

# Procurement Manual

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Rev 02



## **Mission Statement Santa Rosa County Procurement**

Santa Rosa County's Office of Procurement will consistently demonstrate Organizational Excellence and provide Strategic Value for its Citizens and internal customers. We will accomplish this by creating, implementing and continually practicing efficient, ethical processes and procedures that strategically, and tactically, facilitate the County's procurement of services, supplies and construction supporting essential public functions. This Office will endeavor to ensure that taxpayer dollars are spent responsibly and in a manner that is always transparent, efficient, accountable and fair.

Effective Date  
October 24, 2019

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## ***Part 1 – General***

### **SECTION 1 - PURPOSE**

The County maintains a central procurement system which promotes efficiency, economy, and fair and open competition in an effort to reduce the appearance of and opportunity for favoritism or impropriety, and to inspire public confidence that all purchases and contracts are awarded equitably and economically. The purpose and objectives of this Procurement Manual (the “Manual”) are:

- A. To deal fairly and equitably with all suppliers wishing to do business with Santa Rosa County.
- B. To assure adherence to all purchasing laws, regulations, and procedures.
- C. To maximize competition for all procurements.
- D. To administer the procurement function with internal efficiency.
- E. To procure goods and services at the lowest price, consistent with quality, performance, and delivery requirements from capable suppliers meeting the County’s needs.

This Manual is to serve as a permanent, up-to-date guide to County procurement policies and procedures.

### **SECTION 2 - DISTRIBUTION & REVISIONS**

This Manual will be made available electronically to all County employees involved in the procurement process. The Procurement Officer shall be responsible for maintaining the official adopted version of this Manual electronically and for the continual updating of this Manual as necessary, including any subsequent revisions as necessary.

All revisions to this Manual must be reviewed by the Procurement Officer, County Administrator or designee, County Attorney and approved by the Board of County Commissioners (the “Board”).

### **SECTION 3 - APPLICATION OF MANUAL AND EXEMPTIONS**

#### **3.01 - Applicability**

This Manual, and the policies and procedures contained herein, govern all departments and divisions under the jurisdiction of the Board, as well as all purchasing transactions, which are paid for directly from County and grant funds under the control of the Board. The contents of this Manual preempt all previously existing purchasing manuals, policies and procedures.

#### **3.02 - Exemptions from the Procurement Manual**

The following types of procurement activities shall be exempt from the competitive procurement requirements of this Manual as described below. These exemptions do not preclude the County from utilizing competitive procurement practices where possible. When the department intends to use one of the exceptions listed below, prior approval is required from the Director of OMB through the Procurement Officer. Please provide sufficient justification in your request to utilize one of the exceptions.

- A. Service/Maintenance Contracts; Continuing service and/or maintenance contracts that are initially awarded by the Board as a part of product acquisition/installation to a vendor who is the manufacturer, developer, or who is the authorized service agent thereof and for which funds are annually appropriated in the budget are exempt from further competitive requirements of this policy. Examples are software/hardware maintenance, building systems maintenance, security systems, etc.
- B. Real property, real estate brokerage, options of title or abstracts of title for real property, title insurance for real property, and other related costs of acquisition, rental, or sale of real property.
- C. Library Media and Materials. The purchase of library books, education and/or textbooks, printed instructional materials, reference books, periodicals, databases, indexes, pre-recorded library media materials, (e.g. audio and video cassettes, film strips, films, sound recordings, etc.) and printed library cards that are to be a part of the library collection are exempt.
- D. Publication of notices (except Delinquent Tax Notices).
- E. Training Media and Services, when such materials or services are available only from the producer, publisher, owner of the copyright or patent, educational institution or training service provider, which developed the training program, the purchase is exempt from competitive requirements.
- F. Software upgrades, software modification services by the copyright holder, maintenance agreements, and related software enhancements to installed software purchased through competitive means are exempt. The purchase of new software packages or systems shall follow the thresholds and procedures of the Manual to ensure competitive selection.
- G. Training and educational courses, lectures by individuals and education events or programs, contracts between the County and governmental entities or nonprofit corporations, memberships, publications, meeting rooms, and hotels when below the formal bid threshold.
- H. Services of legal counsel authorized by the Office of the County Attorney, including, but not limited to, expert witnesses, conflict counsel, and other services required by the Office of the County Attorney as may be authorized in the County Attorney's contract.
- I. All supplies, materials, equipment, or services purchased at a price established in any of the authorized forms of state contracts of the State of Florida Department of Management Services, Division of Purchasing; under the terms and conditions of a cooperative purchasing agreement or term contract by other governmental units, or through other cooperative purchasing organizations if the vendors agree to provide the County the same goods or services, under the same conditions, terms and prices.

- J. All supplies, and materials, equipment, construction, or services purchased from another unit of government not otherwise limited or prohibited by law.
- K. All purchases of services from a utility whose rates are determined and controlled by the Public Service Commission or other governmental authority, including but not limited to electricity, water, sewer, telephone, and cable television services.
- L. All purchases of used equipment having a value of \$35,000 or less; however, each such purchase shall be supported by one equipment appraisal report from the vendor. All purchases of used equipment having a value greater than \$35,000 however, each such purchase shall be supported by two independent equipment appraisal reports.
- M. All heavy equipment repairs shall be exempted from the competitive sealed bid requirements. The Department Director or designee shall solicit and evaluate quotations and make a recommendation for award. The Procurement Officer shall review the quotations greater than \$35,000 and the recommendation for award and award of the bid shall be made by the appropriate authority as provided in Section 13.
- N. Chemicals, petroleum products (fuel and oil).
- O. Corporate and media sponsorship agreements.
- P. Lectures by individuals.
- Q. Health services involving examination, diagnosis, treatment, prevention, medical consultation, or administration.
- R. Procurement of banking services for any bond or loan issuance, refund, or other related activities.
- S. Purchases of insurance coverages for the County.
- T. Continuing education events or programs.
- U. Travel arrangements and expenses.
- V. All supplies, materials, equipment, or services procured pursuant to an existing contract of Rosa County or another unit of government, if the vendor-party to the existing contract extends the terms and conditions of the existing contract to the County and the existing contract was awarded pursuant to procedures required under this Procurement Policy.

## **SECTION 4 - IMPLEMENTATION**

### **4.01 - Delegation for Implementation**

- A. It shall be the responsibility of the County Administrator or designee, through the Procurement Office, headed by the Procurement Officer, to implement and enforce the policies and procedures set forth in this Manual.
- B. The Procurement Officer, as head of the Procurement Office, shall exercise functional authority over the County procurement process for the purpose of implementing and enforcing these policies and procedures on a County wide basis, as well as in the Procurement Office for its role in the process.
- C. Each department and division director shall be responsible for implementing and enforcing these policies and procedures within their respective jurisdictions.

### **4.02 - Violations of the Procurement Manual**

A violation of any of the policies and procedures in this Manual may be grounds for disciplinary action and may result in the County's refusal to pay for any improperly ordered goods or services.

### **4.03 - Waiver of the Procurement Policies and Procedures**

The Board shall have the authority to waive the policies and procedures contained in this Manual when deemed to be in the best interest of the County so long as it does not violate any state or federal laws.

## **SECTION 5 - TRAINING**

All County employees who are responsible for implementing the procurement process within their department/division must attend mandatory training classes provided by the Procurement Office on an annual basis. Procurement Office will provide the training and maintain records related thereto.

## **SECTION 6 - GENERAL PRINCIPLES OF LAW**

The principals of law and equity, including laws relative to contracts, agency, business entities, ethics, fraud, misrepresentation, duress, coercion, mistake or bankruptcy shall supplement the provisions of this Manual. All contracts awarded by virtue of this Manual, and all procurements of the County pursuant to this Manual, shall be governed by and construed under the laws of the State of Florida and the local laws of Santa Rosa County, Florida.

## **SECTION 7 - CODE OF ETHICS**

### **7.01 - Ethics General**

Santa Rosa County is committed to a procurement process which fosters fair and open

competition, is conducted under the highest ethical standards, and enjoys the complete confidence of the public. To achieve these purposes, the County subscribes to the following code of ethics:

- A. The County will avoid unfair practices by granting all competitive respondents equal consideration as required by State, Federal, and County regulations.
- B. The County will conduct business in good faith; demanding honesty and ethical practices from all participants in the purchasing process.
- C. The County will promote positive respondent and CONTRACTOR relationships by affording respondent representatives courteous, fair, and ethical treatment.
- D. The County will make every reasonable effort to negotiate equitable and mutually agreeable settlements of controversies with a respondent.

The County will avoid involvement in any transactions or activities that could be considered to be a conflict between personal interest and the interest of the County.

## **7.02 - Employee Ethics**

All employees are required to maintain high standards of ethics and conduct. Procurement staff shall strive to maintain complete independence and impartiality in dealings with vendors to preserve the integrity of the competitive process and to ensure there is public confidence that Purchase Orders and contracts are awarded equitably and economically.

Employees are subject to the Human Resources Policy - Code of Conduct and Florida Statute Section 112.313 as may be revised and amended from time-to-time. All employees are required to maintain high standards of ethics and conduct. Employees will avoid the appearance of unethical or compromising practices in relationships, actions and communications. Procurement staff shall maintain complete independence and impartiality in dealings with vendors to preserve the integrity of the competitive process and to ensure public confidence in all procurement activities.

In addition, the provisions of Chapter 112.313, Florida Statutes, pertaining to the standards of conduct for public officers and employees shall expressly apply to all county officials and employees. A violation of Section 112.313, Florida Statutes, pertaining to purchasing or contractual relationships shall also be deemed a violation of this Manual. Violations of these provisions of ethics and standards of conduct will be subject to disciplinary action up to and including termination of employment.

## SECTION 8 - DEFINITIONS

A. The following terms defined in this section shall have the meanings set forth below whenever they appear in this Manual:

1. **ADDENDUM** - Is a written document used to update, expand or more fully explain the terms of a bid instrument such as an Invitation to Bid, Request for Proposals, and Request for Qualifications. An addendum is not to be confused with a contract amendment.
2. **ADVERTISEMENT** - A public announcement inviting responses for services to be performed or materials to be furnished.
3. **AGREEMENT** - All types of agreements, regardless of what it may be called, that involve the purchase or disposal of supplies, services, materials, equipment, or construction.
4. **AUDIT** - An official inspection of an individual's or organization's accounts, either by the County or its designee.
5. **AWARD** - The acceptance, by the County, of the successful bidder, respondent or CONTRACTOR's proposal.
6. **BID, PROPOSAL or QUOTATION** - Is an offer specifically given to the County in response to an Invitation.
7. **BIDDER** - Any individual, partnership, firm or corporation, acting directly or through a duly authorized representative, sole proprietor, joint venture, or any other legal entity, who submits a bid or proposal for the goods or services contemplated.
8. **BIDDING DOCUMENTS** - The Advertisement or Invitation to Bid, instruction to bidders, the bid form and the proposed contract documents, including all addenda issued prior to receipt of bids.
9. **BIDDING REQUIREMENTS** - The Advertisement or Invitation to Bid, instruction to bidders and the bid forms.
10. **BLANKET ORDER** - A purchase order issued to a vendor for an amount not to exceed the face value of the purchase order.
11. **BOARD** - Means the Board of County Commissioners of Santa Rosa County, Florida. The Board maintains the authority to enter into all agreements on behalf of the County under the County's proper name.
12. **BONDS** - Bid, Performance and payment bonds and other instruments of security.

