



Office of the Internal Auditor

June 29, 2018

Council President David A. Salvatore
City of Providence
City Hall
Providence, RI 02903

Dear Council President Salvatore:

On February 26, 2018 the City Council requested, via Resolution 2018-102, that the Internal Auditor and City Treasurer examine and evaluate the contracting, purchasing, and procurement processes of the City over the last three years. Attached you will find a report that reviews the purchasing processes for the City and includes recommendations.

If you have any questions regarding this report, please let me know.

Sincerely,

A handwritten signature in blue ink that reads "Gina M. Costa".

Gina M. Costa
Internal Auditor

A handwritten signature in blue ink that reads "James J. Lombardi, III".

James J. Lombardi, III
Treasurer

IN CITY COUNCIL
JUL 05 2018

READ
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.
A handwritten signature in blue ink, likely of the City Clerk.
CLERK

Procurement Review of the City of Providence

Resolution 2018-102

Completed by:

James J. Lombardi, III., Sr Advisor to City Council/ Treasurer

Gina M. Costa, Internal Auditor

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EXECUTIVE SUMMARY

Resolution of the City Council (2018-102) directed the Auditor and Treasurer to perform a review to determine if the City is following proper procurement laws in the City of Providence. It is to identify weaknesses in the system to allow the administration to correct any errors, improve the procurement process, and make the process more transparent.

We reviewed all known payments over \$4,900.00. Over the period of review (January 1, 2015, through December 31, 2017), there are 12,542 payments that met the parameters. A sample of five hundred (502) was selected, sorted by date and we chose every 26th payment.

Each department received a spreadsheet with the check number, vendor name, issue date, amount of check and general ledger code specific to their department. They were asked to provide the Board of Contract and Supply (BOCS) award letter or a purchase order number.

Findings:

1. Departments are making direct payments from expired contracts.
2. Direct payments are being made for items that violate fiscal policy.
3. Departments are not in total control of their own budgets (which causes oversight and internal control concerns).
4. The \$5,000.00 threshold is being exceeded on separate payments to the same vendor.
5. Not all BOCS approved vendors have purchase orders.
6. Without proper controls in place, we cannot determine whether purchase orders are being allowed that exceed Board of Contract and Supply awards.
7. Without proper procedures in place, it cannot be determined if the requirements of the Code of Ordinances Section 21-28.1., "Qualifications of parties doing business with the city" are being followed. There was no response to the request for procedures.
8. There are advertisements on the PRA website that may not be on the Board of Contract and Supply. (Page 14)

Recommendations:

1. Direct the Associate Director of Purchasing to conduct a citywide training program on the Code of Ordinance and Home Rule Charter for all employees, supervisors and directors responsible for purchasing.
2. Require all payments, excluding employee reimbursements, to be on purchase orders.
 - a. Although the Code of Ordinance indicates that items under \$500.00 do not need to be informally bid, a purchase order should be obtained to identify funding.

- b. This recommendation would thus require the finance department to reject all direct payments as indicated in the fiscal policy (Attachment 21).
 - c. This recommendation also requires payments for utilities, insurance, and payroll taxes to be placed on purchase orders.
- 3. Enforce department signatory authority by the Supervisor of Accounts Payable.
 - a. The Lawson system restricts the user level for creating purchase orders. However, when direct payments are created, the authorized signature is not necessarily reflective of the department. Ensuring that the authorized signature reflects the department code will eliminate cross department spending and strengthen internal controls.
- 4. A better central depository of records with access by the public.
- 5. The Solicitor should be signing off on **all** legal documents
- 6. The Administration needs to request that the Law Department provide more proactive guidance and oversight to the BOCS and the approval of contracts.
- 7. The City should investigate the ability of the Lawson software to limit spending to a contracted or purchase order amount.
- 8. Establish or update a conflict of interest policy.
- 9. Establish procedures to establish guidelines to follow Code of Ordinances, Section 21-28.1.
- 10. Ensure that all departments, agencies and quasi-agencies are using the BOCS for all formal public bids to remove any potential conflicts or violations.

PROCUREMENT REVIEW FOR THE CITY OF PROVIDENCE

PURPOSE:

Resolution of the City Council (2018-102) directs the Internal Auditor and City Treasurer to perform a review of transactions to determine if the City is adhering to Board of Contract and Supply (BOCS) laws in the City of Providence in accordance with the Code of Ordinances and Home Rule Charter. This review is to identify any weaknesses in the system and provide recommendations to correct and identify best practices. It is not an audit of all payments to determine unauthorized payments. It is not to provide any legal opinions about procurement. It is an opinion of the Internal Auditor and the Treasurer of the City of Providence. This review is for internal purposes and is not a review as defined by the American Institute of Certified Public Accountants (AICPA). The responsibility of the BOCS is found in the City of Providence Home Rule Charter, Section 1007.

Home Rule Charter, Section 1007 (c) 1. Board of contract and supply

(c) It shall be the responsibility of the board of contract and supply:

(1) To make all contracts for purchase of materials, supplies, services, equipment and property on behalf of the city, the price or consideration of which shall exceed five thousand dollars (\$5,000.00), on the basis of sealed bids solicited through public advertisement in a newspaper of general circulation in Providence, such bids to be submitted, opened and considered in accordance with rules and regulations approved by the board. The city council may increase the figure of five thousand dollars (\$5,000.00) by a two-thirds vote following a public hearing, but no more often than once every five (5) years;

APPROACH:

In order to determine if the contracting, purchasing and procurement processes of the City are followed in accordance with the Home Rule Charter and the Code of Ordinances of the City of Providence, we obtained all payments made on behalf of the City for the general fund, school funds, Water Supply Board and special funds. We eliminated all payments under \$4,900.00. Over the period of review (January 1, 2015 through December 31, 2017), there are 12,542 payments that met the parameters. A sample of 502 was selected by numbering the checks (sorted by date) one through twenty five. The middle number, 13, was chosen as the sample. No vendor payments were excluded (including payments for taxes, benefits, or checks written to the City). Exhibit 1 shows the sample number distributed by fund. We did not question the factual accuracy of the responses and reviewed them as presented.

Exhibit 1. Sample, by Fund

Fund	# of Checks
General Fund	173
School Fund	214
Planning & Development	47
Work Force Solutions	25
Water Supply Board	43
Total Sample:	502

The General Fund is further divided by department or division. Included in those sample checks are special funds that are controlled by the department. For example, Public Safety has a non-general fund account for grants (250) and rescue billing (283). Parks also has various funds, including one for park improvements (Fund 385). The department breakdown is shown in Exhibit 2. It is important to note that not all departments have been reviewed due to the sample selected.

Exhibit 2. General Fund, by Department

Department	# of Checks
Finance	57
Law	13
Municipal Court	4
Information Technology	2
City Collector	5
Human Resources	12
Public Safety	25
Public Works	20
Public Property	16
Inspections & Standards	2
Recreation	1
Parks	3
Arts, Culture & Tourism	2
Human Services	1
Recorder of Deeds	2
Emergency Management	1
Planning	3
Office of Economic Opp.	2
City Council	2
Department Total:	173

Each department received a spreadsheet with the check number, vendor name, issue date, amount of check, and general ledger code specific to their department. They were asked to provide the BOCS award letter or a purchase order number. Policy dictates that purchase orders over \$5,000 can only be obtained when there is an award letter from the BOCS. If a BOCS award letter or purchase order was not included, we asked for an explanation. Since all checks exceeded \$4,900.00, we opine that a purchase order should be the minimum provided documentation. All vendor checks in excess of \$5,000.00 should have Board authority, based on the Home Rule Charter, Section 107 and Code of Ordinance, Section 21-27.

