State of Florida
Florida Department of Citrus

Purchasing Policy and Procedures Manual

Revised April 2025

Department of Citrus
Administrative Policies and Procedures
Purchasing

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Section 1. General Overview of Procurement

The purpose of this introduction is to provide the user with information designed to make this policy manual a user-friendly document and reference tool. This policy manual provides the policies and procedures that frame the procurement of contractual services and commodities starting with the purchasing policy and proceeding through writing the contract document or purchase order. The scope of this introduction is limited to outlining the organization of the operating procedures along with a brief overview of the content of each section.

Purpose and Scope
This section provides the reader a general synopsis of procurement in the Department of Citrus, hereinafter referred to as the Department. The categories of Methods of Procurement, the choice of a Method of Procurement, and the Special Procurement Requirements for specific contractual services are briefly summarized. This section is limited to this Department, its procurement of commodities, printing, contractual services, and the procurement procedures used by the contract manager or purchasing director to select a provider with whom to contract for services or commodities.

1.1 Factors to Consider in Deciding Whether to Contract

The decision of the Department to purchase commodities and services rather than providing them in-house is part of the Department's planning and budgeting process. In some cases, the decision to use contractual services is made by someone outside of the Department, such as the Legislature. Once the decision to contract is made and necessary funds are appropriated and budgeted, the Executive Director or a Deputy will appoint (a) staff member(s) to serve as contract manager and to oversee the procurement. (s. 287.057(15)(a), Florida Statutes (F.S.), and ss. 601.10(6) and 601.10(12), F.S. and Rule 20-104, F.A.C.)

1.2 Documentation Requirements

Every contract must be supported by a contract file containing documentation supporting all phases of contract activity. All pertinent information relating to the contract must be maintained in the contract file regardless of the method of procurement used. The files maintained by the contract administrator/manager are the official files of record and must be maintained for a minimum of five (5) years following termination of the contract. If an audit has been initiated and audit findings have not been resolved at the end of five (5) years, the records must be retained until resolution of the audit. (s. 95.11(2)(b), F.S.)

1.3 Definitions

The following are some common terms used throughout the Department's Policy and Procedures manual.

A. Contractual Services

According to s. 287.012(8), F.S., contractual service means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations, consultations, maintenance, accounting, security, management systems, management consulting, educational training programs, research and development studies or reports on the findings of consultants engaged thereunder, and professional (advertising/promotions), technical, and social services. The term does not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of any facility, building, portion of building, utility, parking lot or structure, or other improvement to real property entered into pursuant to Chapter 255, F.S., and rules adopted thereunder.

B. Advertising and Promotion Services

This service includes the rendering by a contractor of time or effort, for promotions and advertising services. Such contractors include advertising agencies, public relations agencies, marketing research suppliers and persons offering opportunities to participate in promotional activities as authorized by s. 601.10(12), F.S., and Rule 20-104.002, F.A.C.

C. Commodities

Section 287.012(5), F.S., defines commodity to mean any of the various supplies, materials, goods, merchandise, food, equipment, information technology, and other personal property, including a mobile home, trailer, or other portable structure that has less than 5,000 square feet of floor space, purchased, leased, or otherwise contracted for by the state and its agencies. The term also includes interest on deferred-payment commodity contracts approved pursuant to s. 287.063, F.S., entered into by an agency for the purchase of other commodities. However, commodities purchased for resale are excluded from this definition. Printing of publications shall be considered a commodity when procured pursuant to s. 283.33, F.S., whether purchased for resale or not.

D. Printing

All procurement of printing must be in accordance with Chapters 283 and 287, F.S. Printing shall not be purchased in excess of the purchasing threshold amount for Category Two without securing formal competitive bids/proposals from two or more printing firms. When printing costs are less than Category Two they may be purchased on an informal bid basis. When utilizing the informal bid process, two or more written or oral quotes should be received from prospective printing firms to assure reasonable competitiveness. (s. 287.017(2), F.S.)

E. Purchase Orders

A purchase order is a mutually binding and enforceable legal relationship obligating a Contractor to furnish Commodities or Contractual Services to a Customer, which is evidenced by an order electronically transmitted from the Customer to the Contractor. (60A-1.001, F.A.C.) The purchase order must contain the specifics of the purchase including the quantity, description, price of the commodity or service, payment terms and dates of performance. A purchase order should not be for a period beyond the fiscal year, without the Legislative Appropriation contingency statement (s. 287.0582, F.S.). Multi-year reference must have been a part of and identified in the Request for Proposal (RFP), if applicable. A purchase order can only be initiated by the Purchasing Department upon receipt of a purchase requisition, which is an internal document or an electronic request via MyFloridaMarketPlace providing details of the purchase request, authorized signature or approval and account code. It must be completed prior to bidding, award and issuance of the purchase order.

F. Contract

A contract, which requires Florida Citrus Commission approval, is a written agreement for the purchase of goods or services and is to be used when the criteria for a purchase order is not met.

G. Competitive Solicitation

Means the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement. (s. 287.012(6), F.S.)

H. Purchasing Categories, Threshold Amounts

Following are the Purchasing categories, threshold amounts currently authorized by s. 287.017, F.S.

Category One:	$ 20,000
Category Two:	$ 35,000
Category Three:	$ 65,000
Category Four:	$195,000
Category Five:	$325,000

1.4 Procurement Guidelines

The type of service, the type of provider, and the estimated dollar value of the contract are some of the factors in determining which state procurement regulations apply. All documentation pertaining to the procurement of services must be retained by the contract manager, regardless of the method used. The files maintained by the contract administrator/manager are the files of record and must be retained for a period of five (5) years following closeout of the contract or until any open audit issues are resolved, whichever is longer.

A. Methods of Procurement

There are three primary categories of procurement: 1) Small Purchase procedures; 2) Competitive Sealed Bid/Proposals; and 3) Exceptional Purchases, Regulated Exemptions, and Procurement From Other Governmental Agency Contracts. To determine the appropriate method of procurement to use, the following must be known: the services for which the contract will be awarded, the funding sources of the contract, the amount of funds anticipated to be spent on the contract, the type of provider (if possible) and the manner in which the amount of payment is determined. **Regardless of the method of procurement used or chosen, all procurements should be in the best interest of the Department and individuals should always be encouraged to practice the greatest degree of competition possible.** The following briefly identifies when the basic criteria governing each of these procurement methods is used.

1. Small Purchases

Small purchases are procurements of commodities/contractual services costing less than the threshold amount for Category Two. See Section 3.4 of this policy manual for a complete discussion of this method of procurement.

a) All contracts less than the threshold amount for Category Two regardless of regulated exemption status, will at a minimum, use Small Purchase procedures.

b) The contract manager should follow the procedures addressed in Section 3.5 of this policy manual, to procure Small Purchases with the greatest amount of competition possible and practical.

2. Competitive Proposals and Sealed Bids (RFPs/ITBs/ITNs)

The Department may not subdivide its contracts in order to circumvent this requirement. (s. 287.057(10), F.S.) Section 5 of this policy manual is devoted to a discussion of Competitive Procurement.

a) All contracts in excess of the threshold amount for Category Two which are not exempt under ss. 287.057(3)(e), or 601.10(12), F.S., must be competitively bid.

b) Any procurement of services which does not fall in the above category and which the Department desires to competitively bid must follow the competitive procurement requirements of Section 5 of this policy manual.