13. **BRAND NAME OR EQUIVALENT SPECIFICATION** - A specification limited to one or more items by, for example, manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other characteristics needed to meet the County requirements and which provide for the submission of equivalent products.
14. **BUSINESS** - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
15. **CCNA** - Consultants' Competitive Negotiations Act per section 287.055, Florida Statutes.
16. **CENTRAL REPOSITORY** - File of all fully executed contracts, leases and non-grant agreements maintained in auditable format.
17. **CERTIFICATES OF COMPLIANCE** - Written statements by the manufacturer stating the material furnished is in conformance with the work specifications.
18. **CHANGE ORDERS** - A document, which amends the scope of, or corrects errors, omissions, or discrepancies in an agreement or purchase order, which is signed by the CONTRACTOR and approved in accordance with authorization levels.
19. **CLERKS OFFICE** - The Clerk of Court is the Official Records Keeper for the Board of County Commissioners.
20. **COMMODITY** - Means a product that the County may contract for or purchase for the use and benefit of the County. A specific item, which is different from the rendering of time and effort by a provider.
21. **COMPETITIVE SEALED BIDDING (Invitation to Bid)** - A written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services valued more than the threshold for this category.
22. **CONSTRUCTION** - Means the process of building, attaining, repairing, improving, or demolishing any public structure or building, or other public improvement of any kind to any public real property. It does not include routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.
23. **CONTRACT** - Means all types of legally enforceable agreements, regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment, or construction and which describe the terms and obligations of the business transaction.
24. **CONTRACT AMENDMENT OR MODIFICATION** - Any alteration in specification, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

25. **CONTRACTOR** - Any person under contract with Santa Rosa County (not to include employment contracts).
26. **CONTRACT/LEASE CONTROL NUMBER** - A systemized unique number or name assigned to each fully executed contract, lease or agreement providing ready reference, status and totality of the agreement.
27. **CONTRACT/LEASE DATABASE** - A computer automated file affording organized search and retrieval of contracts, agreements, and leases.
28. **CONTRACTUAL SERVICES** - The rendering by a CONTRACTOR of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent CONTRACTORS, and such services may include, but are not limited to: evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and professional, technical, and social services.
29. **CONTRACTUAL SERVICES CONTRACT** - A contract for a CONTRACTOR's time and effort rather than the furnishing of specific commodities. Satisfactory completion of services and/or a specified period of time or date complete such contract.
30. **COOPERATIVE PURCHASING** - A procurement conducted by, or on behalf of, more than one public procurement unit.
31. **COST ANALYSIS** - The evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.
32. **COUNTY** - County shall mean Santa Rosa County, Florida. The Board retains the authority to enter into all contracts on behalf of the County within the County's proper name.
33. **DEPARTMENT MONITOR** - The department director, manager, or designee, responsible for monitoring compliance with terms and conditions, oversight, and review of contracts within the issuing/managing County Department.
34. **DEFINITE QUANTITY CONTRACT** - A contract whereby the CONTRACTOR(s) agree to furnish a specific quantity of an item or items at a specified price and time to specified locations. Delivery by the CONTRACTOR and acceptance of the specific quantity by the County completes such contract.
35. **EFFECTIVE DATE OF AGREEMENT** - The date indicated in the agreement on which it becomes effective.

36. **EMERGENCY PURCHASE** - A purchase necessitated by a sudden unexpected turn of events (e.g., including but not limited to acts of God, riots, fires, floods, hurricanes, accidents, terrorism, or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive bidding would be detrimental to the interest of the County. It may also be a condition that stops or seriously impairs the necessary function of County government.
37. **EMPLOYEE** - A full time, part time, or temporary employee, whether elected or non-elected.
38. **ESTABLISHED CATALOG PRICE** - The price included in a catalog, price list, schedule, or other form that:
- a. Is regularly maintained by a manufacturer or CONTRACTOR;
  - b. Is either published or otherwise available for inspection by customers; and
  - c. States prices at which sales are currently or were last made to a significant number of any categories of buyers or those buyers constituting the general buying public for the supplies or services involved.
39. **EXPIRED FILES** - File of agreements that final payment has been approved by the Board or the time period fixed in the contract, lease or agreement has expired. Retention of expired files shall be in accordance with the State of Florida's retention schedules.
40. **FINAL PAYMENT** - Payment issued upon satisfactory completion and final close-out of agreement or lease.
41. **FISCAL YEAR** - A twelve (12) month period of time to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. Santa Rosa County's fiscal year is from October 1 through September 30.
42. **F.O.B. (Free on Board)** - A term used in conjunction with an identified physical location to determine the responsibility and basis for payment of freight charges, and the point at which title for the shipment passes from seller to buyer. Commonly used deliveries are:
- a. **F.O.B. Destination** - A shipment to be delivered to a destination designated by the buyer and the point at which the buyer accepts title. Generally best to use, then the shipper is responsible for any problems.
  - b. **F.O.B. Shipping Point (Origin)** - A shipment is to be delivered to the buyer with passage of title, on board the indicated conveyance or carrier at the CONTRACTOR's designated facility.

43. **FULLY EXECUTED AGREEMENT** - Contract, lease or agreement executed and approved by the appointed representative of both parties, submitted with all required supporting documentation, approved per appropriate threshold signature and signed by an official.
44. **FUND** - A fiscal and accounting entity with a self-balanced set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.
45. **GENERAL FIXED ASSETS** - Are fixed assets used in operations accounted for in governmental funds. General fixed assets include all fixed assets not accounted for in proprietary funds.
46. **IMPROVEMENT** - Buildings, other structures, and other attachments or annexations to land which are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains and sewers. Sidewalks, curbing, sewers and highways are sometimes referred to as “betterment” but the term “improvements” is preferred.
47. **INVENTORY OF SUPPLIES** - An asset account, which reflects the cost of supplies on hand for use in operations.
48. **INVITATION TO BID (Competitive Sealed Bidding)** - A written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services valued more than the threshold for this category. The invitation for bids must be publicly advertised with the title, date, and hour of the public bid opening designated and specifically defines the commodity, group of commodities, or services for which bids are sought. It includes instructions prescribing all conditions for bidding and shall be distributed to all prospective bidders simultaneously. The invitation for bids is used when the County is capable of specifically defining the scope of work for which a contractual service is required or when the County is capable of establishing precise specifications defining the actual commodity or group of commodities required.
49. **INVITATION TO NEGOTIATE (ITN)** - A written solicitation that calls for responses to select one or more persons or business entities with which to commence negotiations for procurement of commodities or contractual services.
50. **INVITATION TO QUOTE (ITQ)** - A solicitation that calls for pricing information for purposes of competitively selecting and procuring commodities and contractual services.
51. **IRREGULARITY** - Any change or omission in an offer or contract that does not have an adverse effect on the County’s best interest, and does not affect the outcome of the

source selection process by giving an offeror an advantage or benefit not enjoyed by any other offeror, and not inconsistent with applicable laws.

52. **ISSUING DEPARTMENT** - The department for which the bidding document, agreement or lease is to be issued and where the agreement procedures are to be administered.
53. **JOINT VENTURE** - (1) A combination of CONTRACTORS performing a specific job in which business enterprises participate and share a percentage of the net profit or loss; or, (2) a joint business association of individual(s)/firm(s) to carry out a single business enterprise for which purpose the individuals/firms combine their property, money, efforts, skills and/or knowledge.
54. **LEASE** - The written instrument in which the rightful possessor of real or tangible property (Lessor) conveys the right of use and/or to occupancy of property to another (Lessee) in exchange for consideration, usually in the form of rent.
55. **LESSEE** - One who has a possessory interest in real or personal property under a lease.
56. **LESSOR** - A person who conveys real or personal property by lease; esp., Landlord.
57. **MACHINERY AND EQUIPMENT** - Tangible property of a more or less permanent nature, other than land or buildings and improvements thereon. Examples are tools, trucks, cars, furniture, and furnishings.
58. **MANUFACTURER** - Person or firm engaged in the process of making, fabricating, constructing, forming or assembling a product(s) from raw, unfinished, semi-finished, finished, or recycled materials through a direct contract/agreement on behalf of the general CONTRACTOR.
59. **MATERIAL MISTAKE** - Any deviation or variance from the bid requirements or other mistake that gives one bidder a substantial advantage over other bidders. A non-material mistake is any mistake that does not affect the price, give one bidder an advantage or benefit not enjoyed by other bidders and does not adversely affect the interests of the County.
60. **NOTICE OF COMMENCEMENT** - A notice recorded in accordance with Section 713.13, F.S. prior to the commencing or recommencing to improve any real property.
61. **NOTICE OF AWARD** - The written notice by the County Administrator to notify the successful respondent that the offer they submitted for the advertised work has been accepted.
62. **NOTICE TO PROCEED** - A written notice given by the County Administrator establishing the original date on which the work under the agreement/contract will

commence. The CONTRACTOR shall begin to perform his/her obligation according to the agreement documents on the dates provided in the Notice to Proceed.

63. **OFFER** - Any bid, proposal or quotation made to the County.
64. **OFFEROR** - Any business submitting an offer to the County.
65. **OPTION TO RENEW** - A contract clause that allows a party to reinstate the contract for an additional term when approved by both parties.
66. **ORIGINAL** - Initial, non-reproduced, signed agreements, amendments, change orders and task orders, and any and all other documents that are required to be retained by the Clerk's Records Office.
67. **PAYMENT BOND** - The approved form of security furnished by the CONTRACTOR and their surety as a guaranty that they will pay all bills and accounts for materials and labor used in the work or services.
68. **PERFORMANCE BOND** - The approved form of security furnished by the CONTRACTOR and their surety as a guaranty that the CONTRACTOR will complete the work or service in accordance with the terms of the agreement.
69. **PERSON** - Any business, individual, committee, club, other organization or group of individuals.
70. **PRE-BID CONFERENCE (or Pre-Proposal Conference)** - A meeting held with prospective bidders prior to solicitation of, or the date of receipt of, bids or proposals, to discuss technical aspects, specifications, and standards relative to the subject, and to elicit expertise and bidders interest in pursuing the task.
71. **PROCUREMENT OFFICER** - The Procurement Officer shall serve as the central Procurement Officer of Santa Rosa County and shall develop and administer operational procedures implementing this policy and for governing the internal functions of the Office of Procurement.
72. **PROFESSIONAL SERVICES** - May include any services provided by a licensed professional in a particular field or subject. As to Consultants' Competitive Negotiations Act (CCNA), professional services are defined as those services within the scope of the practice of architecture, professional engineering, landscaping architecture, or registered land surveying, as defined by the State of Florida, or those performed by any architect, professional engineer, landscape architect, or registered land surveyor in connection with his professional employment or practice.
73. **PROPERTY** - Any external thing over which the rights of possession, use and enjoyment are exercised.

74. **PURCHASING CARDS (P-CARDS)** - County-issued credit cards.
75. **PURCHASE ORDER** - The County's official document issued separately or in conjunction with other documents such as a contract, which delineates the responsibilities of both parties in provisions of the payment of goods and services required by the County. The Purchase Order is also the mechanism by which budgetary and cash balances are encumbered in the County's finance system.
76. **PURCHASING** - Buying, procuring, renting, leasing, or otherwise acquiring any materials, supplies, services, construction, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment, including description of specifications and requirements, selection and solicitation resources, preparation and award of contract.
77. **PYRAMIDING** - The act of combining two or more purchases to the same vendor within a specific period of time in order to acquire goods and/or services over the limitations and requirements set forth.
78. **QUOTES**
- a. **VERBAL QUOTES** - The procurement procedure used to purchase commodities or contractual services with a value within the threshold amounts. At least one quote must be obtained for each purchase.
  - b. **WRITTEN QUOTES** - The procurement procedure used to purchase commodities or contractual services with a value within the threshold amounts. Written Quotes are conducted by obtaining written quotations from three or more vendors. It does not require a public bid opening and is awarded as per threshold limits and authorizations. In those instances where the securing of three (3) quotations is not practicable, the Department Director or Procurement Office shall provide written justification of such. Written evidence of all quotations must be maintained.
79. **REAL PROPERTY** - Land and anything growing on, attached to, or erected on it, excluding anything that may be severed without injury to the land. Real property can be either corporeal or incorporeal.
80. **RECYCLED CONTENT** - Materials that have been recycled and are contained in the products or materials to be procured, including, but not limited to, paper, plastic, aluminum, glass and composted materials. The term does not include internally generated scrap that is commonly used in industrial or manufacturing processes or waste or scrap purchased from another manufacturer who manufactures the same or a closely related product.

