



CBI Exclusion Process Guide

TABLE OF CONTENTS

INTRODUCTION	2
CBI PRE-VALIDATION PROCESS	2
CBI EXCLUSION PROCESS	3-4
APPEAL PROCESS	4
CBI POST VALIDATION PROCESS	4
REPORTING	4
APPENDIX	4
CBI POLICY PART A SECTION 5.....	5
CBI POLICY APPENDIX TO PART A-DEFINITIONS-EXEMPT CONTRACTS.....	6
CBI LIST OF SPECIAL EXEMPTIONS.....	6
CONTRACT CHANGE ORDERS.....	7-9
<u>PO & REQUISITION CHANGE ORDERS</u>	
<u>EXCLUSION REQUEST FORM</u>	
CHARLOTTE BUSINESS INCLUSION STAFF CONTACTS	9

Introduction

The Charlotte Business Inclusion (CBI) Policy seeks to promote diversity, inclusion, and local business opportunities in the City's contracting and procurement process for Minority, Women, and Small Business Enterprises (MWSBEs) with a significant business presence in the Charlotte Combined Statistical Area (CSA). The CBI Program further seeks to enhance competition in City contracting and promote economic growth and development in the Charlotte area by:

- Increasing Minority, Women and Small Business Enterprise utilization in City contracting;
- Promoting existing small business growth and profitability in the Charlotte CSA;
- Promoting small business start-up and development in the Charlotte CSA; and
- Monitoring, evaluating, and reporting on SBE and MWBE participation and contract compliance within the provisions of the CBI program.

The Exclusion Process Quick Guide supports the CBI program's policy requirements by enhancing its ability to produce accurate and repeatable processes and the user's adherence to the exemption policies outlined in Part A. Section 1 and 5. It will provide CBI with centralized oversight and decentralized data entry by departments. It creates data integrity and accuracy. The document will also:

- Creates consistency in reporting across departments
- Provide clarity and create ease of use for departmental users
- Concisely explain the rationale for exemption of specific contracts and vendors and
- Over time, reduces the number of exceptions made by users to CBI's exemption policy

The CBI Program's policy in Part A. Section 7.1 "CBI Program Administration 7.7 Data Tracking & Reporting," requires the CBI Program Manager to *"establish processes and procedures to track and report data measuring the outcomes of the CBI Program. On at least a biannual basis, the Program Manager will issue reports that show and compare the availability and utilization of SBEs, MBEs, and WBEs on City Contracts and identify key achievements and challenges encountered during the reporting period."*

This process provides CBI with centralized oversight over purchases made that either do or do not fall within an exempt category as outline in Part A. Section 1 of the CBI Policy and ensure others are correctly marked. Thus, further mitigating the likelihood of incorrectly categorized procurements.

CBI Validation Process

The CBI validation process is an inspection review process developed to investigate departmental data; identify inconsistency in the marking (exclude-include) of contracts and purchase orders to enhance the data's quality and accuracy throughout the review period

CBI Exclusion Process:

Step 1: Department staff determines if the purchase made qualifies to be excluded from the CBI Policy.

Note: In most cases, the answer will be "No," As a result, the purchase made will qualify to be included in CBI reporting.

Step 2: If the answer is "Yes," the Department staff reviews the CBI Policy Special Exemption List to determine under which policy exemptions this purchase falls.

Step 3: Department staff enters the Contract into Munis selecting the correct UDF's to ensure the Contract is Marked "Exclude and Don't Track."

MAIN RETAINAGE USER DEFINED ACCOUNTS ITEMS SUBCONTRACTORS INSURANCE

Field Name	Required	Field Value	Code Desc
Work_Category	<input checked="" type="checkbox"/>	ps	... PS
Formal_or_Informal	<input checked="" type="checkbox"/>	formal	... Formal
Exclude From SBE MWBE Reports	<input checked="" type="checkbox"/>	Yes	... Yes
Funding_Source	<input checked="" type="checkbox"/>	local	... Local
Track MWSBE-DBE Goals	<input checked="" type="checkbox"/>	No	... Not Track
e-Builder Process ID	<input type="checkbox"/>		...

