

**CONTRACT COMPLIANCE REPORTING REQUIREMENTS**

**Minority/Women/Disadvantaged Business Enterprises (M/W/DBEs)**

In accordance with the Chicago Housing Authority’s M/W/DBE policy, firms have the maximum opportunity to participate in the performance of contracts let by the CHA.

Type of Contract	Contract Amount	MBE/WBE/DBE Participation
Construction	\$25,000 - \$200,000	25%
	\$200,001 - \$500,000	30%
	\$500,001 - \$1,000,000	35%
	\$1,000,001 +	40%
Service and Supply & Delivery	\$25,000 +	20%

The CHA provides contractors access to a completely free and easy to use internet based service for compliance reporting. The burden associated with paper based reporting processes and record keeping is replaced by a fully automated and secure online reporting processes.

**CONTRACTING COMPLIANCE & REPORTING**

**For Prime Contractor**

1. Prime contractors receive monthly reporting notices by email. Simply click the link provided to log in, and enter payments made to the subcontractors displayed
2. Enters payments made to the subcontractors

**For Subcontractors**

1. Once the prime contractor reports their payments, an email notice is sent to each subcontractor
2. Subcontractors are required to login and confirm that the payment reported by the prime has been received

**Additional Contractor Benefits**

- Immediate visibility to contract goal achievement at the overall contract level
- Immediate visibility to goal achievement for each subcontractor
- Visibility to subcontractors that may not be reporting in a timely basis
- Certified subcontractor search including searching by business capability, geographic area, and certification type among others
- Integrated messaging to support communication with your contract compliance officer
- Online subcontractor addition/substitution request process

**Getting Started with Subcontractor Utilization Reporting**

- An email with instructions will be sent to contractors when online reporting starts
- To log in to B2GNow: <https://cha.diversitycompliance.com/>
- On-line training provided at no cost
- In order to determine if an account for subcontractor utilization reporting has been set up for your company through the Account Lookup option on our web site at:  
<https://cha.diversitycompliance.com/UserSearch.asp>

## CONTRACT COMPLIANCE REPORTING REQUIREMENTS

### Section 3

The CHA's Section 3 policy ensures that federal financial assistance for housing and community development programs are used to generate employment and economic opportunities for low and very low income persons, with a particular emphasis on the employment & training of CHA residents.

- **Tier I (hiring)** - The method used to fulfill the requirement, 30% of all new hires must be Section 3 residents. Section 3 hiring is facilitated through CHA's Resident Services Department that maintains a database of residents in various job categories. Contractors must complete a Job Order Form for each Job Title where a Section 3 employee will work. This form is routed through Compliance to Resident Services, the department responsible for placing Section 3 eligible residents in jobs with each contractor. Once the Section 3 employees have been hired and started work, a Schedule E- Hiring Report must be completed and submitted to Contract Compliance.
  - The Prime Contractor is required to include the individuals on their weekly certified payroll. Additionally, the Schedule E Hiring Report must be included with each certified payroll report that details the Section 3 employee's full name, address, social security number, hours worked, rate of pay and gross wages
- **Tier II (Contracting)** - Contractor identifies Section 3 business(es) or Resident-Owned Business(es) (ROBs) to subcontract with in order to satisfy the contractor's Section 3 requirement.
  - Contractors will be required to submit a written document outlining their efforts and plans to use the Section 3 business or ROBs. Details are outlined in the Schedule C.
- **Tier III (5% contribution to fund for Construction and 1.5% for Professional Service)** - The method used to fulfill the Section 3 requirement by contributing money to the Other Economic Opportunities Fund.

### Davis-Bacon & Related Acts

The Davis-Bacon & Related Acts apply to construction contracts over \$2,000 and ensure that employees working within specific trade classifications are earning at least the minimum required prevailing wage in accordance with the applicable US DOL Wage Decision.

### **CERTIFIED PAYROLL SUBMITTAL & REPORTING**

Payroll data must be entered directly into LCPtracker or uploaded from major accounting and payroll programs. The service eliminates the need for contractors to submit paper prevailing wage documents and forms while providing an online database of all certified payroll reports. The service also generates audits, logs and correspondence.

All contract-specific wage rates and worker classifications are online, within the system, and contractors select classifications from a menu. Worker information is entered once and then remains accessible in the system.

#### **Immediate benefits for Contractors**

- LCPtracker confirms rates and classifications prior to allowing contractors to submit payroll or payroll-related documents to the CHA.
- All reports are available instantly to contractors in electronic formats.
- No need to mail in paperwork. Payrolls must be submitted electronically. There is an audit trail of all submitted records and all correspondence between CHA and the contractors.

#### **Getting Started with Certified Payroll Reporting**

**CONTRACT COMPLIANCE REPORTING REQUIREMENTS**

- An email with instructions for logging in and reporting will be sent to contractors once they're assigned to a contract.
- On-line training is provided at no cost. Contractors may access training videos and reference documentation after receiving their login ID and password.
- To log in to LCPtracker: <https://lcptracker.net/>.

The following information must be included on or with the weekly certified payroll reports:

- Contractor or subcontractor's name, address, project location, CHA contract number, week ending date and sequential payroll number (**For weeks where no work is performed, the certified payroll must indicate "No Work Performed" and follow the sequential order.** )
- Each employee's full name, address, social security number, wage rate and trade classification.
- A USDOL approved apprenticeship program certification must be electronically submitted for any employee listed as an apprentices performing on the certified payroll report.
- The hourly rate and total number of hours worked per day for regular, over-time and double-time pay for each employee.
- Show the gross wages, deductions and net wages earned
- Identify how fringe benefits are paid.
- Certified payrolls must include an **electronic** signature by an authorized representative of the firm. (A payroll authorization from must be completed for persons that are not officers of the firm.)

**COMPLIANCE FORMS**

Document Name	To be Completed By	Submission Schedule
<b>Schedule A</b> MBE/WBE/DBE UTILIZATION PLAN	Prime Contractor	Submitted with bid/ proposal documents and upon request to change plan that has been previously approved.
<b>Schedule B</b> LETTER OF INTENT	Each MBE/WBE/DBE listed on the Schedule A	Submitted with bid/ proposal documents and upon request to add an M/W/DBE to the utilization plan.
<b>Letter of Certification</b> Applications and receipts are not accepted	Each MBE/WBE/DBE listed on the Schedule A	Submitted with bid/ proposal documents and upon request to add an M/W/DBE to the utilization plan
<b>Schedule C</b> SECTION 3 UTILIZATION PLAN	Prime Contractor	Submitted with bid/ proposal documents
<b>Job Order Form</b> <i>(Resident Services form collected with bid documents for job placement process)</i>	Prime Contractor	Submitted with bid/proposal documents when Tier I is chosen on the Schedule C
<b>Schedule E</b> WH-347 PAYROLL ADDENDUM	Prime Contractor and all subcontractors utilizing Section 3 hires	Weekly with the certified payroll reports
<b>Waivers of Lien</b>	Each M/W/DBE listed on the utilization plan	Submitted once executed to demonstrate payment has been received- <i>This is now electronically entered into B2Gnow</i>