

HERNANDO COUNTY PROCUREMENT MANUAL

Hernando County
15470 Flight Path Drive
Brooksville, FL 34604



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Part 1 - General

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 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 Purchasing Manual (the “Manual”) are:

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

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

2. Distribution and Revisions

This Manual will be made available electronically to all County employees. The Procurement Department 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 Chief Procurement Officer or designee, County Administrator or designee, County Attorney, and approved by the Board of County Commissioners (the "Board").

3. Application of Manual and Exemptions

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.

Exemptions from the Purchasing Manual

The following types of purchasing activities shall be exempt from the competitive solicitation requirements of this Manual as described below. These exemptions do not preclude the County from utilizing competitive solicitation practices where possible.

- A. Agreements between the Board of County Commissioners and non-profit organizations or governmental entities including the procurement, transfer, sale or exchange of goods and/or services.
- B. Service/Maintenance Contracts; Continuing service and/or maintenance contracts which are a part of product acquisition/installation to a vendor who is the manufacturer, developer, or who is the authorized service agent thereof are exempt from further competitive requirements of this Manual. Examples: building systems maintenance, security systems, etc.
- C. Real property, options of title or abstracts of title for real property, title insurance for real property, and other related costs of acquisition, rental, lease, or sale of real property.
- D. Library Media and Materials. The purchase of library books (print, e-books, e-audio books), educational kits and devices and/or textbooks, printed instructional materials, reference books, periodicals, databases, indexes, pre-recorded library media materials, (e.g., audio and video resources) and printed library cards that are to be a part of the library collection are exempt.
- E. Postage and publication, of notices and legally required advertisements.
- F. Advertisements in the form of a representation in any form (digital, print or other media) in connection with a trade, business, craft, or profession in order to promote the supply (purchase) of commodities or services by the person promoting the commodities or contractual services.
- G. 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.
- H. 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.

- I. Training and educational courses, lectures by individuals and education events or programs, contracts between the County and governmental entities or nonprofit corporations, dues/memberships, training/trades publications, meeting rooms, and hotels when below the formal bid threshold.
- J. 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.
- K. Court reporter services.
- L. Food, to include water and beverages, may be purchased with an explanation of the public purpose.
- M. Accounting and Financial Services
- N. Insurance costs, including but not limited to property, casualty, health and automobile.
- O. Medical and dental services.
- P. Temporary labor services.
- Q. Water, sewer, telephone, and electrical utility services.
- R. Copyrighted and patented materials.
- S. Goods and/or services given or accepted by the County via grant, gift or bequest.
- T. Agreements between Hernando County Water and Sewer District and Developers where the Developer agrees to construct, install, and extend facilities necessary to connect a Project to the District's existing infrastructure.
- U. Cybersecurity related items:
 - 1. Insurance or other risk mitigation coverage acquired for the protection of information technology systems, operational technology systems, or data.
 - 2. Critical infrastructure
 - 3. Cybersecurity incidents
 - 4. Network schematics, hardware and software configurations, or encryption information or information that identifies detection, investigation, or response practices for suspected or confirmed cybersecurity incidents, including suspected or confirmed breaches, if the disclosure of such purchase information would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of: data or information, whether physical or virtual; or Information technology resources, which include an agency's existing or proposed information technology systems.

5. Other sensitive cybersecurity items as determined by the Chief Procurement Officer and Director of Information Technology.

4. Implementation

Delegation for Implementation

- A. It shall be the responsibility of the County Administrator or designee, through the Procurement Department, headed by the Chief Procurement Officer, to implement and enforce the policies and procedures set forth in this Manual.
- B. The Chief Procurement Officer, as head of the Procurement Department, 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 Department 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.

Violations of the Purchasing 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.

Waiver of the Purchasing Policies and Procedures

The Board shall have the authority to waive the policies and procedures contained in this Manual in the following instances:

- A. Where the Board declares by majority vote that an emergency exists;
- B. The purchase and/or leasing of goods, supplies, materials or services for County use from a valid current continuing state contract or from other valid current continuing contracts with the State of Florida or other local governments or similar entities, including but not limited to associations acting on behalf of state, county or municipal officials;
- C. Where the Board finds that there is a reasonable certainty that bids for the contemplated construction or purchase will be offered by only one (1) bidder. The Board may use as a basis for this finding a recommendation of the County Administrator through the consent agenda, or otherwise as may be determined, that the particular contract is expected to draw bids from only one (1) bidder;
- D. Where, in the business judgment of the Board as declared by majority vote plus one (1) of the board of county commissioners, the particular circumstances or time constraints surrounding the construction or purchase make it impractical or inadvisable to solicit bids;
- E. Where the contract to be bid upon is one for the purposes authorized by section 336.41, Florida Statutes;
- F. Where the Board by majority vote plus one (1) has by resolution waived competitive bidding when it finds this to be in the best interest of the County; or

- G. Where there has previously been a request for bids and no responsive, responsible bids have been received.

5. Training

All County employees who are responsible for implementing the procurement process within their department/division must attend training classes at least annually provided by the Procurement Department. The Procurement Department must provide the training and, if so, must maintain records related thereto. Consultants and other County vendor/contractors, when applicable, may attend training classes.

6. Supplemental General Principles of Law

The principals of law and equity, including laws related 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 Hernando County, Florida, unless otherwise provided.

7. Code of Ethics

Ethics, Generally

Hernando County is committed to a purchasing 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 vendor/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 dispute or disagreement with a respondent.
- E. The County will avoid involvement in any transactions or activities that could be a conflict between personal interest and the interest of the County.

Employee Ethics

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, regardless of position, will maintain high standards of ethics and conduct and 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 Section 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.

8. Definitions

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

- **ADVERTISED BID REQUIREMENT (ABR)** – is the total dollar amount of the procurement or contract which represents the advertised bidding requirement threshold specified in the Hernando County Procurement Ordinance, latest version.
- **ADVERTISEMENT** – is a public announcement inviting responses for services to be performed or materials to be furnished. (Note: this definition does not apply to the advertisements contemplated in section 4.f. above.)
- **AGREEMENT** – includes all types of agreements, regardless of what it may be called, that involve the purchase or disposal of supplies, services, materials, equipment, or construction.
- **AUDIT** - is an official inspection of an individual's or organization's accounts, either by the County or its designee.
- **AWARD** – is the acceptance, by the County, of the successful bidder's, respondent's or vendor/contractor's proposal.
- **BEST AND FINAL OFFER**- may be used at the end of a competitive negotiation to obtain the proposer's most favorable terms for price, service or product to be delivered. May be used in the request for proposal and invitation to negotiate process.
- **BID, PROPOSAL, or QUOTE** – is an offer specifically given to the County in response to an Invitation.
- **BIDDER** – is 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. Used interchangeably with "proposer" and "offeror".
- **BIDDING DOCUMENTS** – is the Advertisement or Invitation to Bid, solicitation instructions, the bid form and the proposed contract documents, including all addenda issued prior to public opening of the bids.
- **BLANKET PURCHASE ORDER** – is a purchase order with a vendor/contractor to allow multiple delivery dates over a period of time, often negotiated to take advantage of predetermined pricing. It is normally used when there is a recurring need for expendable goods.
- **BOARD** – is the Board of County Commissioners of Hernando County, Florida. The Board maintains the authority to enter into all agreements on behalf of the County under the County's proper name.

- BONDS – are performance, payment, and supply bonds and other instruments of surety.
- BRAND NAME OR EQUIVALENT SPECIFICATION – is 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.
- BUSINESS – is any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
- CCNA – is Consultants’ Competitive Negotiations Act per section 287.055, Florida Statutes.
- CENTRAL REPOSITORY – is a file system of all fully executed contracts, leases, and non-grant agreements maintained in auditable format.
- CERTIFICATE – can only be a computer-based record which:
 - Identifies the certification authority.
 - Identifies the subscriber.
 - Contains the subscriber’s public key.
 - Is digitally signed by the certification authority.
- CERTIFICATION AUTHORITY – is a person who issues a certificate.
- CERTIFICATES OF COMPLIANCE – is a written statement by the manufacturer stating the material furnished is in conformance with the work specifications. Also called a certificate of conformity or certificate of conformance.
- CHANGE ORDER – is a document that amends the scope of, or corrects errors, omissions, or discrepancies in an agreement or purchase order, which is signed by the Vendor/contractor and approved in accordance with authorization levels.
- CHIEF PROCUREMENT OFFICER – is the County employee designated as the Chief Procurement Officer of the Procurement Department who is duly authorized to enter into and administer contracts and make written determinations with respect thereto under the terms of this Manual.
- CLERK’S RECORDS OFFICE – is the section under the Clerk of Court that maintains the Central Repository defined herein above.
- COMMODITY – is products, goods, or materials 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.

- **COMPETITIVE SEALED BIDDING (Invitation to Bid)** – is 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 to bid must be publicly advertised with the title, and the designated location (physical or electronic), date and hour of the public bid opening, and must specifically define 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 to bid 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.
- **CONSTRUCTION** – is 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.
- **CONTRACT** – includes 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.
- **CONTRACT AMENDMENT OR MODIFICATION** – is 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.
- **CONTRACT/LEASE CONTROL NUMBER** – is a systemized unique number assigned by Procurement Staff to each procurement solicitation including but not limited to fully executed contract or lease.
- **CONTRACT/LEASE DATABASE** – is a computer automated file affording organized search and retrieval of contracts, agreements, and leases.
- **CONTRACTUAL SERVICES** – is the rendering by a vendor/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 vendor/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.
- **CONTRACTUAL SERVICES CONTRACT** – is a contract for a vendor/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.

- COOPERATIVE PURCHASING – is a procurement conducted by, or on behalf of, more than one public procurement unit.
- COST ANALYSIS – is 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.
- COUNTY – is Hernando County, Florida. The Board retains the authority to enter into all contracts on behalf of the County within the County’s proper name.
- CYBERSECURITY – means the protection afforded to an automated information system in order to attain the applicable objectives of preserving the confidentiality, integrity, and availability of data, information, and information technology resources.
- DEPARTMENT MONITOR – is 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.
- DEFINITE QUANTITY CONTRACT – is a contract whereby the vendor/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 vendor/contractor and acceptance of the specific quantity by the County completes such contract.
- DIGITAL SIGNATURE – is a type of electronic signature that transforms a message using an asymmetric cryptosystem such that a person having the initial message and the signer’s public key can accurately authenticate the signature.
- EFFECTIVE DATE OF AGREEMENT – is the date indicated in the agreement on which it becomes effective.
- ELECTRONIC SIGNATURE – is any electronic sound, letters, characters, or symbols, manifested by electronic or similar means, executed or adopted by a party with an intent to authenticate a writing. A writing is electronically signed if an electronic signature is logically associated with such writing.
- ELECTRICAL UTILITY SERVICES – The generation, transmission, distribution (including the furnishing of labor, time and effort to provide same), and the sale of, electricity to customers by an electrical utility that owns, maintains, or operates an electric generation, transmission or distribution system and that is regulated by Chapter 366 of Florida Statutes.
- EMERGENCY PURCHASE – is 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.

- EMPLOYEE – is a full time, part time, or temporary employee, whether elected or non- elected. For the purposes of this Manual, it also includes any non-compensated individual performing services for the County.
- ESTABLISHED CATALOG PRICE – is the price included in a catalog, price list, schedule, or other form that:
 - Is regularly maintained by a manufacturer or vendor/contractor;
 - Is either published or otherwise available for inspection by customers; and
 - 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.
- EXPIRED FILES – are files of agreements where 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.
- FINAL PAYMENT – is payment issued upon satisfactory completion and final close-out of agreement or lease.
- FISCAL YEAR – is 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. Hernando County’s fiscal year is from October 1 through September 30.
- F.O.B. or (Free on Board) – is 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.
- FTA – Federal Transit Administration.
- FUND – is a fiscal and accounting entity with a self-balancing 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.
- IMPROVEMENT – includes 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.
- INVENTORY OF SUPPLIES – is an asset account, which reflects the cost of supplies on hand for use in operations.
- INVITATION TO BID (ITB) (Competitive Sealed Bidding) – is 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 to bid must be publicly advertised with the title, location (physical or electronic), date, and hour of the public bid opening designated and specifically define 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 to bid 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.

- INVITATION TO NEGOTIATE (ITN) – is 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.
- INVITATION TO QUOTE (ITQ) – is a solicitation that calls for pricing information for purposes of competitively selecting and procuring commodities and contractual services.
- IRREGULARITY – is 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.
- ISSUING DEPARTMENT – is the department for which the procurement documents (ITB, ITN, ITQ, RFP), agreement or lease is to be issued and where the agreement procedures are to be administered.
- JOINT VENTURE – is (1) a combination of vendor/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.
- LEASE – is 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.
- LESSEE – is one who has a possessory interest in real or personal property under a lease.
- LESSOR – is a person who conveys real or personal property by lease; esp., Landlord.
- MACHINERY AND EQUIPMENT – includes 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.
- MANUFACTURER – is a 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 vendor/contractor.

- MATERIAL MISTAKE – is any deviation or variance from the solicitation instructions or other mistake that gives one bidder a substantial advantage over other bidders. A non-material mistake (irregularity) 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.
- NOTICE OF COMMENCEMENT – is a notice recorded in accordance with Section 713.13, Florida Statutes, prior to the commencing or recommencing to improve any real property.
- NOTICE OF AWARD – is the written notice by the Procurement Department to notify the successful respondent that the offer they submitted for the advertised work has been accepted, contingent upon written approval by the appropriate County designee as determined by the authorization thresholds.
- NOTICE OF INTENT TO AWARD – is a written notice that states the firm(s) to whom the County intends to award a contract resulting from a solicitation and which establishes the period in which a notice of intent to protest may be timely filed. The Notice of Intent to Award is posted on the County eProcurement website and on the Public Notice board in the Procurement Department.
- NOTICE TO PROCEED – is a written notice given by the Procurement Department establishing the original date on which the work under the agreement/contract will commence. The Vendor/contractor shall begin to perform his/her obligation according to the agreement documents on the dates provided in the Notice to Proceed.
- OFFER – is any bid, proposal or Quote made to the County.
- OPTION TO RENEW – is a contract clause that grants a party or parties the option of continuing the contract for an additional term, and which must be exercised prior to the expiration of the current term.
- ORIGINAL – is the 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.
- PAYMENT BOND – is the approved form of security furnished by the Vendor/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. For contracts subject to Federal Transit Authority requirements, payment bonds shall be specified in Federal Transit Authority C4220.1F, IV, 2,i(1)c, as may be revised from time to time.

- PERFORMANCE BOND – is the approved form of security furnished by the Vendor/contractor and their surety as a guaranty that the Vendor/contractor will complete the work or service in accordance with the terms of the agreement. For contracts subject to Federal Transit Authority, performance bonds shall be specified in Federal Transit Authority C4220.1F, IV, 2,i(1)c, as may be revised from time to time.
- PERSON – is any business, individual, committee, club, other organization, or group of individuals.
- PETTY CASH - an accessible store of money kept by the County for expenditure on small items.
- PRE-BID CONFERENCE (or PRE-PROPOSAL CONFERENCE) – is a meeting held with prospective bidders prior to public opening of bids, to discuss technical aspects, specifications, and standards relative to the subject, and to elicit expertise and bidders’ interest in pursuing the task.
- PROCUREMENT SOLICITATION means the solicitation of offers from Vendors/Contractors for the needed supplies, services, or construction. Procurement Solicitation shall include, but not be limited to, requests for quotes, requests for qualified contractors, requests for proposals, requests for approvals, requests for pre-qualifications, reverse auctions, and any other approved solicitation method.
- PROFESSIONAL SERVICES – may include any services provided by a licensed professional in a particular field or subject. As to Consultants’ Competitive Negotiations Act in Section 287.055, Florida Statutes (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.
- PROPERTY – is any external thing over which the rights of possession, use, and enjoyment are exercised.
- PURCHASING CARDS (P-CARDS) – are County-issued credit cards to be used for small purchases of supplies or services within the single purchase limits established in this manual and the limit set by the issuing agency.
- PURCHASE ORDER – is 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.
- PROCUREMENT – is 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.

- **QUOTES, SINGLE** – is 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.
- **QUOTES, WRITTEN** – is the procurement procedure used to purchase commodities or contractual services with a value within the threshold amounts. Written Quotes are conducted by obtaining written quotes 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) quotes is not practicable, the Requesting Department shall provide written justification of such. Written evidence of all quotes must be maintained.
- **REAL PROPERTY** – is 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.
- **RECYCLED CONTENT** – are 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.
- **REGULATION**– is a statement by the County having general or particular applicability and future effect, designed to implement, interpret, or prescribe law, policy, or practice.
- **REQUEST FOR PROPOSALS (RFP)** – is a written solicitation for sealed proposals that must be publicly advertised with the title, and the designated location (physical or electronic), date and hour of the public proposal opening. The request for proposals is used when the scope of work, specifications, or contractual terms and conditions cannot be well defined. Evaluation of a proposal is based on prior established criteria which involves more than price. May be a single or multi-step process. May include a provision for the negotiation of a best and final offer. A request for proposals includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, solicitation instructions, and evaluation criteria.
- **REQUEST FOR QUALIFICATIONS (RFQ)** – is a written solicitation for sealed qualifications that must be publicly advertised with the title, and the designated location (physical or electronic), date and hour of the public opening. The request for qualifications is used when 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.

- REQUESTING DEPARTMENT – is any department, division, agency, commission board, committee, authority, or other unit in the County government requesting supplies or procuring contractual services as provided for in this Manual.
- REQUISITION – is a written request to have commodities or services purchased.
- RESPONSIBLE BIDDER OR OFFEROR– has the capability in all respects to perform fully the contract requirements and the experience, capacity, facilities, equipment, credit, sufficient qualified personnel, and has the integrity and reliability with a record of timely and acceptable past performance that will assure good faith performance.
- RESPONDENT – is a person who replies to something. In the case of one who is supplying information or responding to an advertisement or solicitation/procurement, a respondent may be referred to as a bidder, proposer, or offeror.
- RESPONSIVE BIDDER OR OFFEROR– is an individual, person, vendor/contractor, business, or institution who has submitted a bid, which conforms in all material respects to the requirements and criteria set forth in the Invitation to Bid, Invitation to Negotiate, or the Request for Proposals.
- SERVICES – is the furnishing of labor, time, or effort by a vendor/contractor, not involving the delivery of a specific end product other than those that are not defined as supplies and that are merely incidental to the required performance. This term does not include employment agreements or collective bargaining agreements.
- SINGLE SOURCE – is a commodity or service that 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.
- SMALL PURCHASES – is the procurement of commodities or services with a value within the thresholds set for this category without the requirement of quotes, or bids, from at least three (3) vendors.
- SOLE SOURCE – is a commodity or service that 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 vendor/contractor for that item. Use of brand names and model numbers does not constitute a sole source.
- SPECIFICATIONS – is 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.

- **SUBDIVIDING PROCURMENTS** – is the illegal act of submitting two or more purchases to the same vendor within a period of time in order to acquire goods and/or services over the limitations and requirements set forth.
- **SUCCESSFUL BIDDER** – is the lowest, responsible, and responsive bidder to whom the Procurement Department, based on evaluation, recommends award of the fully executed contract.
- **VENDOR/CONTRACTOR** – any individual or business having a contract with the board of county commissioners to furnish goods, services, or construction for an agreed upon price (not to include employment contracts).
- **SUPPLY BOND** – is a surety guarantee that the vendor/contractor will furnish supplies or material as contracted.
- **SURETY BOND** – is 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 vendor/contractor. Surety bonds also include Fidelity Bonds covering governmental officials and employees.
- **SURPLUS PROPERTY** – is any tangible personal property or real property interest owned by the County, which has been declared by the County 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.
- **TASK ORDER** –is synonymous with the term “new work” against an existing task-order specific contract approved by the Board of County Commissioners. Selected vendor/contractor will be given a scope of work by the managing department. Vendor/contractor will prepare and submit a written technical and cost proposal addressing the scope of work. The issuing department will review and negotiate the terms of the task order and forward the task order to the Procurement Department for authorization. The next consecutive task order # will be assigned and the document will be forwarded for the appropriate level of approval.
- **TANGIBLE PERSONAL PROPERTY** – is 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.
- **TIE (IDENTICAL PROCUREMENT)** – is when two or more responses to a procurement are equal in price and it appears the quality and service offered by the vendors are comparable.
- **USING DEPARTMENT** – is 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.

Part 2 - Procurements

9. Categories, Thresholds and Guidelines

Delegation of Threshold Amounts

- A. The procurement method and authorization authority vary based upon the amount of the purchase. Generally, all purchases for commodities, equipment and services, when the estimated cost thereof equals or exceeds \$50,000, shall be purchased competitively; purchases below \$50,000.00 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 the need for an efficient use of staff resources. The Board may waive the competitive solicitation requirements when deemed to be in the best interest of the County. (The threshold amount for the procurement of planning and study activity by professionals is \$35,000, pursuant to section 287.055(3)(a)1., Fla.Stat.. See also section below titled “Request for Qualifications, CCNA” below.)
- 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.
- C. All procurements will be procured in accordance with the methods permitted according to the threshold amounts, and as set forth in this Manual.

