

**ORDINANCE OF THE CITY COUNCIL OF JACKSON, MISSISSIPPI  
INCREASING TRANSPARENCY WITH SUBCONTRACTORS**

**WHEREAS**, the City Council of Jackson, Mississippi is working to increase public trust, establish a system of transparency, public participation, and collaboration; and

**WHEREAS**, the City Council of Jackson, Mississippi believes that transparency promotes accountability and provides information for citizens about what their government is doing; and

**WHEREAS**, the City Council of Jackson, Mississippi is requiring the submission of a sworn affidavit listing all persons with an ownership interest in a contract and all persons natural or artificially retained by the contractor as a subcontractor in connection with the contract; providing that the listing shall be a public record; to provide for suspension of payments of invoices for contracts not in compliance with this section and to otherwise provide with respect thereto; and

**WHEREAS**, the City Council of Jackson, Mississippi hosted public meetings on February 16, 2016, February 24, 2016, and March 2, 2016 that resulted in subcontractors asking for the enforcement of the Equal Business Opportunity's Executive Order and Ordinance, a written agreement between prime and subcontractors regarding the percentage of work and pay as well as all contractors who will perform on the contract, the implementation of a "quick payment" plan, increased outreach, and probable cause regarding the modification of subcontractors; and

**WHEREAS**, the City Council of Jackson, Mississippi concludes there must be a level of transparency to ensure compliance, oversee spending, promote efficiency, eliminate conflict of interest, and increase accountability.

**IT IS THEREFORE ORDERED** the following shall take effect upon passage:

**SECTION 1: DEFINITIONS**

- a. "Contract" means any agreement to which the government is a party or any agreement on behalf of the government which involves that payment of public funds.
- b. "Material Financial Interest" means a personal and pecuniary interest, direct or indirect, accruing to a public servant or spouse, either individually or in combination with each other.
- c. "Ownership Interest" means it shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that holds an interest in a publicly traded company.
- d. "Person" means any individual, firm, business, corporation, association, partnership, union or other legal entity, and where appropriate a governmental entity.
- e. "Subcontractor" means a business or person that carries out work for a company as part of a larger project, contract and initiative.

## **SECTION 2: REQUESTED DOCUMENTATION**

**a. Stipulation to include as standard in language listed in contracts and due at the time of proposal submission:**

**i. Every contract in the amount of fifty thousand (50,000) dollars or more, to which the city is a party, shall contain as stipulation the requirements that the prime contractor shall provide the following:**

**1. In addition to the Equal Business Opportunity Plan, a sworn affidavit illustrating the following:**

**1. All persons, natural or artificial, with an ownership interest and material interest in the contractor;**

**2. No other person holds an ownership interest in the contractor;**

**3. There is no conflict of interest between contractors, public officials and fiduciaries as defined by the Mississippi Ethics Commission located in Article 3: Conflicts of Interest, Improper Use of Office;**

**4. All persons, natural or artificial, who are retained by the contractor at the time of the contract's execution, who are expected to perform work, amount of work subcontracted, amount that will be paid to the subcontractor, and pay schedule of subcontractors in connection with the contractor's work for the City; and**

**5. All subcontractors with subcontractors, who are expected to perform work, amount of work subcontracted, amount that will be paid to the subcontractor, and pay schedule of subcontractors in connection with the contractor's work for the City.**

**2. Monthly reports demonstrating the scope of work, services performed and payments to each subcontractor should be submitted to both the Equal Business Opportunities (EBO) Manager and Office of the City Clerk.**

**3. Before modification of any subcontractor performing work, the prime contractor must submit a letter to the Equal Business Opportunities (EBO) Manager illustrating probable cause and await approval or rejection in five (5) business days.**

**4. Once the prime contractor receives payment from the City, the prime contractor has five (5) business days to pay all subcontractors.**

**SECTION 3: EFFECTIVE DATE**

- a. The provisions of Section 2. of this ordinance shall become effective thirty (30) days after the effective date of this ordinance.

**Agenda Item #:**

**Date:**

**By: Councilman Hendrix**