3. Exceptional Purchases, Regulated Exemptions, and Purchases From Other Governmental Agency Contracts

See Section 4 of this policy manual for an in-depth discussion of the following topics:

a) Exceptional Purchases include Single Source and Emergency purchases.

1) Single Source procurement is defined as procurement of a contractual service from a single source. **In the event services are available only from a single source and such determination is documented, the services may be excepted from the competitive sealed bid/proposal requirement.** (ss. 287.057(3)(c) and, 601.10(12), F.S.)

2) Emergency Purchases are authorized by s. 287.057(3)(a), F.S., for the procurement of contractual services without competition (or limited competition) as necessitated by an immediate danger to public health, safety, or welfare, or other substantial loss to the state caused by an unexpected turn of events (fires, floods, riots, etc.).

b) Regulated Exemptions are not subject to the competitive sealed proposal/bid requirements of s. 287.057, F.S., and 60A-1.002 (4)(a) and (b), F.A.C., which list certain contractual services exempt from competitive sealed bidding requirements. These services may still be competitively bid if the contract manager chooses. In many instances, this is advantageous to the Department. When a service which is exempt from the competitive sealed bid/proposal requirements of Chapter 287, F.S., is placed out for bid, all existing state requirements regarding competitive solicitation are applicable.

c) Purchases under Other Governmental Agency contracts may be subject to terms of other government contracts without the need for additional procurement activities.

1) The Department of Management Services (DMS), the state purchasing office, was given the authority to evaluate

contracts let by the Federal government, other states, or political subdivisions to determine cost effectiveness and if it is in the best interest of the State of Florida, DMS will enter into a written agreement authorizing an agency to make purchases under such contract. (s. 287.042(16), F.S.)

2) Agencies shall, and eligible users may, purchase commodities and contractual services from purchasing agreements established and state term contracts procured, pursuant to s. 287.057, by the State Purchasing Office. (s. 287.056(1), F.S.)

B. Prohibited Transactions and Procedures:

The Department is prohibited from transacting business with anyone convicted of a public entity crime, or federal debarred or suspended providers.

1. Individuals Found Guilty of a Public Entity Crime

a) Section 287.133, F.S., requires the Department of Management Services (DMS) to maintain a convicted vendor list, which consists of persons and affiliates who are disqualified from the public contracting and purchasing processes because they have been found guilty of a public entity crime. Such a person or affiliate may not bid on a public contract or transact business in excess of the threshold amount for Category Two with any public entity for 36 months after being placed on the list. The revised quarterly lists shall be electronically posted. Any public entity which receives information that a person has been convicted of a public entity crime shall transmit that information to DMS in writing within ten (10) days of receipt. (s 287.133, F.S.)

b) In order to comply with the requirements of s.287.133, F.S., the Department has incorporated a Public Entity Crime clause in all contracts. This clause **must** also be included in all Department RFPs, ITBs, and ITNs and contracts/ purchases which do not use a standard contract.

2. Debarred or Suspended Providers

Federal regulations (45 CFR Part 75) prohibit the Department from contracting with a potential provider listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the Office of Management and Budget (OMB) guidelines at 2 CFR part 180 that implement Executive Orders 12549 and 12689, “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. These rules and certification requirements also pertain to sub-contractors.

C. Code of Ethics and Conduct

1. Good public administration requires commodities and contractual services to be purchased as economically and expeditiously as possible, consistent with good purchasing practices. In administering a procurement program, employees who are authorized and responsible for obligating and expending public funds must be held to a high level of accountability. All procurement officials must be courteous and objective with vendor representatives; develop clear, concise bid conditions and specifications; keep competition fair and open; and remain free from obligations to vendors. All actions and documents related to this function are subject to internal/ external audits.

2. Statement of Financial Disclosure
In accordance with the provisions of s.112.3145, F.S., an annual statement of financial disclosure must be filed with the Division of Elections, Department of State, by purchasing agents, contract managers and others having the authority to make any purchase exceeding the threshold amount provided for in s. 287.017, F.S. for Category Two. Specific questions concerning the requirements for financial disclosure should be directed to the Commission on Ethics.

3. Ethical Concepts
Ethical concepts of public purchasing are well expressed in Chapter 112, Part III, F.S., thereby obligating every procurement official to an impeccable standard of ethics and conduct.

4. Definition
As used in this section, unless the context otherwise requires, the term public officer shall include every person elected or appointed to hold office in any agency, including any person serving on an advisory body.

a) Solicitation or Acceptance of Gifts
No public officer, employee of an agency, local government attorney, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor or service, based upon any understanding that the vote, official action or judgment

of the public officer, employee, local government attorney or candidate would be influenced thereby. (s. 112.313(2), F.S.)

b) Doing Business With One's Agency

Section 112.313(3), F.S. states no employee of an agency acting in official capacity as a purchasing agent, or public officer acting in official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods or services for their own agency from any business entity of which they or their spouse or child is an officer, partner, director or proprietor or in which such officer or employee or their spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease or sell any realty, goods or services to their own agency, if they are a state officer or employee, or to any political subdivision of any agency thereof, if they are serving as an officer or employee of that political subdivision. This subsection shall not affect or be construed to prohibit contracts entered into prior to:

1) October 1, 1975.
2) Qualification for elective office.
3) Appointment to public office.
4) Beginning public employment.

c) Unauthorized Compensation

No public officer or employee of an agency or his spouse or minor child, shall, at any time, accept any compensation, payment or thing of value when such public officer, employee, or local government attorney knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the officer, employee, or local government attorney was expected to participate in their official capacity. (s. 112.313(4), F.S.)

d) Misuse of Public Position

No public officer, employee, or local government attorney of an agency shall corruptly use or attempt to use their official position or any property or resource which may be within their trust, or perform their official duties, to secure a special privilege, benefit or exemption for themselves or others. This section shall not be construed to conflict with s.104.31, F.S. (s. 112.313(6), F.S.)

e) Conflicting Employment or Contractual Relationship

No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which they are an officer or employee, excluding those organizations and their officers who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the state or any municipality, county or other political subdivision of the state; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between their private interests and the performance of their public duties or that would impede the full and faithful discharge of their public duties. (s. 112.313(7), F.S.)

f) Disclosure of Use of Certain Information
A current or former public officer employee of an agency, or local government attorney may not disclose or use information not available to members of the general public and gained by reason of their official position, except for information relating exclusively to government practices, for their personal gain or benefit or for the personal gain or benefit of any other person or business entity. (s. 112.313(8), F.S.)

