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<b>PROCEDURE#:</b>	<u>RDA-CPL-01</u>	<b>SUBJECT:</b>	<u>Compliance, MBE/WBE, Buy-Indiana</u>
<b>APPROVAL DATE:</b>	<u>04/19/2011</u>		
<b>EFFECTIVE DATE:</b>	<u>04/19/2011</u>		
<b>REVISION DATE:</b>	<u>04/19/2011</u>		
<b>EXECUTIVE SPONSOR:</b>	<u>RDA Executive Director</u>		<u><i>Bill Hamer</i></u>
		<b>SIGNATURE</b>	

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**REFERENCE TO OTHER POLICIES AND PROCEDURES**

- I.C. 36-7.5-2-8
- Monitoring, MBE/WBE, Minority Compliance
- Compliance, MBE/WBE, Program Requirements
- Compliance, MBE/WBE, Exemption Requests
- Compliance, MBE/WBE, Self Certification
- Compliance, MBE/WBE, Corrective Action Plan

**PURPOSE**

To provide guidance on the use of Indiana and Northwest Indiana businesses' goods and services within RDA-funded projects and RDA operational consultants (*BOD 6/23*). To establish a fair and consistent process to monitor the Buy Indiana provisions that the governor's executive order quarter implements along with the Department of Administration and approved by the RDA Board of Directors.

**POLICY**

Pursuant to I.C. 36-7.5-2-8, the RDA shall:

“(b) In addition to the provisions of subsection (a), with respect to projects undertaken by the authority, the authority shall set a goal for participation by minority business enterprises of fifteen percent (15%) and women business enterprises of five percent (5%), consistent with the goals of delivering the project on time and within the budgeted amount and, in so far as possible, using Indiana businesses for employees, goods and services. In fulfilling the goal, the authority, shall take into account historical precedents in the same market. *As added by P. L. 215-2005, Sec. 73. (BOD 6/23/09)*

The Grantee shall establish and regularly maintain a Buy Indiana Plan to demonstrate the Project's progress toward the utilization of Indiana businesses for employees, goods and services. This plan will be monitored as a component of the RDA's minority compliance program.

As agreed upon during the Minority Compliance and Buy Indiana program process and in conjunction with the drawdown schedule, the Grantee shall provide a written report showing progress of the Grantee in meeting all statutory standards for ensuring the adequate participation of MBE/WBE entities and Indiana businesses in the Project's activities.

Additionally, RDA funded projects, shall be exempt from grantee local preference requirements that provide a fiscal advantage to bidders within a particular municipality, as well as, local hiring requirements within a particular municipality. The grantee shall report on efforts to hire and actually use Lake and Porter County-based companies as well as the number of Lake and Porter County residents used on RDA funded projects.

**Once the RDA has determined that a project's or operations consultants MBE/WBE compliance has been assured and will meet board expectations, then the provision for Indiana businesses applies.**

### **PROCEDURE**

1. Documentation of planned efforts to meet MBE/WBE compliance goals must be a part of every grant application, and the adequacy of this plan will be taken into account when the RDA considers the funding request. (*BOD10/01/08 and 2/17/09 attach L* )
2. Once the RDA has determined that the MBE/WBE compliance has been assured and meets board expectations, the provision for Indiana and Northwest Indiana businesses will apply.
3. The Grantee must submit a Buy Indiana/Northwest Indiana Participation Plan within 30 days of grant approval.
4. As part of the Monthly Utilization Report submitted for auditing and compliance, grantees will report on actual use of Lake and Porter County-based companies as well as the number of employees used on RDA funded projects. Additionally, the grantees will assure company's/contractors:
  - a. Meets **one** of the following requirements which verifies "Indiana Business":
    - i. A business whose principal place of business is located in Indiana.
    - ii. A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
    - iii. A business that employs Indiana residents as a majority of its employees.
    - iv. A business that makes "significant capital investments" in Indiana demonstrating a minimum capital investment of \$5 million or more in plan/equipment or annual lease payments of \$2.5 million or more.
    - v. A business that has a "substantial positive economic impact" on Indiana as defined on the IDOA website.
    - vi. Procurement Guidelines are available on the IDOA website.
5. **Favoring Indiana Companies:** To encourage the state to spend its purchasing dollars with Indiana companies, Executive Order 05-05 created a Buy Indiana preference. There are two ways the State of Indiana measures the Buy Indiana preference in competitive solicitations: Quoting and Bidding.
6. In bidding for basic supplies and commodities, an Indiana company can choose the Buy Indiana preference, whereby its bid price is discounted for the purposes of scoring. The

categories are: 5% for a purchase of less than \$500,000, 3% for a purchase of at least \$500,000 but less than \$1,000,000, 1% for a purchase of at least \$1,000,000.

7. When the State is purchasing services for more complex and expensive solutions, a Request for Proposals (RFP) is used. (See Buy IN website for details on scoring guidelines). RFP responses are scored on a 100-point scale. 25 of those points represent the Buy Indiana preference and are awarded as follows:
  - 10 points are given to any RFP respondent that is considered an Indiana company based on the five criteria of an Indiana company.
  - Between 1 and 15 points are available to RFP respondents based on the economic impact of their proposal. Indiana Economic Impact, or IEI, is measured by the number of Indiana-based Full Time Equivalents (FTEs) who will be a part of this solution.
  - In other words, the number of Hoosiers assigned to the project. The FTEs work must be directly related to the proposed solution.

Grantees will be audited on an ongoing basis for compliance regarding MBE/WBE and Buy Indiana by a member of the RDA team or their designee.

8. If, at anytime during a grant cycle, it is revealed that a grantee is not achieving the expected goals agreed to at the time of the grant, the grantee will be given thirty days notice to submit a corrective action plan acceptable to the RDA.
9. The Corrective Action Plan will be reviewed the Executive Director and then either monitored for completion as outlined or communicated to the Board of Directors for further action.
10. Failure to submit such a plan may result in automatic suspension of outstanding funding under the grant.