81. **REGULATION** - A statement by the County having general or particular applicability and future effect, designed to implement, interpret, or prescribe law, policy or practice.
82. **REQUEST FOR PROPOSALS (RFP)** - A written solicitation for sealed proposals with the title, date, and hour of public opening designated. The request for proposals is used when the County is unable to specifically define the scope of work for which the commodity, group of commodities, or contractual service to meet the specifications of the solicitation document. A request for proposal includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, proposal instructions, and evaluation criteria.
83. **REQUEST FOR QUALIFICATIONS (RFQ)** - A written solicitation for sealed qualifications with the title, date, and hour of public opening designated. The request for qualifications is used where the specifications of required services are broad and specialized in nature. Evaluation of a response is based on prior established criteria which involves more than price.
84. **REQUISITION** - A written request to have commodities or services purchased.
85. **RESPONSIBLE BIDDER OR OFFEROR** - Having the capability in all respects to perform fully the contract requirements and the experience, capacity, facilities, equipment, credit, sufficient qualified personnel, and having the integrity and reliability with a record of timely and acceptable past performance that will assure good faith performance.
86. **RESPONDENT** - A person who replies to something: one who is supplying information or responding to an advertisement or solicitation/procurement.
87. **RESPONSIVE BIDDER OR OFFEROR** - A person who has submitted a bid, which conforms in all material respects to the requirements and criteria set forth in the Invitation to Bid or the Request for Proposals.
88. **SERVICES** - The furnishing of labor, time, or effort by a CONTRACTOR, not involving the delivery of a specific end product other than those which are not defined as supplies and which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.
89. **SINGLE SOURCE** - Means that a commodity or service can be purchased from multiple sources, but, in order to meet certain functional or performance requirements (e.g., parts matching existing equipment or materials) there is only one economically feasible source for the purchase.
90. **SOLE SOURCE** - The commodity or service can be legally purchased from only one source. This is usually due to the source owning patents and/or copyrights. A requirement for a particular proprietary item does not justify a sole source purchase, if,

there is more than one potential supplier for that item. Use of Brand Names and Model numbers does not constitute a sole source.

91. **SPECIFICATIONS** - Any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycling or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.
92. **SUCCESSFUL BIDDER** - The lowest, responsible and responsive bidder to whom the Procurement Office, based on evaluation, recommends award of the fully executed agreement.
93. **SUPPLIER** - A person or firm who engages in the selling of materials and supplies to CONTRACTORS, subCONTRACTORS, and/or manufacturers for the purpose of constructing, repairing, altering, remodeling, adding to or subtracting from or improving any building, structure or property through a direct contract/agreement on behalf of the general CONTRACTOR.
94. **SURETY BOND** - A written promise to pay damages or to indemnify against losses caused by the party or parties named in the document, through nonperformance or through default. For example, a surety bond might be required of an independent CONTRACTOR. Surety bonds also include Fidelity Bonds covering governmental officials and employees.
95. **SURPLUS PROPERTY** - Any tangible personal property or real property interest owned by the County which has been declared by the Board as obsolete or the continued use of which is uneconomical or inefficient or which serves no useful function as to any activity or location under the County's supervision.
96. **TANGIBLE PERSONAL PROPERTY** - Personal property that can be seen, weighed, measured, felt or touched, or is in any way perceptible to the senses, such as furniture. It is not fixed in place and not an integral part of a structure or facility; and is not an integral part or component of another piece of equipment. The Tangible Personal Property Manual is available on the Procurement Office website.
97. **TASK ORDER** - Task Order is synonymous with the term "new work" against an existing task-order specific contract approved by the Board of County Commissioners. Selected CONTRACTOR will be given a scope of work by the managing department. CONTRACTOR will prepare and submit a written technical and cost proposal addressing the scope of work. The managing department will review, negotiate and forward to the Procurement Office for authorization. The next consecutive task order # will be assigned and the document will be forwarded for the appropriate level of approval.

98. **TIE (Identical Procurement)** - When two or more responses to a procurement are equal with respect to price and it appears the quality and service offered by the vendors are otherwise comparable.
99. **USING AGENCY** - Any department, division, agency, commission board, committee, authority or other unit in the County government using supplies or procuring contractual services as provided for in this Manual.
100. **VENDOR** - Also known as a supplier is an individual or business that will be or has been awarded a contract by the County.

## **SECTION 9 - DUTIES AND RESPONSIBILITIES**

### **9.01 - Budget Office**

The Budget Office shall confirm that sufficient funding is available for purchases made by the County.

### **9.02 - Procurement Office**

- A. The Procurement Office shall be responsible for developing and administering the purchasing program for those departments in County government under the direct control of the County Administrator and the Board of County Commissioners.
- B. The Procurement Office shall cooperate with County Departments in procurement of supplies and equipment and shall maintain adequate records necessary to create an audit trail for purchasing transactions.
- C. The Procurement Office will assist the requesting Department in soliciting quotes where formal bidding is not required.
- D. The Procurement Office shall maintain all original bid documents. Copies of the original bid documents will be provided to the applicable Department upon completion of the bid award and contract execution. Original bid documents shall not be attached as exhibits to subsequent or resulting contracts, leases or agreements.

### **9.03 - Requesting Department**

- A. The Requesting Department is the department originating the purchase.
- B. Departments are responsible for following the Procurement Manual. Department Directors may establish internal operating procedures to fully implement the Procurement Manual so long as such procedures are consistent with the Procurement Manual.
- C. Departments will use the forms supplied by the Procurement Office for procuring services, equipment and supplies.

- D. Department Directors are responsible for ensuring that sufficient budget funds are available for all expenditures made by Purchase Requisition, Purchase Order, and Credit Card Purchasing.
- E. Departments shall monitor the credit card purchases of their employees.
- F. Departments shall formulate specifications or the scope of work, including any pre-qualification requirements, for competitive bids or requests for proposals or qualifications, to include any terms and conditions specified in related funding documents i.e. Federal and State grant funding.
- G. Departments will verify, when a low bidder proposes an equal to that specified, that the equal is in fact a comparable item and will provide documentation of such to the Procurement Office.

## **SECTION 10 - AUTHORITY OF PROCUREMENT OFFICER**

- A. The Procurement Officer shall serve as the central Procurement Officer of Santa Rosa County.
- B. The Procurement Officer shall develop and administer operational procedures implementing this policy and for governing the internal functions of the Office of Procurement.
- C. Upon the prior approval of the County Administrator or designee, the Procurement Officer may delegate authority to designee(s) as allowed by law or rule.

## **SECTION 11 - VENDOR POLICIES**

### **11.01 - Full and Open Competition**

It is the intent of the Board to provide all vendors, with the exception of those on the State Department of Management Services Convicted Vendor List, with a fair and impartial opportunity in which to compete for the County's business.

### **11.02 - Public Entity Crime: Denial and Revocation of Rights**

In accordance with F.S. 287.133, any entity listed on the State Department of Management Services Convicted Vendor List shall be denied the right to conduct business or render any type of service for any County Department or Division to the extent required by the debarment, suspension, or other determination of ineligibility by the State. Vendors will provide a completed Sworn Statement Under Section 287.133 (3) (a), Florida Statutes, On Public Entity Crimes.

## *Part 2 – Procurements*

### **SECTION 12 - PURCHASING CATEGORIES; THRESHOLD AMOUNTS; GENERAL GUIDELINES**

#### **12.01 - Delegation of Threshold Amounts**

- A. The procurement method and authorization authority varies based upon the amount of the purchase. Generally, all purchases for commodities, equipment and services, when the estimated cost thereof shall equal or exceed \$35,000.00 shall be purchased competitively through formal bidding process; purchases below \$35,000.00 shall be handled in the manners specified herein, which are designed to maximize competition and ensure the county is receiving a fair price while balancing against the need for an efficient use of staff resources. The Board may waive the competitive procurement requirements when deemed to be in the best interest of the County and when compliant with state and federal law.
- B. Table 1 establishes the thresholds and procedures to govern procurement of commodities, equipment and services. Additionally, the authority for approving purchases within the established threshold set forth below is hereby delegated to the person(s) with designated signature authority. For purchases utilizing a Purchasing Card, refer to Appendix 1.

**Table 1 - Purchasing Process Thresholds**

<b>PROCUREMENT METHOD</b>	<b>RESPONSIBLE PARTY</b>	<b>THRESHOLD</b>	<b>SIGNATURE AUTHORITY LEVEL</b>
P-card	Card Holder	Per P-card policy	Department Director or Designee
Verbal Quotes (Section 13.01).	Department Head	\$0 to \$2,500.00	Department Director or Designee
Written Quotes (Section 13.02).	Department Head	\$2,500.01 to \$5,000.00	Department Director or Designee
Written Quotes (Section 13.02).	Department Head	\$5000.01 to \$35,000.00	County Administrator

<b>PROCUREMENT METHOD</b>	<b>RESPONSIBLE PARTY</b>	<b>THRESHOLD</b>	<b>SIGNATURE AUTHORITY LEVEL</b>
Competitive Sealed Bids/Proposals (Section 14)	Procurement	\$35,000.01 and over	Chairman of the Board of County Commissioners
Direct Payment (Section 22)	Department Head	N/A	Department Director or Designee

- C. The valuation of the procurement will be calculated based upon the value of the initial term of the contract to be awarded.
- D. All procurements will be procured in accordance with the methods permitted in relation to the threshold amounts, and as set forth in this Manual.

**12.02 - Encumbrance of Funds**

- A. It is the responsibility of each department director to ensure sufficient and proper funding is available prior to obligation and/or expenditure.
- B. No county employee, except in cases of emergency as defined in this Manual, or as provided by Florida Statutes Chapter 252, and/or as instructed by the County Administrator, shall issue any order for delivery on a contract or open market procurement until there is, to the credit of the using department concerned, a sufficient unencumbered appropriation balance to defray the amount of such order and the order is for a budgeted commodity or service.
- C. After determining availability of funds, the procurement as set forth in this Manual shall be performed.

**SECTION 13 - QUOTES**

**13.01 - Verbal Quotes (not to exceed \$2,500.00)**

- A. Commodities, equipment, and services with an estimated cost within the threshold authorized in Table 1 for verbal quotes, except those purchased on p-cards and through direct purchases, shall be procured by competitive, verbal quotes. Purchases at this level do not require written quotes, except when deemed advisable by the Procurement Office. Additionally, if there is an ongoing need for certain commodities, equipment, or services on a fairly regular basis then a competitive procurement may be required if the threshold in accordance with Table 1 is met in a fiscal year.

- B. At least one (1) quote must be obtained for each purchase, which must then be approved by the department director. Quotes may also be obtained from reputable internet vendors. All vendors providing verbal quotes must have the required expertise and capability to perform the work or supply the commodities or equipment. In determining if a vendor has the capability to perform the work or supply the commodities or equipment, consideration shall be given to the vendor's geographic proximity to the county for future ease of delivery, mobilization, or customer support after a purchase.

**13.02 - Written Quotes (not to exceed \$35,000.00)**

- A. Commodities, equipment, and services with an estimated cost within the threshold under Table 1 shall be procured by competitive, written quotations.
- B. At least three (3) written quotations must be obtained for each purchase from the requesting department or Procurement Office. In those instances where the securing of three (3) quotations is not practicable, the Department Director or Procurement Office shall provide written justification of such. The County employee soliciting the quotes shall prepare a written quotation solicitation, utilizing the County's standard procurement form that clearly documents the commodities, equipment, or services requested and when needed, contact information, the due date for quotation, any vendor requirement, and other relevant transactional terms. The requested commodities, equipment, or services must be adequately described on a consistent basis to assure a like-to-like comparison among vendors. The written quotation solicitation form shall be emailed or faxed to at least three (3) vendors who have the required expertise and capability to perform the work or supply the commodities or equipment. At least one must be solicited from the County vendor database accessible online.
- C. Quotes must be on company letterhead, the county approved quote form, or in a similar format with a date and signature of an authorized representative of the vendor.
- D. All vendors providing written quotes must have the required expertise and capability to perform the work or supply the commodities or equipment. In determining if a vendor has the capability to perform the work or supply the commodities or equipment, consideration shall be given to the ease of delivery, mobilization, or customer support after a purchase. The lowest cost, responsible and responsive vendor who is capable of performing the services or supplying the commodities or equipment shall be awarded the contract.

**SECTION 14 - TYPES OF COMPETITIVE SEALED BIDS/PROPOSALS**

**14.01 - Standard Formats**

All competitive procurements shall be developed using a standardized format and language, unless an exception is made by the County Administrator and/or County Attorney. It should be noted on all competitive procurements that the County retains the right to reject any and all responses and may choose to procure at the discretion of the Board.