Change Orders

Change orders and contract amendments must be executed by the authorized individual pursuant to Table 1 who approved and executed the original purchase order or contract, unless the change order or contract amendment increases the total dollar amount to such a level that in accordance with Table 1, it shifts to another authorized individual/entity (the approval authority). In such instances the change order or contract amendment will be required to be approved and executed by the new appropriate authority pursuant to Table 1. Change orders and contract amendments shall not be used to avoid any standard purchasing procedure for procurement by the competitive procedures. The valuation of the procurement will be calculated based upon the value of the initial term of the contract to be awarded. The valuation of contract renewals will be based upon the value of the renewal term.

For purposes of construction contracts, the County department shall not be required to have a change order executed by the individual who approved the original purchase order or contract if such change order(s) includes minor changes in the Work not involving an adjustment to the Contract Amount or an extension to the Contract Time which would cumulatively exceed ten percent (10%) of the Original Contract Time.

10. Table 1 – Process Thresholds

10.1. Single Written Quotes

Department Director \$0 - \$5,000

Department Director and Chief Procurement Officer \$5,001 - \$10,000

Department Director and Chief Procurement Officer and BOCC N/A

Each category above includes designees of the various parties.

10.2. Three (3) Written Quotes

Department Director \$0 - \$5,000

Department Director and Chief Procurement Officer \$5,001 - \$50,000

Department Director and Chief Procurement Officer and BOCC \$50,000+

Each category above includes designees of the various parties.

10.3. Requisitions

Department Director \$0 - \$5,000

Department Director and Chief Procurement Officer \$5,001 - \$50,000

Department Director and Chief Procurement Officer and BOCC \$50,000+

Each category above includes designees of the various parties.

10.4. Non- PO (Direct) Payments

Department Director \$0 - \$5,000

Department Director \$5,001 - \$50,000

Department Director \$50,000+

Each category above includes designees of the various parties.

10.5. Blanket Purchase Order (Non-Contract)

Department Director \$0- \$10,000 (Single transaction limit of \$5,000)

Each category above includes designees of the various parties.

10.6. Contract Amendments

Department Director \$0 - \$5,000

Department Director and Chief Procurement Officer \$5,001 - \$50,000

Department Director and Chief Procurement Officer and BOCC \$50,000+

Each category above includes designees of the various parties.

10.7. Task Orders

Department Director \$0 - \$5,000

Department Director and Chief Procurement Officer \$5,001 - \$500,000

Each category above includes designees of the various parties.

10.8. Change Orders

Department Director \$0 - \$2,500

Department Director and Chief Procurement Officer \$2,501 - \$50,000

Department Director and Chief Procurement Officer and BOCC \$50,000+

Each category above includes designees of the various parties.

10.9. Change Orders where CPO is authorized by BOCC at time of award to approve COs up to budgeted amounts

Department Director \$0 - \$2,500

Department Director and Chief Procurement Officer \$2,501 - \$50,000

Department Director and Chief Procurement Officer \$50,000+ up to budgeted amounts not to exceed 25% of approved contract value. In the event a budget amendment is required, the procedures of the Office of Management and Budget shall apply to the Change Order.

Each category above includes designees of the various parties.

11. Petty Cash

Petty Cash transactions are not handled by the Procurement Department. The Department of Financial Services of the Clerk of Courts & Comptroller audits and processes the petty cash requests.

12. Electronic Signatures

Unless otherwise provided by law, an electronic signature may be used to sign a writing and shall have the same force and effect as a written signature. If any provisions of this section contradict the Electronic Commerce Policy of the Hernando County Board of County Commissioners, the policy prevails.

An electronic record or electronic signature is attributable to a person if the record or signature was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature was attributable.

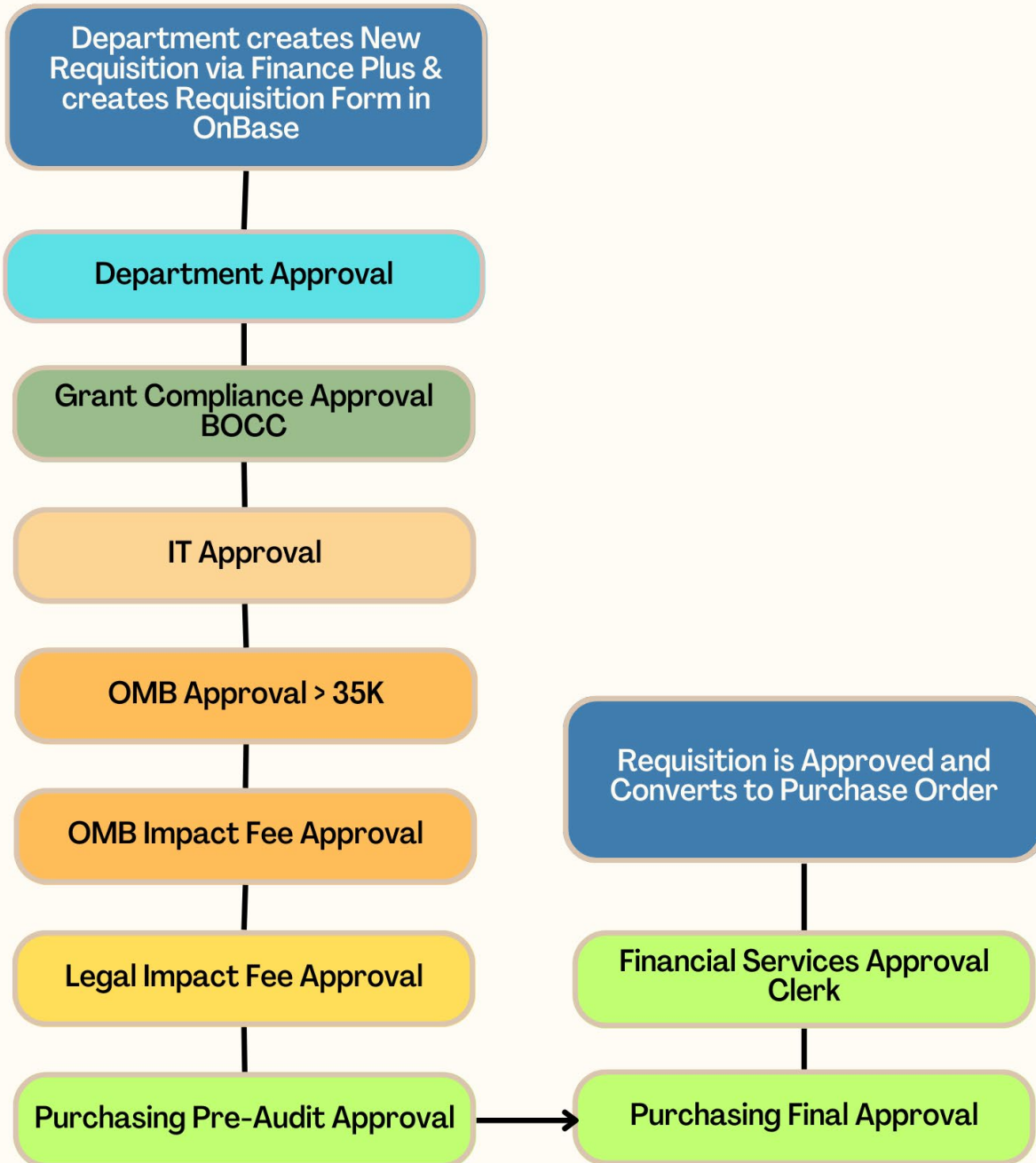
If a law requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized by applicable law to perform those acts, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record. Neither a rubber stamp nor an impression type seal is required for an electronic notarization.

13. Requisitions, Generally

When a department desires to procure a service or good, it must first submit a requisition electronically to the Procurement Department.

14. Requisitions Workflow

Requisition Workflow



At any approval level, a declined decision ends the workflow and updates Management System.

15. Quotes

Quotes (not to exceed \$5,000.00)

(See [Table 1 – Process Thresholds](#), for threshold requirements for the procurement method).

- A. Commodities, equipment, and services with an estimated cost within the threshold authorized in Table 1 for written quotes, except those purchased on p-cards and through Non-PO purchases, shall be procured by competitive quotes. Purchases at this level do not require more than one written quote, except when deemed advisable by the Procurement Department. Additionally, if there is an ongoing need for certain commodities, equipment, or services on a regular basis that would otherwise qualify for a procurement pursuant to the threshold amount in Table 1 if viewed in isolation, then competitive solicitation 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. The county employee soliciting the quotes shall clearly document the commodities, equipment, or services requested on a consistent basis from each vendor to assure a like-to-like comparison and shall document the date, vendor, and quote received for the purchasing file. Quotes may also be obtained from reputable internet vendors. 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 vendor's geographic proximity to the County for future 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. It is recommended to ensure competition when procuring with grant funds.

Written Quotes (not to exceed \$50,000)

(See [Table 1 – Process Thresholds](#) for threshold requirements for the procurement method).

- A. Commodities, equipment, and services with an estimated cost within the threshold under Table 1 shall be procured by competitive, written quotes.
- B. At least three (3) written quotes must be obtained for each purchase by the appropriate County department. In those instances where the securing of three (3) quotes is not practicable, the Department shall provide written justification of such. The appropriate County department shall prepare a written quote solicitation form that clearly documents the commodities, equipment, or services requested and when needed, contact information, the due date for quote, 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 quote solicitation form shall be provided to at least

three (3) vendors who have the required expertise and capability to perform the services or supply the commodities or equipment.

- C. Quotes must be on company letterhead, a 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, services, 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, services, or equipment shall be awarded the contract.
- E. Grant funded purchases must be clearly documented on all vendor quote requests that are non-responsive or no-quote.

Instructions for Preparing the Requisitions

See [#Requisitions General](#) and [#Requisitions General Workflow](#)

16. Types of Competitive Solicitations

It should be noted on all competitive solicitations that the County retains the right to reject any and all responses and may choose to solicit at its discretion.

(See [Table 1 – Process Thresholds](#) for threshold requirements for the procurement method).

Requests for Proposals (RFP)

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 proposals includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, solicitation instructions, and evaluation criteria. The Procurement 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.

Criteria: The department shall outline specific needs and objectives that will make up the scope of services to be addressed by the proposers. The Procurement Department, 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:

- Introduction
- Background
- Scope of work or scope of services required
- Time schedule
- Price schedule
- Evaluation criteria
- Terms and conditions
- Selection process
- Required forms
- Proposed contract

Selection: Proposers shall be ranked by a selection committee, as further detailed in [Procurement Selection Committee](#), and presentations may be made to the selection committee or board for consideration.

Invitation to Bid (ITB)

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 cost of these commodities, equipment or services

exceeds the amount specified in [Table 1 – Process Thresholds](#). 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.

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 Department, 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:

- Introduction
- Background
- Scope of services, commodities or equipment required
- Time schedule
- Price sheet
- Terms and conditions
- Evaluation criteria
- Selection process
- Required forms
- Proposed contract

Selection: Evaluation of bids shall be conducted by the Procurement Department in conjunction with the requesting Department Director or designee. Evaluation of bids must include consideration of the total cost of the bid.

A contract shall be awarded to the responsible and responsive vendor who submits the lowest responsive bid.

Invitation to Negotiate (ITN)

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.

Criteria: The department director shall outline the general scope of services to be addressed by the proposers. The Procurement Department, 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:

- Introduction

- Background
- Evaluation criteria
- Selection Process
- Required Forms
- Proposed contract

Selection: Proposers shall be ranked by a selection committee, as further detailed in [Procurement Selection Committee](#), and presentations may be made to the evaluation committee or Board for consideration.

Invitation to Quote (ITQ)

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.

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 Department Director, in conjunction with the Procurement Department, shall prepare the criteria and development of the invitation to quote which should include, but not be limited to, the following:

- Terms and conditions
- Scope of service or commodities required
- Schedule
- Proposed price
- Selection process

Selection: Evaluation of quotes shall be conducted by the Procurement Department in conjunction with the requesting Department. Evaluation of quotes must include consideration of the total cost of the quote.

A contract shall be awarded to the responsible and responsive vendor who submits the lowest responsive submittal.

Multi-Step Sealed Bidding

The multi-step sealed bidding method combines certain elements of the competitive sealed bidding and competitive sealed proposal method and is utilized under the following circumstances:

- A. Available specifications or purchase descriptions are not definite or complete.

- B. Definite criteria exist for evaluating technical proposals.
- C. More than one technically qualified source is available.
- D. Sufficient time will be available for using the two-step method.
- E. A firm, fixed-price contract with economic adjustments will be used.
- F. To ensure the firm is qualified prior to the opening of price submittals.
- G. To limit the public exposure of sensitive project information regarding the design, construction, maintenance, or other service provision for certain high risk and security related projects.

17. Request for Qualification CCNA

- A. A request for qualifications (“RFQ”) 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. The purpose of obtaining professional services is to offer to the County special expertise, practical experience, knowledge, resources, and an objective outside professional opinion. An RFQ must be utilized in CCNA procurements but may be used in other instances when deemed appropriate by the Procurement Department.
- B. The provisions and exemptions contained in the 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.
- C. For more information on CCNA please refer to sections 287.017 and 287.055, Fla. Stat.
- D. Selection of consultants for FTA funded projects shall be acquired in accordance with the Brooks Act, 40 U.S.C. 11, et seq, as may be amended from time-to-time.

18. Notice Requirements for Competitive Solicitations

Newspaper

- A. Noticing of all procurement solicitations (unless 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 solicitation.
- B. If state or federal law or a state or federal agency provides other required methods of newspaper notice which differentiate from the County's requirements, in those circumstances, the requirements of state or federal law or state or federal agency shall be followed when advertising in a newspaper.
- C. 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 established public bid opening 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 reference the location of the electronic bid platform where the solicitation will be posted.
- E. Notice of all requests for written quotes, pursuant to the section above titled "Quotes," shall not require a newspaper ad.

Website

When advertised in newspapers, the notice shall also be listed on the electronic bulletin located at the County Administration building.

19. Cone of Silence

Cone of Silence

A cone of silence shall be established on all County competitive selection processes. The cone of silence pertains to all solicitations (ITB, RFP, ITQ, ITN, RFQ or other competitive solicitations), and prohibits any communication regarding such solicitation between the bidder (or its agents or representatives) or anyone on behalf of the bidder regarding such 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 anyone designated to provide a recommendation to award a particular contract, other than Procurement Department 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. Violation of the cone of silence by, or on behalf of, a bidder shall be grounds for disqualification from competing in the competitive solicitation.

Exceptions to the Cone of Silence

The cone of silence shall not apply to:

- A. Communications at any public proceeding or meeting related to the competitive solicitation, 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/contractor by a Procurement Department 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 Department, 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.
- F. Communications with existing vendors/contractors in the performance of existing contracts.

Termination of the Cone of Silence

The cone of silence commences from the date of advertisement until award of contract.

20. Process of Competitive Solicitations

All competitive solicitations are to be prepared by the Procurement Department in conjunction with issuing department, who will provide input on the scope of the commodities, equipment or services needed, the legal ads, dates, vendor lists, and other pertinent information as may be required by the Procurement Department.

Response Submission

- A. Responses to all competitive solicitations shall be submitted electronically via the eProcurement Portal on the procurement department website no later than the date and time designated in the instructions.
- B. Mandatory and non-mandatory conferences may be held if deemed necessary by the Procurement Department. Notification of the conferences will be outlined in the competitive solicitation package. Any written material distributed to potential respondents during a mandatory or non-mandatory conference will be made publicly available via a Addendum unless the County designates that material to be sensitive. In instances where sensitive information is distributed at a mandatory conference, Procurement must provide and attendees must sign an agreement to not disseminate sensitive information.
- C. Registration or certification under Florida Statute Chapter 489 is required before any contract is awarded for construction work on buildings or other improvements to real property, except for roads or utilities as specified in Florida Statutes section 489.113, or otherwise exempt projects under Florida Statutes section 489.103.

Public Opening of Responses

- A. All competitive solicitation responses shall be opened via virtual electronic means in public at the time stated in the public notice with at least two (2) witnesses present. At least one witness shall be a County employee, who shall record the opening. The other witness may or may not be an employee of the County but cannot be a respondent to the competitive solicitation.

The purpose of the opening is to record the responses received and to ensure that the responses follow the basic requirements of the competitive solicitation. Responses are not analyzed for quality or substance at the opening. See [Public Records and Meetings](#) for additional information.

Rejecting Responses

The Chief Procurement Officer shall have the authority to reject any and all responses. The County will not be held responsible for any costs incurred by vendors/bidders in the case of rejection.

Correction or Withdrawal of Responses; Material Mistakes; Cancellation of Awards

- A. A response submitted to the County as part of a competitive solicitation may not be withdrawn unilaterally by the respondent. Correction or withdrawal of inadvertently erroneous responses before or after the public opening, or cancellation of the awards or contracts based on such

mistakes, may be permitted where appropriate. Mistakes discovered before the public 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 public 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 public 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 public 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.

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 disqualification or exclusion from public contracting and purchasing.
- K. Use of one or more subvendor/contractors with a record of poor performance.
- L. For the purpose of this section, the County may consider evidence from the ten-year period preceding the subject bid submittal date.
- M. Procurement shall document State vendor checks as part of vendor responsibility. When funded by a federal grant, Procurement shall document Federal grant checks as part of vendor responsibility.
- N. In the event the lowest, responsive, responsible bid for a construction project exceeds the architectural or engineering cost estimates, the Chief Procurement Officer or designee is authorized, when time or economic considerations preclude re-solicitation 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. If the cost estimates exceed the Chief Procurement Officer's threshold amount, results of negotiations will be contingent upon Board approval.

Evaluation of Requests for Proposals, Requests for Qualifications, Prequalification, 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 solicitation and have not been rejected shall be distributed to the selection committee, as established in [Procurement Selection Committee](#), for review in accordance with the established time frames outlined in the competitive solicitation.

Notice of Intent to Award

- A. Once the County has determined the lowest, responsive, responsible bidder as provided for in [Types of Competitive Solicitations](#) above or once the selection committee has completed its evaluation in accordance with the same above, the Procurement Department shall prepare and post a public notice of intent to award the competitive solicitation.
- B. The notice of intent to award shall be made available via the eProcurement portal to the selected vendor.

Notice of Award and Contract Negotiations

After the challenge period in [Procurement Challenge/Protest](#) has expired, the procurement shall be awarded with reasonable promptness by the person(s) authorized to approve the purchase, as provided in [Table 1 – Process Thresholds](#) of this Manual. Any notice of award shall be sent to the successful respondent and publicly posted on the County's eProcurement System.

- A. All procurements will be formalized by entering into either a contract with, or issuing a Purchase Order to, the successful respondent as described below.
- B. Upon approval of the selection, the Chief Procurement Officer or designee, in consultation with the issuing department director and, if requested, with the assistance of the County Attorney, will negotiate a contract with the top ranked vendor.
- C. Should the Chief Procurement Officer or designee be unable to negotiate a satisfactory contract with the top ranked vendor within a reasonable time, upon approval by the Chief Procurement Officer or designee, negotiations with the vendor shall be formally terminated by letter to the vendor. The Chief Procurement Officer or designee shall then undertake negotiations with the second ranked vendor, if any.
- D. Should the Chief Procurement Officer or designee be unable to negotiate a satisfactory contract with the second ranked vendor, upon approval by the Chief Procurement Officer or designee, negotiations with the vendor shall be formally terminated by letter to the vendor. The Chief Procurement Officer or designee shall select additional Proposers in order of their ranking or price, depending on type of contract, and continue negotiations until an agreement is reached or if no agreement can be reached the Chief Procurement Officer or designee may reject all Proposals and may re-advertise for new Proposals.
- E. 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 – Process Thresholds](#). Upon execution by both parties and the County’s receipt of proof of insurance and bond requirements, the notice to proceed shall be issued.

21. Procurement Selection Committee

- A. For purposes of reviewing responses to solicitations including professional services, a selection committee shall review the responses and make recommendations to the Procurement Department and requesting Department Director.
- B. An Employee of the Procurement Department will facilitate the meeting.
- C. Contract award evaluation criteria shall be specifically identified and listed in all formal solicitations for the procurement of equipment, supplies and services.
- D. The Selection Committee shall be comprised of County staff and non-County staff, as appropriate including but not limited to the following members:
 - 1. Project Manager
 - 2. Grants Management if applicable
 - 3. Finance, either Clerk or BOCC
 - 4. Technical Expert if PM is not TE
 - 5. Engineer/Architect of Record
 - 6. Others as Identified
- E. The Department and the Procurement Department will determine the total number of committee members at onset of solicitation. The Selection Committee shall meet as needed to review solicitation responses and a quorum is required to take any official action.
- F. Non-CCNA Contract/purchase orders will be awarded to the lowest responsive and responsible bidder. In determining the lowest responsive and responsible bidder, the following factors will be considered in addition to the price bid; and any bid may be rejected for cause if not responsive to any of the following:
 - 1. The conformity of the bid offer to the specifications and bidding documents.
 - 2. The sufficiency of the financial resources and the ability, capacity, and skill of the bidder to perform the contract or provide the service required.
 - 3. The ability of the bidder to perform in accordance with the terms and conditions of the contract and provide the service promptly or within the time frame specified, without delay or interference.
 - 4. The character, integrity, reputation, judgment, experience and efficiency of the bidder.
 - 5. The previous and existing compliance of the bidder with laws and ordinances relating to the contract or service.
 - 6. The quality of performance on previous contracts or orders.