Code of Ordinance Section 21-27 - Competitive Bidding

All contracts for purchase of materials, supplies, services, equipment and property on behalf of the city, the price of consideration of which shall exceed five hundred dollars (\$500.00) but amount to less than five thousand dollars (\$5,000.00) shall be made by the director of public property on the basis of three (3) or more informal competitive bids, which may be solicited without advertising, but which must be submitted in writing. Upon receipt of said informal bids any such contract shall be awarded to the lowest responsible bidder among them. All such contracts made on behalf of the city, the price or consideration of which shall exceed five thousand dollars (\$5,000.00) shall be made by the board of contract and supply on the basis of sealed bids solicited through public advertisement in a newspaper of general circulation in Providence and in such other newspapers published outside the city as said board in its discretion may determine, such bids to be submitted, opened and considered in accordance with rules and regulations approved by the board. All purchases made on behalf of the city, the price or consideration of which shall be five hundred dollars (\$500.00) or less, shall be made by the department or agency requiring the materials, supplies, services, equipment or property involved, in accordance with rules and regulations established by the director of public property.

Findings:

The Water Supply Board, School Department and Workforce Solutions provided approval letters from the BOCS on most items requested. Many of the issued checks in the sample that did not have approval letters were for utility payments, State of Rhode Island payments, payroll deduction and credit card payments. The purpose of requesting this information from departments was also to determine their level of internal control for tracking awards and contracts.

1. Departments are making direct payments from expired contracts. (Page 8, 12)
2. Direct payments are being made for items that violate fiscal policy. (Attachment 2)
3. Departments are not in total control of their own budgets (which causes oversight and internal control concerns). (Page 8, 9)
4. The \$5,000.00 threshold is being exceeded on separate payments to the same vendor. (Page 11)
5. Not all BOCS approved vendors have purchase orders. (Page 6)

6. Without proper controls in place, we cannot determine whether purchase orders are being allowed that exceed Board of Contract and Supply awards.
7. Without proper procedures in place, it cannot be determined if the requirements of Ordinance Section 21-28.1., "Qualifications of parties doing business with the city" are being followed. There was no response to the request for procedures.
8. The Providence Redevelopment Agency (PRA) does not submit items to the BOCS for approval.

Recommendations:

1. Direct the Associate Director of Purchasing to conduct a citywide training program on the Code of Ordinance and Home Rule Charter for all employees, supervisors and directors responsible for purchasing.
2. Require all payments, excluding employee reimbursements, to be on purchase orders.
 - a. Although the Code of Ordinance indicates that items under \$500.00 do not need to be informally bid, a purchase order should be obtained to identify funding.
 - b. This recommendation would thus require the Finance Department to reject all direct payments as indicated in the fiscal policy (Attachment 21).
 - c. This recommendation also requires payments for utilities, insurance and payroll taxes to be placed on purchase orders.
3. Enforce department signatory authority by the Supervisor of Accounts Payable.
 - a. The Lawson system restricts the user level for creating purchase orders. However, when direct payments are created, the authorized signature is not necessarily reflective of the department. Ensuring that the authorized signature reflects the department code will eliminate cross department spending and strengthen internal controls.
4. A better central depository of records with access by the public.
5. The Solicitor should be signing off on **all** legal documents
6. The Administration needs to request that the Law Department provide more proactive guidance and oversight to the BOCS and the approval of contracts.

7. The City should investigate the ability of the Lawson software to limit spending to a contracted or purchase order amount.
8. Establish or update a conflict of interest policy.
9. Establish procedures to establish guidelines to follow Code of Ordinances, Section 21-28.1.
10. Ensure that all departments, agencies and quasi-agencies are using the BOCS for all formal public bids to remove any potential conflicts or violations.

Department Review

All departments fully complied with the request for information. Based on the sample, not all departments were reviewed. We do not contend that ALL payments need to go to the BOCS. Examples are expenses directly authorized by the City Council in the form of a super majority of the Council or approved ordinances. (i.e. CDBG community groups identified by ordinance). There are departments that encounter expenses that are authorized by a different department; although not a finding for this audit, that is an internal control weakness.

A request for a policy on how purchasing Sec. 21-28.1 Qualifications of parties doing business with the city was compiled. There was no response to this request.

Therefore, we believe it is not followed. A summary of 21-28.1 covers the following:

- a. Background, reputation, integrity of bidder
- b. Certification that taxes are not delinquent
- c. Background checks optional
- d. Construction projects of \$100,000 or greater are required to have an apprenticeship program; Construction projects \$50,000 or greater adhere to air quality protocols - "Green during construction initiative"
- e. Goods or services greater than \$100,000 shall submit a "bidders affidavit"

GENERAL FUND

Finance:

The sample selected 57 payments for the Finance Department. Fifteen of the payments are to the City for retirement payments; 24 are for union benefits; and two are for state surcharges. The remaining 16 consist of capital expenses, master lease payments, grants and a tax refund.

Although not a finding, we recommend for budgetary controls that all payroll taxes, union dues and other benefits should be placed on a purchase order. Since the budget ordinances do not identify a total for each category, we believe that a letter of communication should be submitted to the BOCS (BOCS) based on the adopted budget.

Conclusion:

In the sample selected, we believe that the department is following the BOCS procedures.

Law Department:

The sample selected 13 payments in the Law Department. Nine of the 13 should have had BOCS approval, at a minimum, in the form of a letter of communications. Best practices would require bidding for Request for Qualifications (RFQ) at standard rate. The response from the Law Department is: "outside counsel and or experts are not required to go before the Board for approval." The Law Department may be exempt from the bidding process, but it is not exempt from communicating its intent publicly and obtaining a purchase order. The total amount paid to any vendor should be in the form of a purchase order identify a maximum amount of spending for three reasons: (1) to secure costs; (2) to monitor obligation; and (3) to determine funding availability. The contention that state law does not require the Solicitor to bid contracts is not relevant to financial oversight. The purpose of the Board is not only to create competition for the best price, but also to identify conflicts or potential conflicts as stated in 21-28.1. Since there is no oversight of the vendor selected, there is no certification that the vendor is current on taxes, or is there a "bidder's affidavit."

Since the Law Department does not submit a letter of communication, the hourly rate is not disclosed. The Solicitor enters into a contract based on his approval alone. There are no checks and balances to determine that the rates are competitive. In a recent federal HUD audit, the competitive bid process for legal services is a necessity, not an option. The audit states "...procurement standards require free and open

competition to the maximum extent possible. To achieve this...must rebid the contract on a regular basis." It is best practice for the Federal Government, why not the City?

Section 21-28.1 (e) of the Code of Ordinances requires contracts in excess of \$100,000 to disclose conflicts or potential conflicts. This section of the ordinance is completely ignored if departments do not submit contracts to the BOCS for approval. Since the Law Department opines that they do not have to send a letter of communication to the BOCS, there has never been compliance with disclosing potential conflicts of interest. It should be noted that this is not restricted to just the Law Department. This ordinance has never been considered in any BOCS award.

If the purchasing system were to function properly, the Solicitor should have sought City Council approval for the unauthorized overspending of \$9,158,000. Payment in the form of a direct payment denies the public and legislative branch of any knowledge of potential overspending until the payment is made, which usually occurs when the fiscal year has ended.