D. Additional Procurement Requirements for Specific Services

1. Legal Service Contracts

Even though excluded from competitive bidding requirements, contracts for legal services and amendments to these contracts must be approved by the Office of the Attorney General (AG) **prior** to execution of the contract. To request approval to use private legal services, the form Request for Attorney General Approval of Private Attorney Services must be completed and submitted to the Department's General Counsel for authorization and forwarding to the Office of the AG. After receiving the written response from the AG, the General Counsel will forward the response to the requesting party. Contracts for private legal services may not be executed prior to receipt of approval from the Attorney General. The letter of approval from the Attorney General must accompany the contract or amendment when submitted to the State Comptroller's Office with the first voucher for payment. The Attorney General's approval is not required for the following services: paralegal, expert witness, appraisal or mediator services. (Rule 2-37.010, F.A.C.)

2. Court Reporter Services

Court reporting services and fees must be in compliance with ss. 287.059(14) and (15), F.S.

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Section 2. Contract Administration

It is the Department's policy that all contracts and purchase orders for contractual services contain provisions that establish a set of performance measures that specify the standards by which those measures will be evaluated. Issuing a clear and complete agreement is a critical component of the contract process. The quality of the agreement will have a direct effect on the payment process, the monitoring process, and the overall success of the project. The Purchasing Manager, the General Counsel, the Contract Administrator, and Contract Managers shall verify that performance measures and standards are present in a contract's statement of work before the contract's execution.

Purpose and Scope

This section provides the reader with a detailed examination of the requirements for performance contracting. Effective monitoring can assist in identifying and reducing fiscal or program risks as early as possible, protecting grower funds and ensuring the delivery of required services.

1. **Accountability**
   It is the Department's policy that providers be held accountable for the services provided. While the provider has a responsibility to perform under the terms of the agreement, the Department, through the Contract Manager, has responsibility for reasonable and objective evaluation of the provider's performance.

2. **Termination**
   In the event the contract is terminated as the result of the provider failing to achieve one or more performance standards set forth in the contract, the provider shall not receive any new contracts or purchase orders for the same services for at least twenty-four (24) months from the date of termination, unless so directed by the Florida Citrus Commission. This termination provision in no way limits the termination provisions found in the Department's standard contracts.

2.1 Introduction

Section 20.29, Florida Statutes (F.S.), and Chapter 601, F.S., create the Department as a legal entity and sets forth its mission and purpose.

A. Performance contracting is an integral part of performance-based program budgeting. As a part of implementing performance program budgeting, all purchase orders and written contracts entered into by the Department shall contain a set of objective performance measures and standards by which the provider's performance may be evaluated. This evaluation shall accomplish the following purposes:

1. Verify that the funds expended by the Department for contractual services benefit the citrus industry and promote the achievement of the Department's desired mission and purpose, including adequate documentation. Verify that total payments are within the limits set by the agreement.

2. Promote efficient use of funds through identification and reduction of ineffective or wasteful services; that expenditures were made in accordance with applicable laws, rules and regulations; were authorized by the agreement; were directly related to the project; and were properly supported.

3. Provide quantitative information regarding the effectiveness of service delivery. Such information can be used to support future contract decisions.

B. The implementation of this policy shall generally be referred to as contract administration and this section describes the Department's policy with respect to performance contracting, including: terms and definitions; a brief description of the relationship between performance contracting and performance based budgeting; the required composition of contract performance measures and standards; performance contracting document requirements; the Department's assignment of responsibility for the development and maintenance of performance measures and standards; the development of data sources; requirements for monitoring and reporting; and information pertaining to enforcement, contract termination, and debarred providers.

2.2 Terms and Definitions The terms listed below shall have the following meaning for the purpose of implementing performance contracting.

A. Baseline Data
Indicators of the Department's performance level, pursuant to guidelines established by the Florida Citrus Commission in consultation with the Executive Director of the Department. Baseline data applies at a particular time and should provide a historical perspective of the provider's accomplishments on specified performance measures.

B. Best Value

The highest overall value to the Department is based on objective factors that include, but are not limited to, price, quality, design, and workmanship.

C. Contract

As used within the scope of this section, it includes all arrangements for the purchase of contractual services regardless of whether using a standard contract, purchase order, etc. However, there are distinct differences between the use of a purchase order or contract. This is addressed in Section 6 of our policy manual.

D. Contract Administrator

An individual designated by the Executive Director or his designee who is responsible for maintaining a contract file and financial information for each of the Department's contracts and serves as the Department's source of contract policy administration, and as a liaison with the Contract Managers, and Purchasing, Fiscal and Legal representatives. The contract administrator develops the contract document. s. 287.057(16) F.S.

E. Contract Manager

For each contractual services contract, an individual shall be designated by the Executive Director/Deputy Executive Director to function as contract manager to initiate the contract development process upon approval of the activity concept as it relates to current mission and program plans. The contract manager shall be responsible for enforcing performance of the contract terms and conditions and serves as a liaison between the contractor and the agency. Contract managers that are responsible for contractual service contracts in excess of the threshold of Category Two are required to attend training at least once every two (2) years conducted by the Chief Financial Officer for accountability in contract and grant management. s. 287.057(15)(a) F.S.

Each contract manager who is responsible for contracts in excess of $100,000 annually must complete training in contract management and become a certified contract manager within 6 months after being assigned responsibility for such contracts. Department of Management Services (DMS) is responsible for establishing and disseminating the training and certification requirements for certified contract managers. . A certified contract manager must complete training every 5 years for certification renewal. s. 287.057 (15)(c) F.S.

F. Demand

This measures the targeted or potential product movements (such as boxes of citrus) for a program and/or service.

G. Input

The resources used to produce goods or services. Traditional examples of resource inputs include human resources (full time employees), financial resources (money), facilities, or equipment and supplies.

H. Measure

A single quantitative statement that reports information about the characteristics of a condition, entity, or task. Examples include increase in consumption.

I. Monthly Performance Evaluation Report

The primary measurement system and reporting methodology of the Department's activities that provides a snapshot of progress made to date compared to goals and allows for the ability to modify or make adjustments to programs throughout the year. The metrics are measurable and specific to the current budget and programs, easily understood and calculated. The measurements are updated monthly to show current achievement of program goals. In addition to the Department's Monthly Performance Evaluation Report, the **Long Range Program Plan** establishes and measures program performance as required by Chapter 216 F.S.

J. Office of Primary Responsibility

The Contract Administrator through the Legal Department has the principal responsibility for contract administration.

K. Outcome

A measure of the quantified result, impact, or benefit of program tasks on the industry, customers, or users of the services. These broad results include changes in consumption, behavior, attitudes, beliefs, circumstances, knowledge, or skills and abilities if the program was successful. Examples include increase in consumption and movement of product, successful research which increases industry exposures.

L. Output

The actual service or product delivered by the Department. Program tasks transform inputs into outputs.

M. Performance Measure

Quantitative indicators of the work performed, and the results achieved used to assess a provider's performance in achieving positive results on tasks that are considered necessary to accomplish an outcome or outcomes. Measures of performance include inputs (the resources allocated), outputs (direct counts of program tasks), processes (productivity and efficiency), and outcomes. Contract performance measures have standards (goals) by which to evaluate the provider's success in delivering services (similar performance measures, if aggregated, may be used to assess the Department's performance).

N. Performance Standard or Standard
A specified, desired level or goal for a particular performance measure. A standard is the quantified level of performance to be achieved.