7. The quality, availability, and adaptability of supplies, or services to the particular operational needs of the requirement and/or using department.
 8. The ability of the bidder to provide parts, future maintenance and service for subject procurement.
- G. Professional Services will be evaluated as defined by Section 287.055 Fla. Stat., current version with the following stipulations:
1. At a minimum, three firms will be evaluated and shortlisted.
 2. The firms that qualify for the shortlist will be asked to discuss the RFQ and may be asked to present oral presentations with the selection committee.
 3. Upon completion of the presentations the selection committee will select no less than three the firms to begin negotiations with.
 4. Once the Procurement department along with the Department Director has completed satisfactory negotiations the firm will be presented for award to the Board.
 5. If satisfactory negotiations cannot be reached the Procurement Department will begin negotiating with the second ranked firm. This process will continue until an award can be recommended.

22. Procurement Protests

Competitive Solicitation Protests, Generally

Any competitive solicitation award recommendation may be protested on the grounds of disputed issues of material fact, or material irregularities in the procurement procedure or evaluation of the responses.

Time Requirements and Form for Notice of Protest and Formal Written Protest

- A. To initiate a protest, any person who is adversely affected must file a written notice of protest with the Procurement Department's Chief Procurement Officer within seventy-two (72) hours of the posting of the notice of intent to award or notice of award, or within seventy-two (72) hours of the posting of the solicitation, whichever is being protested, pursuant to section 120.57(3)(b), Fla. Stat. (2023). Saturdays, Sundays, and state holidays are excluded in the computation of the 72-hour time period. The 72-hour period is not extended by service of the notice of protest by mail. Failure to timely file a notice of protest constitutes a waiver of proceedings under Hernando County ordinances and Chapter 120, Fla. Stat. (2023).
- B. The protester must include in its notice of protest: (i) the protester's name, email, mailing address, fax number, and phone number; (ii) the name and contact information of the protester's representative to whom notices may be sent; (iii) the solicitation title and number; and (iv) a brief factual summary of the basis of the protest, pursuant to Chapter 28-110.003, Fla. Admin. Code.
- C. The protester must include a protest bond with its notice of protest. For an action protesting a solicitation that includes a request for qualification of bidders, the bond must be \$5,000. For an action protesting a rejection or contract award that includes a request for qualification of bidders, the bond must equal 1 percent of the lowest bid submitted or \$5,000, whichever is greater. For an action protesting a bid solicitation, bid rejection, or contract award that does not include a request for qualification of bidders, the bond must be \$2,500. If, after completion of the administrative hearing process and any appellate-proceedings, the County prevails, the County will be entitled to recover all costs and charges stated in the final order or judgment, excluding attorney's fees. Upon payment of such costs and charges by the protester, the bond shall be returned to him or her. If the protester prevails, he or she will be entitled to recover from the County all costs and charges stated in the final order or judgment, excluding attorney's fees. The entire amount of the bond will be forfeited if the administrative law judge determines that a protest was filed for a frivolous or improper purpose, such as to harass, or to cause unnecessary delay or cost for, the department or parties.
- D. The protester must file its formal written challenge with the Procurement Department's Chief Procurement Officer within ten (10) days after the date the protester files its notice of protest. Saturdays, Sundays, and state holidays are **not** excluded from the computation of the 10-day time period. The 10-day period is not extended by service of the formal written protest

by mail. Failure to timely file the formal written protest constitutes a waiver of proceedings under Hernando County ordinances and Chapter 120, Fla. Stat. (2023).

- E. The formal written protest should be substantially similar in form to that found in Chapter 28-110.004 (eff. 1/15/2007). Alternatively, the protester must include in its formal written protest : (i) the protester’s name, email, mailing address, fax number and phone number; (ii) the name and contact information of the protester’s representative to whom notices may be sent; (iii) the solicitation title and number; (iv) a clear and complete statement of the grounds on which the protest is based, including any disputed facts or procedures, and the statutes, laws, ordinances, or other legal authorities upon which the protester relies; and (v) the relief sought. If the protester does not dispute any material facts, the protester should so state in its formal written protest.
- F. If protesting a notice of intent to award or notice of award, the protester shall also mail a copy of the notice of protest and the formal written protest to the apparent best bidder.
- G. Only persons or entities adversely affected by the solicitation, or notice of award, or notice of intended award have standing to file a protest. Those who would not be awarded the subject contract even if the protest were successful lack standing.

Suspension of Solicitation or Contract Award Process

- G. Upon receipt of a timely formal written protest, the County shall suspend the solicitation or contract award process until a final decision has been made, unless the Board makes a determination that the contract must proceed without delay to protect the substantial interest of the County.

Investigative Summary and Decision on Protest

- H. The Chief Procurement Officer shall, within ten (10) calendar days of receipt of the formal written protest, cause the protest to be investigated, render a written Investigative Summary and Decision (“the Decision”) on the protest. The Decision may be to: (i) take no action on the protest; or (ii) to take a specific action, which must be detailed in the decision. The Decision must be titled: “Chief Procurement Officer’s Investigative Summary and Decision”.
- I. The Chief Procurement Officer shall send its Decision to the protester by email and regular U.S. mail on the date the Decision is rendered, together with a notification that reads substantially as follows:

“Please take notice that if you desire to oppose the Chief Procurement Officer’s investigative Summary and Decision (“the Decision”), you must submit a written request for an informal proceeding or a formal proceeding to the Chief Procurement Officer by email and regular U.S. mail. Your request must indicate whether you are requesting an informal proceeding or a formal proceeding. (A formal proceeding is appropriate if your protest involves questions of material fact; otherwise, an informal proceeding is appropriate. It is incumbent upon you and your attorney, if applicable, to determine whether your protest involves questions of material fact.)

Your request must be received by the Chief Procurement Officer within ten (10) calendar days of the date of the Decision. You must send a copy of your request to any other affected persons. Failure to deliver your request within ten (10) calendar days of the date of the Decision shall constitute a waiver of both an informal proceeding and formal proceeding, and shall cause the County to: (i) deem your protest resolved; and (ii) resume the solicitation or contract award process upon which your protest was based.

Your request must contain the following information:

- (a) The procurement solicitation title and number.***
- (b) Your name, email address, mailing address and phone number.***
- (c) Your contact person's name, email address, mailing address and phone number.***
- (d) If applicable, your attorney's name, email address, mailing address and phone number.***
- (e) A statement that clearly communicates that you are formally opposing the Decision.***
- (f) Clear and concise statements indicating the grounds and evidence on which the opposition to the Decision is based, including, but not limited to, facts, rules, regulations, laws and statutes and all supporting documents. New issues or evidence not previously set forth in the written protest that reasonably could have been raised when the protest was initially submitted shall not be considered.***
- (g) A copy of the Decision being opposed.***
- (h) The names, email and mailing addresses of any other affected persons.***
- (i) The dated signature of your authorized agent.***

If you request an informal proceeding, such proceeding will be heard by the County Administrator or his or her designee at a convenient time and location. The County Administrator will send to you and your attorney, if applicable, and any other affected persons, by email and regular U.S. mail, written notice of the time and place of the informal proceeding, and will arrange for the proceeding to be recorded. At the proceeding, you and your attorney, if applicable, and any other affected persons, may present written or oral evidence or a written statement, challenging or supporting the Decision. Statements and evidence from the general public will not be permitted. The procedures detailed in §§ 120.57(2), Fla. Stat., will be followed.

Within seven (7) calendar days of the informal proceeding, the County Administrator will send to you and your attorney, if applicable, and the Chief Procurement Officer and any other affected persons, by email or regular U.S. mail, the County Administrator's recommendation to overrule or sustain your opposition to the Decision, which recommendation will include instructions for appealing the recommendation. You and any other affected persons will have seven (7) calendar days from the date of the County Administrator's recommendation to submit a written appeal of recommendation. Failure to submit a written appeal of the recommendation within seven (7) calendar days shall constitute a waiver of appeal, and the County Administrator's recommendation will be deemed the County's final decision on your protest.

If your request is for a formal proceeding, such proceeding will be heard by a Special Master or Hearing Officer, de novo, within fifteen (15) calendar days of the date your request is received, or as soon thereafter as possible. The County Attorney's Office will send to you and your attorney, if applicable, by email and regular U.S. mail, written notice of the time and place of the formal proceeding, and will arrange for the proceeding to be recorded. At the formal proceeding, you and your attorney, if applicable, the County, and any other affected persons, may present testimony, evidence, and legal argument, pertaining to your formal protest. Statements and evidence from the general public may be permitted at the discretion of the Special Master. The procedures detailed in §§ 120.57(1)(b), (c) and (f), Fla. Stat., will be followed.

The Special Master shall submit its written recommendation to the Board of County Commissioners, you and your attorney, if applicable, the County, and any other affected persons, by email and regular U.S. mail, within fifteen (15) days of the formal proceeding, or as soon thereafter as possible. The Special Master's recommendation will include instructions for appealing the recommendation. You and any other affected persons will have seven (7) calendar days from the date of the Special Master's recommendation to submit a written appeal of the Special Master's recommendation. Failure to submit a written appeal to the recommendation within seven (7) calendar days shall constitute a waiver of appeal, and the Special Master's recommendation will be deemed the County's final decision on your protest."

Administrative Hearing on Investigative Summary and Decision

- J. If the protester files a timely request for an informal proceeding or formal proceeding, the Chief Procurement Officer shall, within five (5) business days, deliver the request to the County Administrator and the County Attorney's Office.

(a) Informal proceeding: If an informal proceeding is requested, the County Administrator or designee shall schedule the proceeding at a time convenient to the parties, and shall: (i) provide written notice of the proceeding to the protester; (ii) publish notice of the proceeding no later than seven (7) days prior to the date of the scheduled proceeding; and (iii) arrange for the proceeding to be recorded. The notice by publication for an informal proceeding shall be in substantially the following format:

"NOTICE OF INFORMAL PROCEEDING REGARDING CONTRACT SOLICITATION PROTEST

Hernando County will hold an informal proceeding on [date and time] at [location and address], at which the Hernando County Administrator, or his or her designee, will hear and consider oral and written statements, and receive evidence, from [name of protester] regarding [name of protester]'s opposition to Hernando County Chief Procurement Officer's Investigative Summary and Decision on [name of protester]'s protest of Solicitation No. [name and title of solicitation]. This proceeding is open to the public; however, public comments are not permitted. The procedures detailed in § 120.57(2), Fla. Stat. will be followed.

Notice is hereby given, pursuant to § 286.0105, Fla. Stat., that any persons deciding to appeal any matter considered at this proceeding will need a record of the proceeding and, for that reason, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence presented at the proceeding.

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact [Name], Chief Procurement Officer, [Address], [Telephone]. If hearing impaired, please call 1-800-676-3777 for assistance.”

(b) Formal proceeding: If a formal proceeding under s. 120.57(1) is requested, the County Attorney’s Office shall schedule the proceeding within fifteen (15) days of the date the request is received or as soon thereafter as possible, and shall: (i) provide written notice of the proceeding to the protester and any other parties; (ii) publish notice of the proceeding no later than seven (7) days prior to the date of the scheduled proceeding; and (iii) arrange for the proceeding to be recorded. The notice by publication for a formal proceeding shall be in substantially the following format:

“NOTICE OF FORMAL PROCEEDING REGARDING CONTRACT SOLICITATION PROTEST

The Special Master will hold a formal proceeding on [date and time] at [location] regarding [name of protester]’s protest of Hernando County’s Solicitation No. [name and title of solicitation].

The Special Master will hear arguments and testimony, and receive evidence, in accordance with the procedures detailed in §§ 120.57(1)(b), (c) and (f), Fla. Stat. This proceeding is open to the public. When appropriate, and in the discretion of the Special Master, the general public may be given an opportunity to present oral or written comments regarding the matter.

Notice is hereby given, pursuant to § 286.0105, Fla. Stat., that any persons deciding to appeal any matter considered at this proceeding will need a record of the proceeding and, for that reason, may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence presented at the proceeding.

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact [Name], Chief Procurement Officer, [Address], [Telephone]. If hearing impaired, please call 1-800-676-3777 for assistance.”

Appeal of the County Administrator’s Recommendation Resulting From the Informal Proceeding

K. The recommendation rendered by the County Administrator must contain the following notice:

“Please take notice that if you desire to appeal this recommendation, you must submit a written appeal with the County Administrator. Your written appeal must be received by the County Administrator within seven (7) calendar days of the date of this decision. Failure to deliver your written appeal within seven (7) calendar days of the date of this decision shall constitute a waiver of an appeal, and this recommendation shall be deemed, nunc pro tunc, the County’s final decision and action on the matter.

Your written appeal must contain the following information:

(a) The procurement solicitation title and number.

(b) Your name, email address, mailing address and phone number.

(c) Your contact person’s name, email address, mailing address and phone number.

(d) If applicable, your attorney’s name, email address, mailing address and phone number.

(e) A statement that clearly communicates that you are appealing the County Administrator’s decision.

(f) A copy of your notice of protest.

(g) A copy of your formal protest.

(h) A copy of the Chief Procurement Officer’s Investigative Summary and Decision.

(i) A copy of the record of the informal proceeding.

(j) A copy of the County Administrator’s decision.

(k) The names, emails and mailing addresses of all affected persons.

(l) The dated signature of your authorized agent.

You must deliver a copy of your written appeal and all attachments referenced above to the County Attorney’s Office and all other affected persons on the same day you deliver it to the County Administrator. Within fifteen (15) calendar days of submitting your written appeal, you must submit an official transcript of the informal proceeding of January 18, 2024, to the County Attorney’s Office. Failure to comply with these requirements will result in a denial of your appeal.

Your appeal will be heard by the Hernando County Board of County Commissioners at a public hearing within a reasonable time of the submission of your written appeal. Notice of the public hearing will be delivered to you and all other affected persons by email and regular U.S. mail. At the public hearing, you or your attorney, if applicable, and all other affected persons, may present oral or written statements, and evidence, in support of or against, the County Administrator’s recommendation. Comments from the general public may be considered at the discretion of the Board of County Commissioners. The Board of County Commissioners’ decision on the appeal will be the County’s final action on your protest.”

- L. If a timely appeal is submitted by the protester to the County Administrator, the County Administrator shall provide it to the County Attorney’s office within five (5) calendar days. Upon receipt of the written appeal, the County Attorney’s Office shall arrange for a public hearing to be heard by the Board of County Commissioner within a reasonable time of the submission of the written appeal.
- M. The County Attorney’s Office shall provide notice of the appeal hearing to the protester and all other affected persons.
- N. The County Attorney’s Office shall publish notice of the appeal hearing in substantially the following form:

“NOTICE OF PUBLIC HEARING ON APPEAL OF COUNTY’S DECISION ON FORMAL PROTEST

The Hernando County Board of County Commissioners will hold a public hearing on [date and time] at [location], at which it will hear [name of protester]’s appeal of the County Administrator’s recommendation on [name of protester]’s formal protest of Hernando County’s Solicitation No. [name and title of solicitation].

The Board of County Commissioners will hear arguments and testimony, and receive evidence, from the [name] and the County regarding the County Administrator's recommendation. This hearing is open to the public. When appropriate, and in the discretion of the Board of County Commissioners, the general public may be given an opportunity to present oral or written communications regarding the matter.

Notice is hereby given, pursuant to § 286.0105, Fla. Stat., that any persons deciding to appeal any matter considered at this hearing will need a record of the proceeding and, for that reason, may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact [Name], Chief Procurement Officer, [Address], [Telephone]. If hearing impaired, please call 1-800-676-3777 for assistance."

Appeal of the Special Master's Recommendation Resulting From the Formal Proceeding

O. The recommendation rendered by the Special Master must contain the following notice:

"Please take notice that if you desire to appeal this recommendation, you must submit a written appeal with the County Attorney's Office. Your written appeal must be received by the County Attorney's Office within seven (7) calendar days of the date of this recommendation. Failure to deliver your written appeal within seven (7) calendar days of the date of this recommendation shall constitute a waiver of an appeal, and this decision shall be deemed, nunc pro tunc, the County's final decision and action on the matter.

Your written appeal must contain the following information:

- (a) The procurement solicitation title and number.***
- (b) Your name, email address, mailing address and phone number.***
- (c) Your contact person's name, email address, mailing address and phone number.***
- (d) If applicable, your attorney's name, email address, mailing address and phone number.***
- (e) A statement that clearly communicates that you are appealing the County Administrator's decision.***
- (f) A copy of your notice of protest.***
- (g) A copy of your formal protest.***
- (h) A copy of the Chief Procurement Officer's Investigative Summary and Decision.***
- (i) A copy of the record of the informal proceeding.***
- (j) A copy of the County Administrator's decision.***
- (k) The names, emails and mailing addresses of all affected persons.***
- (l) The dated signature of your authorized agent.***

You must deliver a copy of your written appeal and all attachments referenced above to all other affected persons on the same day you deliver it to the County Attorney's Office. Within fifteen (15) calendar days of submitting your written appeal, you must submit an official transcript of the formal proceeding, to the County Attorney's Office. Failure to comply with these requirements will result in a denial of your appeal.

Your written appeal will be heard by the Hernando County Board of County Commissioners at a public hearing within a reasonable time of the submission of your written appeal. Notice of the public hearing will be delivered to you and all other affected persons by email and regular U.S. mail. At the public hearing, you or your attorney, if applicable, and all other affected persons, may present oral or written statements, and evidence, in support of or against, the Special Master's recommendation. Comments from the general public may be considered at the discretion of the Board of County Commissioners. The Board of County Commissioners' decision on the appeal will be the County's final action on your protest."

- P. If a timely appeal is submitted by the protester, the County Attorney's Office shall arrange for a public hearing to be heard by the Board of County Commissioner within a reasonable time of the submission of the written appeal.
- Q. The County Attorney's Office shall provide notice of the public hearing to the protester and all other affected persons.
- R. The County Attorney's Office shall publish notice of the public hearing in substantially the following form:

“NOTICE OF PUBLIC HEARING ON APPEAL OF SPECIAL MASTER'S RECOMMENDATION ON FORMAL PROTEST

The Hernando County Board of County Commissioners will hold a public hearing on [date and time] at [location], at which it will hear [name of protester]'s appeal of the Special Master's recommendation on [name of protester]'s formal protest of Hernando County's Solicitation No. [name and title of solicitation].

The Board of County Commissioners will hear arguments and testimony, and receive evidence, from [name of protester], the County and all other affected persons, regarding the Special Master's recommendation. This hearing is open to the public. When appropriate, and in the discretion of the Board of County Commissioners, the general public may be given an opportunity to present oral or written communications regarding the matter.

Notice is hereby given, pursuant to § 286.0105, Fla. Stat., that any persons deciding to appeal any matter considered at this hearing will need a record of the proceeding and, for that reason, may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact [Name], Chief Procurement Officer, [Address], [Telephone]. If hearing impaired, please call 1-800-676-3777 for assistance.”

- S. The County's decision to reject all bids or proposals is not subject to the above protest proceedings.
- T. Nothing herein relinquishes the County's rights to waive irregularities and formalities in accordance with its bid package and instructions. Further, nothing herein creates any rights in the unsuccessful bidder. All decisions of the Board are final.

23. Identical (Tie) 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.

24. Invitation to Bid Workflow



25. 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, pandemics or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive solicitation would be detrimental to the interest of the County or to the health, safety and welfare of the county and/or its citizens. 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, the Notice of Emergency Purchase shall be prepared by the department who initiated the procurement. The form 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 Chief Procurement Officer or 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 or designee, 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 must be submitted to the Chief Procurement Officer with a detailed explanation, and support materials attached if applicable, within three working days after the event occurred. Emergency purchases that meet the \$100,000.00 or greater amount must be submitted to the Board for ratification upon final invoice. The policies and procedures for processing of payment against CPO approved Emergency Purchase Orders \leq \$100,000.00 will be the same as non-EPO purchase orders. Change orders against CPO approved Emergency Purchase Orders will follow the change order guidelines stipulated in Table I of this manual.
- F. While Government Services Administration (GSA) schedules 70 and 84 can be used by the County for routine business, all GSA schedules become open to County use during recovery from a natural disaster or in response to a public health emergency.

- G. Upon declaration of a state of emergency by the State of Florida or by Hernando County commodities, equipment, and services including food and beverages can be purchased in preparation for the natural disaster.
- H. Upon declaration of a state of emergency by the State of Florida or by Hernando County purchasing card limits will be adjusted to previously established emergency limits by the Procurement Department. The Procurement Department will reset to standard limits upon the state of emergency expiration.
- I. The departments should follow the Grant Accounting for Disasters procedure.

26. 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 vendor/contractor 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 Chief 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).

Such awards will be made within the authorized procurement limits identified in [Table 1 – Process Thresholds](#) of this Manual. When a purchase exceeds the threshold amount for staff approval, the item will be placed on the agenda for Board approval.

- A. The Procurement Department shall be authorized, after initial sole source certification, to make additional purchases from a sole source vendor for a reasonable specified period of time as set forth in a written contract between the County and vendor/contractor or until such time as contrary evidence is presented regarding sole source eligibility, whichever period is less.

27. 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.

Purchases of goods and/or services from a single source may be exempted from the competitive solicitation 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 Chief Procurement Officer. Such awards will be made within the authorized limits identified in [Table 1 – Process Thresholds](#) of this Manual.

