



Metro

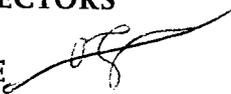
Metropolitan Transportation Authority

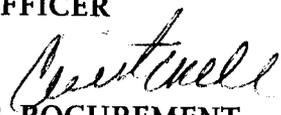
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April 8, 2005

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE 
CHIEF EXECUTIVE OFFICER

FROM: LONNIE MITCHELL 
EXECUTIVE OFFICER, PROCUREMENT
AND MATERIAL MANAGEMENT

SUBJECT: ELECTRONIC POST-AWARD CONTRACT DATA
VERIFICATION SERVICES

ISSUE

The Procurement and Material Management Department (Procurement) recently engaged Browz Group, LC (Browz) to assist the department in collecting, verifying and managing some of the contractor's compliance information (such as licensing, insurance, and/or bonding) required for post-award compliance monitoring. Procurement will require contractors with contracts that have licensing, insurance, and/or bonding requirements, typically construction contracts greater than \$25,000, and services contracts greater than \$100,000 to register with Browz, because these types of contracts typically require post-award compliance monitoring.

Procurement will not require prime contractors who supply Metro with inventory items or commercial items to register with Browz, as these types of contracts do not typically require post-award compliance monitoring.

Utilizing Browz is an effective solution for managing contract compliance and contractor data. It is also a component of Procurement's E-procurement initiative.

DISCUSSION

Upon award of a contract, Procurement will require prime contractors with construction contracts greater than \$25,000, and services contracts greater than \$100,000, to register with Browz. Procurement will not require sub-contractors to register with Browz, because Metro does not have a direct contractual relationship with sub-contractors.

Prime contractors will provide Browz appropriate documents, such as insurance certificates, copies of licenses, copies of required bonds, Occupational Safety and Health Administration (OSHA) 300 Logs and citation histories, accident, injury, and occupational illness reports. Browz reviews and, where possible, verifies this information through third-party reporting agencies such as Lexis Nexis, and Dun & Bradstreet.

After obtaining and reviewing this information, Browz provides comprehensive data reports on a secured website that is accessible to designated Metro staff. Browz also provides data gathering and verification services in a detailed, convenient, user-friendly, electronic format. During the contract, Browz ensures that required certifications, licenses, and safety information are current and notifies Metro of any non-compliance.

Benefits To Metro

This management tool improves post-award compliance monitoring via electronic document collection, tracking, data management, independent verification and processing of compliance information. It also establishes a centralized source of contractor performance metrics, which increases Metro's capability to identify performance and compliance issues. Further, operating efficiencies may be achieved by electronically collecting and reviewing contractor data from other Metro departments, such as, Small Business, Pre-qualification, Ethics, and Safety.

Benefits To Contractors

Typically, each agency the contractor is seeking to do business with requests the same or similar information from the contractor prior to contract award. Utilizing Browz reduces the contractor's costs by eliminating their need to respond to multiple information requests for the same information. Registering with Browz also exposes contractors to potential contracting opportunities with other Browz clients.

Moreover, this requirement should have minimal impact on the business community as the initial \$595 registration fee is only required of the prime contractor upon contract award.

Solicitation packages will contain information about the Browz registration requirements. For multi-year contracts, the fee is discounted to \$536 for the second year, and \$476 for the third and any subsequent year. If Metro awards the contractor a separate contract while already registered with Browz, the contractor does not pay an additional fee to Browz.

To minimize the impact on the Small Business community, during the program's first year of implementation, Browz will waive the \$595 registration fee, and any subsequent fees throughout the contract term, for prime contractors who are Metro certified Small Businesses. Following the first year, Metro certified Small Businesses will pay the regular Browz registration fee.

NEXT STEPS

- Notify existing Metro vendors of the pending implementation of Browz registration requirement via mass mailing.
- Post Browz registration requirement on Metro.net (under Doing Business).
- Reiterate Browz registration requirements during pre-proposal and pre-solicitation conferences.
- Implement the requirement by including language in solicitation packages issued as of May 2, 2005 (target date).

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