shall be responsible for forwarding invoices received from vendors to the appropriate department to assure that all vendors holding term contracts, including but not limited to MBEs, WBEs, Non-MWBEs, MLBEs and VOSBs are paid promptly.

### 3.5 CONTRACT ADMINISTRATION

#### A. Department Responsibilities:

1. Departments are responsible for contract administration, including, but not limited to the day-to-day monitoring of the contract, monitoring the performance of the vendor, and any corrective or appropriate action for non-performance as prescribed in the contract.
2. Evaluation of performance is the responsibility of the user department. Matters such as failure to meet specifications, or other contractual requirements, must be documented in writing by the department. At the first

occurrence of a performance problem, the Project Manager shall call for a meeting with the vendor to eliminate any misunderstanding on the issues.

3. If the problem continues, documentation shall be forwarded to the Purchasing Department. The Project Manager and the buyer will meet with the vendor to resolve contractual problem. If it is determined that the vendor is at fault, and the vendor is not willing to take corrective action, the buyer will issue a written warning of possible contract termination should the problem continue.
4. If the condition repeats itself for a third time, the Purchasing Agent shall call a meeting with the Project Manager, the buyer and the vendor. If it is determined that the vendor refuses or is unable to take appropriate action on contractual problems, the Purchasing Agent may issue a written notice of contract termination.

B. Purchasing Department Responsibilities:

1. The Purchasing Department is responsible for contract modifications, changes, extensions, dispute resolution and terminations of contracts.

C. Office of Equity and Engagement Responsibilities:

1. The Office of Equity and Engagement shall assist in the resolution of misunderstanding of contract specifications between user departments, purchasing department and MBE, WBE, Non-MWBE, MLBE, and VOSB vendors.

3.6 ADVERTISEMENT FOR BIDS AND BID POSTING

A. Acquisitions under the authority of the Purchasing Department (Formal/Informal Bids):

For bids being let by the Purchasing Department the following shall apply:

1. Advertisement: The advertisement of bids shall be prepared by the Purchasing Agent and published widely to reach a diverse pool of businesses, including but not limited to MBEs, WBEs Non-MWBEs, MLBEs, and VOSBs. Such advertisements shall specify the place where the bids will be received and the time of opening of the same.
2. Bid Posting: To the extent practicable, the Purchasing Department shall post bid opportunities on the City's web site.

B. Acquisitions under the authority of City departments:

For acquisitions under the authority of City departments including QAFs, delegated authority, and purchases under \$500 City departments are not required to advertise bids and requests for quotes. However, City departments must ensure non-discrimination and equal opportunity and include a diverse pool of businesses which should include but not be limited to MBEs, WBEs, Non- MWBEs, MLBEs, and VOSBs in the acquisitions of these goods.

## **SECTION 4: DATA MANAGEMENT**

### **4.1 TRACKING, MONITORING AND REPORTING**

- A. To ensure non-discrimination and equal opportunity to participate in City contracts; and to identify and recommend appropriate changes when warranted, the Office of Equity and Engagement, in conjunction with the Comptroller and Purchasing Departments, shall be responsible for tracking, monitoring and reporting utilization for those goods and services acquisitions covered under these EBO – Goods and Services Guidelines.
1. The Office of Equity and Engagement will provide periodic reports and an annual report to the City Commission, in a public session. Such reports shall include, but not be limited to, data regarding MBE, WBE, Non-MWBE, MLBE, and VOSB

utilization and availability based upon City contract awards, payment data, availability; commodity type and term contracts.

- a. The Purchasing Department shall determine department purchasing abuse and provide periodic reports to the City Manager or his/her designee.

B. Tracking and Reporting of MBEs and WBEs

To ensure the integrity of the data collected regarding MBE, and WBE participation, OEE will track and report the participation of bona fide Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) certified by designated agencies.

OEE will only track bona fide MBEs, WBEs, MABEs and WABEs that have submitted relevant business contact information to the Office of Equity and Engagement along with a current copy of their certification from one of the following designated agencies:

1. National Minority Supplier Development Council (NMSDC)
2. Michigan Minority Business Development Council (MMBDC)
3. Women Business Enterprise National Council (WBENC)
4. National Women Business Owners Corporation (NWBOC)
5. Michigan Department of Transportation (MDOT)
6. Arab American Business Advisory Council & Minority Certification
7. National Native American Supplier Council (NNASC)
8. Certified Employee Ownership (EO) Certification

Because OEE tracks those MBEs and WBEs with current certification, it is the responsibility of the businesses to ensure that the City has a current copy of their certification on file with the Office of Equity and Engagement.