- A. When a purchase exceeds the threshold amount for staff approval, the item will be placed on the agenda for Board approval.

The Procurement Department shall be authorized, after initial single source certification, to make additional purchases for a single source vendor for a reasonable specified period of time as set forth in a written contract between the County and vendor/contractor or until such time as contrary evidence is presented regarding single source eligibility, whichever period is less.

28. Piggyback (Co-Op) Procurement

General Cooperative (Piggybacking) Procurement Requirements

- A. The Procurement Department 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 forms of cooperative procurement include, but are not limited to, purchasing from contracts issued by the State of Florida, Federal General Services Administration, U.S. Communities, National Joint Powers Alliance, 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 solicitation provided that the funding has been appropriated and the purchase has been authorized by a person with signatory authority as provided in [Table 1 – Process Thresholds](#).
- 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.

Cooperative Procurements - Documentation Requirements

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

- A. Florida Contracts. The Procurement Department 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. A copy of the contract including any amendments is required.

- B. Federal GSA contracts. The Procurement Department is authorized to purchase commodities, equipment, and services for any dollar amount from authorized vendors listed on the eligible federal supply schedules (such as GSA schedule 84 for Emergency Preparedness and First Responder Equipment, Training and Services, GSA schedule 70 for Information Technology) issued by the Federal General Services Administration.
1. For all cooperative procurements of federal GSA contracts, a copy of the GSA contract showing the contract name, number and contract term is required along with any amendments. The ordering information pages and the pages with the pricing are also required.
- C. Contracts with other government entities. The Procurement Department 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 Department 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. If federal funds are used, the County may exercise the option to utilize other government contracts provided that:
 - a. The original contract was procured in compliance with 2 C.F.R 200.318-327.
 - b. 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.
 - c. 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.
 - d. The original contract contained an assignability clause and that the terms and conditions of that contract meet all requirements as required in grant award(s) (if grant funded);

- e. 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.
- f. The contract price is fair and reasonable.
- g. The contract provisions are adequate for compliance with all Federal requirements.
- h. The scope of work to be performed falls within the scope of work under the original contract and there are no cardinal changes to the contract, the scope of the assigned contract originally procured by the assigning party does not exceed the amount of property and services required to meet the assigning party's original, reasonably expected needs. The regulation at 44 C.F.R. § 13.36 requires the grantee or subgrantee to have procurement procedures that preclude it from acquiring property or services it does not need. Therefore, a contract would have an improper original scope if the original party added excess capacity in the original procurement primarily to permit assignment of those contract rights to another entity. Moreover, an assignable contract with an overbroad scope of work may lead to unreasonable pricing and thus should not be used. For example, a statewide debris removal contract that does not have pricing that accounts for variables in the actual scope of work required by a local government subgrantee or the specific conditions of that local market may lead to unreasonable pricing.
- i. 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.

29. Recognition and Hospitality

The expenditure of public funds in compliance with the requirements of this policy are declared to serve a proper and valid public purpose, and the requirements set forth herein, provide controls to guard against abuse and assure accountability to the taxpayers and the public.

The Chief Procurement Officer or County Administrator or designee shall be authorized to approve the expenditure of public funds for the purposes below.

Employee Expenses

- A. Expenditure of county funds for the annual membership fee to the Hernando County Chamber of Commerce. In addition, the board of county commissioners may provide for the expenditure of county funds for the Hernando County Chamber of Commerce monthly meeting attendance fee for county employees.
- B. Expenditure of county funds for the purchase of small appliances (e.g., refrigerators, microwaves, etc.) in breakrooms and lunchrooms for the common use of county employees. County funds cannot be used for the purchase of small appliances for personal use.
- C. Expenditure of county funds for building decor in common areas which are open and accessible to the public. Decor could be defined as, but not limited to, pictures, plants, or small furnishings.

Employee Recognition Functions

- A. Expenditure of county funds for employee awards, employee awards ceremonies and functions, and other events relating to the recognition of county employees, including, but not limited to, *food* and other refreshments for such functions.
- B. Expenditure of county funds for meals consumed by employees at the employees' regular place of business when such employees are directed by a supervisor to continue a meeting or other business activity through a scheduled meal time without break.
- C. Expenditure of county funds for *food* and refreshments consumed by members of the public in or on the grounds of county-owned or county-controlled facilities or property during an open house or similar event, including, but not limited to, meetings of regional or inter-governmental government agencies or organizations when held at a county facility, where furnishing of such *food* and refreshment is a customary role of the host agency.
- D. Expenditure of county funds for holiday decorations when such decorations are placed in publicly accessible areas of county buildings or areas of other county property visible to the public.

30. Direct (Non-PO) Payments

The following types of payments are exempt from the competitive solicitation requirements of this Manual but must be approved in accordance with the authorized individual as set forth in [Table 1 – Process Thresholds](#). All departments shall submit payment requests via the County Financial Management System for Non-PO workflow for the following items:

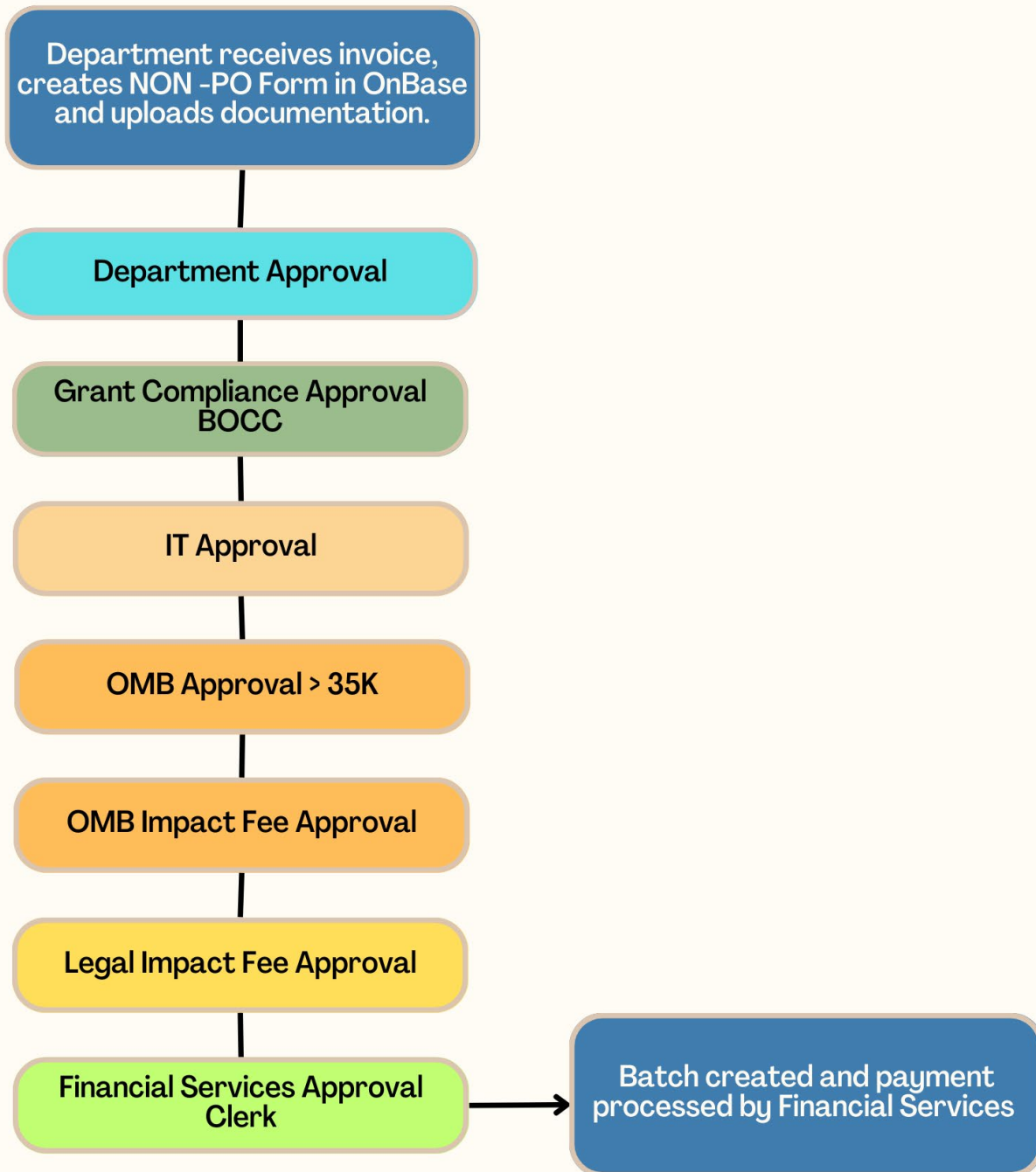
- A. Postage/Shipping;
- B. Books, subscriptions, publications and legal advertisements;
- C. Memberships and associated fees;
- D. Medical and dental services;
- E. Legal, accounting and financial advisory services;
- F. Travel (Hotel, Registration, Employee, Transportation of Discharged Inmates per section 951.04, Florida Statutes);
- G. Training (Tuition, Lab Fees, Books, Required Course Material for Approved Schooling);
- H. Copyrighted and Patented materials;
- I. Permits;
- J. Utilities (Electric, Water & Sewer, Phone, Garbage, Internet, Cable Television, Electrical Utilities Services (see definition for more information), etc.);
- K. Court Orders, expert witnesses and court interpreters;
- L. Notary Services;
- M. Risk Management Claim Settlements;
- N. Refunds (Deposits and Overpayments);
- O. Employee Reimbursements;
- P. Recording Fees;
- Q. Reimbursement of Developer Agreements for infrastructure;
- R. Real Property, Title insurance and Title searches;
- S. Value Adjustment Board Fees;
- T. Lectures/training by Individuals;
- U. Insurance payments for coverage for property, liability, special risk insurance, etc;
- V. Court Reporting Services;

- W. Vehicle Registration;
- X. Electronic Payments to the State of Florida and the IRS;
- Y. Florida Department of Law Enforcement Payments (FDLE);
- Z. Software modification services by the copyright holder, maintenance agreements, and related software enhancements to installed software purchased through competitive means.
- AA. Payments for employee onboarding services.
- BB. Payment of invoices on behalf of the State Attorney's Office, Public Defender, and Court Administration-IT.
- CC. SHIP Rehabilitation Vendor/contractors, so long as the Vendor/contractor:
 - 1. Submits a complete SHIP Rehabilitation Vendor/contractor Application;
 - 2. Submits an executed Certification of Compliance with City, County, State and Federal Laws and Regulations;
 - 3. Submits all documentation as required by the County and SHIP;
 - 4. Complies with the Hernando County Vendor/contractor Handbook SHIP Housing Rehabilitation Programs; and Receives approval by the County.
- DD. Allow payments to vendors and governmental agencies who do not accept electronic payments for amounts under \$5,000.00. All invoices shall be processed through the County's Financial Management System with the established approval workflows.

The Use of Purchasing Cards are acceptable for these types of purchases at the lower dollar amounts established in Table 1.

31. Direct (Non-PO) Payments Workflow

Direct (Non-PO) Workflow



At any approval level, a declined decision ends the workflow and updates the Management System.

32. Owner Direct Purchases

Pursuant to Florida Statutes, Section 212.08(06), and Florida Administrative Code, 12A-1.094, Hernando County is exempt from Florida Sales Tax for purchase of construction materials, supplies and/or equipment incorporated into a construction project. Under this program, only the Florida Sales Tax rate shall apply. All owner direct purchases for supplies and materials for use in County construction projects shall be made in accordance with Owner Direct Purchase Manual set forth in Appendix 2.

33. Unauthorized Procurements

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.

Failure to follow standard procurement policies will require the using department to request a purchasing policy exception from the Chief Procurement Officer and County Administrator before payment for services. Purchasing Policy exceptions must be reported to the Board.

Subdividing Procurements

Purchases, orders, or contracts that are subdivided to circumvent the requirements of this Manual or threshold authority as set forth in [Table 1 – Process Thresholds](#) shall be considered unauthorized purchases and are prohibited.

34. Disadvantaged, Minority, Women, Small Business

General

- A. The purpose of the Minority, Women, and Small Business Enterprise program and Disadvantaged Business Enterprise is to provide guidance in the outreach of W/MBEs & DBEs to ensure awareness and opportunities of doing business with Hernando County. The minority, women, and small business enterprise program shall only apply to those projects, services, or commodities funded by a federal or state grant/contract/agreement having W/MBE and/or DBE requirements.
- B. The Procurement Department will ensure compliance with this purpose by ensuring its requirements are included in competitive solicitations as it applies to both primary and subvendor/contractors.
- C. The County will accept certification of W/MBE status from the State of Florida, Office of Supplier and Diversity as well as the Florida Department of Transportation (FDOT), DBE program in lieu of creating its own certification program. The County may also consider and accept certification from other State of Florida, county or city programs on a case-by-case basis.

W/MBE & DBE Requirements

- A. The County will utilize the State of Florida and/or, when appropriate, FDOT directories to notify certified W/MBE and/or DBE firms of procurement opportunities in Hernando County. The efforts of such outreach must be maintained in the original procurement solicitation file.
- B. When deemed appropriate by the County, a primary vendor/contractor that intends to use subcontractors shall also use the State of Florida, and/or, when appropriate, FDOT directories of W/MBE and/or DBE to solicit W/MBEs and/or DBEs for subcontracting opportunities under a primary contract.
- C. When deemed appropriate by the County, a primary vendor/contractor that intends to use subcontractors shall document outreach activities in accordance with the competitive solicitation document.

35. Public Records and Meetings

Public Records

The County is governed by the state public records laws provided in Florida Statutes Chapter 119. Pursuant to current state law, responses to competitive solicitations received by the County may be exempt until such time as the County provides notice of an intended decision or until thirty (30) days after opening, whichever occurs first. Certain proprietary and financial information from vendors may also be confidential or otherwise exempt from public disclosure.

- A. Official records and documents shall be retained per the requirements set forth in the Florida Statutes regarding records retention.

Public Meetings

- A. 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.
- B. Any portion of a meeting at which a negotiation with a vendor is conducted pursuant to a competitive solicitation, at which a vendor makes an oral presentation as part of a competitive solicitation, or at which a vendor answers questions as part of a competitive solicitation is exempt from Florida Statutes section 286.011.
- C. Any portion of a negotiation team meeting at which negotiation strategies are discussed is exempt from Florida Statutes section 286.011.
- D. A complete recording shall be made of any meeting, or portion thereof, that is exempt from state public meeting laws. The recording of, and any records presented at, the exempt meeting are exempt from Florida Statutes section 119.07(1), until such time as the County provides notice of an intended decision or until 30 days after opening the bids, proposals, or final replies, whichever occurs first.

Part 3 Contracts and Purchase Orders

36. Use of: Contracts & Purchase Orders

All procurements will require a contract and/or purchase order with the vendor/contractor. 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. A purchase order shall be issued upon receipt of an acceptable, authorized requisition, after having justification, proper procurement as per the thresholds set forth in Table 1 and after confirming the availability of funding. A purchase order is issued only after a requisition has been completed and approved. 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 where a purchase order is not adequate to describe all the terms and conditions, and is required to be executed by both parties. A purchase order, as described above, may be used as backup to a contract and processed as encumbrance of funds. The Chief Procurement Officer, Risk Management, County Attorney, County Administrator, and/or Board must approve the written contract where applicable per this Purchasing Manual. A contract refers to a written document, between the vendor/contractor and Hernando 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. A change order or contract amendment is processed whenever a change to the original contract 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 vendor/contractor and the authorized individual pursuant to the [Table 1 – Process Thresholds](#) who approved and executed the original purchase order or contract, unless the change order or contract amendment increases the total dollar amount to such a level that in accordance with [Table 1 – Process Thresholds](#), it shifts to another authorized individual/entity (the approval authority). In such instances the change order or contract amendment may be approved and executed by the new authorized individual/entity pursuant to [Table 1 – Process Thresholds](#). Change orders will not be processed if there is not sufficient budget to cover the change. 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 with justification provided as to why the change is being requested. All grant funded change orders require grant compliance review. All grant compliance review documents are to be uploaded to the Financial Records Management System along with change order documentation as that is the official record maintained by the Clerk.

- D. For purposes of **construction contracts**, previously awarded by the board at a public meeting, the Chief Procurement Officer has the authority to approve all change orders pursuant to [Table 1 – Process Thresholds](#) or as authorized by the board. Final pay applications are taken to the board to ratify any changes made through the life of the contract.
- E. Professional Services Contracts (Non-CCNA). Consulting Contract Procurements below the Advertised Bidding Requirement threshold (ABR) do not require a minimum of three (3) Quotes. The requesting department shall submit a purchase requisition for the project with the scope of work to be performed. If the requesting department has designated a Consultant to perform the project, Purchasing will process the request by preparing a Professional Services Agreement for less than ABR.
- F. When the Scope of Services encompasses work of a routine nature, Procurement may approve, with a Scope of Work, a Purchase Order to encumber the funds for the work and issue same to the professional with the requirements for completion of the project.
- G. **Task orders.** A task order is processed whenever new work to be assigned under a previously approved, existing contract; 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 issuing department's director and the vendor/contractor. Approval shall be pursuant to the threshold level for authorization and requires contract coordination where any terms and conditions differ from those set forth in the original contract. All task orders must contain a clearly defined and detailed scope of work, and must not exceed the terms and conditions of the approved contract, unless otherwise approved by the Board. Task order approvals must follow the threshold guidelines.
 - 1. Failure to complete Task Orders in accordance with the approved schedule may be documented and may impact future task assignments causing the firm to not be considered for their next Task Order in the rotation and may impact future task assignments.
 - 2. The Firm shall submit the initial response to a request for a Scope & Schedule within fifteen (15) business days. Failure to submit the documentation shall cause the request for Scope & Schedule to be withdrawn from that Firm and the Task Order will be assigned to the next Firm in the rotation.

All contracts shall be in a form approved by the County Attorney's office.

37. Purchase Orders

- A. A purchase order is prepared for any requisitioned items, regardless of whether a contract is also involved, with the exception of the Purchasing Card purchases and those purchases defined as direct pay (Non-PO).
- B. A completed purchase order shall be sent electronically to the vendor/contractor.
- C. The Procurement Department has the responsibility to review the purchase order and shall verify that the issuing Department has certified that funds are available for the purchase. The funds are encumbered and obligated at this point in the purchasing process.
- D. The Procurement Department shall ensure that the purchase order is uploaded to the Financial Records Management System as that is the official record maintained by the Clerk of Courts.
- E. Purchase orders may be amended to reflect any changes that may have been necessary during delivery of a commodity, supply or service. The increase/decrease shall be approved based on [Use of: Contracts & Purchase Orders](#).

38. Contracts

- A. When reasonably feasible, contracts will be drafted in a format established by the Procurement Department in conjunction with the County Attorney's Office. A sample of the Contract(s) will be initially drafted prior to advertisement of the procurement and attached as part of the procurement packet.
- B. It is the responsibility of the issuing Departments to submit the following information to the Procurement Department:
 - 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 Procurement Department shall draft a proposed contract, in an approved form, to be submitted as part of the procurement.
- D. Once procurement has been awarded, any necessary changes to the proposed contract shall be made by the Procurement Department in coordination with the issuing Department during the contract negotiation process. Once the contract is in final draft form, the Procurement Department shall coordinate with the County Attorney's Office and Risk Management Department for review and approval of the contract. No contract shall be signed by the vendor prior to contract coordination approval.
- E. The Procurement Department 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 contracts and serve as point-of-contact throughout the term of the contract. Administration of the contract rests with the issuing Department.

CONTINUING CONTRACTS

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 Federal funding shall not exceed five (5) years. 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.

39. Duties & Responsibilities of Contract

Procurement Department Responsibilities

- A. Maintain a central repository of all county contracts, leases, and non-grant agreements.
- B. Assign a unique contract/lease control number.
- C. Maintain an electronic file of approved agreements. This information will be available on-line to the public and departments.
- D. Conduct periodic reviews to maintain accuracy.
- E. Establish and update agreements in the Contracts/Lease database.
- F. File all related correspondence in the repository file with copies forwarded to the Clerk's Records Office and department monitor.
- G. Assist county issuing departments in the administration and maintenance of agreements.
- H. Coordinate contract/lease agreement through the departmental review process and actively pursue timely corrections as required.
- I. Review all Board agendas and minutes to determine repository action (if appropriate).
- J. Generate, as necessary, correspondence and inquiries required to maintain the integrity of the Repository. Issuing department monitors will be initial points of contact.
- K. Review repository lease and agreement insurance certificates to ensure valid policy effective dates. If expired, request in writing, a department monitor to contact vendor/contractor/lessee to obtain a current compliant Certificate of Insurance from the vendor/contractor or lessee.
- L. Close out agreement in database upon notification of approved final payment.
- M. Participate, as required, in audits and the resolution of issues raised in those audits.
- N. Maintain close liaison with the Clerk's Records Office to ensure the integrity of the original files and the repository.
- O. Responsible for receiving from contractor recorded Performance/Payments Bonds and Notice of Commencement with the Clerk of Court and maintaining evidence thereof in contract file.
- P. Responsible for coordinating and reviewing the final contract payment and closeout documents prior to Board approval through the agenda process.
- Q. Attend Pre-bid conference.
- R. Responsible for coordinating and reviewing all task orders assigned by departments to existing contracts.

