Handout # 11

OEO Project Closeout Checklist

Cleveland Area Business Code (Chapter 187) Compliance:

1. Ensure that all Subcontractor and Vendors have been paid and that there are no negative payments in Compliance Audit Summary in B2Gnow

(1) Double check that all subcontractors and vendors have been paid. Enter all payments in B2Gnow.
(2) Double check that there are no negative payments in the compliance audit summary. This typically occurs when payment has not been recorded to the 1st tier subcontractor, but the 1st tier subcontractor has recorded payments to a 2nd tier subcontractor.

2. Ensure that all Subcontractor Payments have been Confirmed

When a project is complete, contractors should perform the following actions in the **Compliance Audit List** tab in B2Gnow to ensure that all audit information has been submitted for the project:
(1) Ensure that there are no incomplete audits for the project.
(2) Ensure that **all subcontractors have confirmed all payments**. Anything in **Bold Red** means that payment(s) has not been confirmed.
Note: If you are unable to get the subcontractor to confirm payments, please follow the steps listed in the attached Document listed as **Protocol #1: Proof of Payment – Bank Cancelled Endorsed Check.**

3. Complete Final Contract Audit in B2Gnow

In your most recent B2Gnow (www.cleveland.diversitycompliance.com) monthly **Contract Audit**, please indicate **"YES"** to the question **"Marked as Final Audit."** Please Note: Once you have marked an Audit as FINAL, no additional audits will be created on the project without OEO assistance.

4. Assess MBE / FBE / CSB Goal Attainment & Good Faith Efforts

The final monthly **"Contract Audit"** in B2Gnow allows the contractor to assess its goal attainment in terms of subcontracting dollars and/or participation percentage.

If the project has met the identified MBE, FBE, and/or CSB subcontractor participation goals for the contract, no further action from the contractor is required. The standard goals for vertical construction development contracts are:

- 15% MBE
- 7% FBE
- 8% CSB

These goals may be adjusted or waived for a particular contract. Please consult your project manager or your OEO Contract Compliance Officer for clarification when necessary.

If a project falls short of the original OEO goals, the contractor shall **submit a letter** explaining the shortfall to the OEO Contract Compliance Officer. Contractors shall include documentation of any good faith efforts to utilize certified firms and/or other justification for the shortfall. The OEO closeout team will consider this documentation at contract closing.

Fannie Lewis Cleveland Resident Employment (Chapter 188) Compliance:

****** Below is only for Projects with Chapter 188 – Cleveland Resident Requirement & Cleveland Low Resident Income Employment Goals:***

5. Make sure all subcontractors report their payrolls in LCPtracker

1) *** To avoid full noncompliance penalty assessment, all subcontractors who worked on site must report hours in LCPtracker. ***

6. Official Low Income Cleveland Resident Approval Letter(s) Required

1) Submit official letters for every Cleveland Resident Low Worker to your OEO contract compliance officer. Additional steps are listed below in Section 8(1).

7. Login to LCPTracker via your Prime Approver Account

1) Review and ensure that each subcontractor payrolls are (1) number sequentially and (2) ensure that the final payroll is listed as "final". If it is not, please go to each payroll and click permit edit and have the subcontractor(s) make the corrections.
2) Review and ensure each payroll is approved in LCPtracker.
3) If a supplier or broker hires a subcontractor to perform labor, (1) the broker and subcontractor must be added to B2Gnow; (2) however in LCPtracker the broker does not get assigned to the project and the subcontractor gets listed as a subcontractor under the General Contractor.

8. Assess Cleveland Resident Requirement & Cleveland Low Income Goal Achievement

1) Using the Prime Approver Account in LCPtracker (www.lcptracker.com), the contractor shall run the "City of Cleveland Low Income Workers Report" in the "Reports" tab to obtain a list of all workers identified as "low income workers" on the project. Contractors shall ensure that they have an **OEO approval letter for every low income worker listed**. Any hours recorded for a low income worker who has not been approved by OEO will be deducted from the Total Participation. Please have your subcontractor uncheck low income checkbox in employee profile for anyone who was not approved.

2) Using the Prime Approver Account in LCPtracker (www.lcptracker.com), the contractor shall run the "Cleveland Status Report" and review the report for the following:
   a) Ensure that all subcontractors that performed any construction are listed in B2Gnow are listed in LCPtracker.
   b) Ensure that hours are reported for each subcontractor. Note that the project will automatically be assessed the full penalty if **any** subcontractor fails to report hours.
   c) Use the "Cleveland Status Report" to assess the total participation of Cleveland Residents and Low-Income Resident Workers to determine whether or not the project achieved the following utilization requirements:
      i) Under "CHP 188 RES" column, is the Percentage (%) listed equal to or greater than **20%**?
      ii) Under "LOW INC" column, is the Percentage (%) listed equal to or greater than **4%**?

