B2GNOW

Contract Compliance

Monitor and manage actual DBE participation relative to contract goals

Publicly funded contracts come with big responsibilities for the contract-owning agency and the prime contractor. Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs have requirements and standards that need to be met in order to comply. Typically, a percentage of DBEs must be included in the overall hiring for the project. If not enough DBEs are found or they do not meet requirements, the prime contractor must prove they attempted to find them. Non-compliance with DBE requirements can lead to serious penalties, including loss of federal funding, legal action, contract termination, corrective action plans and reputational damage. Additionally, consistent failure to meet DBE rules may result in ineligibility for future federally funded projects or procurements.

Each contract can be worth millions, if not billions, of dollars and includes dozens, if not hundreds, of subcontractors. It can be challenging to track all of the vendors, their certifications, work specialties, budget allotment, payments, and project progress. Typically, contractors have used spreadsheets, paper-based documents, various means of communication (e.g. email, phone calls, faxes), manual data entry and math calculations to track and report on their efforts. Manual processes and spreadsheets simply cannot keep up with constantly changing and expanding federal and state regulations, including multi-tier prompt payment tracking. In addition to being slow and cumbersome, homegrown systems are prone to error and can quickly fall out of regulatory alignment.

To mitigate risk, organizations need a modern system that promotes contract compliance through proven processes that efficiently monitor and document actual participation of certified DBE subcontractors, suppliers, and trucking firms. The ideal platform enables organizations to fully document vendor participation against contract goals in a wide range of scenarios, including on-call contracts, multi-agency contracts, and those that have deep supplier and subcontractor-tiered structures. At the same time, it should reduce administrative burden by enabling firms to directly validate payment information and other details related to the work performed. Ideally, the system is easy to access and is continually updated by a U.S.-based development team to ensure the ability to adapt to expanding program goals and ongoing compliance with changing rules. It should also have proven scalability to successfully handle complex projects across large organizations.

The B2Gnow Contract Compliance module is a key tool for efficiently managing the key performance metrics of business diversity management programs. With this module, agencies and primes can digitize required documents and data, automatically validate certification status, match vendors to approved commodity codes, and calculate actual vendor participation versus contract goals while capturing lower-tier utilization up to ten tiers deep. Prime and subcontractor payments are collected, and direct subcontractor payment confirmation on active contracts is facilitated monthly or quarterly to minimize the risk of certified vendor participation falling below contract goals.

2M+
Vendors

$3 Trillion
in monitored contracts

200+
Certified Directories

Key Features

The Contract Compliance module dramatically reduces administrative data collection efforts and accelerates compliance efforts via automated processes, built-in algorithms, and interconnectivity between other B2Gnow modules. With the Contract Compliance module, agencies have a powerful tool to manage all their contracts online, in one location, accessible to employees at any time from anywhere.
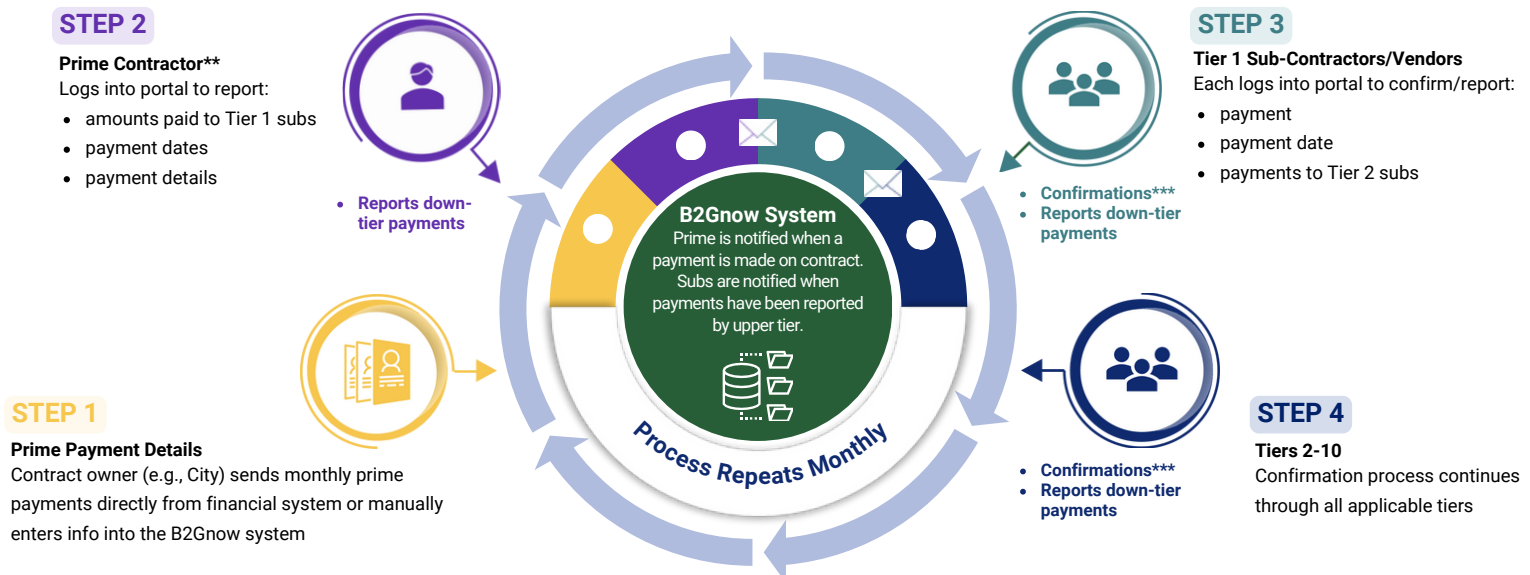
- **New Contract Creation -** Create new contracts and set the contract budget, start and end dates, and diversity participation goals