- S. Assure that standard contract/lease insurance terminology is included in agreement and any other requirements noted by the Risk Management Department, if applicable.

Issuing Department Responsibilities

- A. Ensure agreements, amendments and change orders are properly authorized by the Board, County Administrator, or Chief Procurement Officer using the appropriate authorizing thresholds and processes.
- B. Assign a department monitor for each department-initiated agreement to serve as point-of-contact throughout the term of the agreement.
- C. Administration of the agreement rests with the issuing County Department.
- D. Serve as liaison with the vendor/contractor or lessee or subrecipient.
- E. Point of contact for all agreement questions, concerns and initial correspondence.
- F. Ensure appropriate administrative controls and monitoring procedures are in place to oversee agreement compliance. Periodic inspections shall be conducted as an integral part of the monitoring procedures.
- G. Attend meetings as applicable with vendor/contractor or lessee, such as pre-construction conference, progress meetings, job conferences and other related agreement meetings.
- H. Review progress schedule. Conduct on-site observations of the work/service.
- I. Maintain a log as applicable, recording vendor/contractor hours on the job site, weather conditions, data relative to questions of work directive changes and change orders.
- J. Monitor vendor/contractor completion of work in accordance with the agreement for the price found in the bid prior to certifying invoices for payment.
- K. Review vendor/contractor change orders and, if allowable, forward to Department Director for approval and submission to the Board, County Administrator, or Chief Procurement Officer or their designee for approval pursuant to the approval authority contained in this Manual.
- L. Notify Procurement Department of agreement completion upon final payment.
- M. Ensure vendor/contractor provides service/work regarding contract or lease performance, operational requirements and monitoring as applicable.
- N. Ensure project is conducted in accordance with the approved agreement.
- O. Provide, as required, supporting agreement documentation to Procurement Department for inclusion into the repository file and Clerk's Records.

County Attorney Responsibilities

- A. Review all contracts, leases, and agreements for legal sufficiency and to assure that the County is in compliance with Federal, State, and local rules and regulations.
- B. Participate in contract negotiations when requested.
- C. Provide legal opinions regarding the clarification and/or ramifications of certain contractual situations.

Risk Management Responsibilities

Review all agreements to ensure:

- A. Agreements incorporate the necessary insurance and bonding requirements.
- B. Purchased insurance and bonding policies provide the nature and scope of coverage intended.
- C. If specific coverage is unavailable, the Risk Management Department may approve alternate policy or assurances.
- D. If discrepancies exist, Risk Management Department will resolve discrepancies with Department.
- E. Assure that the proper indemnification provisions are included in the contract provisions.
- F. Ensure that risk exposure lies with non-county parties.
- G. Determine if "preventable loss" exposures are being created.

Department of Financial Services - Clerk of Court & Comptroller

The Finance Director of the Department of Financial Services shall have the following responsibilities:

- A. Review the terms and conditions of contracts to assure that;
 - 1. It is not an open-ended obligation.
 - 2. Verify payment, which involves a review of the system of management authorizations, encumbrances of obligations, verification of mathematical accuracy, appropriate board approvals and the subsequent payment and recording in the financial records.

40. Vendor Performance Evaluations

Information provided by the departments is a useful tool for Procurement to monitor and effectively determine if a vendor should be allowed to continue to participate in future solicitations with the County.

A Performance Evaluation may be performed by the County upon completion of a project.

Past evaluations will become part of current solicitations so that the departments can determine if past performance should be considered, eliminating the vendors whose performance is consistently nonresponsive.

Failure to complete Task Orders in accordance with the approved schedule may be documented and may impact future task assignments causing the firm to not be considered for their next Task Order in the rotation and may impact future task assignments.

Part 4 - Bonds & Insurance

41. Bid Bonds

- A. All bidders are required to submit a bid bond (when deemed by the Chief Procurement Officer to be in the best interest of the County) in the form of a cashier's, certified check, or paper Bid Bond in the amount of 5% of their total bid.
- B. The bid bond shall be attached to the electronic 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 Chief Procurement Officer.

42. Payment & Performance Bonds

- A. When a construction project is less than Two Hundred Thousand dollars (\$200,000), the County may require a payment and performance bond.
- B. When a construction project is Two Hundred Thousand dollars (\$200,000) or more, a payment and performance bond shall be required. The conditions of the payment and performance bonds shall be set forth in the County's standard contract. Approval of such bonds is subject to compliance with the written standards for sureties developed and approved by the Chief Procurement Officer.
- C. All bonds shall be written by a surety with no less than an "A" rating by a national rating agency. All sureties must be on the U.S. Department of Treasury's Listing of Approved Sureties (Department Circular 570) and bonds must be within the Treasury's underwriting limitation.
- D. All bonds must be submitted to the Hernando County Clerk of Circuit Court and recorded in official records and then the recorded bonds must be submitted to the Procurement Department.

43. 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 Hernando 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 Hernando County.
- E. Contracts & Lease Coordinator 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. Vendor/contractor shall purchase and maintain in force insurance as required by and for the life of the contract, lease or agreement.

44. Submittal of Unsolicited P3 Proposals

P3 (Public-Private Partnership)

- A. PURPOSE: The purpose of this policy is to establish the guidelines for submittal and evaluation of unsolicited proposals for public-private partnerships ("P3") submitted by private entities pursuant to Section 255.065, Florida Statutes.
- B. SCOPE: This procedure will be applicable to those departments and agencies under the authority of the Board of County Commissioners.
- C. DEFINITIONS: Unless otherwise specified, whenever the following terms are used, they have the meanings set forth below.
 - 1. "County" means the Hernando County, which may act through its Board of County Commissioners or County Administrator, as the context and applicable law permits.
 - 2. "Comprehensive Agreement" means the agreement between the Contracting Person and the County that is required before the development or operation of a Proposed Project.
 - 3. "Interim Agreement" means an agreement, before or in connection with the negotiation of a Comprehensive Agreement, between the County and a Contracting Person whereby the Contracting Person may be authorized by the County to conduct due diligence or further studies or investigations related to the Proposed Project which may include, but not be limited to, project planning and development, design, engineering, environmental analysis and mitigation, surveying, financial and revenue analysis, ascertaining the availability of financing, or any other aspect of the Proposed Project. The rights of the Contracting Person and the County will be governed by the terms of the Interim Agreement, which must be in writing. No purported Interim Agreement or terms relating thereto shall be effective, binding, or valid until approved by the County and signed in writing.
 - 4. "Private Entity" means any individual person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, or other business entity. A private entity includes a "Proposer" that submits an unsolicited proposal or a "Respondent" that submits a proposal in response to a Solicitation. "Private Entity" also means each individual entity participating in or comprising a Proposer's or Respondent's team.
 - 5. "Proposer" means a Private Entity that submits or is considering submitting an unsolicited proposal.
 - 6. "Proposed Project(s)" means:
 - a. A facility or project fulfilling a public purpose or goal, including, but not limited to, any mass transit facility, vehicle parking facility, rail facility or project, fuel supply facility, medical or nursing care facility, recreational facility, sporting or cultural facility, public

library, power generation facility, waste treatment facility, educational facility, civic facility or other building or facility that is used or will be used by a public educational institution, or any other public facility or infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity; or,

- b. An improvement, including equipment, of a building that will be principally used by a public entity or the public at large or that supports a service delivery system in the public sector; or,
- c. A water, wastewater, or surface water management facility or other related infrastructure; or,
- d. Any other project the County designates as a Proposed Project.
 - i. Notwithstanding anything herein to the contrary, a Proposed Project may also include, in addition to the public facility or project, residential, retail, commercial, hospitality, or other private, revenue-generating facilities and uses as appropriate and necessary to achieve the public purposes intended for the Proposed Project on a cost model acceptable to the County.

7. "Respondent" means a Private Entity that submits a proposal in response to a Solicitation.

8. "Solicitation" means a written request for bids or proposals issued by the County soliciting responses for a P3 project, including, but not limited to, business plans, expressions of interest, ideas, offers, proposals, qualifications, or any combination thereof.

D. SUBMITTAL OF UNSOLICITED PROPOSALS:

E. A private entity may submit to the County an unsolicited proposal for any proposed P3 project in accordance with Section 255.065, Florida Statutes. The unsolicited proposal should be formatted in accordance with this policy and submitted to: Chief Procurement Officer, Hernando County Procurement Department at 15470 Flight Path Drive, Brooksville, FL 34604.

F. CONTENT OF UNSOLICITED PROPOSALS:

1. At a minimum, unsolicited proposals must include:

- a. Tab 1 - Cover Letter. The cover letter is to include the following information and must be signed by an authorized representative of the Proposer.
 - i. Brief description and purpose of the Proposed Project.
 - ii. A statement that the unsolicited proposal is being submitted in accordance with Section 255.065, Florida Statutes.
 - iii. Identify all Private Entities, and each entity's principals, who will be directly involved in the Proposed Project. Include the scope of each entity's engagement, relevant experience, address, email address, and telephone number.

- iv. Identify the key contact person(s) and contact information for purposes of the unsolicited proposal.
- b. Tab 2 - Proposed Project Information. Proposed project information should include the following information at a minimum.
- i. Detailed overview of the Proposed Project that illustrates the location, size, and context of the Proposed Project, including (as applicable) design concept renderings, site plan, elevations, and preliminary programming of facilities (including the mix of uses, square footage(s), total parking spaces, parking allocations (specify if they are shared or exclusive).
 - ii. Any known or suspected synergies or incompatibilities between the Proposed Project and any other existing, planned or contemplated public facility and how the Proposer anticipates addressing same.
 - iii. Proposed duration of the agreement.
 - iv. Any material terms or conditions to be included as part of any resulting negotiation process.
 - v. Method by which the Proposer plans to secure any necessary property interests required for the Proposed Project.
 - vi. If known, provide the names of the anticipated financier(s) and the financing arrangement anticipated.
 - vii. Details on any code variances or modifications that may be necessary for the Proposed Project.
2. Tab 3 - Financial Terms. Clearly state the financial terms of the Proposed Project, including anticipated costs to the county, anticipated county responsibilities, the proposed revenue, payments, or other remuneration to the County over the proposed term.
3. Tab 4 - Community Impact. Identify all known community stakeholders and anticipated benefits. Describe how Proposer will manage community outreach and input, and communications with all stakeholders.
- G. INITIAL APPLICATION FEE:
- 1. With the unsolicited proposal, Proposer must include an initial non-refundable application fee in the amount of \$5,000 to offset the costs of processing and initial review of the proposal. The application fee shall be delivered to the Procurement Department with the original unsolicited proposal. If the County Administrator determines that additional costs will be incurred as a result of the initial review of proposals, including the costs for private consultants to assist in the review, additional fees may be required to be paid by the Proposer. Further, if the County Commission accepts the proposal for further consideration

and authorizes the public bidding phase, further fees may be required. The County Administrator or County Commission may reduce or waive fees associated with the application process for nonprofit organizations.

2. If the County does not evaluate the unsolicited proposal, the County must return the application fee.

45. Process of Unsolicited P3 Proposals

P3 (Public-Private Partnership)

A. PROCESS FOR CONSIDERATION OF UNSOLICITED PROPOSALS:

1. The County's review and consideration of an unsolicited proposal that meets the requirements of this policy and applicable law will generally follow the process outlined below, however, the County is not required to consider any unsolicited proposal and may deviate from the outlined process at its sole discretion. The County may request in writing, clarifications to any submission, including unsolicited proposals, which shall be promptly provided by the Proposer.
 - a. The County receives an unsolicited proposal.
 - b. Within 60 days of receipt of an unsolicited proposal, the County Administrator may authorize the initial review period or may notify the Proposer that the unsolicited proposal does not comply with the requirements of this policy or that an additional fee is necessary for the initial review period pursuant to Section 43.6.
 - c. Within 90 days after commencement of the initial review period, the County Administrator will submit a recommendation to the County Commission to: a) reject the unsolicited proposal (for reasons that may be identified by the County Administrator at his/her sole discretion); or accept the unsolicited proposal for further consideration and initiate the public bidding phase.
 - d. If the County Commission approves the County Administrator's recommendation to further consider the unsolicited proposal and initiate the public bidding phase, the Administration will release a competitive solicitation inviting other private parties to submit proposals for like projects. The released solicitation will be subject to the statutory cone of silence.
 - e. As part of the public bidding phase, the County may require Proposers, including the Proposer initially submitting the unsolicited proposal, to pay a fee to the County for review and evaluation of the proposals received. Any fees already paid by the Proposer initially submitting the unsolicited proposal may be deducted from the fee required public bidding phase.
 - f. During the public bidding phase, the Proposer initially submitting the unsolicited proposal may, but is not required to, submit a supplemental proposal, however, prior to further consideration of its proposal, the Proposer initially submitting the unsolicited proposal must pay the evaluation fees imposed by the County, less any previously paid fees the County agrees to deduct.

- g. Proposals received in response to the public bidding phase and the unsolicited proposal (or its supplemental version submitted during the public bidding phase) will be evaluated in accordance with the criteria established in the competitive solicitation released by the County. The County Administrator may also recommend to the County Commission a shortlist of Proposers to further interview and consider.
- h. Following the evaluation of proposals received, the County Administrator may make a recommendation to the County Commission to authorize the County Administrator to negotiate with the selected Proposer for an interim agreement to be followed (at a later date) by a comprehensive agreement.
- i. At any time (prior to, during, or after the public bidding phase), the County may reject the unsolicited proposal and any other competing proposal received for the Proposed Project.

B. GENERAL PROVISIONS:

1. The County shall not be liable for any costs incurred by the private entities in preparing, submitting, or presenting an unsolicited proposal or competing proposals.
2. Proposer may assert that any trade secrets, financial records, and proprietary or other information in its unsolicited proposal are confidential and exempt from disclosure under applicable Florida public records laws. Such information may be included in the unsolicited proposal, but submitted in a separate, sealed binder, designated on the cover as CONFIDENTIAL MATERIALS. A proposer submitting materials claimed to be confidential shall include a cover letter listing all material designated as confidential and clearly mark each page of any material believed to be a trade secret or other confidential information/document in all capital letters and bold font as CONFIDENTIAL MATERIALS. If any portion of the unsolicited proposal contains non-confidential and confidential information, the Proposer shall provide a redacted copy of the document within three (3) days of request by the County. Failure to properly list a confidential document or the failure to redact a confidential document that is only partially confidential shall result in the waiver of any claim that the document is confidential or that the unredacted document contains confidential information.
3. If any person or entity requests that the County produce or disclose any of said purported confidential documents, the County will advise the Proposer and afford the Proposer an opportunity to protect its assertion that said confidential information is exempt from production. If Proposer fails to timely authorize the production of the information or document and/or fails to timely seek a protective order, and/or is unsuccessful in obtaining a protective order, the County will produce the requested information or document. The County shall not actively contest any request to disclose such alleged confidential information or document and the County cannot guarantee that the alleged confidential

document or information may not be disclosed should it ultimately be determined not to be confidential under applicable Florida public records laws. The Proposer shall indemnify the County for any damages and costs the County may incur due to the Proposer's claim that its document or information is confidential. The County can only agree to advise the Proposer of such request and give the Proposer an opportunity, at Proposer's sole and exclusive cost, to defend the request for disclosure of the confidential information or document in a Court of competent jurisdiction or other applicable forum.

4. Only unsolicited proposals complying with these Guidelines, containing information sufficient for meaningful evaluation, and submitting an application fee will be considered.

C. INTERIM AND COMPREHENSIVE AGREEMENTS:

1. The terms of any Interim or Comprehensive Agreement to be negotiated shall include, but not be limited to, the scope, design, amenities, total cost, and duration of the Proposed Project. Terms will also include the County's review, approval and control of project design and performance standards for construction, operations, and maintenance, for which compensation to the Proposer may be adjusted should the performance standards not be met. Terms will also include the County's right to inspect construction, operations and maintenance as well as the records relating to the cost of such operations; labor wage and local workforce requirements; periodic financial reporting by the Contracting Person of project financial performance; events of default and the parties' rights and responsibilities in the event of same; fees, Lease Payments or service payments to be paid under the agreement; and any other terms the County deems appropriate for the Proposed Project. Timelines for the negotiation with the Proposer or bidder will be developed consistent with the scope and timing of the Proposed Project.
2. Any Interim or Comprehensive Agreement shall define the rights and obligations of the County and the Contracting Person with regard to the Proposed Project. Prior to entering into a Comprehensive Agreement, an Interim Agreement may be entered into that permits a Bidder/Proposer or other Private Entity to perform activities, which may be compensable, related to the Proposed Project, usually in the nature of continued due diligence activities to inform the ultimate decision maker about the project's feasibility. The County shall not be bound to enter into a Comprehensive Agreement merely because it entered into an Interim Agreement, however, prior to developing or operating the Proposed Project, the Bidder/Proposer shall enter into a Comprehensive Agreement with the County.
3. Any changes in the terms of an Interim or Comprehensive Agreement, as may be agreed upon in writing by the parties from time to time, and in order to be enforceable, shall be added to the Interim or Comprehensive Agreement only by written amendment. Verbal changes shall not be enforceable against the County. No act or omission or verbal representation or statement shall be treated as an expressed or implied waiver of this requirement and all waivers shall be in writing signed by the party who is alleged to have

waived any of the terms and/or conditions of the Agreement. The requirements of this paragraph in particular, shall not be modified, amended or waived except in writing signed by both parties. A Comprehensive Agreement may provide for the development or operation of separate phases or segments of a Proposed Project. Parties submitting bids/proposals understand that representations, information, and data supplied in support of, or in connection with, bids/proposals play a critical role in the competitive evaluation process and the ultimate selection of a bid/proposal by the County. Accordingly, as part of the Comprehensive Agreement, the Bidder/Proposer and its team members shall certify that all material representations, information, and data provided in support of or in connection with a proposal are true and correct. Such certifications shall be made by the Bidder/Proposer's authorized representative who shall be an individual who has knowledge of the information provided in the proposal. If material changes to any representations, information, and data provided for the proposal occur, the Bidder/Proposer shall immediately notify the County of same in writing. Notwithstanding any language contained within the Interim or Comprehensive Agreement, any violation of this Section shall give the County the right to terminate the Agreement, withhold payment, if any is due, and seek any other remedy available under the law.

4. Before awarding a Comprehensive Agreement, the County shall hold a public hearing on the proposal to be awarded. The County may also make available to the public any proposed Comprehensive Agreement before accepting same by posting the Agreement on the County's website or by any other manner considered appropriate by the County to provide notice to the public.
5. The County reserves the right at all times to reject any or all bids/proposals at any time before signing a Comprehensive Agreement for any reason and may decline to pursue the Proposed Project. In the latter event, the County may accept new proposals for the Proposed Project should the County choose to restart the process at a later date. Discussions between the County and Private Entities about needed infrastructure, improvements, or services shall not limit the ability of the County to later decide to use standard procurement procedures to meet its infrastructure needs, whether or not the project will be a public/private partnership.

46. Grant Funding

Expenditures other than general or enterprise 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.

Unless otherwise specified in the grant, all grant purchases shall follow the County's purchasing manual.

Purchases utilizing federal funds must comply with all requirements of Title 2 of the Code of Federal Regulations (CFR), as amended from time to time, and shall include all federal contract clauses, and Executive Orders, as applicable.

Part 5 - Federal & State Funded Procurements

47. Federal & State Funded Procurements

GENERAL

When property or services are procured using funds derived from a Federal grant(s) or agreement(s) (whether direct to the County or “pass-through” from another entity such as the State), the County is required to and will follow the Federal procurement standards in the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”, 2 C.F.R. Sections 200.213 (current edition) and 200.318 (current edition) through 200.327 (current edition) along with Florida Statutes (current editions).

The County shall use the same procurement policies as otherwise contained in this Procurement Manual to the extent that they do not conflict with Federal and State procurement requirements for grant funded procurements. In the event of a conflict in procurement requirements, Hernando County will follow the most stringent procurement requirements based upon Federal, State and Local guidance.

It is the responsibility of the requesting Department to notify the Procurement Department “and” the Grants Compliance Staff as applicable when Federal or State funds will be used on any particular project, a project change order, and of any special conditions that are imposed upon the County through such funding sources.