## **14.02 - Requests for Proposals (RFP)**

- A. Definition: Requests for proposals are used when the scope of work, specifications, or contractual terms and conditions cannot be well defined. Evaluation of a response is based on prior established criteria which involves more than price. A request for proposal includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, proposal instructions, and evaluation criteria. The Purchasing Department and Department Director shall decide, based on the specific services needed, if professional services are required. This decision can be made once it is determined that in-house resources are not available to adequately provide such services.
- B. Criteria: The department director shall outline specific needs and objectives that will make up the scope of services to be addressed by the proposers. The Procurement Office, in conjunction with the Department Director, shall prepare the criteria and development of the request for proposals which should include, but not be limited to, the following:
  - 1. Introduction;
  - 2. Terms and conditions;
  - 3. Background;
  - 4. Scope of services required;
  - 5. Evaluation criteria;
  - 6. Proposal schedule;
  - 7. Proposed price;
  - 8. Selection process;
  - 9. Required forms; and
  - 10. Proposed contract. (As required, FHWA or LAP projects)
- C. Selection: Proposers shall be ranked by evaluation selection committee, as further detailed in Section 28, and presentations may be made to the selection committee or board for consideration.

## **14.03 - Invitation to Bid (ITB)**

- A. Definition: The invitation to bid should be utilized when the County is capable of establishing precise specifications for a commodity or defining, with specificity, a scope of services for the commodities or contractual services sought and when the estimated of these commodities, equipment or services exceeds the amount specified in Table 1. Through this process, vendors are able to compete on a cost basis for like items or services. The selection will be based upon the lowest priced, responsive, and responsible bidder.
- B. Criteria: The Department Director shall outline specific needs and objectives that will make up the scope of services to be address by the proposer. The Procurement Office, in conjunction with the Department Director, shall prepare the criteria and development of the invitation to bid which should include, but not be limited to, the following:

1. Introduction;
  2. Terms and conditions;
  3. Background;
  4. Scope of services or commodities required;
  5. Schedule;
  6. Selection process;
  7. Required forms; and
  8. Proposed contract. (As required, FHWA or LAP projects)
- C. Selection: Evaluation of bids shall be conducted by the Procurement Office in conjunction with the requesting department. Evaluation of bids must include consideration of the total cost of the bid.

#### **14.04 - Invitation to Negotiate (ITN)**

- A. Definition: The invitation to negotiate should be utilized when the scope of the project is not clearly defined and the County has determined that negotiations may be necessary to receive the best value. The invitation shall invite vendor input on the scope, schedule, and process for initiating the project. This method of procurement is frequently used in areas experiencing constant change in the marketplace and the County wants the opportunity to obtain current up-to-date goods or services at the time of contracting.
- B. Criteria: The department director shall outline the general scope of services to be addressed by the proposers. The Procurement Office, in conjunction with the Department Director, shall prepare the criteria and development of the invitation to negotiate which should include, but not be limited to, the following:
1. Introduction;
  2. General conditions;
  3. Background;
  4. Proposed price;
  5. Evaluation criteria;
  6. Schedule and selection process.
- C. Selection: Proposers shall be ranked by a selection committee, as further detailed in Section 28, and presentations may be made to the selection committee or Board for consideration.

#### **14.05 - Invitation to Quote (ITQ)**

- A. Definition: The invitation to quote format should be utilized when the County is capable of establishing precise specifications for a commodity or defining, with specificity, a scope of services for the commodities or contractual services sought and when the estimated cost of these commodities, equipment or services does not exceed the amounts specified in Table 1. Through this process, vendors are able to compete on a cost basis

for like items or services. The selection will be based upon the lowest priced, responsive, and responsible bidder.

- B. Criteria: The department director shall outline specific needs and objectives that will make up the scope of services to be addressed by the proposers. The Procurement Office, in conjunction with the Department Director, shall prepare the criteria and development of the invitation to quote which should include, but not be limited to, the following:
  - 1. Terms and conditions;
  - 2. Scope of service or commodities required;
  - 3. Schedule;
  - 4. Proposed price;
  - 5. Selection process.
- C. Selection: Evaluation of quotes shall be conducted by the Procurement Office. in conjunction with the requesting department. Evaluation of quotes must include consideration of the total cost of the quote.

## **SECTION 15 - COMPETITIVE FORMAL PROCUREMENTS, SEALED BIDS - THE PROCESS**

All formal competitive procurements are to be prepared by the Procurement Office in conjunction with staff, who will provide input on the scope of the commodities, equipment or services needed. The Procurement Office shall determine the date, time and location for submitting bids, as well as the date, time and location of the Public Bid Opening.

### **15.01 - Response Submission**

- A. Responses to all formal competitive procurements shall be submitted to the Procurement Office no later than the date and time designated in the instructions. The envelope containing the competitive procurement shall be sealed and marked according to instructions in the specifications. The Procurement Office, or designee, shall date and time stamp each response as it is received and file the responses, unopened, in a secure file until the time designated for the opening. Responses received after the designated time shall be returned unopen to the sender.
- B. Mandatory and non-mandatory conferences may be held when deemed necessary by the Procurement Office. Notification of the conferences will be outlined in the competitive procurement package or provided by separate notice. However, any written material to be distributed to potential respondents must be approved in advance by the Procurement Office and made part of the competitive procurement.

### **15.02 - Opening of Responses**

- A. All formal competitive procurements shall be opened in public at the time and place stated in the public notice with at least two (2) witnesses present. At least one witness

shall be a County employee to record the opening. The other witness may or may not be an employee of the County, but they cannot be a respondent to the competitive procurement.

- B. The purpose of the opening is to record the responses received and to ensure that the responses are in compliance with the basic requirements of the competitive procurement. Responses are not analyzed for quality or substance at the opening.

### **15.03 - Rejecting Responses**

The Board of County Commissioners reserves the right to accept or reject any and all bids, proposals, competitive or otherwise, in whole or in part, to waive informalities in the solicitation documents, to obtain new bids, or to postpone the bid opening as they may deem in the best interest of the county.

### **15.04 - Correction or Withdrawal of Responses; Material Mistakes; Cancellation of Awards**

- A. Responses submitted to the County as part of a competitive procurement may not be withdrawn unilaterally by the respondent. Correction or withdrawal of inadvertently erroneous responses before or after the competitive procurement opening, or cancellation of the awards or contracts based on such mistakes, may be permitted where appropriate. Mistakes discovered before the competitive procurement opening may be modified or withdrawn by written notice received in the office designated in the procurement prior to the time set for opening.
- B. After the competitive procurement opening, corrections of mistakes shall be permitted only to the extent that the vendor can show by clear and convincing evidence that a material mistake or nonjudgmental character was made, the nature of the mistake, and the price actually intended. After the competitive procurement opening, no changes in prices or other provisions prejudicial to the interests of the County or fair competition shall be permitted. The assigned unit price, when applicable, will be the prevailing decision when an extension price is in error. In place of correction, a low bidder establishing a non-judgmental material mistake of fact may be permitted to withdraw its procurement if:
  - 1. The response was submitted in good faith;
  - 2. The magnitude of the error made would make enforcement a severe hardship;
  - 3. The miscalculation was not the result of gross negligence;
  - 4. The error was reported immediately to the County;
  - 5. It is not later than 24 hours after the competitive procurement opening, except that if the following day is not a business day for the county, in such case, a withdrawal may be made until 12:00 noon the next County business day.

### **15.05 - Evaluations of Invitations to Bid**

In an invitation to bid process, the County may consider, but is not limited to, the following factors in addition to price when determining whether the bidder is responsive and responsible:

- A. Ability, capacity and skill of the bidder to perform the contract.
- B. Whether the vendor can perform the contract within the time specified, without delay, interference, or conflict with current workload.
- C. Quality of performance of previous contracts.
- D. Previous and existing compliance by the vendor with laws and regulations relating to the contract.
- E. Sufficiency of the financial resources and ability of the vendor to perform the contract or provide the product or service.
- F. Quality, availability and adaptability of the supplies or contractual services to the particular use required.
- G. Ability of the vendor to provide further maintenance and service for the use of the subject of the contract.
- H. Number and scope of conditions attached to the bid or quote.
- I. Qualifications of personnel, licensing and corporate qualifications.
- J. Evidence of improper litigation.
- K. Use of one or more subCONTRACTORs with a record of poor performance.

For the purpose of this section, the County may consider evidence from the ten-year period preceding the subject bid.

In the event the lowest, responsive, responsible bid for a construction project exceeds the architectural or engineering cost estimates, the County Administrator or designee is authorized, when time or economic considerations preclude rebidding of work of a reduced scope, to negotiate an adjustment of the scope of work with the lowest, responsive, responsible bidder, in order to bring the bid within the amount of available funds.

#### **15.06 - Evaluation of Requests for Proposals, Requests for Qualifications, and Invitations to Negotiate**

All responses to a request for proposals, requests for qualifications and invitations to negotiate that are deemed to meet the basic requirements of the competitive procurement and have not been rejected shall be distributed to the selection committee, as established in Section 28, for review in accordance with the established time frames outlined in the competitive procurement.

**15.07 - Notice of Award and Contract Negotiations**

- A. The procurement shall be awarded with reasonable promptness by the person(s) authorized to approve the purchase, as provided in Table 1 of this Manual. The notice of award shall be sent to the selected vendor and all responsive vendors.
- B. All procurements will be formalized by entering into either a contract with, or issuing a Purchase Order to, the successful respondent as described below.
- C. Once a satisfactory contract has been reached, the contract shall be presented for approval and execution by the appropriate authority as provided in Table 1. Upon execution by both parties, the notice to proceed shall be issued.

**SECTION 16 - NOTICING REQUIREMENTS FOR COMPETITIVE PROCUREMENTS**

**16.01- Newspaper**

- A. Noticing of all requests for proposals, requests for qualifications, invitations to bid, and invitations to negotiate (unless otherwise provided by law or waived by the Board) shall be done by publishing once in a newspaper of general circulation in the County at least 14 calendar days prior to the date set for receipt of the competitive procurement.
- B. Florida Statutes section 255.0525, states that any construction project that is projected to cost more than \$200,000.00 shall be publicly advertised at least once in a newspaper of general circulation in the County at least 21 calendar days prior to the bid received date and at least five calendar days prior to any scheduled pre-bid conference. If the construction project is expected to cost more than \$500,000.00, it must be advertised at least 30 calendar days prior to the bid received date and at least five calendar days prior to any pre-bid conference.
- D. The notice shall include a general description of the goods and services to be purchased, the location where specifications may be obtained, closing date, and the time and place for receipt of and the opening of the competitive procurement.

Notice of all requests for written quotations, pursuant to Section 14, shall not require a newspaper ad.

**16.02 - Website**

When advertised in newspapers, the notice shall also be listed on the official County website.

**SECTION 17 - REQUEST FOR QUALIFICATIONS (CCNA)**

- A. The purpose of obtaining professional services is to offer to the County special expertise, practical experience, knowledge, resources and an objective outside professional opinion. The provisions and exemptions contained in Florida Statutes section 287.055 (commonly

known as the Consultants' Competitive Negotiation Act, "CCNA"), shall apply herein for the procurement of all professional architecture, engineering, landscape architecture, or registered surveying and mapping services for projects that exceed certain statutory dollar thresholds.

- B. For more information on CCNA please refer to Florida Statutes Sections 287.017 and 287.055.
- C. Federally funded projects will follow Federal procurement standards in the "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards", 2 C.F.R. Sections 200.213 and 200.317-326.