O. Program
A set of tasks undertaken according to a plan of action organized to realize identifiable goals and objectives. A program should contain all processes and tasks necessary to deliver a benefit to the industry.

P. Program Purpose Statement
A brief description of an approved provider's responsibilities and policy goals. The program purpose statement is similar to an agency mission statement except it is directed at the program level.

Q. Service
The task or tasks by which a program (Department or contracted provider) works toward an outcome for the industry. A program may provide one or more services.

R. Statement of Work or Scope of Services
The section of a Department contract that includes, but is not limited to, a description of the services to be provided, the manner of service provision, specific tasks to be accomplished under the contract, service locations and equipment, deliverables, required reports, the provider and Department responsibilities, and the performance measures, standards, and specifications.

2.3 Performance Measures & Standards

Performance measures must be specified using clearly defined terms. Additionally, performance measures should be objective and quantifiable. Performance measures must possess the following attributes:

A. Performance Measures
Performance measures must be specified using clearly defined terms. To be able to construct valid measures, the definitions for all terms must be clear enough for all parties to understand.

1. Performance measures must be based on accurate data sources. Data used to report performance must come from sources that can be verified by independent observers. This implies that the records, reports, documents, or other data sources must be readily available, conform to

specified format requirements, be accurate and consistent, and support the measures in question.

2. Performance measures must be based on data sources that have their origin in the routine performance of the provider's work. The collection of the data should be an integral and essential part of providing the service.

3. Performance measures must conform to Departmental requirements. If the Department has established a department-wide measure for a specific service or program, then the contracts for which that measure is appropriate must contain the Department approved measure as found in the Monthly Performance Evaluation Report.

B. Performance Standards

The standards or goals by which the provider will be evaluated must be set forth in the scope of services and must be clearly identified as such.

1. Performance standards must conform to Departmental requirements if established department-wide standards have been developed for a specific service or program. If there is not an approved standard, contract originators and signers may determine the standards that are most appropriate for use in the contract.

2. Performance standards are not necessarily applicable to all types of contracts (for example legal or administrative). Each program is responsible for making determinations about the standards for performance measures that will apply to services within their realm of responsibility.

C. Measurability

Performance measures and standards should reflect the key elements of the strategic objectives of the Department as the Department focuses on the needs of the industry. These include the need to improve customer relationships, communicate more effectively, focus efforts on marketing and public relations activities that drive consumer demand and ensure that research activities are commercially focused and responsive to the industry. The six strategic objectives and strategies that will provide strategic direction include:

1. Satisfy customer expectations by improving the value of the Department's programs.

2. Increase consumer demand by delivering innovative, focused marketing and public relations activities.

3. Create future value for our customers by conducting and coordinating scientific research.

4. Maximize the Department's benefit to growers by effectively managing budgets and securing alternative funding.

5. Create a dynamic organization focused on effectiveness, efficiency and communication.

6. Create a performance-based culture utilizing the talent, skills, commitment, integrity and motivation of staff.

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Section 3. Small Purchase Procurement; Purchasing Procedure Determinations

The purpose of this chapter is to list Small Purchase procedures and documentation requirements for procurements costing less than or equal to the threshold amount for Category Two, and to outline other procurement categories and when they are used. Unless specifically stated, the following policies apply to Chapter 287 and Chapter 601, Florida Statutes (F.S.), purchasing efforts.

3.1 Purchases with Value Below $2,500

These purchases shall be carried out using good purchasing practices which may include, but are not limited to, written quotations or written records of telephone quotations. (60A-1.002, F.A.C.) Documentation, if obtained, should be submitted with the Purchase Requisition.

3.2 Purchases with Value Equal to or Above $2,500 but less than the Threshold Amount for Category Two

These purchases should be carried out using two or more written quotations whenever practical. Should verbal quotations be received, the name and address of each respondent and the amount quoted shall be a part of the written documentation. If less than two quotations are received, a statement as to why additional quotes were not received must be included in the documentation. If the department determines that commodities or contractual services are available only from a single source, the conditions and circumstances used to determine the procurement method must be documented. (60A-1.002, F.A.C.)

3.3 Purchases with Value Above the Threshold Amount for Category Two

In accordance with Chapter 287, F.S., all purchases for which the total contract value is in excess of the purchasing threshold amount for Category Two for a commodity or group of commodities/contractual services, shall be made by competitive solicitation by first securing competitive sealed bids or proposals except as exempted in ss. 287.057(3)(e) and 601.10(12), F.S.

3.4 Purchasing Procedure Determinations

A. Circumventing Competitive Quotation / Bidding Requirements

Purchase of commodities/contractual services shall **not** be divided or subdivided in order to circumvent the competitive quotation/bidding requirements of the statutes and rules. Acquisition shall be reviewed and considered by Purchasing, and purchases for like commodities/contractual services combined when required. The combined total of the purchases shall be subject to competitive quotation/bidding requirements set forth herein. s. 287.057(10) F.S.

B. Purchase of Commodities / Contractual Services from Certified Minority Businesses

A minority business enterprise, as defined in s. 288.703(3), F.S., is any small business concern organized to engage in commercial transactions, domiciled in Florida, is at least fifty-one percent (51%) owned by minority persons, and whose management and daily operations are controlled by minority persons.

1. A Certified Minority Business Enterprise (CMBE) is a business which has been certified to be a minority business enterprise by DMS pursuant to s. 287.09451, F.S. Florida Statute 287.057(8a), states that in order to strive to meet the minority business enterprise procurement goals, the Department may reserve any contract for competitive sealed bidding for bidding only among certified minority business enterprises, under certain circumstances. If a CMBE is awarded the contract, Purchasing should verify the certification.

2. In accordance with s. 287.057(12), F.S., if two equal responses to an ITB/ITN or RFP are received and one response is from a certified minority business enterprise, the contract shall be awarded to the certified minority business enterprise. All discretionary purchases that do not require competitive bidding and which are not in excess of Category Two as established by DMS, shall be solicited and procured to the greatest extent practical from Certified Minority Business Enterprises.

C. Purchase of Commodities / Contractual Services from Government Agencies

Transfer, sale, or exchange of commodities/contractual services between federal, state, and local government agencies, State Universities, non-profit colleges or universities, (in-state and independent) accredited by the Southern Association of Colleges and Schools, are not considered a purchase within the meaning of the definition of a purchase, and are exempt from all competitive quotation and formal bid requirements by the Florida Statutes. (ss. 287.057(3)(e)12 and 287.057(23) F.S.)

D. Purchase of Commodities / Contractual Services from Prison Industries and Rehabilitative Facilities

Florida Statutes permit Prison Rehabilitative Industries and Diversified Enterprises (PRIDE) and Rehabilitative Enterprises Services and Products (RESPECT), to certify the available products/services for sale to State agencies. Lists of such certified products/services are maintained by the Department's

Purchasing Department and these products **must** be purchased from these vendors. Purchasing will ensure that the statutory requirements governing such purchases are met. Purchases of **certified** commodities/ contractual services are exempt from all competitive quotation and formal bid requirements.