For Federally Funded Procurements, the following additional policies shall apply:

- B. Micro-Purchase: \$10,000.00 or less (Non-Competitive).
- C. Small Purchase: \$10,000.01-\$50,000.00 (Competitive Written Quotes Required).
- D. Formal Procurement (Sealed Bids & Proposals): Greater than \$50,000.00 (known as the Advertised Bid Requirement (ABR)).
- E. Noncompetitive Procurement: There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:
 - (1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;
 - (2) The item is available only from a single source;
 - (3) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;
 - (4) The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity;
or
 - (5) After solicitation of a number of sources, competition is determined inadequate.
- A. **Equipment:** Management and disposition of equipment purchased with funds deriving from Federal grants shall be in accordance with 2 C.F.R. Section 200.313 (current edition) and

Hernando County Fleet Management Standard Operating Guidelines Surplus. All property acquired must be used for federally authorized purposes until project funding ceases or until the property is no longer needed for the project and shall not be encumbered without approval of the Federal awarding agency. Property will be managed and disposed of as follows:

1. Property records will be maintained that include a description of all Federally funded equipment, a serial number, the source of funding including the Federal Award Identification Number (FAIN), record of title, the date of acquisition, the cost, the percentage of Federal participation in the purchase, the property location, use and condition, and the ultimate disposition of the property.
 2. A physical inventory of the property will be performed, and the results reconciled once every - two (2) years.
 3. The County's existing and customary property control system will be utilized to ensure against loss, damage or theft.
 4. Provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by non-Federal entities. 2 CFR 200.310 (current edition).
 5. Property authorized for sale shall be sold in a manner ensuring the highest possible return.
 6. Surplus property no longer needed for its original purpose may be used for other Federally supported activities.
 7. The County may sell or otherwise dispose of Federally funded equipment with a current fair market value under \$5,000.00 in accordance with its customary surplus property processes (Hernando County Fleet Management Standard Operating Guidelines Surplus). The County will request permission from the Federal granting entity prior to disposal of equipment with a current fair market value over \$5,000.00.
- B. **Conflicts of Interest:** All County employees and officers are subject to the provisions of the Code of Ethics for Public Officers and Employees (Sections 112.311 et seq. of the Florida Statutes (current edition)); Procurement Manual – Conflicts of Interest (current edition); Procurement Manual Code of Ethics section in this manual and the provisions governing Federal conflicts of interest outlined herein. The Procurement Department, the Chief Procurement Officer requires its procurement staff to certify annually that they have no conflicts of interest and that they conform to all ethics in the performance of their procurement duties.
1. For Federal and State procurements, no employee, officer, or agent of the County may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the

parties indicated above has a financial or other interest in, or a tangible personal benefit from a firm considered for a Contract. Except as limited by Employee Handbook Policies and Procedures Manual Sections 9.03, 9.04 and 9.14 (current edition), officers, employees, and agents of the County may neither solicit nor accept gratuities, favors, or anything of monetary value from Contractors or parties to subcontracts. Any potential conflicts of interest must be disclosed, in a timely manner and in writing, to the Federal awarding or State pass-through agency. The assigned Grant Project Manager for the grant funded project is responsible for making this disclosure. Please see the Employee Handbook – 9.014 Fraud Prevention and Grant Policy 15-01 Guidelines for Grant Activities (current edition).

2. In addition to the penalties provided in the Florida Statutes, a violation of any provision of the Code of Ethics for Public Officers and Employees, Employee Handbook, or this section, may subject an employee to disciplinary action up to and including discharge from employment.

C. **Suspension and Debarment:** The County is subject to the debarment and suspension regulations implementing Executive Orders 12549 (current edition) and 12689 (current edition), 2 C.F.R. Part 180 per 2 CFR 200.213 (current edition).

1. The County may not enter into an agreement for property or services with an entity or person who has been disqualified (suspended or debarred) from participation in Federal or State programs or activities, unless the Federal or State granting agency grants an exception.
2. The County shall take reasonable steps to determine whether any Vendor, Contractor or Consultant is or has been excluded or disqualified from participating in such transaction. Prior to awarding any bid, the Procurement Department shall check with Florida List of Convicted/Suspended/Discriminatory Vendors, the System Award Management (SAM) to ensure that the Bidder or Sub-contractors, if applicable, are not disbarred or suspended from working with Federal or State funded Contracts.
3. The County shall include a provision in all agreements requiring Contractors, Vendors or Consultants to comply with 2 C.F.R. Part 180 (current edition) when entering into covered transactions (greater than \$25,000.00) with Sub-contractors, Sub-vendors and Sub-consultants, etc.
4. The County shall comply with all reporting requirements as mandated by the Federal and State granting agency.
5. Because the opportunity to participate in competitive solicitations or to supply goods or services to the county is a privilege, not a right, this privilege should be denied to persons or entities that engage or are involved in activities or actions as described herein that adversely impact the quality of goods and services provided to the county for the benefit of the public. In those instances, it is in the best interests of the public to disqualify vendors by suspension or debarment from inclusion on future vendor lists or from consideration for award of new

contracts, work, or any work assignments on existing contracts, based upon documentation that the grounds for suspension or debarment as provided herein exist.

- a. Suspension. A vendor shall be suspended for a period of two years or until the conditions described herein have been rectified or resolved, whichever occurs first, as determined by the Chief Procurement Officer based upon the following:
 - i. The county has formally declared the vendor in breach of a contract that has resulted in the termination of the contract by the county for failure to comply with the conditions, specifications or terms of a contract with the county; or
 - ii. The county has formally disqualified or declared a vendor's bid, quote, or proposal nonresponsive, based on the vendor's fraud or misrepresentation; or
 - iii. The vendor is charged by a court of competent jurisdiction with the commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract or in the performance of such contract or subcontract; or is charged by a court of competent jurisdiction with the following: embezzlement, theft, forgery, bribery, fraud, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously and directly affects responsibility as a county government contractor; or
 - iv. The vendor becomes insolvent, has proceedings in bankruptcy instituted against it, or has a receiver or trustee appointed over its property; or
 - v. The vendor has three or more violations of the code as defined in the Purchasing Code in any two-year period arising from or related to vendor's business activities, as determined in a court or administrative proceeding, including by plea; or
 - vi. The vendor and the county are engaged in adversarial proceedings (i.e., court proceedings, arbitration, or administrative proceeding) arising from or related to the vendor's performance of a contract with the county; or
 - vii. The vendor is suspended by another government entity.
- b. Debarment. A vendor shall be permanently debarred by the Chief Procurement Officer based on the following:
 - i. The county obtains a judgment in an adversarial proceeding between the county and the vendor (i.e., court proceeding, arbitration, or administrative proceeding) arising from the vendor's performance of a contract with the county which remains unsatisfied for a period of 30 days from the expiration of any appeal period or final resolution of any appeal; or

- ii. Vendor conviction by or judgment obtained in a court of competent jurisdiction for commission of those offenses in connection with the vendor's business activities stated in subsection (b)(1)c above; [or]
 - iii. Vendor is debarred by another government entity.
- c. Public entity crime. Notwithstanding any other provision herein, any vendor who has been convicted of a public entity crime as defined by F.S. § 287.133 shall not be able to transact business with the county to the extent as specified in the statute.
- d. Decision. The Chief Procurement Officer shall issue a written notification to suspend or debar based on documentation of the existence of one or more of the conditions described herein. The suspension or debarment shall take effect as of the date of the notification. The notification shall state the basis for the action taken and the period of the suspension, or that the vendor has been debarred. Prior to issuance of written notification, the purchasing director may schedule an informational meeting with the vendor to review the documentation supporting the suspension or debarment. The only issue that shall be considered at the informational meeting is whether the condition giving rise to the suspension or debarment has occurred or taken place.
- e. Effects of suspension and debarment.
 - i. Suspended or debarred vendors are excluded from receiving any new contracts, awards or otherwise providing new goods or additional services during the period of suspension or during debarment; from having any bids, proposals, quotes or qualifications considered by the county or responding to other solicitations of the county; and from conducting business with the county as a subcontractor, representative, or joint venture of other vendors. For the purposes of this subsection (b)(5)a, "new goods or additional services" does not include goods or services provided by the vendor pursuant to a contract, purchase order or work assignment in effect as of the date of suspension.
 - ii. Any business entity controlled by or affiliated with any vendor ineligible for new business pursuant to subsection (b)(5)a may also be prohibited from contracting with the county if the relationship or affiliation is such that the person or business entity by reason of the relationship with the ineligible person or entity could directly benefit from the contract. Such factors as ownership interest, one or more members of the board of officials in common, control of one entity by the other, interlocking or shared management or principals, and limited management and ownership among family members shall be considered in determining ineligibility under this section of this article.
- f. Reinstatement. After suspension or debarment, a vendor is not eligible to contract or be awarded work with Hernando County until reinstated by the Chief Procurement Officer.

The vendor must supply information and reasonable documentation indicating that the conditions causing the suspension or debarment have been rectified or resolved. If the charges referenced in subsection (b)(1)c are dismissed or the vendor is found not guilty, the suspension shall be lifted automatically upon written notification and proof of final court disposition provided by the vendor to the county. If the conviction or judgment referenced in subsection (b)(2)b is reversed through the appellate process, the debarment shall be removed immediately upon written notification and proof of final court disposition from the vendor to the county. As a condition of reinstatement, and with approval of the county administrator, the purchasing director may limit the nature and scope of contractual undertakings that must be satisfactorily completed before seeking additional contracts from the county. Nothing herein prevents the county from granting reinstatement prior to the end of the suspension period or debarment where, in the purchasing director's judgment, the county's interests have been addressed and the vendor to be reinstated is not likely to engage in similar conduct again.

48. Federal & State Funded Procurements (cont'd)

- A. **Settlement of Procurement and Contract Disputes:** Any person or entity wishing to dispute the award of a bid, acceptance of a proposal, other procurement of property or services, or the application or interpretation of a Contract or Agreement relating to property or services procured using Federal or State grant funds shall submit all relevant information to the Chief Procurement Officer (CPO) in accordance with the Procurement Challenge/Protest section of this manual. The CPO shall review all information presented and shall conduct such further investigation as he or she deems appropriate under the circumstances. After review of all relevant information, the CPO shall render a decision concerning the dispute, which decision shall be the final decision of the County.
- B. **Local Preference:** Local Preference will not be used in the evaluation of Bids or Proposals relating to procurements deriving from Federal or State grant funding, unless otherwise provided for in any specific grant Agreement. When contracting for Architectural and Engineering Services, geographic location may be a selection criterion provided its application leaves a number of qualified firms, given the nature and size of the project, to compete for the Contract.
- C. **Minority- and Women-Owned Business Enterprises:** Hernando County does not discriminate on any basis within its Procurement and Contracting process and encourages the participation of minority and women-owned business enterprises (collectively, "MBEs"). Within the limits of the Federal Constitution, the County will consider the firm's status as an MBE or a certified MBE, and the status of any Sub-contractors or Sub-Consultants proposed to be utilized by and encouraged to respond. The County will take and document constitutionally permissible affirmative steps to assure that minority and women-owned businesses (MBE or a certified MBE) are used whenever possible. These steps include, but are not limited to:
1. Placing qualified small, minority- and women-owned businesses on solicitation lists;
 2. Assuring that small, minority and women-owned businesses are solicited whenever they are potential sources;
 3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small, women- and minority-owned businesses;
 4. Establishing delivery schedules, where requirements permit, which encourage participation by small, women and minority-owned businesses;
 5. Using the services and assistance, as appropriate, of organizations such as the Small Business Administration, the Minority Business Development Agency of the Department of Commerce and the Florida Office of Supplier Diversity; and

6. Requiring the prime contractor, if Sub-contracts are to be let, to take these same affirmative steps in the administration of its related Contracts.

D. Procurement of Recovered Materials:

1. The County shall comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (current edition), when procuring goods funded through Federal grant funding.
2. Whenever feasible, the County will procure items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 (current edition) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000.00 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000.00.
3. The County will procure solid waste management services in a manner that maximizes energy and resource recovery.
4. The County will maintain an affirmative preference program for procurement of recovered materials identified in the EPA guidelines (current edition). The County may consider the Minimum Content Standard, the Case-by-Case Standard, or a substantially equivalent standard, as set forth in RCRA Section 6002(i)(3) (current edition), as appropriate to any situation.
5. The County may utilize the assistance of Environmental Protection Agency (EPA) Product Resource Guides located at EPA.gov Resource Conservation and Recovery Act (RCRA) Tools and Resources for all product categories for all covered procurements.

- E. Contract Cost and Price:** For every procurement in excess of \$250,000.00 including Contract modifications or change orders greater than \$250,000.00, the County shall perform a cost or price analysis in connection with every procurement subject to Federal procurement guidelines, which shall include an independent estimate of cost prior to receiving bids or proposals. For proposals where price is not considered in the award, profit shall be negotiated as a separate element of the price. In determining whether profit is fair and reasonable, the County shall consider the complexity of work, the risk to be borne by the Contractor, the Contractor's investment, the amount of subcontracting necessary, the quality of the Contractor's record and past performance, and industry profit rates for the surrounding geographical area. "Cost Plus Percentage" methods for determining profit may not be used.

- F. Bonding Requirements:** See section Bonds & Insurance of this manual for applicable provisions.

- G. Award Terms for Never Contract With the Enemy:** 2 CFR 183 Appendix A Applicability §183.10 (optional unless specified in grant award)

1. This part applies only to grants and cooperative agreements that are expected to exceed \$50,000 and that are performed outside the United States, including U.S. territories, and

that are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. It does not apply to the authorized intelligence or law enforcement activities of the Federal Government.

2. All elements of this part are applicable until the date of expiration as provided in law.

H. Federal awarding agencies may include the following award terms in all awards for covered grants and cooperative agreements in accordance with Never Contract with the Enemy:

1. Prohibition on Providing Funds to the Enemy

a. The recipient must –

- i. Exercise due diligence to ensure that none of the funds, including supplies and services, received under this grant or cooperative agreement are provided directly or indirectly (including through subawards or contracts) to a person or entity who is actively opposing the United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, which must be completed through 2 CFR 180.300 prior to issuing a subaward or contract and;
- ii. Terminate or void in whole or in part any subaward or contract with a person or entity listed in SAM as a prohibited or restricted source pursuant to subtitle E of Title VIII of the NDAA for FY 2015, unless the Federal awarding agency provides written approval to continue the subaward or contract.

b. The recipient may include the substance of this clause, including paragraph (a) of this clause, in subawards under this grant or cooperative agreement that have an estimated value over \$50,000 and will be performed outside the United States, including its outlying areas.

c. The Federal awarding agency has the authority to terminate or void this grant or cooperative agreement, in whole or in part, if the Federal awarding agency becomes aware that the recipient failed to exercise due diligence as required by paragraph (a) of this clause or if the Federal awarding agency becomes aware that any funds received under this grant or cooperative agreement have been provided directly or indirectly to a person or entity who is actively opposing coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

2. Additional Access to Recipient Records

a. In addition to any other existing examination-of-records authority, the Federal Government is authorized to examine any records of the recipient and its subawards or contracts to the extent necessary to ensure that funds, including supplies and services, available under this grant or cooperative agreement are not provided, directly or indirectly, to a person or entity that is actively opposing United States or coalition forces

involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, except for awards awarded by the Department of Defense on or before Dec 19, 2017 that will be performed in the United States Central Command (USCENTCOM) theater of operations.

- b. The substance of this clause, including this paragraph (b), is required to be included in subawards or contracts under this grant or cooperative agreement that have an estimated value over \$50,000 and will be performed outside the United States, including its outlying areas.

I. **Prohibition on certain telecommunications and video surveillance services or equipment:** 2
CFR 200.216

1. Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:
 - a. Procure or obtain;
 - b. Extend or renew a contract to procure or obtain; or
 - c. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - ii. Telecommunications or video surveillance services provided by such entities or using such equipment.
 - iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
 - d. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected

entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

- e. See Public Law 115-232, section 889 for additional information.
- J. **Contract Provisions:** All Federal Grant Contracts must contain the applicable provisions described in Appendix II to Part 200 of the Code of Federal Regulations (current edition). All State Grant Contracts or Purchase Orders must contain the applicable provisions required by Florida Single Audit Act Section 215.97 (current edition), Florida Statutes.

49. FTA Recipient Procurement Process

The purpose of this section of the policy is intended to explain the requirements of the Federal Transit Administration "FTA" recipient procurement process.

What to do before the process begins:

A. Determine the Scope of the Procurement

1. To begin the procurement, recipients should first review the original grant/award document and determine the scope and budget of the procurement. The scope of your procurement should coincide with the approved grant/award agreement. Once the goals of the procurement are clear, detailed specifications and a procurement packet can be developed. The recipient should consider the desired goals and outcomes. Clearly stated goals allow recipients to make effective decisions regarding the scope of the procurement and what and how much to purchase.

B. Identify Who Needs to be Involved

1. Internal Resources

- a. Early in the procurement process identify the individuals involved as this will facilitate the overall process and save time in the long term. Depending on the procurement type, seek input from different functional areas in the organization. This could include staff from any or all of the following areas: purchasing, engineering, legal, financial/accounting, managers, drivers, maintenance staff or others. The following work area responsibilities should be considered:
 - i. Department initiating the procurement for items to be purchased;
 - ii. Drivers and maintenance personnel for technical input related to vehicles;
 - iii. Finance for invoicing and payment scheduling;
 - iv. Legal for contracts, bonding, insurance, certification, procurement timetable
 - v. Areas of specialized expertise that can provide technical information on items such as performance standards, evaluation criteria, incentives, required forms or procedures, and desired timetable.

2. External Resources

- a. Consider soliciting outside assistance if your agency is small and has limited procurement experience. This could include legal or other technical assistance in writing specifications, and/or assuring bidder compliance with state, federal or local regulations.

3. Potential resources include:

- a. Technical personnel within the community or neighboring communities
 - b. Transit agencies
 - c. Local, State and federal agencies
 - d. One way to reduce the need for outside assistance is to include language in the procurement package which requires contractors to assume responsibility for compliance with certain process elements included in the bid or proposal.
 - e. The recipient of federal funds as the administrator of the procurement and the contract has the ultimate responsibility for compliance with all requirements of the procurement process.
4. Plan the Procurement Process
- a. Once identified individuals have been determined and selected, address the following items with the group:
 - i. Review agency resources in terms of managing the procurement process, and determine if others need to be involved
 - ii. Assign specific responsibilities to each participant
 - iii. Create advertising policies for solicitation or publication of notices
 - iv. Review local, state and federal government requirements
 - v. Clearly identify bidder/proposer responsibilities
 - vi. Establish a communication and reporting process
 - vii. Identify key dates, timeline and frequency of meetings
 - I. Meet as many times as needed to complete the procurement process on time
 - II. Ensure the procurement occurs at the correct time of year. For example, if working on a construction procurement, the specifications should be developed in fall/winter for a spring solicitation, summer construction.
 - viii. Set the meeting schedule to coincide with board or council meetings, if board/council approval is required. If possible, build in extra time if an emergency meeting is warranted.
 - ix. Use the Procurement History File Checklist to ensure proper procurement documents are recorded and organized.
- C. Decide the Method of Procurement (2 CFR 200.320);
- 1. Invitation to Bid (ITB)

- a. The Invitation for Bid (ITB) is a sealed bid and the most common method used in the public sector to obtain specific goods, such as vehicles and equipment. This method is typically used when complete specifications or purchase descriptions are available or can be easily developed. The ITB process must involve two or more bidders and the award is made to the bidder who complies with the requirements and instructions of the ITB, and who offers the lowest total bid price while meeting all specifications and requirements.
2. Request for Proposal (RFP)
 - a. The Request for Proposal (RFP) is a competitive solicitation method when a general, rather than specific, description of goods and/or services is used. This method allows for the procurement of goods and/or services in which every detail of the work to be done cannot be specified and/or when creativity on the part of the proposer is desired.
 3. Request for Qualifications (RFQ)
 - a. The Request for Qualifications (RFQ) process provides information on the background and experience of the proposer. This process is followed by an RFP process, if more than one qualified bidder is available. Frequently, the RFQ and RFP processes are combined into a single "RFP" document. This is used most frequently for A & E solicitations.
 4. Request for Information (RFI)
 - a. The Request for Information (RFI) process provides technical information on a commodity and allows the recipient to determine if an item is available in the marketplace. In instances in which information on commodities are not readily available, recipients may contact vendors to provide information that can be incorporated into the specifications.
 5. Sole Source Procurement
 - a. When other than full and open competition is contemplated, procurement methods such as sole source, single bidder proposal, national emergency, etc. can be utilized. Recipients are instructed to follow the procurement requirements for these methods as outlined in FTA Circular 4220 (current edition).
- D. Disadvantaged Business Enterprise (DBE) Requirements 2 CFR 200.321)
1. Disadvantaged Business Enterprise or (DBE) means a for-profit small business that is:
 - a. At least 51 percent owned by one or more individuals who are socially or economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals and
 - b. Whose management and daily operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

2. DBE provisions apply to USDOT assisted contracts for airports, highways and transit. This includes the use of Federal Transit Administration (FTA) planning, capital, and/or operating funds spent on contracts. The FTA requires organizations receiving FTA funds to make efforts to purchase from, or use, DBE firms.

E. DBE Goal Setting

1. Three-Year Goal

- a. An overall goal for DBE participation in FTA assisted contracts is developed by Hernando County Transit and submitted to FTA for review every three years. The goal incorporates the anticipated FTA funded contracting opportunities and subrecipients for a three-year period defined by FTA. Also refer to the Hernando County Transit DBE Program document on the Transit website.

2. Contract Specific Goals

- a. Recipients should determine if a contract goal should be established based on the size and nature of a particular procurement as well as the type and location of work, availability of DBEs to perform the particular type of work, etc.

F. DBE Contract Clauses

1. All FTA-assisted contract solicitations must contain the appropriate FTA clauses. These clauses contain provisions related to DBE requirements.
2. The required contract clauses address non-discrimination, third-party contracting, prompt payment, Transit Vehicle Manufacturer (TVM) certification, termination, and remedies for prime contractors that do not comply.

G. Prompt Payment

1. Prompt payment by prime contractors to their subcontracts is also required, including the return of retainage. While contract-specific goals are not required on all contracts, if a contract-specific goal is established, additional information must be collected from bidders prior to contract award.

H. TVM Certification

1. Recipients must ensure that transit vehicle procurements using FTA funds only occur with TVMs that adhere to FTA requirements. This is done through the inclusion of FTA required contract clauses and a certification, to be completed by the TVM, in the solicitation and pre-award documents. The required process for handling TVM solicitations is included on the procurement checklist for rolling stock.