## **SECTION 18 - EMERGENCY PROCUREMENTS**

- A. An emergency procurement is a procurement necessitated by a sudden unexpected turn of events (e.g., including but not limited to acts of God, riots, fires, floods, hurricanes, accidents, terrorism, or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive procurement would be detrimental to the interest of the County. It may also be a condition that stops or seriously impairs the necessary function of County government.
- B. Following all purchases under this emergency procurement section, a report shall be prepared by the Department Director who initiated the procurement. The report must include complete documentation clearly stating justification for exception from normal purchasing procedures, an itemization of all individual transactions relating to the emergency procurement, and itemization of any additional work hours above and beyond the affected employees' usual work schedule, and documentation of communication with other governmental entities (FEMA, SERT, etc.) that have taken place.
- C. In the case of emergencies that require the immediate purchase of commodities, equipment or services, the Procurement Officer or his/her designee, shall be empowered to secure such commodities, equipment or services without competitive bidding. In this event, all measures as are reasonably possible under the circumstances shall be taken to assure the maximum cost benefit to the County of the commodities, equipment or services procured.
- D. In addition, during non-business hours, a Department Director, is authorized to make purchases without competitive bids, when an emergency arises and such immediate purchases are necessary to protect the health, safety, welfare, or property of the County or any of its citizens or to continue operations of the department.
- E. Documentation for emergency purchases pertaining to the above shall be submitted to the County Administrator with a detailed explanation, and support materials attached within ten working days after the event occurred. Emergency purchases that meet the \$35,000.00 or greater amount shall be submitted to the Board for ratification.

## **SECTION 19 - SOLE SOURCE PROCUREMENTS**

- A. A sole source is when the commodity or service can be legally purchased from only one source. This is usually due to the source owning patents and/or copyrights. A requirement for a particular proprietary item does not justify a sole source purchase, if, there is more than one potential supplier for that item. Use of Brand Names and Model numbers does not constitute a sole source.
- B. A contract may be awarded, except as otherwise provided under state law, for a supply, service, material, equipment or construction item(s) without competition when the Department Director, with the concurrence of the Procurement Officer or designee, certifies in writing, after conducting a good faith review of available sources, that there is only one available source for the required material, supply, service, equipment, or construction item(s).
- C. Such awards will be made within the authorized procurement limits identified in Table 1 of this Manual. When a purchase exceeds the threshold amount for staff approval, the item will be placed on the agenda for Board approval.
- D. The Procurement Office shall be authorized, after initial sole source certification, to make additional purchases from a sole source vendor for not more than one year or until such time as contrary evidence is presented regarding sole source eligibility, whichever period is less.

## **SECTION 20 - SINGLE SOURCE PROCUREMENTS**

- A. A single source means that a commodity or service can be purchased from multiple sources, but, in order to meet certain functional or performance requirements (e.g., parts matching existing equipment or materials) there is only one economically feasible source for the purchase.
- B. Purchases of goods and/or services from a single source may be exempted from the competitive procurement requirements upon confirmation that: (1) the use is justified based on costs or interchangeability factors; (2) the use is recommended by the project architect, engineer, or affected department director; and (3) the rationale for single source is approved by the Procurement Officer. Such awards will be made within the authorized limits identified in Table 1 of this Manual.
- C. When a purchase exceeds the threshold amount for staff approval, the item will be placed on the agenda for Board approval.
- D. The Procurement Office shall be authorized, after initial single source certification, to make additional purchases for a single source vendor for not more than one year or until such time as contrary evidence is presented regarding single source eligibility, whichever period is less.

## **SECTION 21 - COOPERATIVE PROCUREMENTS (Piggybacking)**

### **21.01 - General Requirements**

- A. The Procurement Office shall have the authority to purchase from and join with other units of governments in cooperative purchasing ventures when the best interest of the County would be served thereby. It is standard policy of the County to cooperate with other government agencies in the purchase of commodities, equipment and services required by the County.
- B. The most common form of cooperative purchasing is purchasing from contracts issued by the State of Florida, Federal General Services Administration, and other government pricing for specific commodities, equipment and services.
- C. When any other government agency had competitively procured and awarded any contract for any commodities or service, the County may purchase that commodity or service from the awarded vendor at the awarded price if the original bid specifications and award allow it. Where the public purchasing unit administering a cooperative purchase complies with the requirements of this Manual, the County when participating in such a purchase, shall be deemed to have complied with the provisions of this article. Such purchases shall be made without additional county competitive procurement provided that the funding has been appropriated and the purchase has been authorized by a person with signatory authority as provided in Table 1.
- D. The County may bid and award the purchase of any commodities, equipment or services with the stipulation that any other government agency may also purchase the awarded product or service at the same awarded price.

### **21.02 - Documentation Requirements**

The following documentation is the minimum required to use another government entity's awarded contract.

- A. Florida Contracts. The Procurement Office is authorized to purchase commodities, equipment or services for any dollar amount from authorized vendors listed on the respective state contracts (state term continuing supply contracts, SNAPS agreements (state negotiated agreement price schedules), agreements resulting from invitations to negotiate (ITN), the Florida Sheriff's Association statewide purchasing contract, or other such contracts authorized by statute for use by local governments) of the Florida Department of Management Services, other state agencies and groups. For all cooperative procurements from state contracts, the current state contract number is required. If the contract has fixed unit prices, a copy of the contract is required. If the contract is a percent discount from list, then a copy of the original manufacture's list price must be attached. This will usually be in the form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.

- B. Federal GSA contracts. The Procurement Office is authorized to purchase commodities, equipment and services for any dollar amount from authorized vendors listed on the eligible federal supply schedules issued by the General Services Administration.
1. For all cooperative procurements off federal GSA contracts, a copy of the GSA showing the contract name, number and contract term is required. The ordering information pages and the pages with the pricing are also required. If the contract is a percent discount from list, then a copy of the original manufacturer's list price must be attached. This will usually be in the form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.
- C. Contracts with other government entities. The Procurement Office shall have the authority to join with other units of government in cooperative purchasing ventures when the best interest of the county would be served thereby, and the same is in accordance with county and state law. The Procurement Office shall appropriately document such cooperative procurement arrangements. All cooperative procurements conducted under this section shall be through contracts awarded through full and open competition, including use of source selection methods equivalent to those required by this Manual. Each selection method shall clearly state the intention to include participation by other units of government as a requirement for use in cooperative procurement. For all cooperative procurements from other government entities, the required documentation includes:
1. A complete copy of the original procurement;
  2. A copy of award letter/memo/agenda item with minutes by the government entity to the vendor to document award;
  3. A complete copy of the vendor's proposal; and
  4. A complete copy of the current contract with the vendor and any amendments thereto.
- D. If federal funds are used, the County may exercise the option to utilize other government contracts provided that:
1. The original contract was procured in compliance with Federal procurement standards in the "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" 2 C.F.R. Sections 200.213 and 200.317-326;
  2. An assignability clause is included in the originating government's contract, the terms and conditions are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded;
  3. The option price is better than prices available in the market, or that when it intends to exercise the option, the option is more advantageous;

4. The original contract contained an assignability clause and that the terms and conditions of that contract meet the FTA requirements (if funded by FTA);
5. The original contract contains appropriate assignability provisions that permit the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions;
6. The contract price is fair and reasonable;
7. The contract provisions are adequate for compliance with all Federal requirements;
8. The quantities the assigning party acquired, coupled with the quantities the acquiring grantee or subgrantee seeks, do not exceed the amounts available under the assigning entity's contract.

## **SECTION 22 - DIRECT PAYMENTS**

The following types of payments are exempt from the competitive procurement requirements of this Manual but must be approved in accordance with the authorized individual as set forth in Table 1. After receiving the appropriate approval, all departments shall submit payment requests directly to Finance Department for the following items:

- A. Postage/Shipping;
- B. Subscriptions, publications, legal advertisements;
- C. Memberships and associated fees;
- D. Travel (Hotel, Registration, Employee, Transportation of Discharged Inmates per section 951.04, Florida Statutes);
- E. Training (Tuition, Lab Fees, Books, Required Course Material for Approved Schooling);
- F. Permits;
- G. Utilities (Electric, Water & Sewer, Phone, Garbage, Internet, Cable Television, Medical Oxygen, etc.);
- H. Court Orders;
- I. Recurring Budgetary Appropriations (with County Administrator's annual approval);
- J. Notary Services;
- K. Risk Management Claim Settlements;

- L. Refunds (Deposits and Overpayments);
- M. Employee Reimbursements;
- N. Recording Fees;
- O. Value Adjustment Board Fees;
- P. Insurance payments for coverage for property, liability and special risk insurance;
- Q. Lectures/training by Individuals;
- R. Court Reporting Services;
- S. Vehicle Registration;
- T. Electronic Payments to the State of Florida and the IRS;
- U. Florida Department of Law Enforcement Payments (FDLE);
- V. Software modification services by the copyright holder, maintenance agreements, and software enhancements to installed software purchased through competitive means.

## **SECTION 23 - IDENTICAL (TIE) PROCUREMENT RESPONSES**

In cases of identical procurement responses, the award shall be determined either by lot or on the basis of factors deemed to serve the best interest of the County. In the case of the latter, there must be adequate documentation to support such a decision.

## **SECTION 24 - UNAUTHORIZED PROCUREMENTS**

### **24.01 - Ultra Vires Procurements**

Except as herein provided, it shall be a violation of board policy for any officer, employee or agent of the board to order the purchase of any commodities, equipment or services or to make any contract within the purview of this Manual other than through the guidelines established in this Manual. Any purchase order or contract made contrary to the provisions herein shall be considered to be an ultra vires act, shall not be approved, and the County shall not be bound thereby.

### **24.02 - Subdividing Procurements**

Purchases, orders, or contracts that are subdivided to circumvent the requirements of this Manual shall be considered unauthorized purchases and are prohibited except as required by 2 CFR 200.321 to permit maximum participation by small and minority businesses, and women's business enterprises.

## **SECTION 25 - PUBLIC RECORDS AND PUBLIC MEETINGS INVOLVING PROCUREMENTS**

### **25.01 - Public Records**

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS (850)983-1925, [wandap@santarosa.fl.gov](mailto:wandap@santarosa.fl.gov); 6495 Caroline Street, Suite C, Milton, Florida 32570.**

- A. The CONTRACTOR shall comply with public records laws, specifically to:
1. Keep and maintain public records required by the public agency to perform the service.
  2. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
  3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the CONTRACTOR does not transfer the records to the public agency.
  4. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the CONTRACTOR or keep and maintain public records required by the public agency to perform the service. If the CONTRACTOR transfers all public records to the public agency upon completion of the contract, the CONTRACTOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the CONTRACTOR keeps and maintains public records upon completion of the contract, the CONTRACTOR shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.
- B. Request for records; noncompliance.
1. A request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency. If the public agency does not possess the requested records, the public agency shall immediately notify the CONTRACTOR of the request, and the CONTRACTOR must provide the records

to the public agency or allow the records to be inspected or copied within a reasonable time.

2. If a CONTRACTOR does not comply with the public agency's request for records, the public agency shall enforce the contract provisions in accordance with the contract.
3. A CONTRACTOR who fails to provide the public records to the public agency within a reasonable time may be subject to penalties under s. 119.10.

## **25.02 - Public Meetings**

The County is governed by the state public meeting laws as provided in Florida Statutes section 286.011. Any meetings of a board or committee where presentations, rankings, short listings, or other award recommendations or decisions are to be made shall be held at a duly noticed public meeting, unless otherwise exempt from Florida Statutes section 286.011.

## **SECTION 26 - CONE OF SILENCE**

### **26.01 - Cone of Silence**

A cone of silence shall be established on all County competitive selection processes. The cone of silence prohibits any communication regarding a ITB, RFP, ITQ, ITN, RFQ or other competitive solicitation between the bidder (or its agents or representatives) or other entity with the potential for a financial interest in the award (or their respective agents or representatives) regarding such competitive solicitation, and any County Commissioner or County employee, selection committee member or other persons authorized to act on behalf of the Board including the County's Architect, Engineer or their subconsultants, or to provide a recommendation to award a particular contract, other than Procurement Office staff. The cone of silence shall be in effect from the time of advertisement until contract award. Each competitive solicitation shall provide notice of the cone of silence requirement.

### **26.02 - Exceptions to the Cone of Silence**

The cone of silence shall not apply to:

- A. Communications at any public proceeding or meeting, including pre-bid conferences, selection committee presentations or pre-award meetings.
- B. Communications during contract negotiations between designated County employees and the intended contract awardee.
- C. Communication with a vendor by a Procurement Office employee following bid opening to clarify the vendor's bid or intended scope of services.

- D. Communication following the filing of a protest between the protesting party and the Procurement Office, County Administrator's Office and County Attorney's Office, including, but not limited to, during the dispute resolution process provided herein.
- E. Purchases exempt from competitive selection, sole source procurements, single source procurements, and emergency procurements, as defined in this Manual.