3) If the "Total Participation" under "CHP 188 RES" column, the Percentage is less than 20% and/or under "LOW INC" column, the Percentage is less than 4%, the contractor shall perform the following:
   a) **Write a letter** with any justification you would like the OEO closeout team to consider.
   b) **Submit "Associated Hours"** of Cleveland resident workers for OEO to consider. Please follow the steps and criteria listed in the attached document **Protocol #2: Submittal of Associated Hours**

How many Associated hours do I need to be compliant?

Let's say your Total OH Hours is 1000 hours, to be compliant you needed 200 Cleveland Resident Hours and 8 Low Cleveland Income Hours. Your project achieved 100 Cleveland Resident Hours and 4 Low Income Hours. The total Associated Hours needed is as follows: 100 Cleveland Resident and 4 Cleveland Low Income Hours to be compliant.

Description	Cleveland Resident	Cleveland Low Income
Project Requirement and Goal	20%	4%
If **total "OH Hours" is 1000 hours**, to be compliant:	1000 x 20% = 200 hours	1000 x 20% x 4% = 8 hours
Project Total Hours Achieved	100 hours	2 hours
Associated Hours Needed	100 hours	6 hours
Project Total **Cleveland Resident Achieved** + **Associated Hours**	200 hrs = Compliant	8 hrs = Compliant

Internal OEO Process

Once the above is completed, the OEO Contract Compliance Officer will complete a closeout report and submit the Project File to the OEO Closeout Team to review for completeness and goal achievement.

If the project was in full compliance, the OEO Closeout Team will close the project and a closeout memo will be issued to the contracting department. If

the OEO closeout team determines that a Cleveland Resident Worker Hour penalty should been assessed, OEO will send the notice to the Developer and/or Prime Contractor, as well as the Project Manager in the contracting department. If the OEO Closeout Team determines that a project was in not compliance with MBE / FBE / CSB goals, OEO will advise the contracting department of the non-compliance, and the contracting department may assess a penalty according to the terms of the contract.

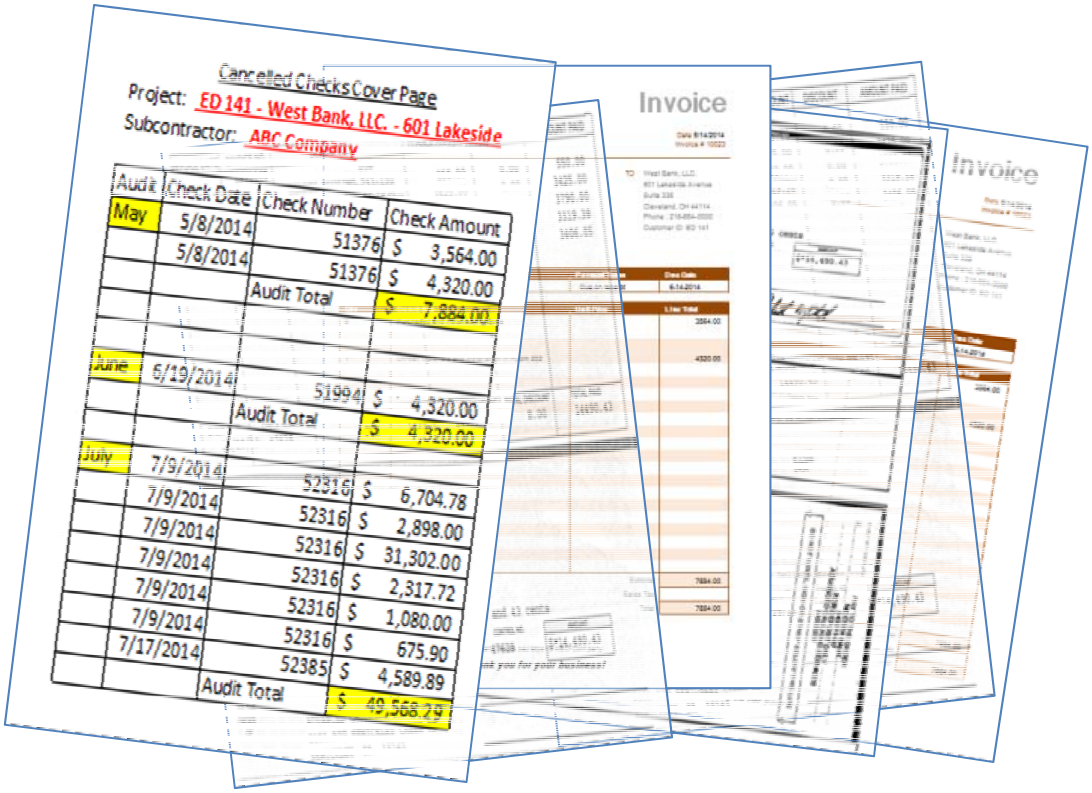
Protocol #1: Proof of Payment – Bank Cancelled Endorsed Checked

Required Format for Submittals of "Bank Cancelled Checks" for Unresponsive Subcontractors

Please provide us a scanned packet of the following documents for each Unresponsive Subcontractor:

- Cover Page (See sample graphic below for necessary fields and requested format)
- Copy of the cancelled check(s) with Check Payment Details
- Copy of the depositor's endorsement (back of cancelled check)
- Copy of corresponding subcontractor's invoice which payment was made for. Ensure that the invoice lists, the work which was performed.