The Contract as marked implies that the Contract has **No MWSBE** participation. In essence, it meets the criteria to be excluded from CBI reporting as defined in the CBI Policy Appendix 1 to Part A exemptions. There is also no opportunity for an MWSBE to participate or provide the service goods on it.

Note: The UDF "Track MWSBE-DBE" is not applicable for Exclude Contracts because they are exempt, and no MWSBE exists.

Step 4: If the Contract is not exempt, but there is an MWSBE available to provide the service or goods procures, then the Department's staff enters the Contract into MUNIS selecting the UDF "Include and Don't Track."

MAIN RETAINAGE USER DEFINED ACCOUNTS ITEMS SUBCONTRACTORS INSURANCE

Field Name	Required	Field Value	Code Desc
Work_Category	<input checked="" type="checkbox"/>	ps	... PS
Formal_or_Informal	<input checked="" type="checkbox"/>	formal	... Formal
Exclude From SBE MWBE Reports	<input checked="" type="checkbox"/>	No	... Include in
Funding_Source	<input checked="" type="checkbox"/>	local	... Local
Track MWSBE-DBE Goals	<input checked="" type="checkbox"/>	No	... Not Track
e-Builder Process ID	<input type="checkbox"/>		...

Contracts marked "**Include**" and "**Don't Track MWSBE-DBE**" are included in CBI Reporting. It implies an opportunity existed for an MWSBE to participate and included in the City's spend denominator for calculation purposes.

Step 5: If the Contract is not exempt, but there is an MWSBE available to provide the service or goods procures, then the Department's staff enters the Contract into MUNIS selecting the UDF "Include and Track."

MAIN RETAINAGE USER DEFINED ACCOUNTS ITEMS SUBCONTRACTORS INSURANCE

Field Name	Required	Field Value	Code Desc
Work_Category	<input checked="" type="checkbox"/>	ps	... PS
Formal_or_Informal	<input checked="" type="checkbox"/>	formal	... Formal
Exclude From SBE MWBE Reports	<input checked="" type="checkbox"/>	No	... Include in
Funding_Source	<input checked="" type="checkbox"/>	local	... Local
Track MWSBE-DBE Goals	<input checked="" type="checkbox"/>	Yes	... Track
e-Builder Process ID	<input type="checkbox"/>		...

Contracts that are marked "**Include**" and "**Track MWSBE-DBE**" implies it has MWSBE sub-contractor participation on it and is, therefore, pushed to InclusionCLT where the MWSBE participation will be monitored and tracked for compliance reporting purposes.

Step 6: If the Department determines an exception to the CBI Exemption policy is needed, the Department must submit a request to the CBI Program Manager for approval and clearly state the reason for the request.

Step 7: CBI Program Manager approves or denies the request.

Step 8: CBI Communicates its decision to the Department within three (3) business days after receiving the request.

Step 9: If approved, a copy of the approved exemption request is signed and attached to the purchase in Munis via TCM, and the purchase is entered in Munis and excluded from CBI reporting.

Step 10: If denied, the denied exemption request is signed and returned to the Department along with a short explanation for the denial. The purchase is entered in Munis to be included in CBI reporting.

Appeal Process:

Your Department has the right to appeal this decision in writing within three days after the request is denied. Direct all questions concerning an appeal to the CBI Process Manager.

CBI Post Validation:

In collaboration with the Process Manager, the CBI Program Specialist will review and compare Department exclusion selections to prior years and communicate inconsistency and contracts deemed incorrectly marked. Department liaisons ensure change orders are submitted and processed before distributing to department heads.

Reporting:

CBI will distribute a monthly report to departments, which will consist of all newly created contracts. The report will identify all contracts and PO's created by departments in MUNIS the previous month. CBI will compare these purchases against the approved exemption list to determine if any contracts/purchases have been excluded that do not fall within CBI's approved list. If purchases are not listed, CBI will issue a memo to the Department to submit a **change order request** to include the purchase in the MWSBE spend report.