Conclusion:

We believe the Solicitor is not following the procurement procedures of the City of Providence. The Solicitor must send all payments for all contracts to the BOCS or City Council to obtain authorization to enter into and pay the contract.

Municipal Court:

The sample selected four payments for the Municipal Court. Although the payments selected were paid from Municipal Court, the department was not the department responsible to obtain BOCS approval or process the payments.

This is not a specific to this department. It is a citywide software authorization internal control weakness. Departments should not have access to create and pay purchase orders for other departments. This issue with this department was identified within the timeline of the scope of this review and has been corrected.

Conclusion:

We believe this internal control weakness has been resolved. These payments should have been made only from the proper department.

The BOCS procedures have been followed in the sample selected.

Information Technology:

The sample selected two payments in the Information Technology department. Both contracts were sent to and approved by the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Collector's Office:

The sample selected five payments in the Collector's Office. Four contracts were expired and must be bid and approved by the BOCS. Although not a finding, the fifth item was a payment to the Post Office as a direct pay.

The fact that the Collector's Office has been making payments in the form of a direct pay from an expired contract was disclosed during the data collection of this review. Without a contract in place, a vendor could increase pricing without notice. The fact that the department did not immediately put the items out to bid is alarming. Instead, it continues to make payments in the form of a direct pay, which the Finance Department has been allowing this.

Conclusion:

We believe the Collector's Office is not following the procurement procedures of the City of Providence. The Collector must send a letter of communication to the BOCS requesting the authority to pay the vendor on the expired services and identify all costs. The department must immediately bid out the services to enter into a new contract for the expired services.

In regards to the United States Post Office direct payment, it is recommended that the department send a letter of communication to the BOCS for the amount allowed in the budget to obtain a purchase order for financial oversight.

Human Resources:

The sample selected 12 payments in Human Resources which include worker's compensation awards and life insurance premiums. There was one misclassification but it was not required to go to the BOCS. There are payments for a Workers' Compensation city attorney fee and another for retirement board medical consultant fee. Although not a finding, we believe that Worker's Compensation attorneys should be competitively bid or at a minimum send a letter of communication to the BOCS to identify the budgeted cost and hourly rate.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Public Safety:

The sample selected 25 payments in Public Safety Departments. BOCS procedures were followed. Based on these transactions, this is our largest general fund department complying with the bidding and communications to the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Public Works:

The sample selected 20 payments in the Public Works Department. There were two payments made from this budget that were authorized by other departments. One of the expenses could not be identified by Public Works and possibly originated with the Parks Department. The Parks Department was unaware of the vendor. It is unknown if the BOCS procedures were followed, due to the lack of internal controls. This is a citywide software authorization internal control weakness. Departments should not have access to create and pay purchase orders for other departments.

Conclusion:

In these transactions, it is unknown if the BOCS procedures were followed. Department should be restricted to make expenditures from their accounts. These restrictions should occur within the Lawson software.

Public Property:

The sample selected 16 payments in Public Property. Six of the payments complied with the BOCS. Five payments were utility payments which were placed on a direct payment and processed by Finance. The remaining five (5) payments were to cover the rental expense at 444 Westminster Street by direct payments.

Conclusion:

There is a lack of internal controls when one department makes a payment on behalf of another department. This is a citywide software authorization internal control weakness. Departments should not have access to create and pay

purchase orders for other departments. The City utilizes Lawson software for its purchasing and accounts payable system. In the Lawson software, controls are in place to restrict access by department, for purchasing and payment. Since the purchase order identifies the expense account, the only way one department can create an expense from another department is by a direct payment. It is our opinion that direct payments should only be used to reimburse employees for expenses incurred on behalf of the City. In this scenario, the department charged with the expense does not have the supporting documentation to support the expense.

The department is following the BOCS procedures in five (5) of the sample selected.

Inspections and Standards:

The sample selected two payments in the department of Inspections and Standards. Both contracts were sent to and approved by the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Recreation:

The sample selected one payment in the Recreation Department. The amount was under \$5,000. The request should have been sent to purchasing to solicit an informal competitive bid process to determine the lowest vendor. Since location and transportation of children weighed heavily on the department's choice in venue for a **bowling alley, the final decision should be the Purchasing Department to remove any potential improprieties.**

Conclusion:

In this transaction, we **believe that the department should have allowed the Purchasing Department to handle the transaction for better internal controls.**

Parks:

The sample selected three payments in the Parks Department. Two of the three contracts received BOCS approval. The third was not but seems to be an oversight, as there were three invoices which total more than \$5,000. The three invoices consist of three purchase orders. Code of Ordinances, section 21-28 states "No purchase

request which is essentially a unit shall be divided for the purpose of evading the requirement of solicitation of competitive bids set forth in [section 21-27](#) of article II hereof." Departments have unique needs for goods and services that may not be determined until needed. The City allows for blanket contracts, which must be bid out to secure pricing for the term of the contract, with a maximum amount of obligation. The maximum amount allowed should conform to the budget amount for fiscal accountability.

Conclusion:

The BOCS procedures have been followed for two of the three checks selected.

Although the third item did receive purchase orders through informal bidding, the threshold of \$5,000 was exceeded. We believe this to be an oversight. We recommend a review of the current software to determine if it is capable of alerting departments of total allocations by vendor.

Arts, Culture, and Tourism:

The sample selected two payments in the department of Arts, Culture, and Tourism. Both contracts were sent to and approved by the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Human Services:

The sample selected one payment in the Human Services Department. The payment was approved by the BOCS. On the invoice it states that the vendor, Partnership for Providence Parks, Wendy Nilsson, is the Director. Although, we are not alleging any wrongdoing, there is no conflict waiver in the file nor stated.

Conclusion:

The payment was approved by the BOCS. We believe that the City should develop have a conflict of interest policy.

Recorder of Deeds:

The sample selected two payments in the Recorder of Deeds Office. Both contracts had approval by the BOCS, but the contracts have expired by the time of the review.

Similar to the Collector's office, this was known during the data collection phase of this report and the department has not publicly advertised these services. The vendor is receiving payment by a direct payment, approved by Finance.

Conclusion:

We believe the Recorder of Deeds Office is not following procurement procedures of the City of Providence. The department must send a letter of communication to the BOCS requesting the authority to pay the vendor on the expired services and identify all costs. The department must immediately bid out the services to enter into a new contract for the expired services.

Emergency Management:

The sample selected one payment for the Emergency Management Agency. The contract was approved by the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Planning:

The sample selected three payments in the Department of Planning. One of the three contracts were sent to and approved by the BOCS. There was a personal service contract with the department without BOCS approval and the other was a direct payment to BNY Mellon for Providence Public Building Authority.

Conclusion:

The BOCS procedures have been followed in one of the three samples selected.

The personal service contract violated the BOCS requirements. In these transactions, we believe that the department is not following the BOCS procedures and should have, at a minimum, submitted a letter of communication to the BOCS for authorization and obtain a purchase order. The purpose of the purchase order is to identify the awarded amount. If the purchase order is exceeded, then it indicates that the contract, as submitted to the BOCS, is complete. The department has the option to obtain a change order to continue the contract. This must occur while the contract is still active. The balance of the purchase order should provide insight to the department if an extension is needed.

We opine that best practices would require a letter of communication to the BOCS for the payment to BNY Mellon to obtain a purchase order.

Office of Economic Opportunity:

The sample selected two payments for the Office of Economic Opportunity. Both payments had BOCS approval.

Conclusion:

The BOCS procedures have been followed in the sample selected.

City Council Office:

The sample selected two payments in the City Council Office. One contract was sent to and approved by the BOCS. The other was a grant and under the threshold to require BOCS approval.