**26.03 - Termination of the Cone of Silence**

The cone of silence shall terminate when the Board, or County employee authorized to act on behalf of the Board, approves the response or rejects all bids or responses or otherwise takes action to end the selection process.

**SECTION 27 - GRANT FUNDING USED IN PROCUREMENTS**

- A. Expenditures from funds other than general fund tax dollars may require special processing because of specific legal terms and conditions placed by the funding agency. Grants often have certain purchasing requirements that are different or additional to the county's purchasing manual and require special purchasing procedures. It is the responsibility of the using department to identify any special purchasing requirements or provisions, notify the Procurement Office of them, and to ensure that all requirements are followed.
- B. Unless otherwise specified in the grant, all grant purchases shall follow the County's Grants manual and the County's Community Development Block Grant (CDBG) Program policy as applicable.
- C. Purchases utilizing federal funds must comply with all requirements of federal procurement standards in the "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards", 2 C.F.R. Sections 200.213 and 200.317-326 .and FTA Circular C 4220.1F, as amended from time to time, and shall include all federal contract clauses, and Executive Orders, as applicable.

**SECTION 28 - PROCUREMENT SELECTION COMMITTEE**

**28.01 - General**

The following language shall be used in its substantial form in solicitations where evaluations are required. The solicitation document shall specify evaluation procedures. For purposes of reviewing Requests for Qualifications, Requests for Proposals, and Invitations to Negotiate, a selection committee shall review the procurements and make recommendations to the Board.

- A. The County Administrator or designee shall determine the Evaluation Committee that will best serve the needs of the County.
- B. Membership or selection of all Evaluation Committees shall be approved by the County Administrator or designee.

- C. Public Meetings shall be in accordance with Florida Statute 286.011. The Chairperson shall be responsible to provide the Procurement Office with all meeting information (date, time, location, and reason for meeting) no less than 96 hours in advance of any scheduled meeting, excluding holidays and weekends. The Procurement Office will provide reasonable notice of all meetings, no less than 72 hours in advance of such scheduled meeting, excluding holidays and weekends, by posting a Notice of Evaluation Committee Meeting on the public notice bulletin board in the Procurement Office and on the Santa Rosa County website. The Purchasing Officer shall develop and implement Evaluation Committee procedures to ensure compliance with public meeting requirements.
- D. Contact with the Evaluation Committee. Members of the Evaluation Committee are prohibited from discussing a project with any professional or professional firm that may submit a proposal during the procurement process, except in formal committee meetings.
- E. Evaluation of Proposals. Only written responses of statements of qualifications, performance data, and other data received in the purchasing office by the publicized submission time and date shall be evaluated.
- F. The initial ranking of proposals is based upon the weighted criteria in the solicitation.
- G. Shortlisting. The best-qualified respondents shall be based upon the Evaluation Committee's ability to differentiate qualifications applicable to the scope and nature of the services to be performed as indicated by the ratings on the scoring sheet. Typically, the top three rated firms, if there are at least three responsive respondents, will be considered as the shortlisted firms, unless the County Administrator, after input and discussion with the Evaluation Committee, approves adding additional firms to the shortlist.
- H. Presentations/Interviews. The Evaluation Committee may choose to conduct formal presentations/interviews with shortlisted firms prior to final ranking.
- I. Final Ranking. The Evaluation Committee shall use the ordinal process rank the firms. The respondents shall be listed in order of preference. The list of best-qualified persons shall be forwarded to the County Administrator or Board, as appropriate, for approval prior to beginning contract negotiations.

### *Part 3 - Contracts and Purchase Orders*

#### **SECTION 29 - GUIDELINES OF USE CONTRACTS, PURCHASE ORDERS, CHANGE ORDERS, CONTRACT AMENDMENTS, and TASK ORDERS**

All procurements will require a contract and/or purchase order with the vendor. The following provides guidance as to when each method shall be utilized:

- A. Purchase order. A purchase order is issued for any requisitioned items, either separately or in conjunction with a contract. A purchase order is used to authorize a vendor to proceed with the purchase of goods, services and/or construction as specified, and obligated the county for payment. The purchase order is used in support of other contracts or by itself to establish legal financial obligations. A purchase order may result from any type of procurement. The purchase order must be written so that all pertinent information is clear, concise and complete therefore preventing any unnecessary misunderstandings with the vendor.
- B. Contract (written contract). A written contract, as described below, is used when engaging in construction, purchasing of goods and/or services and is required to be executed by both parties. The Board must approve the written contract where applicable per this Purchasing Manual. A contract refers to a written document, between the supplier, CONTRACTOR, and/or vendor and Santa Rosa County. This document establishes the legal working relationship between the two parties. It specifies everything that is to be provided: what, when, where, how much, how many, what size, what color, how delivered, where delivered, etc. It specifies how and when payments of goods and services are to be made, maintenance terms, guaranties, etc. The contract establishes in advance the ground rules of the terms and conditions.
- C. Change order or contract amendment. All modifications and/or changes to the contract require Board approval. A change order or contract amendment is processed whenever a change to the original agreement is necessary. Change orders or contract amendments are completed for modifications to scope, descriptions, unit cost, quantities, completion times etc. Change orders and contract amendments must be executed by the entity originally approving the purchase order or contract as provided in Table 1. Change orders and contract amendments shall not be used to avoid any standard purchasing procedure for procurement by the competitive procedures. The change order and contract amendment must be clearly and concisely defined as to the modifications and justification why the change is being requested.
- D. Task orders. A task order is processed whenever there exists new work to be assigned under an existing contract previously approved; many times, these involve consultant and engineering contracts. All task orders require a written request which has been reviewed and signed signifying approval by the requesting department's director and the CONTRACTOR/vendor. Approval shall be pursuant to the threshold level for authorization and requires contract coordination. All task orders must contain a clearly

defined and detailed scope of work and payment schedule must not exceed the term of the approved contract, unless otherwise approved by the Board.

- E. All contracts shall be in a form approved by the County Attorney's Office.

### **SECTION 30 - CONTRACTS GENERAL**

- A. Contracts will be drafted in a format established by the County Attorney's Office.
- B. It is the responsibility of the individual County Departments to submit the following information to the County Attorney's Office:
  - 1. The scope (including, but not limited to, technical details, and projected compensation amounts);
  - 2. The proposed term of the contract; and
  - 3. If any, the proposed renewal term of the contract.
- C. Once in receipt of the required information, the County Attorney's Office shall draft a proposed contract.
- D. Once procurement has been awarded, any necessary changes to the proposed contract shall be made by the County Attorney's Office.
- E. The County Attorney's Office shall establish a central repository of all county contracts, leases, and non-grant agreements.
- F. It shall be the responsibility of the individual departments to assign a department monitor for each of the department's agreements and serve as point-of-contact throughout the term of the agreement. Administration of the agreement rests with the issuing County department.

### **SECTION 31 - CONTINUING CONTRACTS**

- A. All continuing contracts shall clearly set forth a defined term and such term may not exceed five (5) years plus a ninety (90) day extension period if allowed by contract to allow for completion of services or re-bid process. Contract terms exceeding the aforementioned term require Board approval. Contracts utilizing FTA funding shall not exceed five (5) years.
- B. All continuing contracts shall clearly set forth a total maximum contract value. Such maximum value may be exceeded to allow for completion of a project or re-bid process if approved through an amendment process.

## ***PART 4 – BONDS AND INSURANCE***

### **SECTION 32 - BID BONDS**

- A. All bidders are required to submit a bid bond (when deemed by the Procurement Officer to be in the best interest of the County) in the form of a cashier's or certified check in the amount of 5% of their total bid.
- B. The bid bond shall be attached to the bid submittal.
- C. Unsuccessful bidders shall be entitled to full return of their bid bond.
- D. Upon determination by the Board, the successful bidder shall forfeit its bid bond or a portion thereof, upon failure to enter into a contract or failure to act on the purchase order issued after the bid award date.
- E. The release of any bid bond shall be determined by the Procurement Officer.

### **SECTION 33 - PAYMENT AND PERFORMANCE BONDS**

Performance and Payment Bonds are required as set forth in Florida Statute. All bonds must be delivered to the Santa Rosa County Clerk of Circuit Court and recorded in official records by the CONTRACTOR before being delivered to the County Attorney's Office.

### **SECTION 34 - INSURANCE REQUIREMENTS**

- A. Insurance policies for procurements shall be required as established by the Department of Risk Management.
- B. All insurance policies shall be with insurers licensed in the State of Florida with a minimum Rating of A+, Class X or higher in the Bests Key Rating Guide.
- C. All policies shall be written such that Santa Rosa County will be notified in writing of cancellation or amendment at least 30 days prior to effective date of cancellation or amendment.
- D. The certificate holder shall be Santa Rosa County.
- B. County Attorney's office shall be furnished Certificates of Insurance prior to commencement of any work or lease execution. The County shall retain the right to reject all insurance contracts that do not meet our requirements. The contract, lease or agreement will not be fully executed until all insurance requirements are met.
- F. The County matches insurance requirements to the risk exposure. Consult the contract, lease or agreement for specific insurance types and limits required.

- G. The County reserves the right to amend the insurance requirements upon 60-days' notice to affected third party.
- H. All liability insurance shall be written on an occurrence basis only.
- I. Statutory limits must be indicated for worker's compensation.
- J. CONTRACTOR shall purchase and maintain in force insurance as required by and for the life of the contract, lease or agreement.

## ***PART 5 - FEDERALLY FUNDED PROCUREMENTS***

### **SECTION 35 - FEDERALLY FUNDED PROCUREMENTS**

#### **35.01 - General, Federal Funding Procurements**

Purchases utilizing Federal Emergency Management Agency (FEMA) or other Federal funds must conform to applicable Federal law, including: 2 CFR 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” as amended from time to time. Contracts utilizing Federal funds shall include all required Federal contract clauses.

## ***PART 6 – OWNER DIRECT PURCHASE (ODP)***

### **SECTION 36 – UTILIZATION OF OWNER DIRECT PURCHASE**

Pursuant to Florida Statutes, Section 212.08(06), and Florida Administrative Code, 12A-1.094, Santa Rosa County is exempt from Florida Sales Tax for purchase of construction materials, supplies and/or equipment incorporated into a construction project. The County reserves the right to require the CONTRACTOR to assign some, or all, subcontracts or other agreements with material suppliers directly to the County. This process will be referred to as Owner Direct Purchases (ODP), and is a method that may be utilized to create savings for the County. This saves the amount of the sales tax, (currently 7%) when the County purchases material/equipment required for a construction project directly from the manufacturer/supplier (material/equipment cost only), and simultaneously decreases the amount of the contract for the cost of the materials/equipment, plus the sales tax. These purchases shall be exempt from the County's Purchasing Policy. The contract cost reduction is accomplished through the construction change order process. Additional savings may also be realized if the County negotiates a cost reduction for the associated reduced premium cost for the project price guarantee, (e.g. performance and payment bond(s), irrevocable letter of credit, bank check, etc.). The ODP procedure is attached as Appendix 2 – Owner Direct Purchase Procedures.

# ***APPENDICES***

## **APPENDIX 1- PURCHASING CARD POLICY**

### **A. PURCHASING CARD POLICY AND PROCEDURES**

The Santa Rosa County Purchasing Card Program is designed to improve efficiency in processing low dollar purchases from vendors accepting the Purchasing Card. This program will allow cardholders to purchase approved commodities and services directly from our vendors. The Finance Department will monitor the performance of the program.

All questions, requests, or concerns related to this program shall be directed to:

Procurement Related - Procurement Officer, (850) 983-1870

Accounting Related - Finance Department, Clerk of Court, (850) 983-1963

### **B. ASSIGNMENT AND CONTROL OF THE PURCHASING CARD**

#### **1. Requests for and Issuance of Purchasing Cards**

- a. Purchasing Cards will be issued to employees who purchase goods and services in single transaction amounts of up to \$2,500.00 with a \$10,000.00 monthly limit.
- b. The Purchasing Card will contain the employee's name, the County name, and the individual account number.
- c. Requests for new cardholders or for changes to current cardholders must be authorized by the County Administrator or designee.
- d. New cardholders will be required to personally take receipt of Purchasing Cards by signing a card holder agreement. New cardholders will be given a copy of the Purchasing Card policies and procedures and a verbal review of the program. The Finance Department shall annually review the list of current cardholders to ensure card holder agreement forms have been received and are on file with the Finance Department. Refreshed training as to the use of the Purchasing Card shall be conducted when determined by the Finance Department to be appropriate.
- e. The Assistant Finance Director shall notify the Procurement Department upon issuance of any Purchasing Cards.