1. The PRIDE Program has been established by the Florida Legislature (s. 946.515(2), F.S.). A private corporation will manage the various prison industries and manufacture of products for sale to state agencies. No similar article of comparable price and quality necessary for use by any state agency may be purchased from any other source. Items may be purchased directly from the various correctional institutions after going through normal bidding procedures. Some programs will have minimum quantity purchase requirements which should be considered along with need, price, quality and delivery.

E. Blanket Purchase Orders

A blanket purchase order is an order placed with a vendor to allow multiple delivery dates over an explicit period of time. Blanket purchase orders are often negotiated to take advantage of predetermined pricing. Purchases of supplies, equipment and services made under this procurement method are generally regarded as a discretionary purchase when not in excess of Category Two. When blanket orders are limited to several known items or services, competitive quotes should be obtained. If the group of commodities/contractual services is too broad to obtain competitive quotes, and the purchase does not fall within one of the exempted procurement methods as listed herein, any one-time purchase shall not meet or exceed $2,500. A statement to this fact must be listed on the blanket purchase order.

1. Blanket Purchase Orders may be issued for on-going purchases during a given fiscal year. Examples of their use are the purchase of hardware, office supplies, minor repairs for plumbing and electrical, parts, and other consumable supplies.

2. The maximum expenditure cannot exceed $35,000 per fiscal year and no capital purchases can be made using a Blanket Purchase Order.

3.5 Documentation Requirements for Selection Process

A. Written material documenting small purchase procedures must be maintained in the procurement file. At a minimum it must include the following:

1. The names of the individuals taking part in the development or selection of criteria for evaluating persons or firms.

2. The names of the persons or firms contacted.

3. The date of contact.

4. The prices or rates quoted.

5. A statement of justification must be provided on the face of purchase order if the vendor with the lowest price is not selected.

6. A Conflict of Interest statement from all individuals involved in making the procurement decision, when accomplished without competition (s. 287.057(19), F.S.), for purchases above Category Two.

B. A copy of this documentation must accompany the contract through the review and approval process and must be maintained in the contract file.

3.6 Installment Sales Contracts

The Department does not encourage the use of installment sales contracts. However, if it is necessary to enter into a rental or lease-purchase agreement, or an installment sales contract for a capital item, and capital funds are involved, Dept. of Financial Services' (DFS) approval is required. The "Checklist for Requesting Department of Financial Services Approval to Lease Equipment" form must be submitted to DFS, Bureau of Auditing, for lease equipment above the Category Two threshold (s. 287.063, F.S.).

A. Rental or Lease Purchase Agreement

Title to the commodity upon final payment or exercise of the purchase option agreement provides for a purchase option. Payments for the rental or lease portion of these types of agreements should be paid from an expense appropriation. Payments made to exercise the purchase option should be made from an OCO appropriation. If the terms of the agreement are such that it is required to be accounted for as a capital lease (purchase) by the Financial Accounting Standards Board (FASB) Statement #13, then all payments should be made from an OCO appropriation.

B. Installment Sales Contract

Title passes before final payment is made. The agreement is only contingent upon funds being lawfully appropriated and released, or some other remote contingency. The risks of ownership are the responsibility of the Department. These types of agreements should be paid from an OCO appropriation.

C. Lease, Lease/Purchase and Installment Purchase

Approval must be obtained from the Department of Financial Services Bureau of Financial Reporting prior to the execution of a contract or issuance of a purchase order for equipment leases, lease purchases or installment purchases that have an annual cost exceeding Category Two. This includes month-to-month rentals as well as other rentals for whatever period of time.

No lease shall exceed 5 years. In computing the total lease cost for determination as to whether the annual lease cost exceeds the Category Two threshold, maintenance and other periodic costs to be incurred for the equipment must be added to the lease payments.

D. Motor Vehicles and Heavy Equipment
The purchase of motor vehicles and heavy duty equipment must have prior written approval from the Department of Management Services. s. 287.15, F.S.

E. Insurance
All insurance coverage and performance bonds will be purchased by the Accounting Department.

F. Building or Office Lease
Lease agreements must be approved by the Department of Management Services, Division of Real Estate Development and Management prior to execution. (Rule 60H-1, F.A.C.) All lease contracts must be referred to the Legal Department.

3.7 Purchasing Card Program
The Purchasing Card Program has been introduced by the Department of Citrus to streamline the procurement process by utilizing a pre-approved and electronically controlled process to purchase low dollar items or repeat purchases of goods or services directly from merchants. This saves time, eliminates State reimbursement of employee expenditures, and pays vendors within seventy-two (72) hours of purchase. Purchasing cards are issued to authorized accountholders for commodities, services, travel and appropriate trade expense. All standard purchasing practices and rules are to be applied in the use of these cards. The Department has an approved Purchasing Card Plan maintained by Accounting, which provides comprehensive guidance on the program.

A. Card Issuance
Each supervisor determines the accountholders for their department and will notify the purchasing card Scoped Administrator via email to set up new accountholders.

B. Purchasing Card Restrictions and Limitations
Purchasing laws, policies, and regulations make it necessary to place restrictions and limitations on the use of purchasing cards. Purchases will not be divided to circumvent the monetary limits established in this policy.

The following transactions are not allowed:

1. Individual purchases exceeding $35,000 (unless items are purchased from an existing State Term Contract).

2. Property items (Operating Capital Outlay) of a non-consumable nature which have a normal life expectancy of one year or more and cost $1,000 or more. Examples include office and institutional furniture and equipment, vehicles, and machinery. Also, hardback covered bound books, which have a cost of $250 or more.

    a) The Purchasing staff, adhering to all other rules for purchasing equipment, may utilize the purchasing card for operating capital outlay purchases.

3. Employee meals, excluding trade meals.

C. Allowable Purchases

Purchases of goods and/or services allowable under this program are determined by one of three groups to which the cardholder is assigned. The groups are Travel, General, and Purchasing described below:

1. Travel group purchases include, but are not limited to airline tickets, registration fees, trade meals, and incidental supplies. Airline tickets must be purchased through the Department's designated travel agency.

2. General group purchases include, but are not limited to building, office and scientific research supplies and services, plus all Travel criteria allowable.

3. Purchasing group purchases include services and products as authorized under current purchasing rules, plus all Travel criteria allowable.

The Purchasing Card Plan can be found in the Staff Information folder at S:\Staff_Information\PCard Policy. Staff are encouraged to review the plan for more detailed information on card issuance and use.

Department of Citrus
Administrative Policies and Procedures
Purchasing

Section 4 - Procurement Exempted from Bidding Requirements

4.1 Introduction

The Legislature recognizes that fair and open competition is a basic tenet of public procurement which reduces the appearance and opportunity for favoritism, and inspires public confidence that contracts are awarded equitably and economically; including the documentation of the acts taken and the effective monitoring mechanisms are important means of curbing any improprieties. Purchases of a commodity or contractual service excepted by law or rule from the requirements for competitive solicitation due to specific, unusual and/or extraordinary situations with limited alternatives, are addressed within this section.