C. Tracking and Reporting of MABEs and WABEs

Requirements for MABEs and WABE

D. Tracking and Reporting of MLBEs and VOSBs

1. To monitor the impact and progress of local small businesses, OEE will track and report the utilization of MLBEs certified by the City of Grand Rapids.
  - a. To ensure the integrity of data collected regarding veteran owned business participation, OEE will track and report the participation of bona fide VOSBs that have submitted relevant business contact information to the Office of Equity and Engagement along with substantiation of CCR registration as a VOSB.

4.2 FORECASTING

During the annual budget preparation process, Top Management shall forecast, to the extent practicable, all anticipated goods and services projects to be bid during the upcoming fiscal year, outlined by the following process:

- A. The forecasting report for goods and services must be submitted together with the forecasting reports for construction and professional services.
- B. All forecasting reports are due and must be provided at the time the department's general operating fund budget is due.
- C. Forecasting reports must be submitted as directed by the budget instructions.

The Office of Equity and Engagement shall be responsible for the compilation and dissemination of all forecasting reports.

**SECTION 5: BID DISCOUNT PROGRAM**

5.1 EILIGIBILITY FOR BID DISCOUNTS

Vendors are encouraged to engage in practices that further the City's Strategic Plan Commission with regard to the City Value of equity and elevates the City Priorities of Government Excellence, Economic Prosperity, Engaged and Connected Community, Healthy Environment, Mobility and Safe Community. Bid discounts shall apply to all bids estimated at twenty-five hundred dollars (\$2,500) or more bid by the Purchasing Department. The Bid Discounts outlined in Section 5.1 A-D below, may be used in any combination not to exceed 5% or up to \$25,000 per bid, whichever is lower. Bids may be discounted where bidders can demonstrate and substantiate their involvement in these practices as follows:

A. Equity

1. Local Workforce: The City will give up to 2% bid discounts to businesses showing that they currently employ City of Grand Rapids residents (living within City limits) as part of their permanent workforce. Such commitment must be evidenced in the businesses' permanent labor force, defined as full-time employees who have been employed for at least 90 consecutive days (three months). For clarity, this requirement applies only to permanent employees and does not include owners, partners, or sole proprietors of the business. Such commitment must be evidenced in the businesses' permanent labor force as follows:
  - a. Grand Rapids Resident: A business whose labor force is comprised of 24% or higher Grand Rapids residents shall be eligible to receive a 1% bid discount.
  - b. Neighborhoods of Focus (NOF) Residents: A business whose labor force is comprised of 24% or higher Grand Rapids residents and at

least 50% of those Grand Rapids residents reside in the City's Neighborhoods of Focus (NOF) General Target Area (GTA) shall be eligible to receive an additional 1% bid discount.

- B. Prosperous Economy: The City will give bid discounts to businesses that participate in activities that improve the business environment and encourage business development as follows:
1. Micro Local Business Enterprise (MLBE): The City of Grand Rapids will give a 5% bid discount to businesses designated by the City of Grand Rapids as a MLBE.
  2. Joint Venture Bidding: As an incentive to bidders engaging in activities that stimulate the growth and development of MLBE as partners bidding as a joint venture, the City will apply a bid discount for MLBE participation at 5%. A joint venture must meet the requirements defined in Section 2.1
  3. Income Tax Incentive: The City of Grand Rapids supports those businesses that support its economic base through City income tax revenues. Any corporation, partnership, or sole proprietorship "doing business" or "conducting business activity" in the City of Grand Rapids that has filed an annual income tax return with the City and all filings are current as of December 31st of the prior year, is eligible to request a 1% bid discount when it submits bids to provide goods and/or services to the City. A bid discount application together with a release to obtain City income tax information must be submitted to the Office of Equity and Engagement for review and approval at least seven (7) working days prior to the bid opening date.

4. Neighborhoods of Focus (NOF) Neighborhood businesses are essential to creating and maintaining strong neighborhoods. The City will give bid discounts to businesses located in the Neighborhoods of Focus (NOF) (as defined in Section 2.1), thereby contributing to the economic health and vitality of the neighborhood in which it is located.