### **C. LOST OR STOLEN PURCHASING CARDS**

Cardholders must notify the Finance Department of any lost or stolen Purchasing Card (see Lost or Stolen Purchasing Card Reporting Form).

### **D. TERMINATION OR TRANSFER OF CARDHOLDER**

1. If the cardholder is no longer employed by the County, the department is responsible

to ensure the Purchasing Card is returned to the Finance Department for cancellation. (The Human Resources Department provides a Personnel Action Form to the Finance Department upon any employee separation from the County. This notification is utilized to ensure that the Purchasing Card is to be cancelled.)

2. If a department is unable to collect the Purchasing Card when an employee leaves employment with the County, the Department Director must immediately notify the Assistant Finance Director.

3. If a cardholder transfers to a new department, the cardholder is responsible to inform the Finance Department of the transfer. The cardholder is responsible to verify with the new Department Director if they are to retain the card within the new department. If they are not to retain the card, the cardholder is responsible to notify the Finance Department for cancellation.

## **E. PURCHASING CARD INVENTORY**

The Finance Department shall maintain a list of Purchasing Cards issued to all county employees.

## **F. USE OF PURCHASING CARDS**

1. The Purchasing Card may only be used by the employee whose name is embossed on the card. No other person is authorized to use the Purchasing Card (in person, online or by phone).

2. The Purchasing Card is to be used for Santa Rosa County authorized purchases only. The Purchasing Card shall not be used for any personal transaction.

3. Spending Limitations

a. The maximum limit/transaction for all cardholders shall be \$2,500.00 for a single purchase.

b. Each cardholder will have a monthly dollar limit which shall not exceed \$10,000.00. Limit changes must be initiated by Department Directors and authorized by the County Administrator through the Assistant Finance Director.

4. Payment for purchases shall **not** be divided to circumvent the single purchase limit.

5. All items purchased must be immediately available. No back ordering is allowed.

6. Cash advances **may not** be obtained using the Purchasing Card.

## **G. TAX EXEMPT NUMBER**

Purchasing Card purchases are exempt from all Florida state and local use tax. The County's tax-exempt ID number shall be given to all vendors to avoid payment of state and local use tax. **The use of the County's tax-exempt ID number for personal use is strictly prohibited.** Any employee who uses the County's tax-exempt ID number for personal use shall receive disciplinary

action which may include immediate termination of employment. Additionally, F.S. 212.085 states that in addition to being liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, such person shall be liable for fine and punishment as provided by law for a conviction of a felony of the third degree, as provided in s. 775.082, s. 775.083, or s. 775.084, F.S.

## **H. PURCHASES**

1. The cardholder must obtain the customer copy of the charge receipt.
2. The approved charge receipts shall be forwarded to the Finance Department within 10 days of the purchase.

## **I. DISPUTED CHARGES**

In the event there are disputed charges a Purchasing Dispute Form shall be completed and forwarded to the Finance Department immediately.

## **J. RETURNS**

In the event of returns, the cardholder must ensure credit has been received and forward documentation (credit slip) to the Finance Department. If a credit slip was not obtained, forward other documentation explaining the return.

## **K. REVIEW**

1. The Department Director or Supervisor shall review each individual expenditure report within their department.
2. The Department Director or Supervisor shall review Purchasing Card expenditures to ensure;
  - a. The goods and services obtained were necessary and appropriate;
  - b. The public purpose for the expenditure is sufficiently documented;
  - c. The date the goods or services were received is sufficiently documented;
  - d. An itemized receipt/invoice is provided
3. All expenses to be authorized as follows;
  - a. For Employee purchases – Director authorization and approval is required.
  - b. For Directors purchases – County Administrator authorization and approval is required for purchases that exceed \$5000.00.
  - c. For County Administrator purchases – Chairman of the Board authorization and approval is required for purchases that exceed \$35,000.

4. Purchasing Card purchases of Department Directors exceeding \$5000.00 shall be reviewed and approved by the County Administrator or designee prior to being forwarded to the Finance Department for approval of payment. The County Administrator's Purchasing Card purchases exceeding \$35,000.00 shall be reviewed and approved by the Chairman of the Board. The Board members' Purchasing Card purchases shall be reviewed and approved by the Clerk's Finance Department.

5. Due to time constraints, the Finance Director or his designee shall have authority to proceed with payment of the monthly Purchasing Card expenses so that late fees are not incurred.

#### **L. DISCIPLINARY ACTION - (SEE RESTRICTION OF USE GUIDELINES)**

1. Unauthorized purchases shall be reported to the department director and the Finance Department.
2. When purchases are found to be unauthorized, the cardholder must provide a credit receipt proving the item(s) were returned for credit or the cardholder shall reimburse the County within thirty (30) days by submitting a personal check for the full amount of the purchase. Checks shall be sent to the Finance Department with an explanation and account number. Failure to reimburse the County within the above time period shall be authorization for deduction of the full amount of the purchase from compensation paid by the County.
3. Failure to comply with the policies and procedures herein may result in:
  - a. Revocation of Purchasing Cards from individual cardholders for a time period of one (1) year by the County Administrator.
  - b. Disciplinary action, up to and including termination of employment.

#### **M. EMERGENCY USE**

In the event of an emergency, as defined by the Emergency Purchase section of this Manual, the County Administrator may waive the Purchasing Card requirements. Under such circumstances, the following rules shall apply:

1. Approval must be received from the County Administrator.
2. The individual \$2,500.00 limit per item/purchase is temporarily lifted.
3. The cardholder shall be limited only by their pre-established monthly limit.
4. The Budget Department, Procurement Department and County Administrator may have their Card limits increased as determined necessary during an emergency.

The County Administrator shall inform the Chairman in writing if the Purchasing Card requirements have been waived. The Board shall be notified at the next meeting.

#### **N. TRAVEL (Non-Elected County Officials)**

Purchasing Cards may be used for pre-approved travel expenses, which shall include:

1. Hotel/motel reservations and payments.
2. Flight reservations.

3. Flight Travel payment.
4. Rental car use, taxi, shuttle and ride-share services.

**Note (1): There is no transaction dollar limit on travel. However, all travel expenses/reservations must comply with the County Travel Policy and are subject to review and disciplinary action.**

**Note (2): All travel (to include the above) over \$100.00 must be approved by the County Administrator or designee prior to making arrangements. All travel vouchers will be audited to confirm travel was approved prior to purchasing card transaction date. Failure to adhere to pre-approval requirements may result in suspension of card privileges.**

Purchasing Cards **may not be used** for meals, except as otherwise authorized for certain promotional activities.

**O. TOURIST DEVELOPMENT DEPARTMENT (TDD)**

TDD staff may use Purchasing Cards for purchases of goods and services that are authorized by Florida Statutes for the purpose of tourism promotion. All such purchases will be reviewed by the Finance Department for compliance with all other Purchasing Card policy requirements.

**P. RESTRICTION OF USE GUIDELINES**

The following shall be used as a guideline for all cardholders to identify the types of violations and resulting penalties. In the event of a violation, the Finance Department shall notify the affected department director of any such violation. In addition, disciplinary action may be taken in accordance with guidelines set forth in the Human Resources Policy Manual.

**Note: This is a guideline. Repeat violations by the same cardholder may result in greater restrictions and/or disciplinary action.**

**The Finance Department shall have the authority to deviate from penalty guidelines in any situation where an employee can show he or she immediately corrected a mistake or has reasonable documentation proving a diligent effort is being made to correct a mistake made by the vendor or the employee.**

**1. Intentional use of a Purchasing Card to pay for a personal expense ;**

Permanent Revocation of the Purchasing Card and disciplinary action up to and including termination of employment.

**2. Allowing Sales Tax To Be Charged (Unless Vendor Does Not Honor Florida Sales Tax Exemption) ;**

1 <sup>st</sup> Offense	Written Reminder
2 <sup>nd</sup> Offense (within 12 months)	30 day Suspension of Card
3 <sup>rd</sup> Offense (within 12 months)	60 day Suspension of Card

**3. Failure to comply with Expenditure Report Requirements (missing itemized detailed receipts/invoices, delayed submission)**

1st Offense	Written Reminder
2nd Offense (within 12 months)	30 day Suspension of Card
3rd Offense (within 12 months)	1 Year Suspension of Card

**4. Exceeding the \$2,500.00/\$5,000.00 single purchase price limit or (splitting an order)**

1st Offense	Written Reminder
2nd Offense (within 12 months)	60 day Suspension of Card
3rd Offense (within 12 months)	1 Year Suspension of Card

**5. Unintentional use of a Purchasing Card to pay for a personal expense – corrected within 2 weeks (Calendar Weeks) and before receipts are submitted to finance**

1st Offense	Written Reminder
2nd Offense (within 12 months)	30 day Suspension of Card
3rd Offense (within 12 months)	1 Year Suspension of Card

**Note: If the charge is not corrected within 2 weeks, the cardholder’s privileges will be suspended for 30 days. Repeat violations of this nature may result in action up to and including permanent suspension of Purchasing Card privileges.**

6. Appeal Process - An employee, or department representative on behalf of an employee, may appeal any penalty by submitting a written appeal within 5 days of penalty imposition to the Finance Department with appropriate documentation. The Finance Department shall forward the appeal along with supporting documentation of the Purchasing Card infraction to the County Administrator or designee who shall have the final authority to determine the appropriate action.

7. Additional Training - The Finance Department may (at their discretion) require a County employee to attend a refresher Purchasing Card training session if the employee makes repeated errors/violations within a 12-month period.

## **APPENDIX 2 - OWNER DIRECT PURCHASE PROCEDURES**

### **A. GENERAL**

Pursuant to Florida Statutes, Section 212.08(6), and Florida Administrative Code, Rule 12A-1.094, Santa Rosa County (OWNER) reserves the right to require the CONTRACTOR to assign some or all of its subcontracts or other agreements with material suppliers directly to the County. This process will be referred to as Owner Direct Purchases (ODP) and is a method that may be utilized to create savings for the County. The County will save the amount of the sales tax (currently 7%) when it purchases material/equipment required for a construction project directly from the manufacturer/supplier (material/equipment cost only), and simultaneously decreases the amount of the contract for the cost of the materials/equipment plus the sales tax. The contract cost reduction is accomplished through the construction change order process. Additional savings may also be realized if the County negotiates a cost reduction for the associated reduced premium cost for the project price guarantee, (e.g., performance and payment bond(s), irrevocable letter of credit, bank check, etc.).

### **B. PURPOSE**

To allow Santa Rosa County (OWNER) to issue purchase orders directly to suppliers for materials required by CONTRACTORS [to include Design Builders (DB), Construction Managers (CM), and General Contractors (GC)] and/or Subcontractors to construct their projects, resulting in valuable sales tax savings.

### **C. POLICY**

The CONTRACTOR will provide to the OWNER a list of all materials to be used in the work, and will denote on that list any items that the CONTRACTOR deems suitable for OWNER to purchase directly. CONTRACTOR will also denote those items that are anticipated to have long lead times or that are available from only one or a severely limited number of suppliers.

The OWNER may consider purchasing any item but does not expect to issue Direct Purchase Orders (DPO's) for less than \$10,000.00. Santa Rosa County Procurement Officer will establish the minimum DPO values for each project. Purchasing of selected construction materials will be administered on a deductive change order basis. On projects where the OWNER wishes to utilize this policy, all single material/equipment purchases will be direct purchased. Multiple delivery items may have a larger threshold.

The OWNER may accept or reject the CONTRACTOR's recommendations and will at OWNER's discretion directly purchase those items that OWNER deems suitable for direct purchase. The OWNER's election to make direct purchases under this Policy will not eliminate or affect the CONTRACTOR's responsibilities under the Contract except as specifically noted herein. CONTRACTOR will remain responsible for controlling the means and methods by which the Work is to proceed; for working diligently to complete the Work in accordance with applicable deadlines; and for tracking order and delivery of materials so as to maintain the critical path. Neither the procedures herein, nor the OWNER's election to directly purchase certain materials,

will alter the applicability of the procedures and standards to be used under the Contract for claims for delay or change orders.