- **Search Vendor & Matching -** Save time and effort searching and identifying certified prime and subcontractors who meet project qualifications. Select search parameters and set thresholds; a sophisticated algorithm compares the vendor record to the full vendor database using all available fields with information.

- **Automated Alerts and Messages -** Track all communications and notes/comments for a more complete picture. Receive automated alerts for progress, goals reached, and records updated or changed. Create templated letters for contract status to send notifications on your company's letterhead.

- **Viewing -** View summary or detailed information. Track real-time site visits, communications, due dates, changes, payments, contract status, alerts, status history, and access. View contract progress to date and see the awarded amounts to the actual payments. Goal status is color-coded for easy at-a-glance viewing.

- **Budget Allocation & Payment Tracking -** Track allocated budget, payments, % of goals reached, and remaining balance. The contract payment matching process ensures accuracy and validates contract payments to their contracts.

Benefits:

- **Ease of use -** Intuitive interface that holds all required contract documentation, and communications between agencies, contractors and subcontractors, automated processes, and at-a-glance dashboards
- **Reduces inefficiencies -** Saves time by digitizing and sharing data collection among agencies, prime contractors and subcontractors. Primes can quickly target and find vendors that are certified for their specific project. Integration with other B2Gnow modules shares data, therefore reducing duplication of records and data entry.
- **Transparency -** At-a-glance dashboards provide a quick view of contract progress, status, and pending items. All communication between agencies and prime contractors is tracked for visibility.
- **Meet Compliance Needs -** Understand the status of your project, including participation percentages, goals met, payments, etc., and run required reports to demonstrate compliance.
- **Grow ROI -** Expand your list of qualified contractors who bid on your projects and create a more competitive market

---

Monthly Contract Compliance Audit Process
The B2Gnow Contract Compliance Audit Process is highly configurable, based on each organization's specific needs.

STEP 2

Prime Contractor**
Logs into portal to report:
- amounts paid to Tier 1 subs
- payment dates
- payment details

• **Reports down-tier payments**

STEP 3

Tier 1 Sub-Contractors/Vendors
Each logs into portal to confirm/report:
- payment
- payment date
- payments to Tier 2 subs

• **Confirmations*****
• **Reports down-tier payments**

B2Gnow System
Prime is notified when a payment is made on contract. Subs are notified when payments have been reported by upper tier.

Process Repeats Monthly

STEP 1

Prime Payment Details
Contract owner (e.g., City) sends monthly prime payments directly from financial system or manually enters info into the B2Gnow system

• **Confirmations*****
• **Reports down-tier payments**

STEP 4

Tiers 2-10
Confirmation process continues through all applicable tiers

*Workflow represents a typical deployment. **Prime can also import sub payments with their own B2Gnow account. ***Confirmations can include prompt pay, invoice information and more.

For more information visit B2Gnow.com or call 602-325-9277

B2GNOW