A business located in an area designated as a Neighborhood of Focus shall be eligible for bid discounts provided that it meets the following criteria:

- a. The business shall transact and operate business regularly for at least six (6) months from a fixed office located within the NOF and shall submit verification of business location for that time period.
- b. The business must demonstrate the existence of an office within the NOF as follows:
  1. The fixed or home office must function as an independent office site. The office cannot be a sham operation set up by a business with its principal office in a non-NOF area for purposes of obtaining a bid discount.
  2. The fixed or home office must contain all fixtures and/or equipment, including but not limited to, as appropriate, computer(s), software, copy machine(s), furniture, vehicle(s), tools, appliances and/or machinery necessary to operate the business;
  3. The fixed or home office contains all space necessary to operate the business.
  4. The office must be the main office for assigned personnel who

conduct a full range of the business's activities out of the local office, including but not limited to, professional, clerical and administrative duties as necessary to operate the local business.

- c. The following is a schedule of bid discounts that may be obtained by those business whose principal place of business is located in a NOF:

<u>TOAL BID AMOUNT</u>			<u>BID DISCOUNT</u>
\$2,500	-	\$50,000	5%
\$50,001	-	\$100,000	4%
\$100,001	-	\$200,000	3%
\$200,001	-	\$500,000	2%
\$500,001+			1%

- 5. Veteran Owned Small Business (VOSB): The City will give a 1% bid discount to veteran owned small businesses, as evidenced in the Federal Government's Central Contractors Registry (CCR) and meeting the requirement of being no greater than 50% of the numerical size standard applicable to the NAICS (i.e. emerging small).
- 6. Employee-Owned Business (EOB): The City will give up to a 2% bid discount to employee-owned businesses as evidenced by certification from a recognized third-party organization such as Certified Employee-Owned (Certified EO) and meeting all applicable City vendor requirements. Companies receive a 1% discount if they are headquartered in the State of Michigan, and an additional 1% discount if they are headquartered in Kent County, Michigan.
- 7. Area or Regional Bid Discount:. A regional bid discount may be applied to

bids over \$10,000 which are subjected to City Commission approval when the following criteria is met:

- a. The vendor bids are within 2% of the lowest bid. The bidders may then request to have a Regional Bid discount applied to their bids based on the primary business or business headquarters location within one of the following regional boundaries:

<b>Region</b>	<b>Bid Discount %</b>
City of Grand Rapids	2.0%
Kent County	1.5%
State of Michigan	1.0%

C. Engaged and Connected Community

Businesses that can demonstrate evidence of involvement in established partnerships that enrich the lives of the citizens of Grand Rapids through any of the activities listed below during the previous twelve (12) month period ending June 30th shall be eligible to receive a 1% bid discount for each activity, up to 2% total.

1. Family Friendly Policies –Evidence of official recognition of a practice or policy by a federal, state or local organization as being family friendly. Examples may include:
  - Paid Parental Leave
  - Flexible Work Arrangements
  - Lactation support (providing lactation rooms and paid time for mothers to lactation)
  - Employee Assistance Programs (EAPs)
2. Family Friendly Policies –Evidence of official recognition of a practice or policy by a federal, state or local organization as being family friendly. Examples may include:
  - Paid Parental Leave

- Flexible Work Arrangements
  - Lactation support (providing lactation rooms and paid time for mothers to lactation)
  - Employee Assistance Programs (EAPs)
3. Other innovative programs and practices of the business that further the City Commission Strategic Plan. Evidence of activities done in partnership with Grand Rapids public schools, Grand Rapids non-public schools or with area colleges and universities such as job training programs, job re-entry programs, mentorship and internship programs that provide evidence of positive impact on the objectives of the City Commission Sustainability Plan may be considered for bid discounts. Notwithstanding the above-mentioned examples, other innovative programs and practices may be considered.

The Office of Equity and Engagement shall review and approve or deny programs under this item.

D. Clean Environment

Businesses that can demonstrate acceptable evidence of protecting the environment through 2 (two) of the following activities during the previous twelve (12) month period ending December 31st shall be eligible to receive a 1% bid discount.

1. Adopt-A-Stream program – Proof of active annual participation with the West Michigan Environmental Action Council (WMEAC) in a full season of cleaning, monitoring and restoring streams within the City of Grand Rapids must be submitted to the Office of Equity and Engagement prior to approval of a bid discount.