Contact your Compliance Officer if you have additional questions.


Cancelled Checks Cover Page
Project: ED 141 - West Bank, LLC. - 601 Lakeside
Subcontractor: ABC Company

Audit	Check Date	Check Number	Check Amount
May	5/8/2014	51376	$ 3,564.00
	5/8/2014	51376	$ 4,320.00
		Audit Total	$ 7,884.00
June	6/19/2014	51994	$ 4,320.00
		Audit Total	$ 4,320.00
July	7/9/2014	52316	$ 6,704.78
	7/9/2014	52316	$ 2,898.00
	7/9/2014	52316	$ 31,302.00
	7/9/2014	52316	$ 2,317.72
	7/9/2014	52316	$ 1,080.00
	7/9/2014	52316	$ 675.90
	7/17/2014	52385	$ 4,589.89
		Audit Total	$ 49,568.29

Protocol #2: Submittal of Additional Resident Worker Hours

All hours must be entered in LCPtracker

Section 188.02(a) allows contractors to submit additional hours performed by Cleveland Resident construction workers on other, non-City of Cleveland projects to meet the resident worker hour requirements of the Cleveland Resident Employment Law.

Steps for Documenting and Submitting Additional Resident Worker Hours to Resolve a Shortfall

1. Effective 07-01-2015, all additional concurrent resident worker hours to resolve a shortfall in meeting the resident worker hour and/or low income worker hour requirement must be entered in LCPtracker.

2. ***** Very important ***** Please note that any **non-City of Cleveland financially-assisted project** may only be applied to a single City of Cleveland funded/financially assisted project. If the project was already used as additional resident worker hours for another City funded or financially assisted project, either by your company or another company, the hours will be rejected. To save time and effort for all parties, the contractor should first check with its subcontractors and to ensure that the hours and/or projects have not been submitted as additional hours for another City project.

3. Provide your **OEO Contract Compliance Officer with a spreadsheet with a list of project(s)** which you would like to submit for the additional resident worker hours being offered to bring the contractor into compliance with the "Titled columns" as seen in the graphic below:

PROJECTS for ADDITIONAL CLEVELAND RESIDENT WORKER HOURS

Project Name:		City Contract #:	
Compliance Payroll Contact:		Today's Date:	
Compliance Payroll Contact Email:		Phone Number:	
Cleveland Resident Hours Shortage:		Low Income Hours Shortage:	

Information Related to each Associated Project

#	Associated Project Name Typically the projected name listed in the certified payroll report)	Project Location and Addresss	Project Start	Project End Date	General Contractor	Subcontractor	Payroll Start Date	Payroll End Date	# of Cleveland Hours to be used	# of Low Income Cleveland Hours to be used
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
							Grand Total:			

4. The OEO Contract Compliance Officer will review the list of submitted Projects and will approve the project(s) that are eligible to provide additional resident worker hours. The OEO Contract Compliance Officer will email you confirmation of which projects were approved.

5. The OEO Contract Compliance Officer will set up the project(s) in LCPtracker.

6. In LCPtracker, under your "Prime Approver Account" you can assign the subcontractors via the "Set-Up" tab and "Contractor Assignment Button". Once you have them set-up in LCPtracker, please contact your subcontractor to enter their hours.

7. Repeat the above steps for any additional projects deemed eligible to provide additional resident worker hours.

8. Collect from your subcontractors and provide to your OEO Contract Compliance Officer a copy of the Cleveland Resident Low Income Approval Letter(s) for any low income workers listed by the subcontractor.

9. Inform your OEO Contract Compliance Officer when all subcontractors have entered hours.

PROJECTS for ADDITIONAL CLEVELAND RESIDENT WORKER HOURS

Project Name in B2Gnow:			
Your Name:		**Today's Date:**	
Your Email:		**Your Phone Number:**	
Cleveland Resident Hours Shortage:		**Low Income Hours Shortage:**	

Information Related to each Associated Project

#	Associated Project Name Typically the projected name listed in the certified payroll report	Project Location and Address	Project Start	Project End Date	General Contractor	Subcontractor	Payroll Start Date	Payroll End Date	# of Cleveland Hours to be used	# of Low Income Cleveland Hours to be used
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
							Grand Total:			