I. Transit Vehicle Award Report

1. Recipients are required to submit, within 30 days of making an award, the name of the successful transit vehicle manufacturer and the total dollar value of the contract (49 CFR 26.49) using the FTA Transit Vehicle Award Report system. Note: Remember to screenshot the data as it does not automatically generate a confirmation report. The FTA report system and instructions can be found at: <https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eligible-transit-vehicle-manufacturers>
- J. List of Parties Excluded from Federal Procurement or Non-procurement Programs (Debarred List)
1. Recipients are required to ensure that vendors do not appear on the List of Parties Excluded from Federal Procurement or Non-procurement Programs (Debarred List). A printout of the review check for this must be included in the contract file and listed on the file checklist.

50. FTA Required Federal Contract Clauses

The following is the matrix of FTA required contract clauses and federal certifications.

(This matrix does not apply to micro-purchases,¹ except that Davis Bacon requirements apply to all federal construction contracts over \$2,000).

This Matrix is not meant to be all inclusive. Please review the specific funding source, as well as all clauses for applicability to the type of contract and flow down requirements. This matrix was last revised September 22, 2022 and as of the publication of this manual is the most current available version, any subsequent revisions to this matrix will apply (most current version applies).

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
1.	No Federal government obligations to third parties by use of a disclaimer	All	All	All	All	All
2.	Program fraud and false or fraudulent statements and related acts	All	All	All	All	All
3.	Access to Records	All	All	All	All	All
4.	Federal changes	All	All	All	All	All

* Per 41 CFR Part 60- 1.3, *Construction work* means the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
5.	Civil Rights (EEO, Title VI & ADA)	All	All	All	All	All
6.	Incorporation of FTA Terms	All	All	All	All	All
7.	Energy Conservation	All	All	All	All	All
8.	Termination Provisions (not required of states)	>\$10,000	>\$10,000	>\$10,000	>\$10,000	>\$10,000

9.	Debarment and Suspension	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
10.	Buy America			>\$150,000	>\$150,000	>\$150,000 (for steel, iron, manufactured products)
11.	Provisions for resolution of disputes, breaches, or other litigation	>\$150,000 (see Note)	>\$150,000 (see Note)	>\$150,000 (see Note)	>\$150,000 (see Note)	>\$150,000 (see Note)
12.	Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
13.	Clean Air	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
14.	Clean Water	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
15.	Cargo Preference			Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel
16.	Fly America	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air
17.	Davis Bacon Act and Copeland Anti-Kickback Act				Construction contracts and subcontracts, including actual construction, alteration and/or repair, including decorating and painting, >\$2,000 (including ferry vessels)	
18.	Contract Work Hours & Safety Standards Act		Contracts >\$100,000 that involve the	Contracts >\$100,000 that involve the	Contracts >\$100,000 that involve the	

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
			employment of mechanics or laborers	employment of mechanics or laborers	employment of mechanics or laborers (including ferry vessels)	
19.	Bonding				>\$250,000 (including ferry vessels) or as determined by the Authority and the federal awarding agency.	
20.	Seismic Safety	A&E for new buildings & additions			New buildings & additions	
21.	Public Transportation Employee Protective Arrangements		FTA programs involving public transportation operations funded with 5307-5312, and 5316			

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
22.	Charter Service Operations		All transit operations contracts involving FTA funding under 49 USC 5307, 5309, 5311 or 5316 funds			
23.	School Bus Operations		All transit operations contracts			
24.	Drug and Alcohol Testing		All transit operations contracts			

25.	Patent and Rights in Data	Research & development				
26.	Special DOL EEO clause for construction projects				>\$10,000	
27.	Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
28.	Recycled Products (Solid Wastes)		Contracts for items designated by EPA, when procuring \$10,000 or more per year		Contracts for items designated by EPA, when procuring \$10,000 or more per year	Contracts for items designated by EPA, when procuring \$10,000 or more per
29.	ADA Access	A&E	All	All	All	
30.	Veterans Preference	All	All	All	All	All
31.	Motor Carrier Safety	All	All	All	All	All
32.	Safe Operation of Motor Vehicles	All	All	All	All	All
33.	Protection of Sensitive and Personally Identifiable Information	All	All	All	All	All
34.	Trafficking in Persons	All	All	All	All	All
35.	Tax Liability and Recent Felony Convictions	All	All	All	All	All
36.	Construction Site Safety				all	
37.	Domestic Preferences for	All	All	All	All	All

	CLAUSE	TYPE OF PROCUREMENT				
		Professional Services/A&E	Operations/ Management/ Subrecipients	Rolling Stock Purchase	Construction* (*See Note Below)	Materials & Supplies
	Procurements					

38.	Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment	All	All	All	All	All
39.	Bus Testing			All, except minivans		
40.	Pre-Award and Post-Delivery Audit Requirements			All		
41.	FTA Clauses Required when DBE threshold has been met	If DBE threshold has been met	DBE threshold has been met	DBE threshold has been met	DBE threshold has been met	DBE threshold has been met
42.	Representation Regarding Certain Telecommunication and Video Surveillance Services or Equipment					

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER -- MATRICES

A. THIRD PARTY CONTRACT PROVISIONS

(excluding micro-purchases, except Davis-Bacon requirements apply to contracts exceeding \$2,000)

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(30) 11-2-2022)
All FTA Assisted Third Party Contracts and Subcontracts		
No Federal Government Obligations to Third Parties (Use of Disclaimer)		§ 3(l)
False or Fraudulent Statements or Claims – Civil and Criminal Fraud		§ 4.e
Access to Third Party Contract Records		§ 16.s
Changes to Federal Requirements		§ 3.j.(1)
Equal Employment Opportunity (except special DOL construction clause)		§ 12
Disadvantaged Business Enterprises (DBEs)	Contract awarded on the basis of a bid/proposal offering to use DBEs.	§ 12.e
Incorporation of FTA Terms	Per FTA C 4220.1F.	§ 16.d
Prompt Payment		49 CFR 26.29

Prohibition on Certain Telecommunications Equipment		2 CFR 200.216 FAR 52.204-24
Awards Exceeding \$10,000		
Terminations		§ 11 and § 16.d.(2)
Debarment and Suspension	Awards exceeding \$25,000	§ 4.h
Notice to FTA and U.S. DOT Inspector General of waste, fraud, abuse...	Awards exceeding \$25,000	§ 39(b)
Lobbying	Awards exceeding \$100,000	§ 4.c and § 16.d(8)
Awards Exceeding the Simplified Acquisition Threshold (\$250,000)		
Resolution of Disputes, Breaches, or Other Litigation		§ 39
Awards Exceeding \$150,000 by Statute		
Clean Air	42 U.S.C. 7401-7671q.	§ 16.d.(7)
Clean Water	33 U.S.C 1251-1387	§ 16.d.(7)
Buy America	When tangible property or construction will be acquired. The threshold for applicability is no longer tied to the simplified acquisition threshold. It is statutorily fixed in 49 U.S.C. §5323(j)(13).	§ 15.a and b

Note: The Special EEO Clause for Construction is now shown on next page under “Construction Activities” for all contracts.

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(30) 11-2-2022)
Transport of Property or Persons		
Cargo Preference	When acquiring property suitable for shipment by ocean vessel.	§ 15.c
Fly America	When property or persons are transported by air between U.S. and foreign destinations, or between foreign locations.	§ 15.d
Construction Activities		
Construction Employee Protections – Davis-Bacon Act	For contracts exceeding \$2,000.	§ 16.d.(4)
Construction Employee Protections – Contract Work Hours & Safety Standards Act	For contracts exceeding \$100,000. OMB Office of Federal Financial Management has not adopted the FAR clause 2.101 \$150,000 simplified acquisition threshold standard.	§ 16.d.(5)

Construction Employee Protections – Sec. 1 Copeland Anti-Kickback Act – Sec. 2 Copeland Anti-Kickback Act	All contracts All construction contracts exceeding \$2,000.	§ 16.d.(4)
Special EEO Provision for Construction	All construction contracts	§ 16.d.(3)
Bonding for Construction Activities Exceeding \$250,000	5% bid guarantee bond. 100% performance and payment bond.	§ 16.n
Seismic Safety	Construction contracts for new buildings or for existing buildings.	§ 23.b
Veterans Preference	All construction contracts	16.u
Non-construction Activities		
Nonconstruction Employee Protection – Contract Work Hours & Safety Standards Act	For all turnkey, rolling stock, and operational contracts (except transportation services contracts and open market contracts) exceeding \$100,000. OMB Office of Federal Financial Management has not adopted the FAR clause 2.101 \$150,000 simplified acquisition threshold standard.	§ 24.b
Transit Operations		
Transit Employee Protective Arrangements		§ 24.d
Charter Bus Operations		§ 28
School Bus Operations		§ 29
Drug Use and Testing	Safety sensitive functions.	§ 35.b
Alcohol Misuse and Testing	Safety sensitive functions.	§ 35.b

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(30) 11-2-2022)
Planning, Research, Development, and Demonstration Projects		
Patent Rights		§ 17
Rights in Data and Copyrights		§ 18
Special Notification Requirements for States		
Special Notification Requirement for States	.	§ 37
Miscellaneous Special Requirements		
Energy Conservation	All Contracts	§ 26

Recycled Products	Contracts when procuring \$10,000 or more per year of items designated by EPA.	§ 16.d.(10)
Prohibition on Certain Telecommunications Equipment	All Contracts	2 CFR 200 Appendix II 2 CFR 200.216
Conformance with National ITS Architecture	Contracts and solicitations for ITS projects.	§ 16.l
ADA Access	Contracts for rolling stock or facilities construction/renovation.	§ 12.h
Assignability Clause	Procurements through assignments (“piggybacking”).	§ 16.a, which incorporates FTA circular 4220.1

B. APPLICABILITY OF THIRD PARTY CONTRACT PROVISIONS

TYPE OF PROCUREMENT					
PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
No Federal Government Obligations to Third Parties (by Use of a Disclaimer)	All	All	All	All	All
False Statements or Claims and Criminal Fraud	All	All	All	All	All
Access to Third Party Contract Records	All	All	All	All	All
Changes to Federal Requirements	All	All	All	All	All
Termination	>\$10,000	>\$10,000	>\$10,000	>\$10,000	>\$10,000
Equal Employment Opportunity except Special DOL EEO clause for construction projects)	All	All	All	All	All
Special DOL EEO clause for construction projects				>\$10,000	
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Debarment and Suspension	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
Buy America			>\$150,000	>\$150,000	>\$150,000
Resolution of Disputes, Breaches, or Other Litigation	>\$250,000	>\$250,000	>\$250,000	>\$250,000	>\$250,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Clean Water	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Cargo Preference			Transport by ocean vessel.	Transport by ocean vessel.	Transport by ocean vessel.

Fly America	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.
Notice to FTA and U.S. DOT Inspector General of Information Related to Fraud, Waste, etc.	\$25,000 or More. Prime and Subs	\$25,000 or More. Prime and Subs	\$25,000 or More. Prime and Subs	\$25,000 or More. Prime and Subs	\$25,000 or More. Prime and Subs
Prompt Payment	All	All	All	All	All

TYPE OF PROCUREMENT					
PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
Davis-Bacon Act				>\$2,000 (also ferries).	
Veterans Preference				>\$150,000	
Contract Work Hours and Safety Standards Act		>\$250,000 (transportation services excepted).	>\$250,000	>\$250,000 (also ferries).	
Copeland Anti-Kickback Act Section 1 Section 2				All > \$2,000 (also ferries).	
Bonding				>\$250,000	
Seismic Safety	A&E for new buildings & additions.			New buildings & additions.	
Transit Employee Protective Arrangements		Transit operations.			
Charter Service Operations		All			
School Bus Operations		All			
Drug Use and Testing		Transit operations.			
Alcohol Misuse and Testing		Transit operations.			
Patent Rights	R & D				
Rights in Data and Copyrights	R & D				
Energy Conservation	All	All	All	All	All
Recycled Products		EPA-selected items \$10,000 or more annually.		EPA-selected items \$10,000 or more annually.	EPA-selected items \$10,000 or more annually.
Seat Belt Use	All	All	All	All	All
Distracted Driving	All	All	All	All	All
Conformance with ITS National Architecture	ITS projects.	ITS projects.	ITS projects.	ITS projects.	ITS projects.
ADA Access	A&E	All	All	All	All

Notification of Federal Participation for States	Limited to States.	Limited to States.	Limited to States.	Limited to States.	Limited to States.
Prohibition on Certain Telecommunications Equipment	All	All	All	All	All

C. CERTIFICATIONS, REPORTS, AND FORMS

CERTIFICATIONS, REPORTS, AND FORMS	COMMENTS	REGULATORY REFERENCE
Bus Testing Certification	All procurements of new model transit buses and vans and existing models being modified with major changes.	49 CFR Part 665
TVM Certifications	All rolling stock procurements.	49 CFR Part 26
Buy America Certification	Procurements of steel, iron, manufactured products and construction materials exceeding \$150,000.	49 CFR Part 661
Preaward Review	FTA Annual Certification for any rolling stock procurement.	49 CFR Part 663
Preaward Buy America Certification	Rolling stock procurements exceeding \$150,000.	49 CFR Part 663
Preaward Purchaser's Requirement	All rolling stock procurements.	49 CFR Part 663
Post Delivery Review	FTA Annual Certification for any rolling stock procurement.	49 CFR Part 663
Post Delivery Buy America Certification	Rolling stock procurements exceeding \$150,000.	49 CFR Part 663
Post Delivery Purchaser's Requirement	All rolling stock procurements to the extent required by Federal law and regulations.	49 CFR Part 663

On-Site Inspector's Report	Rolling Stock except for procurements of: -10 or fewer vehicles; <ul style="list-style-type: none">• 20 or fewer vehicles serving rural (other than urbanized) areas or urbanized areas or 200,000 people or fewer;• any amount of primary manufactured standard production and unmodified vans that after visual inspection and road testing meet the contract specifications.	49 CFR Part 663
Federal Motor Vehicle Safety Standards - Preaward and Post Delivery Reviews	Motor vehicle procurements (49 CFR 571).	49 CFR Part 663
Lobbying	Procurements exceeding \$100,000.	49 CFR Part 20 OMB Office of Federal Financial Management has not adopted FAR 2.101 \$150,000 simplified acquisition threshold standard.
Standard Form LLL and Quarterly Updates (when required)	Procurements exceeding \$100,000 where contractor engages in lobbying activities.	49 CFR Part 20 OMB Office of Federal Financial Management has not adopted FAR 2.101 \$150,000 simplified acquisition threshold standard.

D. OTHER MATTERS

OTHER MATTERS	COMMENTS	STATUTORY OR REGULATORY REFERENCES
Contract Administration System		2 CFR § 200.318(b)
Record of Procurement History		2 CFR § 200.318(i)

Protest Procedures		2 CFR § 200.318(k)
Selection Procedures		2 CFR § 200.320 b.
Cost/Price Analysis		2 CFR § 200.324
Justification for Noncompetitive Awards	If Applicable.	2 CFR § 200.320 c.
No Excessive Bonding Requirements		2 CFR § 200.319(b) (2)
No Exclusionary Specifications		2 CFR § 200.319(d) (1)
No Geographic Preferences	Except for A&E Services	42 CFR § 200.319 c.

Appendix 1 Purchasing Cards

51. Policy & Procedures

The Hernando 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 Procurement Department and the Clerk of Courts Financial Services Department (Finance) will monitor the performance of the program.

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

Procurement Related - Chief Procurement Officer, (352) 754-4020

Accounting Related - Financial Services Department, Clerk of Court, (352) 754-4201

The Procurement Department is responsible for maintaining internal controls and segregation of duties. Segregation of Duties is a basic building block of sustainable risk management and internal controls for the County. As administrator of the Purchasing Card Program, Procurement will ensure the following duties are segregated:

- A. One (1) employee procurement staff position as P-Card Administrator to enter requests for new P-cards or changes as requested by and received from County Departments,
- B. One (1) employee procurement staff position to issue new P-cards and,
- C. The Chief Procurement Officer or designee to review and approve requests for new P-cards related to: P-card increase, new employee and employee transfer and termination of card holder rights.

The Financial Services Department is responsible for paying the purchases for each transaction of all cardholders, consolidating all statement activity and notify department directors if cardholder statements are not received on a timely basis and identifying any improper use of purchasing cards to the Procurement Department immediately upon determining there is a suspected problem.

52. Assignment & Control

A. Requests For and Issuance of Purchasing Cards

1. Purchasing Cards will be issued to employees who purchase goods and services in single transaction amounts of up to \$5,000.00., and the monthly maximum total purchases to \$7,500 unless specifically authorized by the Chief Procurement Officer.
2. Department Directors or their designee may establish lower limits for their employees upon submission of the initial card request form or may request higher limits with appropriate justification included. It will be at the discretion of the Chief Procurement Officer.
3. Department Directors or their designee may establish emergency limits for their employees at time of issuance that will become active upon a declaration of emergency.
4. The Purchasing Card will contain the employee's name, the County name, the County tax-exempt number and the individual account number.
5. Requests for new cardholders or for changes to current cardholders must be authorized by Department Director or their designee, using the Purchasing Card Application/Termination Form. Such requests shall be submitted for review to the Procurement Department.
6. New cardholders will be required to personally take receipt of Purchasing Cards by signing the Purchasing Card Application/Termination Form. New cardholders will be given a copy of the Purchasing Card policies and procedures and must attend training prior to receiving the card.
7. The Procurement Department shall review the list of current cardholders on a biannual basis to ensure card holder forms have been received and are on file with the Procurement Department along with validating any new Purchasing Card accounts and/or modifications to existing cardholder data. Cards with no activity in the past 12 months will be identified as inactive. The Department Director or their designee will need to provide justification to the Procurement Department within 10 business days or the card will be terminated.
8. Refresher training as to the use of the Purchasing Card shall be conducted when determined by the Procurement Department to be appropriate.
9. The Procurement Department shall notify the requesting department upon issuance of any Purchasing Cards.

53. Lost or Stolen Cards

Cardholders must notify the Procurement Department of any lost or stolen Purchasing Card immediately.

54. Termination or Transfer

- A. If the cardholder is no longer employed by the County, the appropriate department is responsible to ensure the Purchasing Card is returned to the Procurement Department for cancellation. The Human Resources Department provides a resignation termination/retirement notification to the Procurement Department upon any employee separation from the County. This notification is utilized to ensure that the Purchasing Card has been cancelled by the department.
- B. 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 Procurement Department.
- C. If a cardholder transfers to a new department, the cardholder is responsible to inform the Procurement 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 of notifying the Procurement Department for cancellation. If they are to retain the card, the cardholder is responsible for submitting to Procurement the transfer information using the Purchasing Card Application/Termination Form.
- D. If a cardholder transfers or terminates prior to the statement ending/posting, the statement must be submitted with department supervisor signature, resignation date of employee, and all supporting documentation for purchases.

55. Inventory

The Procurement Department shall maintain a list of Purchasing Cards issued to all county employees. In addition, a file of the Purchasing Card Application/Termination Forms will be kept for audit purposes.

New cardholders will be required to personally take receipt of Purchasing Cards by signing the Purchasing Card Application/Termination Form. New cardholders will be given a copy of the Purchasing Card policies and procedures and must attend training prior to receiving the card. Proof of attendance will be kept by the Procurement Department.

The Procurement Department shall review the list of current cardholders on a biannual basis to ensure card holder forms have been received and are on file with the Procurement Department along with validating any new Purchasing Card accounts and/or modifications to existing cardholder data. Cards with no activity in the past 12 months will be identified as inactive. The Department Director will need to provide justification to the Procurement Department within 10 calendar days or the card will be terminated. The Procurement Department will provide the current cardholder listing to the Financial Services Department at least twice a year.

56. Use

- A. 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.
- B. The Purchasing Card is to be used for Hernando County authorized purchases only. The Purchasing Card shall not be used for any personal transaction. State or Federal financial assistance purchases must follow the applicable funding source.
- C. Cardholders are responsible for the security of their Purchasing Card. All precautions shall be used to maintain confidentiality of the Cardholder's account number and expiration date of the Purchasing Card. This means a cardholder cannot authorize or allow anyone to retain credit card (p-card) information on file for future orders. Cardholder's must inform the entity taking the p-card information that the information cannot be retained.
- D. Each cardholder will have a single limit transaction and a monthly dollar limit to be set by the Department Director or their designee. Limit changes must be initiated and authorized by Department Directors or their designee through the Procurement Department.
- E. Fees or service charges associated with the use of a purchasing card are permitted.
- F. The Purchasing Card can be utilized for any purchase at the lower dollar amount threshold or at the limit established with the single limit transaction amount and any NON-PO (direct) payments as established in the Purchasing Manual.
- G. A single purchase shall be defined as a procurement of an item or several items which are required to accomplish the task intended for the procurement. Departments are specifically prohibited from splitting a single purchase that exceeds the single purchase dollar limit into multiple purchases, referred to as stacking.
- H. All items purchased must be immediately available. No back ordering is allowed.
- I. If purchase is being made from a current Hernando County Term contract, the vendor shall submit a quote to identify the items on contract and what the contract price is for the item. The current contract should be attached also.
- J. The Procurement Department shall block card use for certain types of goods and services. It shall be the cardholder's responsibility to become familiar with these limits and restrictions. These restrictions will be reviewed on an annual basis by the Procurement Department.
- K. Cash refunds or gift card refunds are not permitted.