Conclusion:

The BOCS procedures have been followed in the sample selected.

The item not requiring BOCS approval was paid in the form of a direct payment. It is practice for both branches of government to use a direct payment for grants because there is no bidding required. However, we recommend securing a purchase order to track expenses.

NON-GENERAL FUND DEPARTMENTS

School Department:

The sample selected 214 payments in the School Department. Since we did not exclude any payments in our sample, some were payroll deductions and items that do not need to be bid. Based on these transactions, this is our largest department complying with the bidding and communications to the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Planning and Development (CDBG, PEDP/PBLF, PRA)

The sample selected 47 payments for non-general fund expenditures in the Planning and Development Department. These expenditures are for the Community Development Block Grant (CDBG); Providence Business Loan Fund (PBLF), formerly known as the Providence Economic Development Partnership (PEDP); City's Lead Safe Program; and Providence Redevelopment Agency (PRA). Twenty-nine payments were for CDBG. Since the vendors are identified by ordinance, there is no need to obtain board authority, but a purchase order is recommended. There are payments to vendors for the PBLF and PRA. Although there is not a BOCS award date provided, the department states that the "agency will put out to bid again in Spring 2019," as required by the HUD audit.

Two items paid from the Lead Safe Program do not have Board authority. The department notes that these payments occurred before it was were informed that BOCS approval is required. There are two other payments that do not have Board approval or purchase orders. One vendor provided property valuation services, and the other was hired to clean up contaminants for the PRA. There is a contract for this vendor, however, no BOCS award date or a purchase order has been reported.

Conclusion:

The BOCS procedures were not followed in the entire sample selected. The Department has bids only on the Department of Planning website for PRA projects. There should be one bid process for the City and all its agencies. We recommend that all bids go through the BOCS to ensure the formal process is in compliance.

Workforce Solutions:

The sample selected 25 payments for Workforce Solutions. All payments have a purchase order assigned.

Conclusion:

The BOCS procedures have been followed in the sample selected.

Water Supply Board:

The sample selected 43 payments for the Water Supply Board. BOCS procedures were followed. Based on these transactions, this is our second-largest department complying with the bidding and communications to the BOCS.

Conclusion:

The BOCS procedures have been followed in the sample selected

REVENUE

For the period of January 1, 2015 through December 31, 2017, we found nine items advertised that create revenue. The Parks Department had six of the nine. The Police Department, Public Property, and Department of Public Works each had one.

Parks Department

The Parks Department has solicited bids from the BOCS for items such as concessions at Roger Williams Park, gondola services and recommendations for a venue at Waterplace Park. All items were properly bid.

The award for the Waterplace Park venue was awarded to M.M. Asset Management and Delpidio Group because they "proposed the most desirable venue as reviewed by the Parks Department." The concern about this bid is that Delpidio Group also submitted a separate bid.

Since the bids included the same vendor in both proposals, it is questionable that the "Notice to Vendors" (Exhibit 3, page 4, number 4) section of the BOCS submission paperwork was not considered. It states "No proposal will be accepted if made in collusion with any other bidder". Additionally, this award has been amended, but has not been submitted to the BOCS for approval.

Conclusion:

All items have been properly advertised and awarded. We opine that the bids should have been questioned prior to the BOCS award. The original award is the only official contract with the City. Any amendments must be considered by the BOCS.

Police Department

The Police Department had one item out to bid as a "no cost to city" False Alarm Management System to act as a private collection service for false alarms. The vendor who was awarded the contract receives a percentage of the collection. The successful vendor, Public Safety Corporation, receives 19% of the collections. The award letter failed to include the percentage the vendor will receive. We feel that this is misleading stating that there is "no cost" to the City because 19% of the revenue is not realized.

Conclusion:

The department properly advertised for the item but failed to disclose that the City is not receiving 19% of the collections for false alarms. We believe that this is a cost and the BOCS should have rejected the contract.

The Department of Public Works and Department of Public Property properly advertised for the sale of city property.

Attachment 1

Resolution 2018-102

City of Providence
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 102

EFFECTIVE February 26, 2018

WHEREAS, Functional, efficient, and transparent contracting, purchasing, and procurement processes are vital to the proper operation of any government or public institution, including the City of Providence; and

WHEREAS, The Home Rule Charter and the Code of Ordinances of the City of Providence establish the laws governing the City's contracting, purchasing, and procurement processes, including many provisions designed to ensure that these processes are conducted in a fair, open, and fiscally responsible manner; and

WHEREAS, Constant vigilance is necessary to protect the integrity of City operations and to maintain the public's trust in their government and their elected officials; and

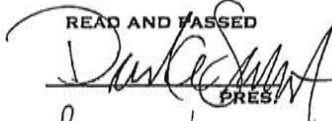

WHEREAS, As the elected representatives of the people of Providence, the City Council has a responsibility to monitor and continually improve the operations of the City.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Providence does hereby respectfully request that the Internal Auditor and the City Treasurer examine and evaluate the contracting, purchasing, and procurement processes of the City over the last three (3) years and provide the City Council with a report, no later than June 1st, 2018, detailing any deficiencies or areas in need of improvement identified, including but not limited to issues complying with the Home Rule Charter and the Code of Ordinances of the City of Providence, and making recommendations for improving those processes.


BE IT FURTHER RESOLVED, That, upon passage, copies of this resolution be sent to the Internal Auditor, the City Treasurer, the Finance Director, and the Mayor.

IN CITY COUNCIL

FEB 15 2018

READ AND PASSED

PRES.

CLERK

Effective without the
Mayor's Signature


Lori L. Hagen
City Clerk

Attachment 2

Direct Pay Procedures



Finance Department "Building Pride In Providence"

Memorandum

To: City Departments
From: Lawrence J. Mancini, Finance Director/Acting Director of Administration
Michael D'Antuono, Controller
Cc:
Date: 10/30/2014
Re: **Direct Pay Procedures**

This is a reminder that direct pays are only to be used for the following expenses:

- Reimbursements
- Refunds
- Utility bills
- **Court fees.**

All other expenses must go through the purchasing office. The Finance Office will not be approving direct pays for any other expense other than those listed above. Direct pays sent to **Finance or Accounts payable that do not fit the description above, will be sent back to** departments to follow the proper purchasing procedures.

Attachment 3

Advertisement Instructions



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

REQUEST FOR PROPOSALS

Item Description: TITLE (THIS TITLE MUST MATCH WHAT IS USED ON THE AD AND IN MINUTETRAQ)

Date to be opened: INSERT APPLICABLE MEETING DATE

Issuing Department: INSERT DEPARTMENT NAME

QUESTIONS

- Please direct questions relative to the bidding process, how to fill out forms, and how to submit a bid (Pages 1-8) to Purchasing Agent Patti Jordan.
 - Phone: (401) 680-5264
 - Email: pjordan@providenceri.gov
 - Please use the subject line "RFP Question"
- Please direct questions relative to the Minority and Women's Business Enterprise Program and the corresponding forms (Pages 9-18) to the MBE/WBE Outreach Director for the City of Providence, Grace Diaz
 - Phone: (401) 680-5766
 - Email: gdiaz@providenceri.gov
 - Please use subject line "MBE WBE Forms"
- Please direct questions relative to the specifications outlined (beginning on page 19) to the **issuing department's subject matter expert:**
 - **INSERT STAFF MEMBER'S NAME**
 - **PHONE NUMBER**
 - **EMAIL**

Pre-bid Conference

PLEASE NOTE HERE IF THERE IS A PRE-BID CONFERENCE, IF IT'S REQUIRED, AND WHEN & WHERE IT WILL BE HELD.