4.2 Documentation Required

Written material documenting the provider selection process must be maintained in the contract manager's bid/provider selection file. At a minimum it must include the following:

A. The names of individuals taking part in the development or selection of criteria for evaluating persons or firms.

B. A description of the circumstances necessitating the use of other than competitive sealed bid/proposal procedures.

C. A statement as to why the person or firm selected represents the most advantageous decision for the state in terms of service and price.

D. Any documentation specifically required by any of the procurement procedures addressed in this chapter.

E. Approvals required, and a Conflict of Interest statement from all individuals involved in making the procurement decision.

A **copy** of this documentation must accompany the contract through the review and approval process and must also be maintained in the Contract Administrator's file.

4.3 Emergency Purchases

A. Conditions

If the Florida Citrus Commission or the Executive Director determines that an immediate danger to the public health, safety or welfare, or substantial loss to the state necessitated by an unexpected turn of events, (acts of God, riot, fires, floods, accidents, or any circumstances or cause beyond the control of the Department in its normal conduct of business), requires emergency action, the Department may proceed with the procurement of the contractual services necessitated by the immediate danger without competition. However, such emergency procurement shall be made by obtaining pricing information from at least two prospective vendors, which must be retained in the contract file, unless the agency determines in writing that the time required to obtain pricing information will increase the immediate danger. If the Florida Citrus Commission determines that it is necessary to make an emergency purchase, the minutes of the Commission shall justify the reasons necessitating such action and shall furnish copies of the written determination certified under oath and any other documents relating to the emergency action. If the Executive Director has determined it is necessary for the Department to make an emergency purchase, the Executive Director shall notify the Chairman of the Florida Citrus Commission simultaneously to making the emergency purchase. **Under no circumstance is an emergency procurement eligible for renewal.** s. 287.057(3)(a), F.S.

B. Preparation and Procedure

The Executive Director must sign a written determination that an immediate danger to the public health, safety or welfare or other substantial loss to the state requires emergency action.

1. The Department shall document the circumstances giving rise to the emergency action on Form PUR 7800, "Notice of Emergency Purchase."

2. The Contract Administrator will review the "Notice of Emergency Purchase" for compliance with the law. After review, the Contract Administrator will:

    a) Prepare a transmittal memorandum to the appropriate signer for the final package recommending approval or disapproval of the certification.

    b) Transmit the certification package for review and approval/ disapproval to general counsel, and any required specified reviewers prior to transmitting it to the appropriate signer.

    c) Transmit the certification package to the appropriate signer for the Department. (NOTE: All "Notice of Emergency Purchase" procurement documents are to be signed according to the appropriate delegation of authority and notarized pursuant to Chapter 287, F.S..)

3. The signed “Notice of Emergency Purchase” procurement package (including the PUR 7800 form) will be returned to the Contract Administrator. Upon its return, the Contract Administrator will transmit the ”Notice of Emergency Purchase”, Form PUR 7800 and other relevant documents by scanning and emailing to emergencypurchase@dms.myflorida.com, **within thirty (30) days of contract execution.**

    a) A copy of the form and certification will be returned to the contract manager for inclusion in the contract manager’s file.

    b) A copy of the form and certification will be maintained by the Contract Administrator in a file specifically for emergency procurements.

    c) A copy of the form and certification will be sent to the Chief Financial Officer with the first invoice.

4.4 Single Source Procurement

Single Source procurement is defined as procurement of a contractual service available from only one source. Single source justification must be thorough and complete. Simply stating that there would be an adverse impact is not an adequate justification of single source procurement. The requester must state exactly how a change in providers would result in an adverse impact. This applies to any Single Source justification. Examples of conditions under which procurements may be processed as Single Source procurements include, but are not limited to, the following: the item or service is available from only one source within a geographic area, there would be an adverse impact on clients resulting from disruption in service caused by a change in provider, or the provider has patents, copyrights, or trademarks. The purchase of a contractual service or commodity that is available from only one vendor is not eligible for renewal. s. 287.057(3)(c), F.S.

A. Single Source Purchase in Excess of Category Two

Purchases in excess of Category Two require the filing of specific forms pursuant to Rule 60A-1.045, F.A.C.

1. The Contract Manager consults with the Contractor Administrator to determine if contractual service is considered a Single Source procurement. Upon determination, the Contract Manager works with the Contract Administrator to develop a document which must include the narrative to support (justify) the procurement as a single source by

setting forth its purpose and need and explaining in detail why the selected provider is the only source for contractual service.

2. The Contract Administrator will review the completed Single Source justification for compliance with Rule 60A-1.045, F.A.C., and send the justification to the FDOC Deputy Exec. Dir. of Admin. and Finance for approval.

3. The approved Single Source Justification is then sent to the FDOC Purchasing Director who shall electronically post Form PUR 7776, "Description of Intended Single Source Purchase" on the Vendor Information Portal (VIP). This notice shall be posted for at least 15 business days (not including Saturdays, Sundays, or legal holidays) in accordance with section 287.057(3), Florida Statutes.

4. During the posting period required in (3) above, if any information is received from prospective vendors as a result of the posted PUR 7776 form, the Department's written determination must address each prospective vendor's submission and explain why such submission does not meet the Department's requirement(s).

5. After the posting time has expired, the Purchasing Director shall provide notice of its decision to enter into a single source purchase by utilizing Form PUR 7778, "Notice of Intended Decision to Enter Into a Single Source Contract." This notice must be electronically posted on VIP for three business days.

6. The Purchasing Manager shall report all single source actions to DMS on a quarterly basis, using form PUR 7779 "Single Source Action Agency Report Form." s. 287.057(3(c), F.S.

4.5 Advertising and Promotion Purchases

s. 601.10(12), F.S. provides that notwithstanding the provisions of Chapter 287, F.S., the Department is authorized to promulgate rules for the purpose of entering into written agreements/contracts which are primarily for promotional and advertising services, and promotional events which may include commodities involving a service. For the purposes of Department advertising and promotional services, Department rules supersede Chapter 287, F.S. Such rules shall include the authority to negotiate costs with the offerors of such services and commodities who have been determined to be qualified on the basis of technical merit, creative ability, and professional competency. Currently, Rule 20-104, F.A.C., provides that competitive procurement is not required for advertising and promotional services which do not exceed Category Three.

A. Contractual Promotion and Advertising Services
Shall include the rendering by a contractor/vendor of its time or effort, and the provision of commodities involving a service relating to promotions and advertising services. Such term includes advertising agencies, public relations agencies, marketing research suppliers, and persons offering opportunities to participate in promotional activities as authorized by s. 601.10(12), F.S. and Rule 20-104, F.A.C.

B. Competitive Announcement
Requests for Proposals and/or Invitations to Bid for Contractual Services shall be developed from all available sources.

1. Solicit bids where the Department is capable of specifically defining the scope of work required.

2. Solicit proposals when it is impractical, or the scope of the requirement is not specifically defined.

3. Solicit from the offeror information relating to the professional responsibility and capabilities of the offeror as relevant. Such information may include gross billing and account mix, capability in art production, copy production and media purchasing, backgrounds of key creative people, marketing and research capabilities, previous government accounts, and credit sufficiency.