2. Urban Forest Project Program - Proof of active annual participation in Friends of Grand Rapids Parks program (or other and/or successor program) in any of the Neighborhoods of Focus within the City of Grand Rapids. Must be submitted to the Office of Equity and Engagement prior to approval of a bid discount.
3. Other innovative programs and practices - Programs that further the environmental goals of the City Commission's Strategic Plan must be submitted to the Office of Sustainability for review and approval by the Office of Equity. Examples of other innovative programs include but are not limited to supporting alternative modes of transportation for employees, using all-electric or non-motorized equipment, waste reduction composting and recycling, inclusion of green building practices.

## 5.2 VALIDATION

After the bid is opened, the Purchasing Department shall calculate bid discounts based on the total bid amount. The bid discount shall then be applied to individual items.

Businesses desiring credit for bid discounts must follow the validation guidelines below:

A. Firms participating in programs or activities detailed in Section 5.1 A1, B1

Section 5.1 B4 through 5.1 D, must submit substantiation of their involvement to the Office of Equity and Engagement for approval as follows:

1. Applications for bid discounts shall be made annually. Annual bid discount applications shall be submitted for review by June 1st. Approved activities will

be effective July 1st through June 30 following the effective date.

- a. Firms requesting a bid discount under Section 5.1A.1 (Local Workforce) must submit an Annual Bid Discount Request Form to the Office of Equity and Engagement, together with one of the following types of workforce documentation for review and a determination of eligibility.
  - i. The most recently approved contract compliance workforce data (EEO form 201) and required substantiation.
  - ii. Local Workforce Form-4a
  - iii. Other workforce data meeting the requirements of Section 5.1 A.1.
2. The Office of Equity and Engagement will accept documentation of additional activities for bid discount purposes throughout the year. Documentation for such discounts shall be submitted at least seven (7) calendar days prior to the bid opening. Notification of the acceptance or rejection of the activity for purposes of discounting bids will be provided to the business and the Purchasing Department. Approved activities will remain in effect until June 30th following the effective date.

The discounted bid will be used in the selection process for the project and the recommendation for award. However, the original bid amount will be the basis for the contract award.

In those instances where an analysis of bids, including such bids that are discounted, results in two or more contractors having the same bid amount, the recommended award shall be the bid with the lowest original bid amount; however, the City reserves the right to award a contract in the City's best

interest, and therefore, may select a bidder other than the lowest.

## **SECTION 6: OTHER STRATEGIES**

The City of Grand Rapids continues to recognize that practices such as insurance assistance, training, business development, communication, outreach and matchmaking are essential in helping all small businesses including but not limited to MBEs, WBEs, Non-MWBEs, MLBEs and VOSBs overcome obstacles to successfully compete for City of Grand Rapids goods and services contracts. Through its EBO-Goods and Services Policy and Guidelines, the City will facilitate strategies that amplify opportunities. The Office of Equity and Engagement will work collaboratively with other entities in West Michigan to develop programs, services, training opportunities and other resources to facilitate the growth and success of these businesses.

### **6.1 BUSINESS DEVELOPMENT ASSISTANCE**

The Office of Equity and Engagement will provide business development assistance in planning, marketing, insurance, workforce training and other areas as needed. The Office of Equity and Engagement will provide this assistance by assessing the needs of firms, identifying the resources, and matching the assessed needs with the resources available. The Office of Equity and Engagement will then refer firms to business development organizations and business assistance centers that provide individualized assistance.

### **6.2 INSURANCE ASSISTANCE**

The City will provide assistance in training on the elements and concepts of insurance. This program will assist businesses that lack the capital or capacity necessary to meet insurance requirement for bids so that they can compete for projects.

### 6.3 COMMUNICATION AND OUTREACH

The Office of Equity and Engagement will take pro-active steps to ensure that small businesses including but not limited to MBEs, WBEs, Non-MWBEs MLBEs and VOSBs have an equitable opportunity to compete for City contracts on goods and services through communication and outreach efforts.

A. Communication – The City will engage in the following activities:

1. Advertise and post bid opportunities and seek quotes for all goods and services projects.
2. Publicize the EBO-Goods and Services Policy by advertising in news media, including minority media, and by notifying and discussing this policy with all entities seeking to be more inclusive in their procurement practices and/or seeking to do business with the City.
3. Develop and maintain a website containing pertinent information regarding doing business with the City. The City will also post solicitation notices, bid lists, bids and proposals, bid status reports, and other pertinent information.