IF THERE IS NO PRE-BID CONFERENCE, PLEASE NOTE THAT HERE.



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

INSTRUCTIONS FOR SUBMISSION

Bids may be submitted up to **2:15 P.M.** on the above meeting date at the **Department of the City Clerk, Room 311, City Hall, 25 Dorrance Street, Providence.** At 2:15 P.M. all bids will be publicly opened and read at the Board of Contract Meeting in the City Council Chambers, on the 3rd floor of City Hall.

- Bidders must submit **2 copies** of their bid in sealed envelopes or packages labeled with the captioned **Item Description** and the **City Department to which the RFP and bid are related.** (On page 1)
- Communications to the Board of Contract and Supply that are not competitive sealed bids (i.e. product information/samples) should have **"NOT A BID"** written on the envelope or wrapper.
- Only use form versions and templates included in this RFP. If you have an old version of a form do not recycle it for use in this bid.
- The bid envelope and information relative to the bid must be addressed to:

**Board of Contract and Supply
Department of the City Clerk – City Hall, Room 311
25 Dorrance Street
Providence, RI 02903**

****PLEASE NOTE:** This bid may include details regarding information that you will need to provide (such as proof of licenses) to the issuing department before the formalization of an **award.**

*This information is **NOT** requested to be provided in your initial bid by design.*

All bids submitted to the City Clerk become public record. Failure to follow instructions could result in information considered private being posted to the city's Open Meetings Portal and made available as a public record. The City has made a conscious effort to avoid the posting of sensitive information on the City's Open Meetings Portal, by requesting that such sensitive information be submitted to the issuing department only at their request.



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

BID PACKAGE CHECKLIST

Digital forms are available in the City of Providence Purchasing Department Office or online at **<http://www.providenceri.gov/purchasing/how-to-submit-a-bid/>**

The bid package **MUST** include the following, in this order:

- Bid Form 1: Bidder's Blank as the cover page/ 1st page (see page 6 of this document)
- Bid Form 2: Certification of Bidder as 2nd page (see page 7 of this document)
- Certificate Regarding Public Records (see page 8 of this document)
- Forms from the Minority and Women Business Enterprise Program: Based on Bidder Category . See forms enclosed (pages 9-18) or on:
<https://www.providenceri.gov/purchasing/minority-women-owned-business-mbewbe-procurement-program/>

***Please note: MBE/WBE forms must be completed for EVERY bid submitted and must be inclusive of ALL required signatures. Forms without all required signatures will be considered incomplete.**

- Bidder's Proposal/Packet: Formal response to the specifications outlined in this RFP, including pricing information and details related to the good(s) or service(s) being provided. Please be mindful of formatting responses as requested to ensure clarity.
- Financial Assurance, if requested (as indicated on page 5 of this document under "Bid Terms")

All of the above listed documents are REQUIRED. (With the exception of financial assurances, which are only required if specified on page 5.)

*****Failure to meet specified deadlines, follow specific submission instructions, or enclose all required documents with all applicable signatures will result in disqualification, or in an inability to appropriately evaluate bids.**



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

NOTICE TO VENDORS

1. The Board of Contract and Supply will make the award to the lowest qualified and responsible bidder.
2. In determining the lowest responsible bidder, cash discounts based on preferable payment terms will not be considered.
3. Where prices are the same, the Board of Contract and Supply reserves the right to award to one bidder, or to split the award.
4. No proposal will be accepted if the bid is made in collusion with any other bidder.
5. Bids may be submitted on an "equal in quality" basis. The City reserves the right to decide equality. Bidders must indicate brand or the make being offered and submit detailed specifications if other than brand requested.
6. A bidder who is an out-of-state corporation shall qualify or register to transact business in this State, in accordance with the Rhode Island Business Corporation Act, RIGL Sec. 7-1.2-1401, et seq.
7. The Board of Contract and Supply reserves the right to reject any and all bids.
8. Competing bids may be viewed in person at the Department of the City Clerk, City Hall, Providence, immediately upon the conclusion of the formal Board of Contract and Supply meeting during which the bids were unsealed/opened. Bids may also be accessed electronically on the internet via the City's Open Meetings Portal.
9. As the City of Providence is exempt from the payment of Federal Excise Taxes and Rhode Island Sales Tax, prices quoted are not to include these taxes.
10. In case of error in the extension of prices quoted, the unit price will govern.
11. The contractor will **NOT** be permitted to: a) assign or underlet the contract, or b) assign either legally or equitably any monies or any claim thereto without the previous written consent of the City Purchasing Director.
12. **Delivery dates must be shown in the bid. If no delivery date is specified, it will be assumed that an immediate delivery from stock will be made.**
13. A certificate of insurance will normally be required of a successful vendor.
14. **For many contracts involving construction, alteration and/or repair work, State law provisions concerning payment of prevailing wage rates apply (RIGL Sec. 37-13-1 et seq.)**
15. No goods should be delivered or work started without a Purchase Order.
16. **Submit 2 copies of the bid to the City Clerk, unless the specification section of this document indicates otherwise.**
17. Bidder must certify that it does not unlawfully discriminate on the basis of race, color, national origin, gender, gender identity or expression, sexual orientation and/or religion in its business and hiring practices and that all of its employees are lawfully employed under all applicable federal, state and local laws, rules and regulations. (See Bid Form 2.)



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

BID TERMS

1. Financial assurances may be required in order to be a successful bidder for Commodity or Construction and Service contracts. If either of the first two checkboxes below is checked, the specified assurance **must accompany** a bid, or the bid will not be considered by the Board of Contract and Supply. The third checkbox indicates the lowest responsible bidder will be contacted and required to post a bond to be awarded the contract.
 - a) ☐ A certified check for \$_____ must be deposited with the City Clerk as a guarantee that the Contract will be signed and delivered by the bidder.
 - b) ☐ A bid bond in the amount of _____ per centum (%) of the proposed total price, must be deposited with the City Clerk as a guarantee that the contract will be signed and delivered by the bidder; and the amount of such bid bond shall be retained for the use of the City as liquidated damages in case of default.
 - c) ☐ A performance and payment bond with a satisfactory surety company will be posted by the bidder in a sum equal to one hundred per centum (100%) of the awarded contract.
 - d) ☐ No financial assurance is necessary for this item.
2. Awards will be made within **sixty (60) days of bid opening**. All bid prices will be considered firm, unless qualified otherwise. Requests for price increases will not be honored.
3. Failure to deliver within the time quoted or failure to meet specifications may result in **default in accordance with the general specifications. It is agreed that deliveries and/or completion are subject to strikes, lockouts, accidents and Acts of God.**

The following entry applies only for COMMODITY BID TERMS:

4. Payment for partial delivery will not be allowed except when provided for in blanket or term contracts.

The following entries apply only for CONSTRUCTION AND SERVICE BID TERMS:

5. Only one shipping charge will be applied in the event of partial deliveries for blanket or term contracts.
6. Prior to commencing performance under the contract, the successful bidder shall attest to compliance with the provisions of the Rhode Island Worker's Compensation Act, RIGL 28-29-1, et seq. If exempt from compliance, the successful bidder shall submit a sworn Affidavit by a corporate officer to that effect, which shall accompany the signed contract.
7. Prior to commencing performance under the contract, the successful bidder shall, submit a certificate of insurance, in a form and in an amount satisfactory to the City.