C. Contractual Services
Contractual Services for promotion and advertising services may be awarded without competition if it is determined in writing and certified by the Executive Director that such services are available from only one source, or if the services or promotion are offered to all interested parties on a non-discriminatory basis. Single source certification must be fully justified and adequately documented. s. 601.10(12), F.S.

D. Selection Procedure
Where competitive procurement of services is used, at least three (3) bids or proposals shall be considered in the final selection of a provider. If three (3) bids or proposals cannot be obtained, then the committee shall certify what efforts were made to encourage and obtain adequate proposals. In the event no bids or proposals are received in response to a bid or proposal solicitation, the committee may negotiate the best terms and conditions available. The committee members shall individually evaluate and rank the bids and proposals on the predetermined criteria with the final award being offered to the best bid or proposal. (Rule 20-104, F.A.C.)

4.6 Regulated Exemptions to the Competitive Sealed Bid/Proposal Process

Regulated Exemptions to the competitive sealed bid/proposal process are provided for in recognition of specific unusual and/or extraordinary situations. **In the event a service is put out for bid, all state requirements regarding competitive solicitation are applicable.**

A. Selection Process Documentation Requirements

If a sealed competitive solicitation is not used, the contract manager must, at a minimum, document the key decisions regarding the provider selection process to include:

1. Evidence to show why formal competitive purchasing practices (RFP/ITB/ITN) were not practicable and/or in the best interest of the Department.

2. Evidence to show action taken to be competitive to the greatest extent possible.

3. Evidence showing reasons for selection of the provider to which the contract will be awarded.

4. Other documentation described in section 4.2, including the Conflict of Interest statement.

B. Exempt Services

s. 287.057(3)(e), F.S., specifically exempts the services listed in one (1) through (13) from the competitive sealed bid requirements. The service exemptions fourteen (14) through eighteen (18) are based upon other sections of Chapter 287, F.S., and Chapter 60A-1, F.A.C. Contracts for services and conditions included in the following list are still subject to all other provisions of Chapter 287, F.S., and the laws relating to the State Comptroller's authority to audit expenditures for contractual services.

1. Artistic Services: Per 60A-1.002(4)(c), F.A.C., artistic services means the rendering by a contractor of its time and effort to create or perform an artistic work, as defined in section 287.012(3), F.S., including cases in which the acquisition requires that the artist furnish a commodity created through artistic work. The term "artistic services" does not include advertising or typesetting.

2. Academic Program Reviews: Per 60A-1.002(4)(d), F.A.C., an academic program review is a structured evaluation of the relative merits of an established university or secondary educational program or program component conducted by recognized experts in the field of study and

resulting in a written report with specific recommendations, if the fee does not exceed $50,000.

3. Lectures by Individuals: Per 60A-1.002(4)(e), F.A.C., a lecture is a formal or methodical reading or presentation on any subject, but it is not intended to be used for the purpose of, or in connection with, training of personnel.

4. Legal Services, including attorney, paralegal, expert witness, appraisal or mediator services. **NOTE:** Legal services from private attorneys are subject to the requirements of s. 287.059, F.S. and require the written approval of the Attorney General.

5. Health services, involving examination, diagnosis, treatment, prevention, medical consultation, or administration. Health services, including but not limited to, substance abuse and mental health services, involving examination, diagnosis, treatment, prevention, or medical consultation, when such services are offered to eligible individuals under specified programs.

6. Services provided to persons with mental or physical disabilities by not-for-profit corporations which have obtained exemptions under the provisions of s. 501(c)(3) of the United States Internal Revenue Code or when such services are governed by the provisions of Office of Management and Budget Circular A-122. However, in acquiring such services, the Department shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.

7. Medicaid services delivered to an eligible Medicaid recipient unless the Department is directed otherwise in law. (s. 287.057(3)(e)7., F.S.)

8. Family placement services.

9. Prevention services related to mental health, including drug abuse prevention programs, child abuse prevention programs, and shelters for runaways, operated by not-for-profit corporations. However, in acquiring such services, the agency shall consider the ability of the vendor, past performance, and willingness to meet time requirements and price.

10. Training and education services provided to injured employees pursuant to s. 440.491(6), F.S.

11. Contracts entered into by s.337.11, F.S.

12. Services or commodities provided by governmental agencies

13. Statewide public service announcement programs provided by a Florida statewide nonprofit corporation under s. 501(c)(6) of the Internal Revenue Code which have a guaranteed documented match of at least $3 to $1.

14. Continuing education events or programs that are offered to the general public and for which fees have been collected, that pay all expenses associated with the event or program pursuant to s. 287.057(3)(f), F.S.

15. The acquisition of services from any independent, non-profit college or university which is located within the state and is accredited by the Southern Association of Colleges and Schools. **NOTE:** These purchases may be made on the same basis as those made with any institution in the State University and college (s. 287.057(23), F.S.).

16. Purchase of commodities or contractual services from the Department of Corrections or from Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) (s. 287.095, F.S.).

17. Payments for membership dues are exempt pursuant to s. 216.345, F.S., and 60A-1.002(4)(h), F.A.C.

18. A contract for commodities or contractual services may be awarded without competition if state or federal law prescribes with whom the Department must contract or if the rate of payment is established during the appropriations process. (s. 287.057(11), F.S.)

4.7 State Term Contracts

s. 287.056, F.S., authorizes the State Purchasing Office, DMS, to establish state contractual service term contracts. Such contracts may be used by any agency or eligible users. It is appropriate to purchase from a term contract executed by the State Purchasing Office anytime the Department is purchasing the exact or similar services or goods as those on State Term contracts. Such purchasing practices are more cost efficient, less labor intensive, and provide increased assurance that the provider is reliable. All State Term contracts are available online at the DMS website, http://dms.myflorida.com/business_operations/state_purchasing.

A. State Term Contract Procedures

1. Purchases from State Term contracts are exempt from competitive sealed bids, proposals or replies (except purchases of Information Technology (IT) consultant services.) Purchases from State Term

contracts may be made for the minimum contract amount (as stated in the State Term contract) up to any amount deemed necessary by the requestor. The Department may use a request for quote to obtain written pricing or services information from a state term contract vendor for commodities and contractual services available on state term contract from that vendor. The purpose of a request for quote is to determine whether a price, term, or condition more favorable to the Department than that provided in the state term contract is available. If an agency issues a request for quote for contractual services for any contract with 25 approved vendors or fewer, the agency must issue a request for quote to all vendors approved to provide such contractual services. For any contract with more than 25 approved vendors, the agency must issue a request for quote to at least 25 of the vendors approved to provide such contractual services. Use of a request for quote does not constitute a decision or intended decision that is subject to protest under s. 120.57(3), F.S. (s. 287.056(2), F.S.)

2. Each State Term contract consists of a certification of contract, transmittal letter, general and special bid conditions, list of contract vendors, ordering instructions, and a presentation of items/services available on the contract. State Term contracts also list requirements for minimum purchase amounts and quantities and delivery terms and conditions.