1. Material suppliers shall be selected by the CONTRACTOR using competitive bidding/proposals. Supply contracts shall be awarded by the CONTRACTOR to the supplier whose bid/proposal is most advantageous to the OWNER. Materials will be procured directly (via competitive bid) or through a competitively bid Subcontract Bid Package:

- a. If direct bid, the Subcontractors are advised that OWNER will purchase the materials directly and the material will be assigned to the responsible installation subcontractor.
- b. If through competitively bid Subcontract Bid Packages, the Bid Package will advise which items OWNER intends to purchase and the procedure for same.

#### **D. PROCEDURE**

##### **1. Responsibility:**

- a. The CONTRACTOR is responsible for ensuring all subcontractors are informed of the Direct Purchase Order (DPO) program as follows:
  - i. All Bid Packages will include this information.
  - ii. The DPO program will be reviewed at all Pre-Bid Meetings.
  - iii. Specific DPO Instructions to subcontractors will be reviewed at the Pre-Award Meetings. **(See Exhibit A)**
  - iv. These specific DPO Instructions will also be transmitted with each Subcontract Agreement issued by the CONTRACTOR.
- b. CONTRACTOR is responsible for ensuring that all subcontractors comply with DPO procedures as follows:
  - i. CONTRACTOR will receive subcontract specific materials list from the subcontractor within 10 days from Notice of Award (less than 10 days for urgent items as needed).
  - ii. Materials will be itemized on a vendor proposal or quote sheet and show base price, state sales tax, and surtax (if applicable).
  - iii. Materials listed will be procured from acceptable suppliers and meet all specifications.
  - iv. Quote/Proposal pricing and tax calculations will be verified.
- c. CONTRACTOR is responsible for ensuring the OWNER DPO's are issued and

processed properly as follows:

- i. DPO will be requested and received from OWNER and logged onto the DPO Balance Sheet. (See **Exhibit C**)
  - ii. Subcontractor and Supplier will be notified of DPO issuance and material order when placed.
  - iii. Material cost including tax will be deducted from subcontract and Schedule of Values (SOV) adjustment is made.
  - iv. Current tax savings balance will be transmitted to OWNER each month.
  - v. Invoices will be verified, forwarded to OWNER for payment and deducted from DPO balances.
  - vi. All remaining DPO balances will be verified at project close and added back to CONTRACTOR's contract sum and subsequently the subcontract sums.
  - vii. Change order will be issued to OWNER at project close for total tax savings, if not done on interim basis as project progressed.
  - viii. The CONTRACTOR will be responsible for maintaining the project schedule and the execution of the terms and conditions of the ODP purchase order, including expediting the suppliers' delivery schedules.
  - ix. The purchase order form used for the Owner Direct Purchases will be an OWNER-issued purchase order, and the purchase order package will include the OWNER's consumer certificate of exemption number for materials.
- d. OWNER is responsible to designate a representative to receive the materials upon delivery. This person may be in the direct employ of OWNER or may be an employee of the CONTRACTOR to whom the necessary authority has been delegated. This person must receive and sign for the material and inventory the delivery to insure what is listed on the bill of lading is actually part of the delivery.
  - e. The subcontractor who initiated the ODP is responsible to also have a representative on site to receive from the OWNER representative the material in question and sign for receipt of same. At that point the OWNER representative's responsibility ends. The delivery ticket; signed by both the OWNER representative and the subcontractor representative, should be provided to the CONTRACTOR and a copy retained by the subcontractor. This document will be used as backup to and confirmation of the invoice when it is received.
  - f. OWNER is responsible to establish and maintain an insurance policy that covers the delivered material in case of loss (damage, theft, etc.) once delivered. This will be achieved through the use of a Builder's Risk Policy provided by the CONTRACTOR as a part of the Construction Agreement, provided that OWNER pays for all related premiums and takes responsibility for any deductibles in the

event of a claim. OWNER can satisfy this requirement through the CONTRACTOR by incorporating these expenses within the “reimbursable” portion of the overarching Construction Contract in whatever format OWNER uses to administer the project.

The Builders Risk Policy purchased by the CONTRACTOR must include as named insured Santa Rosa County in addition to the CONTRACTOR. The policy will include an endorsement which extends coverage for the Owner direct purchases; the values for the policy coverage should also include the total value for these direct purchases.

- g. When the Project is organized under a Lump Sum or Stipulated Sum Agreement these costs will be segregated out to establish and maintain the direct relationship to OWNER. A separate bid line item for the initial premium will be required and the deductible may be accounted for by change order in the event of a claim.

## **2. Process Details:**

- a. CONTRACTOR will receive Material Purchase Requirements from subcontractor:

The purchase requirements will be received from the subcontractor with sample purchase orders including applicable terms and conditions for all materials to be direct purchased. In the absence of terms and conditions from the subcontractor, CONTRACTOR’s standard PO terms and conditions will be used as adapted for direct purchasing.

- i. Materials will be itemized on a vendor proposal or quote sheet and show base price, State sales tax, and surtax (if applicable). The CONTRACTOR will review the sample purchase order and terms and conditions for accuracy and completeness.

- ii. At a minimum the subcontractor will include schedule requirements, delivery instructions, and any special requirements they may have.

- iii. CONTRACTOR will confirm with the OWNER representative the need for itemization subtotals on the PO. As standard practice, subtotals of each item will not be listed on the PO, to avoid limits on the individual item counts. For instance, concrete PO’s may have several different mix types with varied estimated quantities. The PO should not limit the quantity of any one mix, but instead be limited by the total dollar value.

- b. CONTRACTOR to send PO Request to OWNER:

- i. CONTRACTOR will verify current OWNER tax rates and check sales tax calculations for correctness; if not correct, CONTRACTOR will coordinate with subcontractor for re-issuance. State tax and Local discretionary tax will be listed separately.

ii. CONTRACTOR will prepare the OWNER forms (i.e. Purchase Requisition) with a Direct Purchase Order Request Letter and forward with all attachments (subcontractor's PO requirements) to the OWNER. **(See Exhibit B)**

iii. CONTRACTOR will complete the Instruction Letter to Supplier **(See Exhibit D)**. Fill in the type of attachment sent by subcontractor. Print on CONTRACTOR letterhead, sign, attach a copy of the subcontractor's attachment, and send to the Supplier.

iv. Materials may not be delivered before the OWNER PO (DPO) is issued. If materials are sent to the jobsite prior to receiving the DPO, the OWNER cannot legally issue a DPO to that Supplier for those materials, but may insist on the tax savings that would have been received. In most instances an emergency DPO can be obtained when materials are essential. CONTRACTOR is to coordinate the process to ensure all timelines are met.

c. CONTRACTOR receives DPO from OWNER:

Once OWNER processes the DPO Request, a DPO will be issued to the supplier and provided to the CONTRACTOR. The supplier should proceed per the instruction letter received from CONTRACTOR (See Item 2(b)(iii) above).

i. CONTRACTOR will provide an electronic copy of the DPO to the Subcontractor as notification that their supplier will be receiving the DPO and can begin supplying the materials.

ii. CONTRACTOR will assign a CONTRACTOR DPO number for tracking purposes.

iii. CONTRACTOR will enter all information on the Excel Workbook - Direct Purchase Order Balance Sheet. **(See Exhibit C)**

iv. CONTRACTOR will process a DPO Change Order with detailed justification to deduct amount of DPO plus Tax from subcontractor agreement. **(See Exhibit E)**

d. Supplier Invoices:

Invoices received by CONTRACTOR for DPO materials must be a copy of an invoice previously approved by the Subcontractor.

i. Suppliers are to send original invoices directly to the Subcontractor and a copy to the CONTRACTOR.

ii. Subcontractors should approve the invoice originals and forward to CONTRACTOR for approval. If an original is received by CONTRACTOR that has not already been approved by the subcontractor, it must be sent to that subcontractor to verify and approve before CONTRACTOR can approve it.

iii. CONTRACTOR approves the original as follows: stamp with invoice coding stamp, fill in date and Owner DPO #, make a copy and forward the original to the Owner, and send the copy to the Subcontractor for their records.

iv. CONTRACTOR enters approved invoices on their individual Supplier Tab of the DPO Balance Sheet. Enter Invoice # Date, & Amount. Once the amount is entered, verify totals are automatically recalculated on both the individual Supplier Tab and the Summary Sheet.

v. CONTRACTOR will prepare an Invoice Transmittal Letter for sending approved DPO invoices to Owner for payment and forward both to the Owner. **(See Exhibit F)**

vi. CONTRACTOR may request a copy of the Owner's Balance Sheet on a weekly basis to compare to theirs. Discrepancies of any kind must be reported and corrected immediately.

vii. Upon approval that directly purchased materials and the accompanying invoice from the supplier are satisfactory, OWNER will pay the supplier for the items purchased. Under no circumstances will CONTRACTOR be responsible for paying the supplier. The OWNER will process payment for the approved invoice amount by electronic transfer or check, accompanied by the Certificate of Entitlement. A copy of the check register will be forwarded to the CONTRACTOR on an agreed upon format and timeline so that CONTRACTOR can accurately track and summarize all OWNER Direct Purchase payments.

e. Close-out:

When the Subcontractor has completed the work associated with the materials ordered through a DPO, a Balance Confirmation Letter will be sent to that Subcontractor and to the Vendor to verify the DPO balance and confirm that there will be no additional materials required to complete the project. **(See Exhibit G)**

i. Both the Subcontractor and Vendor must verify that all materials have been received, all invoices have been paid, and that they agree on the open DPO balance.

ii. Once the balance confirmation letter is returned by both, CONTRACTOR shall verify the current balance with the Owner's Balance Sheet and send a Request to Close-Out DPO Letter to the OWNER. **(See Exhibit H)**

iii. DPO's that have been closed will be reflected on the OWNER's Balance Sheet as they are processed. CONTRACTOR will verify OWNER's Balance Sheet with the request to close letters to be sure all were processed and that CONTRACTOR's Balance Sheet accurately shows any decrease that might have been required. These DPO's should show a "closed" status.

iv. After verifying the DPO was closed by the OWNER, CONTRACTOR will process a DPO Change Order to add any remaining amount (total decrease amount)

of the DPO plus Tax back to the subcontractor agreement. CONTRACTOR will be sure to verify tax calculations and only add back the Sales Tax on the DPO decrease amount. If the OWNER performed incremental deductive change orders to reflect the issuance of DPO's, an additive change order to CONTRACTOR is required from the OWNER in order to add the balance back to the subcontract.

v. CONTRACTOR shall continue to check the OWNER's Balance Sheet until all DPO's have been closed. The final Balance Sheet will show the Total Tax Savings amount for the project. A Deductive Change Order to the OWNER Contract will be issued for this amount unless interim deductive OWNER Change Orders were issued during the project, or an initial mass DPO Change Order was provided. In all cases, CONTRACTOR shall prepare Reconciliation Change Order to the OWNER to balance actual values with all prior Contract changes.

vi. If an OWNER Purchase Order sum is exhausted prior to all materials required for the job being provided, the DPO can be closed out as noted above or it can be increased as noted in Section F. The solution will be dependent upon how much additional material is required to complete the work.

f. Increases/Decreases:

An increase/decrease to a DPO can be processed at any time during the project.

i. Follow the same process as to issue a new DPO with exception to the type of Request Letter used. Use specific letter for Request to Increase DPO or Request to Decrease DPO. (See **Exhibit I & J**)

g. Exhibits: These documents are kept on the procurement folder and are revision controlled.

- A - DPO INSTRUCTIONS TO SUBCONTRACTORS
- B - DIRECT PURCHASE ORDER REQUEST
- C - DIRECT PURCHASE ORDER BALANCE SHEET
- D - INSTRUCTION LETTER TO SUPPLIER
- F - DPO INVOICE TRANSMITTAL
- G - DPO BALANCE CONFIRMATION
- H - DIRECT PURCHASE ORDER – REQUEST TO CLOSE-OUT DPO
- I - DIRECT PURCHASE ORDER – REQUEST TO INCREASE DPO
- J - DIRECT PURCHASE ORDER – REQUEST TO DECREASE DPO