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

BID FORM 1: Bidders Blank

1. Bids must meet the attached specifications. Any exceptions or modifications must be noted and fully explained.
2. Bidder's responses must be in ink or typewritten, and all blanks on the bid form should be completed.
3. The price or prices proposed should be stated both in **WRITING** and in **FIGURES**, and any proposal not so stated may be rejected. **Contracts exceeding twelve months must specify annual costs for each year.**
4. Bids **SHOULD BE TOTALED** so that the final cost is clearly stated (unless submitting a unit price bid), however **each item should be priced individually**. Do not group items. Awards may be made on the basis of **total** bid or by **individual items**.
5. All bids **MUST BE SIGNED IN INK**.

Name of Bidder (Firm or Individual): _____

Contact Name: _____

Business Address: _____

Business Phone #: _____

Agrees to bid on (Items(s) to be bid): _____

If company is based in a state other than Rhode Island, list name and contact information for a local agent for service of process: _____

Please visit <http://www.naics.com/search/> and identify the NAICS Code(s) for items being bid on. Enter the NAICS code(s) here or in parentheses next to each item listed immediately above: _____

Delivery Date (when applicable): _____

Name of Surety Company (if applicable): _____

Total Amount in Writing*: _____

Total Amount in Figures*: _____

****If you are submitting a unit price bid please insert "Unit Price Bid."***

Use additional pages if necessary for additional bidding details.

Signature of Representative

Title



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

BID FORM 2: Certification of Bidder
(Non-Discrimination/Hiring)

Upon behalf of _____ (Firm or Individual Bidding),

I, _____ (Name of Person Making Certification),

being its _____ (Title or "Self"), hereby certify that:

1. Bidder does not unlawfully discriminate on the basis of race, color, national origin, gender, sexual orientation and/or religion in its business and hiring practices.
2. All of Bidder's employees have been hired in compliance with all applicable federal, state and local laws, rules and regulations.

I affirm by signing below that I am duly authorized on behalf of Bidder, on
this _____ day of _____, 20____.

Signature of Representative

Printed Name



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Certificate Regarding Public Records

Upon behalf of _____ (Firm or Individual Bidding),
I, _____ (Name of Person Making Certification),
being its _____ (Title or "Self"), hereby certify an
understanding that:

1. All bids submitted in response to Requests for Proposals (RFP's) and Requests for Qualification (RFQ's), documents contained within, and the details outlined on those documents become public record upon receipt by the City Clerk's office and opening at the corresponding Board of Contract and Supply (BOCS) meeting.
2. The Purchasing Department and the issuing department for this RFP/RFQ have made a conscious effort to request that sensitive/personal information be submitted directly to the issuing department and only at request if verification of specific details is critical the evaluation of a vendor's bid.
3. The requested supplemental information may be crucial to evaluating bids. Failure to provide such details may result in disqualification, or an inability to appropriately evaluate bids.
4. If sensitive information that has not been requested is enclosed or if a bidder opts to enclose the defined supplemental information prior to the issuing department's request in the bidding packet submitted to the City Clerk, the City of Providence has no obligation to redact those details and bears no liability associated with the information becoming public record.
5. The City of Providence observes a public and transparent bidding process. Information required in the bidding packet may not be submitted directly to the issuing department at the discretion of the bidder in order to protect other information, such as pricing terms, from becoming public. Bidders who make such an attempt will be disqualified.

I affirm by signing below that I am duly authorized on behalf of Bidder, on
this _____ day of _____ 20____.

Signature of Representative

Printed Name



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

**MINORITY AND WOMEN'S BUSINESS ENTERPRISE PROGRAM
BIDDER INFORMATION AND FORMS**

The City of Providence encourages Minority and Women owned businesses to participate in bids to meet the City's procurement needs. Pursuant to the City of Providence Code of Ordinances, Chapter 21, Article II, Sec. 21-52 (Minority and Women's Business Enterprise) and Rhode Island General Laws (as amended), Chapter 31-14, et seq. (Minority Business Enterprise), Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE) participation goals apply to contracts.

The goal for Minority Business Enterprise (MBE) participation is **10%** of the total bid value. The goal for Women's Business Enterprise (WBE) participation is **10%** of the total bid value. The goal for combined MBE/WBE participation is **20%** of the total bid value.

Bid Requirements:

Bidders that will hire subcontractors must include a commitment to utilize MBEs and WBEs at a percentage that equals or exceeds the contract goals stated above. The City of Providence would like to be able to identify those Bidders, as well as Bidders that are themselves certified as an MBE/WBE. Minority or women-owned Bidders and Subcontractors are encouraged to seek certification from the State of Rhode Island Minority Business Enterprise Compliance Office at: <http://www.mbe.ri.gov/>

Based on the category of Bidder, specific forms from this document must be included as part of the BID package, as indicated in the Bid Package Checklist on the first page of the Request for Proposals packet that the Bidder is responding to. To comply with the MBE/WBE guidelines, please:

1. Review the Bidder Category Worksheet (page M/WBE-2) and identify the category that describes **your business**.
2. Review the Form Matrix (page M/WBE-3) to see the forms required for your category
3. Print the required forms (found in this packet) or download an electronic, editable version from: <http://www.providenceri.gov/purchasing/minority-women-owned-business-mbewbe-procurement-program/>
4. Complete the forms and include them with the other required documents listed in the Bid Package Checklist on the first page of the Request for Proposals packet.

For more information or for assistance with these forms or with M/WBE certification, contact:

- **Grace Diaz the MBE/WBE Outreach Director for the City of Providence**
- **(401) 680-5766**
- **gdiaz@providenceri.gov**
 - Please use subject line **"MBE WBE Forms"**



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

BIDDER CATEGORY WORKSHEET

IF THE BIDDING FIRM WILL SUBCONTRACT ANY PORTION OF THE GOOD(S) AND/OR SERVICE(S), SEE THE SECOND BLOCK BELOW.

A Bidder who is NOT subcontracting falls into one of the following four categories:

(1A) Solo M/WBE: An individual or sole-proprietor registered with the State of Rhode Island as an MBE or WBE, which will deliver all goods and services outlined in the bid being submitted.

(1B) Solo Non-M/WBE: An individual or sole-proprietor *not* registered with the State of Rhode Island as an MBE or WBE, which will deliver all goods and services outlined in the bid being submitted.

(2A) Firm M/WBE: A firm registered with the State of Rhode Island as an MBE or WBE, employing multiple staff. All goods and services outlined in the bid will be delivered by members of said firm.

(2B) Firm Non-M/WBE: A firm *not* registered with the State of Rhode Island as an MBE or WBE, employing multiple staff. All goods and services outlined in the bid will be delivered by members of said firm.

A Bidder who IS Subcontracting falls into one of the following four categories:

(3A) M/WBE-Prime, M/WBE-Sub: A firm, individual or sole-proprietor registered with the State of Rhode Island as an MBE or WBE, who proposes to hire one or more subcontractors registered with the State of Rhode Island as an MBE or WBE to deliver a portion of the goods and services outlined in the proposal.

(3B) M/WBE-Prime, Non-M/WBE-Sub: A firm, individual or sole-proprietor registered with the State of Rhode Island as an MBE or WBE, who proposes to hire one or more subcontractors to deliver a portion of the goods and services outlined in the proposal, *none of which* are registered with the State of Rhode Island as an MBE or WBE.

