



# PERFORMANCE AUDIT

OFFICE OF CONTRACT COMPLIANCE

2024

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# INTRODUCTION

The City of Atlanta Mayor's Office of Contract Compliance (OCC) effectively serves as a liaison, linking Small, Minority, Female and Disadvantaged Businesses with City of Atlanta related business opportunities and encourages equal opportunity for all businesses and individuals in the Atlanta workplace.

OCC services and administers programs on eligible contracts in the Aviation, Watershed, and General Fund Departments.



# MISSION

**The mission is to mitigate the effects of past and present discrimination against women and minority businesses.**

# VISION

**To promote full and equal business opportunity for all persons doing business with the City of Atlanta.**

# B2GNOW SUPPLIER DIVERSITY MANAGEMENT SYSTEM (SDMS)

- B2GNow is a Supplier Diversity Management System (SDMS) provider.
- Software leader in public and private sectors for over 25 years.
- Cloud-based platform
- Specializes in supplier diversity management, certification, prevailing wages, labor compliance and grant management solutions.

- Early 2020, OCC procured SDMS and started the mitigation from Prism to B2G Now - Business Diversity Software in April 2020.
- OCC currently utilizes the system:
  - To process EBO and SBO certifications.
  - Perform and conduct real-time contract compliance monitoring.

# AUDIT RECOMMENDATIONS

# RECOMMENDATION

01

Recommendation #1:

We recommend the director of the Office of Contract Compliance work with the chief procurement officer to formalize a communication protocol between Contract Compliance and the user agencies to ensure that compliance staff are notified of scheduled notice to proceed meetings.

## RESPONSE:

OCC has been integrated into the contract approval process and is working to build relationships with the user agencies to ensure notifications of Notice to Proceeds. In addition, efforts are underway to coordinate with the Department of Procurement to establish recurring bi-monthly meetings, fostering ongoing collaboration and ensuring alignment on key initiatives.

# RECOMMENDATION

02

Recommendation #2:

We recommend the director of the Office of Contract Compliance should require contract specialists to log contracts into SDMS after signature and follow up with the user agencies periodically to confirm when the Notice to Proceed meeting will take place.

## RESPONSE:

OCC has established a streamlined process to ensure that all contracts are promptly entered into SDMS upon receipt. OCC is also collaborating with user agencies to confirm the receipt of all fully executed contracts and Notice to Proceed.

**COMPLETED**



# RECOMMENDATION

Recommendation #3:

03

We recommend the director of the Office of Contract Compliance ensure that compliance staff obtain copies of the contract, letter of recommendation, task orders and change orders, subcontractor utilization forms, subcontractor agreement, and schedule of participation form from the contractor and upload them into SDMS.

## RESPONSE:

OCC conducts continuous internal training and process improvements to ensure that all required documents are promptly uploaded into the SDMS as contracts are awarded. The system has features that are in place to obtain and maintain copies of required documentation.

# RECOMMENDATION

04

Recommendation #4:

We recommend the director of the Office of Contract Compliance establish a policy that requires both primes and subcontractors to upload documentation showing proof of payments, showing payment amount and date, within three business days of payment receipt.

## RESPONSE:

OCC records this information within SDMS, which is designed to facilitate tracking and verification of payments to primes and subcontractors. SDMS captures detailed payment information, providing a mechanism to confirm that primes have been paid and subcontractors receive prompt payments.

**COMPLETED**

# RECOMMENDATION

05

Recommendation #5:

We recommend the Director of the Office of Contract Compliance add a line to the contractor substitution form for the director's signature, and document approval of changes to the subcontractor plan consistent with city code requirements and procedures.

## RESPONSE:

The substitution forms have been updated to align with city code requirements and procedures.

**COMPLETED**

# RECOMMENDATION

06

Recommendation #6:

We recommend the director of the Office of Contract Compliance require staff to update its policies to set a minimum number of site visits required, the specific intervals with which they should be performed, and required documentation of site visits to be uploaded to SDMS within a specified time.