B. Outreach – The City will engage in the following outreach activities including but not limited to:

1. Notifying businesses when City bid opportunities for goods and services are available.
2. Conducting workshops to provide firms with an opportunity to learn about the EBO-Goods & Services Policy and Guidelines.
3. Participating in various trade show activities and to actively recruit diverse businesses.

4. Participating in organizations that promote supplier diversity including, but not limited to, Michigan Minority Business Development Council, National Supplier Development Council, Michigan Women Business Council, Hispanic Chamber of Commerce, West Michigan Regional Purchasing Alliance and the Grand Rapids Chamber of Commerce.

#### 6.4 TRAINING

The Office of Equity and Engagement shall independently or in collaboration with other public or private entities develop and/or sponsor workshops, classes and networking opportunities to assist small businesses which includes but is not limited to MBEs, WBEs, Non-MWBEs, MLBEs and VOSBs in gaining expertise, information and resources on relevant business development practices. The Office of Equity and Engagement will provide technical assistance and facilitate other opportunities for growth. The City shall develop independently or in collaboration with other professional consultants a supplier diversity-training program for City of Grand Rapids staff. Management and City staff involved in any part of the acquisition process shall attend supplier diversity training.

### **SECTION 7: ACCOUNTABILITY**

In order to ensure compliance with the City's commitment to Equal Business Opportunity and non-discrimination practices, the City must have clear organizational top-down accountability including, but not limited to, consistent and regular staff involvement, monitoring, tracking and reporting of progress as well as analyzing achievement results. Accountability responsibilities are highlighted below.

#### A. Top Management and Cabinet Employees

1. Implement and adhere to these EBO Guidelines at the Functional Group

level.

2. Conduct regular review, analysis and tracking of Functional Group progress.
3. Periodically review Strategic Plan Priorities with Functional Group.
4. Hold department directors accountable for compliance with these Equal Business Opportunity Guidelines.
5. Attend Equal Business Opportunity training.

B. Department Directors

1. Implement and adhere to these EBO Guidelines at the departmental level.
2. Document departmental expenditures (including those under \$500) for all acquisitions, at all dollar levels and for all applicable commodity codes.  
  
The data documented should include expenditures for acquisitions by all vendors which includes but should not be limited to, MBEs, WBEs, Non-MWBEs MLBEs and VOSBs.
3. Periodically review payment data in relation to departmental benchmarks.
4. Identify a project manager with responsibility for ensuring that all departmental acquisitions are made in accordance with these Guidelines.
5. Participate in and secure training for all staff responsible for acquisitions.
6. Review progress with relevant responsible staff.
7. As part of the annual budget preparation process, submit a departmental forecasting report detailing, to the extent practicable, all anticipated goods and services projects to be bid during the upcoming fiscal year.
8. Attend Equal Business Opportunity training.

C. Responsible Staff (Project Managers and all staff responsible for acquisitions)

1. Implement and adhere to these EBO Guidelines as they relate to daily acquisitions.
2. Document departmental expenditures (including those under \$500) for all acquisitions, at all dollar levels and for all applicable commodity codes.  
The data tracked should include expenditures for acquisitions by all vendors which includes but should not be limited to, MBEs, WBEs, Non- MWBEs, MLBEs and VOSBs.
3. Ensure accuracy of selected and inputted document types, commodity codes and sub-object codes.
4. Attend Equal Business Opportunity training.

## **SECTION 8: CONTRACT SANCTIONS**

The City may impose sanctions against any business or second tier source who violates these Guidelines or provide information that is materially false or misleading. The severity of sanctions will depend on the degree of culpability and the extent to which the City relied on the false or misleading information.

In any event, if the City relies on the false or misleading information to award a contract, the City may impose monetary sanctions, in addition to other possible sanctions.

Furthermore, any business or second tier source under City contract who violates these Guidelines, fails to perform or is determined to be inadequate in performance shall also be subject to contract sanctions.

## **SECTION 9: APPEALS AND EXCEPTIONS**

### **9.1 APPEAL OF ADMINISTRATIVE DECISIONS**

Administrative decisions relating to certification may be appealed to the Managing

Director of Office of Equity and Engagement or current Director/Managing Director)

Any person wishing to file such an appeal must do so within five (5) working days of the notice of the administrative decision from which an appeal is taken.