57. Audit of Use

- A. Use of a Purchasing Card will be audited by the Financial Services Department for compliance with the terms and conditions and policies of the County. Failure to adhere to the terms and conditions so stipulated may result in termination of Purchasing Card use.
- B. It is the Cardholder's responsibility to obtain a customer copy of the itemized receipt or invoice of the charge. When placing an electronic purchase, additional support such as confirmation of shipment whether in the form of an email or packing slip is required to ensure that the item(s) have been shipped.
- C. If for some reason the Cardholder does not have documentation of the transaction to send with the statement, he/she must complete a Missing Receipt Form with an explanation that includes a description of the item, date of purchase, merchant's name and why there is no supporting documentation. Instances of frequent (as determined by the Procurement Department and/or the Financial Services Department) abuse of this provision will result in disciplinary action of the Cardholder's Purchasing Card.

58. Tax Exempt Number

Purchasing Card purchases are exempt from all Florida state and local use tax. The County's tax-exempt ID number is printed on the face of the Purchasing Card. This 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, Florida Statutes section 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 Florida Statutes sections 775.082, 775.083, or 775.084.

59. Purchases

- A. The cardholder must obtain the customer copy of the itemized receipt or invoice.
- B. The itemized receipt or invoice shall be retained by the cardholder and attached to the Cardholder Approval form which shall be submitted to the Department Card Administrator monthly. The description and public purpose of the purchase shall be clearly documented on the receipt or invoice. All packing slips or proof of receipt of the items shall be included.
- C. When placing an on-line order, the cardholder must confirm that the vendor will charge the Purchasing Card only after shipment is made.
- D. By the 15th of each month, all completed Cardholder Approval reports, including appropriate approvals, are due to the Financial Services Department for audit. If reports are submitted for payment after the deadline, the Procurement Department has the right to revoke charging privileges.
- E. Failure to comply with the guidelines for filling out the Cardholder Approval form may result in loss of Purchasing Card privileges.

60. Disputed Charges

In the event there are disputed charges, or a cardholder has any questions, the Procurement Department should be notified immediately.

- A. If a suspicious charge appears on a monthly statement, the Cardholder should first attempt to verify the charge with records of purchase. If the Cardholder does not agree with the charge posted on the statement, the Cardholder must notify the Procurement Department in writing of the facts of the dispute. The Procurement Department will complete the "Cardholder Dispute Form." and notify the bank of the dispute. The bank will research the disputed charge and make the necessary adjustments. Procurement will notify the Cardholder and Department Director of the action taken on disputed items.
- B. Credit to Account - When the bank receives proper notification of a disputed charge, the charge amount will be removed from the total owed by Hernando County and shown on the monthly statement as a "suspense" item. When the dispute is resolved, the charge will either be removed from the monthly statement (if the charge was improper) or charged to the Cardholder's department (if research shows the charge was valid).
- C. If items purchased with the Purchasing Card are found defective or the repair or services faulty, the Cardholder has the responsibility to return item(s) to the merchant for replacement or to receive a credit on the purchase. If the merchant refuses to replace or correct the faulty item, then the purchase of this item will be considered to be in dispute.
- D. A disputed item must be noted on the Cardholder's Statement.
- E. It is essential that the time frames and documentation requirements established by the Purchasing Card Issuer be followed to protect the Cardholders rights in dispute. Dispute policies and procedures of the Purchasing Card Issuer will be provided at the time Purchasing Cards are issued to Cardholder.

61. Returns

In the event of returns, the cardholder must check the subsequent monthly statements to ensure credit has been received and attach documentation (credit slip) when processing the monthly detail for payment. If a credit slip was not obtained, attach other documentation explaining the return.

All gift cards, bonus bucks and other promotional items shall be turned into the Purchasing Card Administrator in the Procurement Department immediately upon receipt of these items for proper identification and disposal.

62. Review

- A. Department Director or Designee shall review each individual Cardholder Approval form within their department and assign departmental account numbers for billing purposes utilizing the online Purchasing Card system. Each cardholder's statement shall be reviewed and approved to ensure:
 - 1. The goods and services obtained were necessary and appropriate;
 - 2. The public purpose for the expenditure is sufficiently documented;
 - 3. The date the goods or services were received is sufficiently documented;
 - 4. An itemized receipt/invoice is provided;
- B. Cardholder Approval forms of Department Directors shall be reviewed by the County Administrator or designee prior to being forwarded to the Department of Financial Services for audit. The County Administrator's Cardholder Approval form shall be reviewed by the Chair of the Board. The Board members' Cardholder Approval forms shall be signed by the Chairperson.

63. Disciplinary Action

- A. Unauthorized purchases shall be reported to the Department Director and the Chief Procurement Officer.
- B. 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 payment via the Financial Services Department for the full amount of the purchase with an explanation and appropriate accounting string. 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.
- C. Failure to comply with the policies and procedures herein may result in:
 - 1. Revocation of Purchasing Cards from individual cardholders for a time period to be determined by the Chief Procurement Officer.
 - 2. Disciplinary action, up to and including termination of employment.

64. Emergency Use

In the event of an emergency, as defined by the Emergency Purchase section of the Hernando County Purchasing Manual, the Chief Procurement Officer may waive the Purchasing Card requirements.

Upon declaration of a state of emergency by the State of Florida or by Hernando County commodities, equipment, and services including food and beverages can be purchased in preparation for the natural disaster.

Upon declaration of a state of emergency by the State of Florida or by Hernando County purchasing card limits will be adjusted to previously established emergency limits by the Procurement Department. The Procurement Department will reset to standard limits as soon as the state of emergency expires.

65. Travel

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

- A. Hotel/motel reservations and payments.
- B. Flight reservations.
- C. Flight Travel payment.
- D. Rental car use, taxi, shuttle and ride-share services.

Note (1): All travel expenses/reservations must comply with the County Travel Policy and are subject to review and disciplinary action.

Note (2): All overnight travel (to include the above) must be approved by the County Administrator or designee prior to making arrangements. All travel authorization forms will be audited by the Financial Services Department 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. Travel Authorization Forms must be submitted with any/all travel documents.

Purchasing Cards may not be used for travel meals or travel gas (except for rental car use or out of county travel in a County vehicle) and/or as otherwise authorized for certain promotional activities.

66. Tourist Development Department

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

67. Restriction of Use Guidelines

The following shall be used as a guideline for all cardholders to identify the types of infractions and resulting penalties. The Financial Services Department is responsible for identifying any improper use of Purchasing Cards to the Chief Procurement Officer immediately upon determining there is a suspected problem. In the event of an infraction, the Chief Procurement Officer or designee, shall notify the affected cardholder of any infraction. 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 infractions by the same cardholder may result in greater restrictions and/or disciplinary action.

The Chief Procurement Officer 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.

Violations (Infractions) include: sales tax, missing receipt(s), missing Works report(s), unmatched receipt to transaction amount, delayed submission, split purchase, personal expense, purchase of fixed assets, improper approval signature, missing public purpose, missing accounting allocation, missing pre-approval travel request, missing uniform approval by HR, unauthorized uses, unless approved by CPO Prior to purchase, including: gas charges (other than those authorized by Travel policy), gift cards, alcohol, tobacco, paypal or 3rd party pay accounts, entertainment, meals, cash advances, others as noted.

On a monthly basis, the Financial Services Department will record all violations and prepare an agenda item to the Board with a report including the following items:

- Cardholder Name
- Department
- Amount
- Date of Purchase
- Description of Purchase
- Details of violation

Along with the report the Financial Services Department will forward the appropriate documents supporting the determination of the violation. The Procurement Department will review the report and determine if any action is necessary.

A. Offenses

1. 1st offense = written notice to cardholder and Department Director or designee
2. 2nd offense = written notice to cardholder, Department Director or designee and Deputy County Administrator

3. 3rd offense = written notice to cardholder, Department Director or designee and Deputy County Administrator, includes Remedial P-Card training
 4. 4th offense = written notice of 30-day suspension and Remedial P-Card training prior to re-activation of card.
- B. 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 Chief Procurement Officer with appropriate documentation. The Chief Procurement Officer shall have the final authority to determine the appropriate action.
- C. Additional Training – The Chief Procurement Officer may require a county employee to attend a refresher Purchasing Card training session if the employee makes repeated errors/violations within a 12-month period.

68. Payment and Invoice Procedures

- A. Purchases made by employees will be paid by the Financial Services Department once the Cardholder certification and approving official verification have been completed and an account number is assigned for each transaction.
- B. The Purchasing Card Issuer (Bank of America) will provide one master copy of the billing statement to the Financial Services Department at the end of a billing cycle. The Cardholder's Department designated representative for Purchasing Card distribution and coordination will run a monthly statement from Bank of America (Global Works) system to perform the monthly reconciliation. Department Directors are responsible for providing Procurement Department and the Financial Services Department with the current designated representative as noted above. This statement will have a listing of all items processed in the previous 30 days.
- C. The Cardholder is required to review the statement and to note any errors on the bill. The Cardholder signs the statement certifying items purchased, assigns accounting numbers and forwards to the departments designated representative via immediate supervisor within seven (7) workdays after it is received. The completed statement shall be submitted in the order items are purchased. Noncompliance may mean denial of future use.
- D. The department's designated representative reviews statements from Cardholder and verifies accounting numbers are correct and where applicable, a "Statement of Dispute," is attached. Once review is completed, the department's designated representative will forward the statements to the Department Director within seven (7) workdays after receipt from Cardholder. The department's designated representative will notify Procurement Department of any disputed charges and a "Statement of Disputes" will be prepared by Procurement Department and forwarded to the card issuer.
- E. The Department Director or designee will be responsible for receiving completed statements from all Cardholders, verifying approval of purchases, resolving any questions on the purchases, signing the statements and forwarding complete Cardholder statements with all attachments to the Financial Services Department. The P-Card statement must be signed by the cardholder and the Department Director or designee. Should the Department Director or designee not receive all of the statements, it will be their responsibility to contact Cardholder and have the statements furnished at once. All statements should be furnished to the Financial Services Department as completed. Statements should not be held while one or more is being verified.
- F. The completed statement including all required documentation should be electronically sent to the Financial Services Department via the Clerk Finance email by the 15th day of the month. Uploading the completed statement to OnBase by the departments is not allowed.
- G. Sales tax charged on P-card purchases will require the cardholder/designee to contact the vendor to request a credit on their P-card. If a vendor inadvertently charges the P-card with

sales tax the cardholder is required to get a credit within 10 calendar days. If the amount of sales tax charges is \$5.00 or under, the cardholder does not have to continue pursuit of credit.

Appendix 2 Direct Purchases

69. General

Pursuant to Florida Statutes, Section 212.08(6), and Florida Administrative Code, Number 12A-1.094, Hernando County is exempt from Florida Sales Tax for the purchase of construction materials, supplies and/or equipment incorporated into a construction project.

12A-1.094 Public Works Contracts. (1) This rule shall govern the taxability of transactions in which contractors manufacture or purchase supplies and materials for use in public works contracts, as that term is referred to in Section 212.08(6), F.S.

The County (Owner) may elect to exercise this right to direct purchase selected materials on all construction projects and such direct purchase shall be without any additional cost to the Owner. All bids are to be submitted with all applicable taxes included.

The Contractor shall assume all risk and remain fully responsible for all material incorporated into any project, directly purchased by the County (Owner) or not. This will include, but not be limited to, insurance, theft, storage, damage during installation, coordination, quantities ordered, submittals, protection, scheduling, shipping, security, expediting, receiving, installation, cleaning and all applicable warranties, etc.

The procedures outlined here may change at any time without prior notice to Vendor/contractor.

70. Terms

For the purpose of this Appendix, the following terms will be defined:

- A. Change Order – A written alteration that is issued to modify or amend a contract or purchase order. A bilateral (agreed to by all parties) or unilateral (government orders a contract change without the consent of the contractor) request which directs the vendor/contractor to make changes to the contract, scope of work, specifications, or time frame. In reference to construction contracts, it relates primarily to changes caused by unanticipated conditions encountered during the construction not covered by the drawings, plans or specifications of the project.
- B. Construction Administrator – shall act as the Construction Administrator for the work relative to the acceptance and approval of Payment Applications pursuant to the provisions of the Florida Prompt Payment Act, Part VII, Ch. 218.735, F.S (current version).
- C. Contractor: A General Contractor (GC) or Construction Manager (CM).
- D. County Designated Representative – The Owner Designated Representative will act as the Owner’s representative, assume all duties and responsibilities, and have the rights and authority assigned to the Owner Designated Representative in the contract documents in connection with the completion of the work in accordance with their respective scope of work and the contract documents.
- E. Hernando County: The County or Owner.
- F. Direct Material Purchase (DMP): A purchase made directly by the County (Owner) from a vendor, and not through a contractor.
- G. Direct Purchase Purchase-Order (DPPO): A purchase order issued by the Owner directly to the Vendor/contractor's vendor for the purchase of materials exempt from sales tax.
- H. Direct Purchase Procedures (DPP): Guidelines outlined in this document.
- I. Material: Any material, supplies, or equipment incorporated into a county construction project.
- J. Public Works" as defined in 12A-1.094(1)(c): Defined as projects for public use or enjoyment, financed and owned by the government, in which private persons undertake the obligation to do a specific piece of work that involves installing tangible personal property in such a manner that it becomes a part of a public facility. For purposes of this rule, a public facility includes any land, improvement to land, building, structure, or other fixed site and related infrastructure thereon owned or operated by a governmental entity where governmental or public activities are conducted. The term “public works” is not restricted to the repair, alteration, improvement, or construction of real property and fixed works, although such projects are included within the term.

- K. Purchase Requisition (PR): A request to purchase stated material or services for a quoted price.
- L. Purchase Order (PO): A written authorization issued by the Owner for a vendor to deliver material or services at a specified price, which becomes a legally binding contract upon acceptance by the vendor.
- M. Vendor: A company supplying material to the Project, whether such provision includes installation or not.
- N. Vendor Requisition Form (VRF): A list of material and price quotes provided by the Vendor/contractor to the Owner for issuance of a Direct Purchase Purchase-Order (DPPO) by the Owner.
- O. Vendor List: A list provided by the Contractor of the vendors the County (Owner) will direct purchase material from.

Summary of Steps for Direct Purchase of Material

- A. Contract Awarded.
- B. Contract Signed.
- C. Purchase Order issued to Contractor for full amount of contract.
- D. Schedule of Values reviewed by the County and selected items identified for Direct Purchase.
- E. Contractor will submit a Vendor List to County (Owner) of only the Vendors that the County will purchase from.
- F. Contractor will submit a Vendor Requisition Form (VRF) and required support documents to County (Owner). Florida Sales Tax rate shall apply including any surtax. VRF must include quote from Vendor.
- G. Change Order is issued to reduce Contractor's PO in the amount of direct materials purchased.
- H. Contractor's PO is reduced for amount of Direct Purchase Change Order.
- I. Issuance of Direct Purchase Purchase-Order (DPPO) and Certificate of Entitlement to Vendor for Direct Purchase as outlined in the Change Order.
- J. The County issues communication to Contractor confirming DPPO for direct purchase material. The communication will include DPPO and Certificate of Entitlement.
- K. Contractor coordinates delivery with Vendor.
- L. Material is delivered and Vendor sends invoice directly to County (Owner).
- M. Upon receipt, County (Owner) records invoice and forwards to Contractor for approval.
- N. Contractor approves invoice, returns to County (Owner) (within 5 days).

- O. County (Owner) initiates payment process to Vendor in payment for materials delivered.
- P. Upon final payment, purchase orders are closed, and tax savings reverts to County (Owner).

71. Instructions

A. Overview

1. The County (Owner) (Hernando County) is exempt from sales tax on the purchase of construction materials, supplies and/or equipment incorporated into a construction project. The County (Owner) may elect to exercise this right to direct purchase selected materials on all construction projects and such direct purchase shall be without any additional cost to the County (Owner). All bids are to be submitted with all applicable taxes included.
2. The County (Owner) shall, via Direct Purchase Purchase-Order (DPPO), purchase material and the Vendor/contractor shall assist the County (Owner) in the preparation of the DPPO. The County (Owner) will purchase the material from Vendors selected by the Vendor/contractor for the price originally negotiated by the Vendor/contractor.
3. The Contractor's PO and contract amount shall be reduced by the amount of the DPPO plus Florida State Sales Tax. This reduction in the Contractor's PO and contract amount will occur through a Change Order (CO), which will reference the Contractor's PO affected by the change.
4. Issuance of DPPO's by the County (Owner) shall not relieve the Contractor of any contract responsibilities for any material purchased and incorporated into a construction project, directly purchased by the County (Owner) or not, with the exception of the payments for the material or equipment purchased via DPPO.
5. The Contractor shall remain fully responsible for: insurance, theft, storage, damage during installation, coordination, quantities ordered, submittals, protection, scheduling, shipping, security, expediting, receiving, installation, cleaning and all applicable warranties, etc. The Contractor must maintain the Builder's Risk policy to include ALL material and equipment stored on-site and installed on-site.
6. It is recognized that the Contractor may encounter additional overhead costs in assisting the County (Owner) with its Direct Purchase Program. The Contractor is charged with including all additional costs as part of the Bid or Proposal.
7. No payment will be made for material or equipment stored off-site.
8. All invoices must contain the County (Owner's) DPPO number in order to be accepted and processed for payment.

B. Vendor List

1. Upon contract award of the construction project, the County (Owner) will review the schedule of values with Contractor and determine which items the County (Owner) will direct purchase.

2. Contractor will submit a Vendor List to County (Owner) of only the Vendors that the County will purchase from.

C. Purchase Order Request - Vendor Requisition Form

1. When the materials to be direct purchased have been determined, the Contractor shall issue a Vendor Requisition Form (VRF) addressed to the County (Owner). The VRF shall contain the following minimum information and be submitted at least 20 days prior to shipment of material.
 - a. Date of VRF
 - b. Project name, number and location
 - c. Vendor/contractor contact information
 - d. Sub-vendor/contractor contact information
 - e. Vendor's full business name, address, complete contact numbers - telephone, fax, e-mail, etc.
 - f. Any special instruction: for delivery and contact person
 - g. Quantity of each material
 - h. Description of all material including item and/or serial number
 - i. Unit cost of each material
 - j. Extended price of each material (quantity times unit cost)
 - k. Sales tax on material to be purchased. Florida Sales Tax rate shall apply.
 - l. Shipping - The VRF and the quote must indicate FOB Destination or Job Site.
 - m. Total price for all material ordered (extended prices plus sales tax)
 - n. Copy of detailed quote from Vendor indicating same information including sales tax amount
 - o. Signature and printed name of Contractor
 - p. Signature of the County Designated Representative
2. All VRF's may be submitted at the same time.
3. All VRF's should be sent by E-mail to the designated County Designated Representative

D. Change Order Request

1. At the same time the VRF is requested, a Change Order must be submitted/executed for reduction of the Contractor's PO and issuance of the DPPO. For this CO, the following documents are required:
 - a. Complete description of proposed change
 - b. The CO must indicate the amount of tax savings.
 - c. List all VRF requested.

E. Issuance of Purchase Order

1. The County (Owner) will issue a DPPO in the amount of the VRF less sales tax. The DPPO will contain the following minimum information:
 - a. Date of DPPO;
 - b. Project name, number and location;
 - c. Vendor's full business name and address;
 - d. Special instruction for delivery and contact person;
 - e. The authorized quantity, material description, unit cost, and extended price for each material;
 - f. Total price for material ordered.
 - g. Attached Certificate of Entitlement
2. The County (Owner) will send the DPPO with the Certificate of Entitlement to the Vendor, and copies sent to the Contractor.
3. Upon receipt of the DPPO by the Vendor, the Vendor and Contractor shall coordinate and schedule delivery of the material to the job site.
4. After delivery, the Vendor must issue and deliver the invoice directly to the County (Owner). The invoice must clearly reference the Owner's DPPO number.
5. All material is to be delivered to the job site, where the Contractor assumes all responsibility and risk.

F. Invoice Approval and Payment

1. Upon receipt of the Vendor's invoice by the County (Owner), the County (Owner) will email a copy to the Contractor for verification and approval. The Contractor will have five (5) working days to process the invoice for payment. Once approved by the Contractor and County (Owner), the Vendor's invoice will be processed for payment.
2. The County (Owner) will issue payment to Vendor in the amount approved by the County (Owner) and Vendor/contractor. The amount paid to the Vendor will not exceed the amount

of the DPPO. In order to maintain timely payments, it will be the responsibility of the Contractor to process invoices in accordance with the payment schedule. The Contractor shall pay any late fees incurred as a result of the Contractor's failure to process invoices in a timely manner.

G. Contractor's Pay Request

1. The Contractor shall be responsible for maintaining details of direct material purchased and tax savings on the Pay Application in the project. The material direct purchased by the County (Owner) and the resulting sales tax savings must appear on each pay request along with all other CO's.
2. The Contractor's pay request:
 - a. Must have Direct Material Purchases (DMP) deducted from pay request.
 - b. Must show all CO's and DPPO's (complete details).
 - c. County Department will reconcile pay request with their records:
 - i. Contractor will be contacted to resolve any discrepancies.