## RESPONSE:

OCC is in the process of developing a comprehensive site visit protocol manual, with an anticipated completion date of December 2024. This manual will provide standardized guidelines for conducting on-site visits to vendors, contractors, or project locations, ensuring consistency and compliance with contractual obligations.

# RECOMMENDATION

07

Recommendation #7:

We recommend the director of the Office of Contract Compliance assign staff to manage projects at the master contract level, rather than by task order.

## RESPONSE:

OCC has designated staff to oversee projects at the master contract level, creating a more streamlined and efficient approach to project management.

**COMPLETED**

# RECOMMENDATION

08

Recommendation #8:

We recommend the director of the Office of Contract Compliance work with the SDMS vendor to implement system features to tie task orders to master contracts.

## RESPONSE:

OCC has worked with SDMS to implement the system features that tie task orders to master contracts.

**COMPLETED**

# RECOMMENDATION

09

Recommendation #9:

We recommend the director of the Office of Contract Compliance require compliance specialists to retroactively link all task orders for active projects to master contracts.

## RESPONSE:

OCC has worked with SDMS to retroactively link task orders to master contracts.

**COMPLETED**

# RECOMMENDATION

10

Recommendation #10:

We recommend the director of the Office of Contract Compliance work with B2G representatives to identify the appropriate diversity participation reports from SDMS that reflect the office's operations.

## RESPONSE:

OCC is actively working with the SDMS vendor to finalize the development and implementation of a custom reporting feature. This tailored report will provide enhanced insights and data analysis capabilities specific to OCC's needs, such as tracking subcontractor payments, monitoring compliance metrics, and generating performance summaries. The custom report implementation is anticipated to be completed by January 2025.



# RECOMMENDATION

11

Recommendation #11:

We recommend the director of the Office of Contract Compliance require staff to update policies and procedures to reflect current practices and use of SDMS and develop a schedule to ensure annual reviews occur.

## RESPONSE:

OCC is in the process of updating its office policies and procedures, with a target completion date of December 2024. This update involves reviewing and revising current protocols to align with best practices, regulatory requirements, and organizational goals. The revised policies and procedures will provide clear, up-to-date guidance for OCC staff, promoting consistent operations, reinforcing compliance standards, and enhancing overall efficiency within the office.

# RECOMMENDATION

12

Recommendation #12:

We recommend the director of the Office of Contract Compliance require staff to conduct thorough review of contracts, ensure goals are met with qualified subcontractors, and investigate anomalies.

## RESPONSE:

OCC will develop comprehensive guidelines for contract reviews by January 2025. These guidelines will establish a structured framework covering critical aspects of contract evaluations, such as alignment with organizational goals, compliance with regulatory standards, adherence to contractual terms, performance metrics, and risk assessment. This initiative will promote a consistent and thorough approach to contract reviews, enhancing OCC's ability to oversee and manage contractual obligations effectively.

# RECOMMENDATION

13

Recommendation #13:

We recommend the director of the Office of Contract Compliance ensure that procedures are developed to indicate steps to be followed when a firm who is contracted and performing work is denied re-certification or certification is revoked.

## RESPONSE:

OCC is set to develop a formal procedure for communication of de-certification and revocation of certifications, with a targeted completion date of January 2025. This procedure will provide a clear, standardized process that includes key steps such as issuing notifications, gathering and maintaining documentation, conducting thorough compliance checks, and performing any necessary follow-up actions.

# RECOMMENDATION

14

Recommendation #14:

We recommend the director of the Office of Contract Compliance put a structured quality control system in place to ensure that staff are following procedures, and that contract management is consistent among compliance specialists.

## RESPONSE:

OCC plans to develop a structured quality control system by February 2025. This system will be designed to align all areas of compliance, ensuring that processes are consistently monitored, evaluated, and refined across the organization. The quality control system will include standardized procedures, performance metrics, and regular audits to assess compliance with regulations, contract terms, and organizational goals.



**THANK  
YOU**