The request for an appeal must be in writing and addressed to the City of Grand Rapids Office of Equity and Engagement and must make reference to the specific action or actions at which the appeal is directed. Within ten (10) calendar days of the request for appeal, the Managing Director of Equity and Engagement or their designee shall hold a hearing at which interested parties may present evidence and arguments in support of their respective positions. Failure of a party to appear at the hearing shall be deemed to be final acceptance of the administrative decision. Within five (5) working days of the hearing, the Managing Director of Equity and Engagement shall issue its written decision. The Managing Director of Equity and Engagement may affirm, modify or reverse all or any part of the administrative decision.

#### 9.2 APPEAL OF MANAGING DIRECTOR OF EQUITY AND ENGAGEMENT DECISIONS

The decision of the Managing Director of Equity and Engagement which denies an appeal from an aggrieved party may be appealed to the City Manager. Request for such appeals shall be filed with the Office of Equity and Engagement Director within five (5) calendar days of the notice of the decision in question. The request for appeal must make specific reference to the decision of the Managing Director of Equity and Engagement being appealed. Following receipt of the request for an appeal, the City's Office of Equity and Engagement shall schedule the matter for hearing by the City Manager. The party requesting the appeal shall be notified in writing of the time, date and place when the appeal will be heard. Failure on the

part of the party to appear at the hearing shall be deemed by the City as a final acceptance of the Managing Director of Equity and Engagement's decision.

All appeals from the Managing Director of Equity and Engagement's decisions which deny either a vendor's appeal or request for an exception by the City Manager (or designee) shall be heard under a procedure established by the City Manager. The appealing party shall be notified of the procedure to be followed. The procedure shall comport with basic due process. The City Manager or their designee shall, within ten (10) calendar days of the hearing, render a decision. The City Manager may affirm, modify or reverse, in whole or in part, the decision of the Managing Director of Equity and Engagement . The decision of the City Manager shall be final.

### 9.3 EXCEPTION TO THE EBO GOODS AND SERVICES POLICY REQUIREMENTS

Whenever the City Manager (or their designee), based on various circumstances related to the award of any City contract, determines that there is a need to request an exception to the EBO Policy, the City Manager (or their designee) shall make such request for an exception to the Office of Equity and Engagement .

The Office of Equity and Engagement shall have the authority to grant or deny a request for an exception to the EBO Policy, and its decision shall be based upon relevant factors as presented by the City Manager (or designee) and a determination of what result would best serve the public interest.

The request for an exception to the policy must be addressed to the Director of Equity and Engagement, and must include all relevant information which serves as the basis for the request for an exception to the policy. Within ten (10) days of the

request for exception, the Director of Equity and Engagement shall hold a hearing at which the City Manager (or their designee) may present oral and written evidence or arguments in support of the request. Within five (5) working days of the hearing, the Office of Equity and Engagement shall render its written decision to the City Manager (or designee). Any decision by the Community Relations Commission which denies a request for exception may be appealed to the City Commission pursuant to Section 9.2.

#### **SECTION 10: SEVERABILITY**

If any provisions of these Administrative Guidelines or any application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of these Administrative Guidelines which can be given effect without the invalid provisions or applications, and are to this end declared to be severable.

All questions regarding these Administrative Guidelines should be referred to the Office of Equity and Engagement, City of Grand Rapids, 300 Monroe N.W., Grand Rapids, MI 49503, (616) 456-3027.

Promulgated this 13<sup>th</sup> day of July 2004 by the City Manager under the authority of City Commission Policy 600-15.

As amended on the 13<sup>th</sup> day of March 2007 by the City Manager under the authority of the City Commission Policy 600-15.

As amended on the 16<sup>th</sup> day of September 2008 by the City Manager under the authority of the City Commission Policy 600-15.

As amended on the 7<sup>th</sup> day of July 2009, by the City Manager under the authority of the

City Commission Policy 600-15.

As amended on the 12<sup>th</sup> day of October 2015, by the Interim City Manager under the authority of City Commission Policy 600-15.

As amended on the 14<sup>th</sup> day of November 2025, by the City Manager under the Authority of City Commission Policy 600-15.

A handwritten signature in black ink, appearing to read 'Mark Washington', written over a horizontal line.

Mark Washington

City Manager