Exemption Policy Part A Section 5:

- **Special Provision for informal Contracts and Exempt Contracts.** Informal Contracts include Construction Contracts estimated to be less than \$500, 000 and Services and Construction Contracts estimated to be less than \$100,000. Exempt Contracts are Formal Contracts for which no MWSBE Subcontracting Goals are set due to the exemptions listed above in Appendix 1 of the CBI Policy.
- **5.1 Certain Exempt Contracts and Informal Contracts Are Subject to Part D of the CBI Program.** Despite the absence of MWSBE Goals, Service Contracts and Construction Contracts that are Informal Contracts or that qualify as Exempt Contracts based on having been procured without a competitive process or based on a waiver from the Program Manager are subject to Part D of the CBI Program (relating to Post Contract Award).
- **5.2 Special Provision for Exempt Contracts.** Business Enterprises that enter into Exempt Contracts must notify the City of any subcontracting opportunities that may arise on the Exempt Contract for which there re SBEs or MWBEs listed in the City's database. Failure to comply with this Section shall be deemed a material breach of the Exempt Contract. In such event, the City shall be entitled to exercise any of the remedies set forth in Part D.
- **5.3 Extension of CBI Program Requirements to Exempt Contracts.** Department Directors may in their discretion elect to include in bids and proposals for Informal Contracts and Exempt Contracts a requirement that bidders comply with any or all CBI Program requirements, including but not limited to the requirement that an MWSBE Goal be established for the Contract. In such event, the Exempt Contract shall be deemed a "Contract" for purposes of this Program.
- **Special Exemption Exclusion List:**

Approved Citywide Contract List	Financial (Bank/CC Processing/Petty Cash)	Reimbursements
Association / Membership	Financial Partner / Foundation/Non-Profit	Risk Management
Communication (Cable/Telephone/Internet)	Government / Municipal Payment	Software License Agreement / Subscriptions
Approved Department Contracts (CATS Bus Drivers)	Healthcare	Sole Source Contracts
Education/Conference/Training	Legal	Travel (Airfare/Hotel)
Emergency Funds (Covid-19 and Hurricane Relief)	OEM/Warranty	Utility Payment
External Funds (State/Grant/Power Bill)	Railroad	

CBI Policy Appendix 1 to Part A Exemptions Defined: Unless a City Department elects otherwise, Contracts that fall within one or more of the following categories are Exempt Contracts" and shall be exempt from all aspects of the CBI Program except for requirements identified in Section 5 of Part A:

- **No Competitive Process Contracts:** Contracts or purchase orders that are entered into without a competitive process, or entered into based on a competitive process administered by an entity other than the City, including but not limited to contracts that are entered into by sole sourcing, piggybacking, buying off the North Carolina State contract, buying from a competitive bidding group purchasing program as allowed under GS 143-129(e)(3), or using the emergency procurement procedures established by the North Carolina General Statutes
- **Managed Competition Contracts:** Managed competition contracts pursuant to which a City Department or division competes with Business Enterprises to perform a City function.
- **Real Estate Leasing and Acquisition Contracts:** Contracts for the acquisition or lease of real estate.
- **Federal Contracts Subject to DBE Requirements:** Contracts subject to the US Department of Transportation Disadvantaged Business Enterprise Program as set forth in 49 CFR Part 26 or any successor legislation.
- **State-Funded Contracts Subject to the State's Required MWBE Goal:** Contracts subject to an MWBE Goal set by the State of North Carolina pursuant to NC. Gen. Stat. 143-128.2.
- **Financial Partner Agreement with DBE or MWBE Requirements:** Contracts subject to a disadvantaged business enterprise program or minority and women business development program maintained by a Financial Partner.
- **Interlocal Agreement:** Contracts with other units of federal, state, or local government.
- **Contracts for Legal Services:** Contracts for legal services, unless otherwise indicated by the City Attorney.
- **Contracts with Waivers:** Contracts for which the CBI Program Manager or the City Manager waives the CBI Program requirements (such as no SBE or MWBE subcontracting opportunities on a Contract).
- **Special Exemptions:** Contracts where the Department and the Program Manager agree that the Department or the Contractor had no discretion to hire an SBE or MWBE (e.g., emergency contracts or contracts for banking or insurance services) shall be Exempt Contracts.