(3C) Non-M/WBE-Prime, M/WBE-Sub: A firm, individual or sole-proprietor *not* registered with the State of Rhode Island as an MBE or WBE, who proposes to hire one or more subcontractors registered with the State of Rhode Island as an MBE or WBE to deliver a portion of the goods and services outlined in the proposal. -

(3D) Non-M/WBE-Prime, Non-M/WBE-Sub: A firm, individual or sole-proprietor *not* registered with the State of Rhode Island as an MBE or WBE, who proposes to hire one or more subcontractors to deliver a portion of the goods and services outlined in the proposal, *none of which* are registered with the State of Rhode Island as an MBE or WBE.



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

FORM MATRIX

After determining the Bidder category, see the corresponding column below. A '□' in the matrix below indicates the form is always required and a '?' indicates that it is dependent upon the ability of the firm to meet MBE/WBE goals and how much outreach was conducted.

FORM	CATEGORY							
	<u>1A</u>	<u>1B</u>	<u>2A</u>	<u>2B</u>	<u>3A</u>	<u>3B</u>	<u>3C</u>	<u>3D</u>
Form A: M/WBE Participation Affidavit					□		□	
Form B: M/WBE Participation Disclosure					□		□	
Form C: Contractor Intent (one per sub)					□		□	
Form D1: Contractor Waiver					?	?	?	□
Form D2: Independent Waiver	□	□	□	□				
Form E: MBE/WBE Outreach					?	?	?	?

Contractors falling into Category 3A, 3B or 3C who fully meet the MBE/WBE goals are not required to fill out the Contractor Waiver (Form D1) or Outreach (Form E). Depending upon the effort and results of the Bidder's outreach, the Outreach form may or may not be necessary for Category 3 Bidders.

Waiver Requests:

If a Bidder is unable to comply with a contract goal, a waiver request signed by the MBE/WBE coordinator must be submitted with the bid. The waiver request must be made on the MBE/WBE Participation Waiver Request Form (Form D1 or D2). If Bidder is Subcontracting a portion of the contract (Category 3) and will not meet MBE/WBE goals, no waiver will be granted unless the waiver request includes documentation that demonstrates that the Bidder has made good faith efforts to comply (which may include Form E, for Outreach).

Contract Requirements:

During the term of the contract, any unjustified failure to comply with the MBE/WBE participation requirements is a material breach of contract. Contractors in category 3A and 3C must submit the Subcontractor Utilization Form (Form F) quarterly (not with the bid package), or for contracts with a duration of less than 3 months, it must be submitted along with the contractor's request for final payment. The form will include all subcontractors utilized on the contract, both MBE/WBE and non- MBE/WBE, the total amount paid to each subcontractor, and the owner's race/ethnicity and sex.

For category 3A and 3C, please thoroughly review the Participation Affidavit (Form A) for information regarding documentation submission requirements throughout the duration of the contract.



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

VERIFYING MBE/WBE CERTIFICATION

Each Bidder is responsible for verifying that each MBE/WBE named in a proposal and included in a contract is certified by the Rhode Island Minority Business Enterprise Compliance office. The current MBE/WBE directory is available at the State of RI MBE Office, One Capitol Hill, 2nd Floor, Providence, RI, or online at www.mbe.ri.gov (click "Directory Search" then search by "Product or Service" or "Company Name"). You can also call (401) 574-8670 to verify certification, expiration dates and services that the MBE/WBE is certified to provide. *NOTE: Companies identified as Portuguese are not included in the City of Providence's MBE/WBE Program.*

Commercially Useful Function: The Bidder may count toward the contract goals only expenditures to a MBE/WBE that performs a commercially useful function in the execution of the contract. Commercially useful function means the performance of real and distinct work for which the business enterprise has the skill, expertise, and responsibility to perform, manage and supervise.

Subcontracting by MBE/WBE: A Bidder **MAY NOT** count toward its contract goal any agreement with a certified MBE or WBE subcontractor who intends to subcontract more than 10% of the dollar amount of the services to be performed under its agreement with the Bidder. This restriction does not apply to an MBE/WBE Contract for the purchase of materials, equipment, or supplies incidental to the performance of services under its agreement with the Bidder.

Manufacturers: The entire expenditure to a certified MBE/WBE manufacturer may be counted.

Non-Manufacturer Suppliers: A Bidder may count 100% of its expenditure to a certified MBE or WBE supplier. (However, only 10% of each contract goal may be attained by expenditure to MBEs or WBEs that are non-manufacturing suppliers.)

Insurance Companies and Travel Agents: A Bidder may count toward the contract goals only 10% of its expenditure to a MBE or WBE insurance company or travel agent.

Financial Institutions: Only fees charged/earned by MBE/WBE Financial Institutions may be counted.



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Form A: MBE/WBE Participation Affidavit

The undersigned authorized representative of contractor does hereby make the following Affidavit:

Contractor acknowledges the MBE goal of 10% and the WBE goal of 10% for contract

(title)_____ with the City of Providence.

My firm will make its best efforts to achieve the MBE and WBE participation goals for this contract. I understand that, if awarded the contract, my company must submit to the Minority and Women's Business Coordinator at the City of Providence MBE/WBE office, copies of all executed agreements with the Subcontracted Firm(s) being utilized to achieve the participation goals and other requirements of the RI General Laws. **I understand that these documents must be submitted prior to the issuance of a notice to proceed.**

I understand that, if awarded the contract, my firm must submit to the MBE/WBE Office canceled checks and any other documentation and reports required by the MBE and WBE Office on a quarterly basis verifying payments to the Subcontracted Firm(s) utilized on the contract.

I understand that if I am awarded this contract and I find that I am unable to utilize the Subcontracted Firm(s) identified in my statements of Intent, I must substitute other certified MBE and WBE firms to meet the participation goals. **I understand that I may not make a substitution until I have obtained the written approval of the MBE/WBE Office.**

I understand that, if awarded this contract, authorized representatives of the City of Providence may examine, from time to time, the books records and files of my firm to the extent that such material is relevant to a determination of whether my firm is complying with the MBE and WBE participation requirements of this contract.

I do solemnly declare and affirm under the penalty of perjury that the contents of the foregoing affidavit are true and correct to the best of my knowledge, information and belief.

Contractor Company Name

Signature

Address

Print Name and Title

For more information on this program please contact Grace Diaz the MBE/WBE Outreach Director for the City of Providence, by phone at (401) 680-5766 or by email at gdiaz@providenceri.gov. (Please use subject line "MBE WBE Forms")



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Form B: MBE/WBE Participation Disclosure Form

Use this form to list Minority and Women Business Enterprises that you will use to meet the Participation Goals.
Please consider that:

- A Subcontractor may be used to achieve an MBE/WBE goal equal to the percentage of the value of the full contract that the Subcontractor is hired for.
- A Subcontractor certified as both an MBE and WBE may be used to meet both goals, however the value of the Subcontractor contract must be allocated towards each goal so that the total value allocated does not exceed the total value of the contract the Subcontractor is hired for.

Prime Contractor's Name: _____

Prime Contractor's Address: _____

Prime Contractor's Phone Number(s): _____

Contract Title: _____

Total Dollar Amount of Contract: \$ _____

Bidder proposes to achieve a goal of: MBE: _____ % WBE: _____ %

Please list Subcontractors that should be considered in achieving MBE/WBE goals below.
Include the total dollar value that you propose to share with each Subcontractor and the percentage of the contract total that dollar amount represents.

Subcontractor Name	MBE/WBE Subcontractor Share		
	% of Total Value		
	\$ Value	for MBE	For WBE
TOTAL:	\$	%	%

Form Prepared by:

Name & Title

Phone

Date



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Form C: MBE/WBE and Prime Contractor's Statement of Intent

**Complete a separate Form C for each MBE/WBE Subcontractor identified in the table on Form B.*

Contract Name: _____

Name of Prime Contractor: _____

Name of MBE/WBE Subcontractor: _____

MBE/WBE Subcontractor Certification # (MBCN#): _____ Exp. Date: _____

Type of Certification (please choose all that apply): MBE ☐ WBE ☐

Work / Service to be performed or Materials / Supplies to be furnished by MBE/WBE: _____

Project Total Value: \$ _____ Amount going to Subcontractor: \$ _____

Percentage of total contract going towards the **MBE/WBE** subcontractor: _____%

IF the subcontractor is certified as BOTH an MBE and WBE, you may allocate the qualified percentage among the two categories as you choose by specifying the division below. The two percentages below must sum to the percentage entered immediately above. Refer to page M/WBE-14 for an example of dual certification.

MBE Allocation: _____% **WBE Allocation:** _____%

The undersigned prime contractor and subcontractor agree to enter into a contract for the work / service indicated above for the dollar amount or percentage indicated, subject to the prime contractor's execution of **a contract with the City of Providence for the above referenced contract name/number. The undersigned subcontractor is currently certified as an MBE or WBE through the State of Rhode Island Minority Business Enterprise Program.**

Signature of Prime Contractor (Required)

Printed Name

Date

By signing below, the representative of the certified MBE/WBE subcontractor additionally affirms that no more than 10% of the dollar amount of the services to be performed under this agreement with the Bidder will be subcontracted to a 3rd party subcontractor. This restriction does not apply to an MBE's or WBE's Contracts for the purchase of materials, equipment, or supplies incidental to the performance of services under its agreement with the Bidder.

Signature of MBE or WBE (Required)

Printed Name

Date



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Form D1: MBE/WBE Participation Contractor Waiver Request Form

Name of Bidder: _____
Contract Name/Number: _____
Bid Due Date: _____
Goals on this contract: _____ % MBE _____ % WBE
I have achieved _____ % MBE _____ % WBE
I am requesting a waiver of _____ % MBE _____ % WBE
Is the **BIDDER** certified by the State of Rhode Island Minority Business Enterprise Program ____ Yes ____ No
If Yes, please check the type(s) of certification and enter the Certification number immediately below:

Type of Firm: MBE ☐ WBE ☐
MBE/WBE Certification Number (MBCN#): _____ Expiration Date: _____
Did the Bidder attempt to or does the Bidder intend to subcontract any portion of the proposed work/service to a MBE/WBE? Yes ____ No ____

If yes, how many firms were contacted? ____ **Complete the Outreach Contact form (Form E) for each firm not listed on Participation Disclosure form (Form B).**

What efforts have been made to secure sufficient MBE/WBE participation to meet the stated goals and/or why is your company unable to? _____

I acknowledge the City of Providence's goals of supporting MBE/WBE certified businesses.

Signature of Bidder

Printed Name

Date

Submit this form to the City of Providence MBE/WBE Office for signature and approval by either the MBE/WBE Compliance Officer or the MBE/WBE Coordinator. All requests must be made at least four (4) days prior to the bid opening date.

Signature of MBE/WBE Outreach Director*

Printed Name

Date

***For more information on this program please contact Grace Diaz the MBE/WBE Outreach Director for the City of Providence, by phone at (401) 680-5766 or by email at gdiaz@providenceri.gov. (Please use subject line "MBE WBE Forms")**

****This form will NOT be considered complete without the signature of the MBE/WBE Outreach Director.**



BOARD OF CONTRACT AND SUPPLY
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Form D2: MBE/WBE Participation Independent Waiver Request Form

Does the Bidder intend to subcontract any portion of the proposed work/service to a MBE/WBE?

 Yes No

This form is for Bidders in Category 1 and 2 only, so if you answered Yes to the above question, please review the Bidder Category Worksheet (page 3) and Form Matrix (page 1) to determine the correct forms to use.

Name of Bidder: _____

Contract Name/Number: _____ Bid Due Date: _____

Goals on this contract: _____ % MBE _____ % WBE

I have achieved _____ % MBE _____ % WBE

I am requesting a waiver of _____ % MBE _____ % WBE

Is the **BIDDER** certified by the State of Rhode Island Minority Business Enterprise Program _____ Yes_No
If Yes, please check the type(s) of certification and enter the Certification number immediately below:

Type of Firm: MBE ☐ WBE ☐

MBE/WBE Certification Number (MBCN#): _____ Expiration Date: _____

I acknowledge the City of Providence's goals of supporting MBE/WBE certified businesses. If an opportunity is identified to subcontract any task associated with the fulfillment of this contract, a good faith effort will be made to select MBE/WBE certified businesses as partners

Signature of Bidder

Printed Name

Date

Submit this form to the City of Providence MBE/WBE Office for signature and approval by either the MBE/WBE Compliance Officer or the MBE/WBE Coordinator. All requests must be made at least four (4) days prior to the bid opening date.

Signature of MBE/WBE Outreach Director*

Printed Name

Date

***For more information on this program please contact Grace Diaz the MBE/WBE Outreach Director for the City of Providence, by phone at (401) 680-5766 or by email at gdiaz@providenceri.gov. (Please use subject line "MBE WBE Forms")**

****This form will NOT be considered complete without the signature of the MBE/WBE Outreach Director.**



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Form E: MBE/WBE Outreach Contact Form

This form must be filled out by Bidders who propose to subcontract a portion of this contract, *but will not fully meet the MBE/WBE goals*. **Please complete this form for each unsuccessfully solicited MBE/WBE subcontractor.**

Prime Contractor: _____

POTENTIAL SUBCONTRACTOR CONTACTED

Name: _____

Address: _____

Telephone No.: _____ Date of Initial Contact: _____

Type of Firm: MBE ☐ WBE ☐

How was contact made? (Check appropriate answer) By telephone _____ In person _____

Work/service offered to Subcontractor: _____

Result of contact with potential MBE/WBE Firm (check appropriate answer):

___ Firm declined job

___ Firm offered to do job at a price of \$____, which was determined by our company to be too high

___ Firm offered to do job at a price of \$____, which was satisfactory, but the firm was judged by our company to be unqualified for the job for the following reasons: _____

___ Other: _____

Subcontractor Firm's officer who can verify above information as to the Firm's response:

Name: _____

Title: _____

Signature: _____

The above signed officer of the Bidder affirms that the above information is accurate and complete.



**BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND**

BID PACKAGE SPECIFICATIONS



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

SUPPLEMENTAL INFORMATION

If the issuing department for this RFP determines that your firm's bid is best suited to accommodate their need, you will be asked to provide proof of the following prior to formalizing an award.

An inability to provide the outlined items at the request of the department may lead to the disqualification of your bid.

This information is NOT requested to be provided in your initial bid that you will submit to the City Clerk's office by the "date to be opened" noted on page 1. This list only serves as a list of items that your firm should be ready to provide on request.

All bids submitted to the City Clerk become public record. Failure to follow instructions could result in information considered private being posted to the city's Open Meetings Portal and made available as a public record.

You must be able to provide:

- Business Tax ID will be requested after an award is approved by the Board of Contract and Supply.
- **USE THESE BULLETS TO OUTLINE ITEMS YOU WILL NEED VENDORS TO PRODUCE ON REQUEST IF YOU SEEK TO AWARD THIS BID TO THEM.**
- **EX. PROOF OF INSURANCE**