Contract Change Orders "UDF":

Step 1: Find the Contract to change then, Click Update.

Contract Change Orders [TRAIN2 DATABASE Dec 18 2020]

Back
Search
Browse
Update
Print
Display
PDF
Save
Excel
Word
Email
Schedule
(0) Attach

Contract Sta

Contract *	2021000150 +1	<input checked="" type="checkbox"/> To Be Rolled	
Method *	Encumbered Accounts ▼	<input type="checkbox"/> Hold Payments	>>
Line Items *	None ▼	<input type="checkbox"/> Require PO for Payment	
Customer *	...		
Vendor *	6923 ...	AECOM TECHNICAL SERVICES OF NC INC	
Address	2 ...		

MAIN
RETAINAGE
USER DEFINED
ACCOUNTS
SUBCONTRACTORS
INSURANCE

Main Information

Dept/Loc *	8010 ...	EPM Main Engineering	
Bid/RFP	...		📄
Requisition Year/Number	... / ...		
Project	...		
Description	Planning services for I-485 to South Boulevard		
Year *	2021	Period	1
Type *	Construction PS ▼		
Subtype	Engineers ▼		
Review code	...		
Percent complete	0.00	as of	... 📅
Administrator	97773 ...	Haynes, Molly	

Step 2: Click on the USER DEFINED tab.

← Back ✓ Accept ⊘ Cancel

Contract

Contract * 2021000150 +1 To Be
 Method * Encumbered Accounts Hold
 Line Items * None Requi
 Customer * ...
 Vendor * 6923 ... AECOM TECHNICAL SERVICES OF NC INC
 Address 2 ...

MAIN RETAINAGE **USER DEFINED** ACCOUNTS ITEMS DISCOUNTS SUBCONTRA

Main Information

Step 3: Change 'Exclude from SBE MWBE 'Reports' if needed. Click the '...' to the right of the field to see the options.

MAIN RETAINAGE **USER DEFINED** ACCOUNTS ITEMS DISCOUNTS SUBCONTRACTORS INSURANCE

Field Name	Required	Field Value	Code Desc
Work_Category	<input checked="" type="checkbox"/>	AES	... AES
Formal_or_Informal	<input checked="" type="checkbox"/>	Formal	... Formal
Exclude From SBE MWBE Reports	<input checked="" type="checkbox"/>	No	... Include in
Funding_Source	<input checked="" type="checkbox"/>	Local	... Local
Track MWSBE-DBE Goals	<input checked="" type="checkbox"/>	No	... Not Track
e-Builder Process ID	<input type="checkbox"/>		...

Note: Above Totals section is information about the field.

← Back ✓ Accept ⊘ Cancel 🔍 Search

Code Val	Description
No	Include in
Yes	Yes

Code Field, Size = 3.0

Yes=Exclude contract from SBE MWBE reports

Step 4: Change the 'Track MWSBE-DBE Goals' UDF if needed. This field determines if the Contract is pushed to B2G. 'Yes' means it is sent to B2G, 'No' means it is not.

MAIN RETAINAGE USER DEFINED ACCOUNTS SUBCONTRACTORS INSURANCE

Field Name	Required	Field Value	Code Desc
Work_Category	<input checked="" type="checkbox"/>	AES	... AES
Formal_or_Informal	<input checked="" type="checkbox"/>	Formal	... Formal
Exclude From SBE MWBE Reports	<input checked="" type="checkbox"/>	No	... Include in
Funding_Source	<input checked="" type="checkbox"/>	Local	... Local
Track MWSBE-DBE Goals	<input checked="" type="checkbox"/>	No	... Not Track
e-Builder Process ID	<input type="checkbox"/>		...

Code Val	Description
No	Not Track
Yes	Track

Code Field, Size = 3.0

Select 'Yes' if tracking MWSBE or DBE goals in B2G for this contract

Charlotte Business INclusion Staff Contacts

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