3. All State Term contract purchases for supplies, equipment and services subject to the State Term contracts are to be purchased from the sources of supply certified by the Department of Management Services. It is unlawful to purchase from any other source of supply when the source has been established and certified unless the authority has been delegated by law and/or rule to do otherwise.

B. State Term Contract Exceptions

1. Purchases from other than State Term contract suppliers may be approved upon receipt of written documentation describing the conditions and circumstances justifying the exceptional purchase. The Department shall determine the conditions and circumstances justifying the purchase.

2. Exceptions may be approved if the total of the order is below the set minimum purchase amount listed for that particular State Term contract.

3. Exceptions may be approved by the Purchasing Department upon receipt and review of proper documentation of the purchasing file. Documentation shall describe the conditions and circumstances

justifying the exceptional purchase. The purchase is justified if the Department determines that the contract item cannot meet an agency's need because of one of these factors:

a) critical delivery schedules
b) the need for compatibility with existing equipment
c) non-availability of services
d) applications of unique technical requirements
e) product quality
f) specifications that differ from those of the contract

This procedure shall be effective for all exceptional purchases not in excess of Category Two.

4. Under the authority delegated by the Department of Management Services, the Executive Director may approve contract exceptions which are in excess of Category Two through the in-house posting process. All such purchases are to be fully documented. A memorandum describing the conditions and circumstances justifying the purchase must be submitted to the Purchasing Department with the requisition. Purchases shall not be made prior to the end of the certification posting period.

C. Information Technology Consultant Services

Purchases of Information Technology (IT) consultant services from established State Term Contracts shall be made in accordance with the following:

1. If an agency issues a request for quote to purchase information technology commodities, consultant services, or staff augmentation contractual services from the state term contract, for any contract with 25 approved vendors or fewer, the agency must issue a request for quote to all vendors approved to provide such commodity or service. For any contract with more than 25 approved vendors, the agency must issue a request for quote to at least 25 of the vendors approved to provide such commodity or contractual service. (s. 287.0591(5), F.S.)

2. The Department may consider the vendor's qualifications and experience in the selection process. All purchases shall document, by memo from the Department, the selection criteria and resulting evaluation.

3. Upon receipt of proposals and qualifications, the Department may hold interviews with the prospective vendors and terms and conditions for a contract are negotiated with the selected vendor. Included in the negotiations are:

a) Specified service to be performed
b) Cost or hourly rate for services
c) Define deliverables
d) Project start and completion dates
e) Personnel to be assigned to project and their duties/functions
f) List of negotiated rates or total project costs
g) Ownership at the completion of the project
h) Resolution Statement for any developed software

D. Agency Alternate Contract Source (ACS)

A contract that is authorized pursuant to Rule 60A-1.045(6), F.A.C. The Department may develop internal term contracts on those commodities/contractual services that are not specifically covered under State Term contracts. Prior approval must be obtained from the Department of Management Services for the establishment of an ACS for commodities/contractual services similar to any found on State Term contracts by submitting form PUR 7102, “Agency Request for Approval of Alternate Contract Source. ACS contracts must be established in accordance with Departmental administrative policies and procedures.

Department of Citrus
Administrative Policies and Procedures
Purchasing

Section 5. Competitive Procurement Requirements

The competitive solicitation process delineated in this chapter shall be used for procurement of commodities or contractual services in excess of the threshold amount provided for Category Two in s. 287-017 unless exempt from the competitive bid procedures of Chapter 287, Florida Statues (F.S.), or Chapter 601, (F.S.). Procurement **must** be by competitively sealed bids or proposals from one of three procedures for competitive procurement; the **Request for Proposal (RFP), Invitation to Bid (ITB), and Invitation to Negotiate (ITN)**. Competitive procurement procedures are established to ensure fair and open competition, and any competitive bid shall be made available simultaneously to all vendors.

NOTE: The RFP/ITB/ITN must be reviewed and signed off by FCC committee chairman and the appropriate Deputy or designed prior to being advertised in the Vendor Information Portal (VIP).

5.1 Procedures

The Purchasing Manager is responsible for conducting all formal bid/proposal solicitations. The Department of Management Services (DMS) requires that State of Florida formal solicitations shall include the standards listed below. (Rule 60A-1.002(7), F.A.C.)

A. Form PUR 1000, General Contract Conditions
B. Form PUR 1001, General Instructions to Respondents

The forms are available on the internet at https://www.dms.myflorida.com/business_operations/state_purchasing/state_agency_resources/state_purchasing_pur_forms. General bid conditions and legal requirements are contained in these forms; however, any special terms and conditions may be attached. These forms invite sealed bids, proposals, or replies to be opened at a public opening, on a specified date, time and place including the criteria to be used in determining acceptability and relative merit of the bid, proposal or reply. Opening dates are set to allow adequate time for vendor preparation and delivery. All purchases in excess of the threshold amount for Category Two (currently $35,000) shall be advertised on the VIP no fewer than ten (10) calendar days prior to the date set for receipt and opening of bids, proposals or replies. Technical specifications, as appropriate, are to be provided by the requestor and are posted on the VIP with the invitation to bid/proposal solicitations.

5.2 Request for Proposal

The request for proposals (RFP) is the competitive procurement process often used for acquisition of established contractual services when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the Department is capable of identifying necessary deliverables. Before issuing an RFP, the reasons that procurement by invitation to bid is not feasible must be specified in writing (s. 287.057(1)(b)1 F.S. Written documentation consisting of a statement such as the Department does not wish to award this contract primarily on the basis of price, stating the reason the ITB process was not used, must be included in the official procurement file, currently held by the Purchasing Manager. The official procurement file is scanned into Laserfiche and available to all Laserfiche users.

5.3 Format/Developing a Request for Proposal

All information to be provided by the offerors must be specifically requested (specified) in the RFP. Although not all of the following sections are required in the RFP, good business practice will mandate inclusion of all appropriate sections. A RFP template has been developed to ensure all required sections are included. This template is available at the following link: S:\Staff Information\RFP Examples

A. Introduction

All RFPs issued by the department are required to have an Introductory Section. The Introductory Section should include an overview of the RFP and a timeline or calendar of events relevant to the RFP.

B. Background

This section gives a background of the Department, its role in state government and the citrus industry.

C. Statement of Purpose

1. **Need**

   Need describes the circumstances which contribute to the necessity of the project and in general terms what the Department is trying to buy. Inclusion of this section in the RFP eliminates the necessity of a separate determination of need statement to be placed in the contract manager's bid file.

2. **Objective**

   This includes all the specific, measurable objectives the contractor is expected to accomplish, and must relate to the statement of need.

3. **RFP Specifications, Minimum Requirements**

   This is the most critical portion of the RFP, as it provides a general description of the services to be performed under the contract and what will be expected of the provider.

D. Timeline

The timeline is a schedule containing the dates of all relevant deadlines for proposals prior to execution of the contract and helps ensure prospective offerors' compliance. While the schedule must include at least the activities listed below, the sequential order may vary from RFP to RFP. The prebid conference can be excluded from the schedule if no prospective offerors' conference is to be held.

1. Posting RFP - Date proposal is to be released and advertised.
2. Statement of Interest - Date and time by which the Notice of Intent to Submit a Proposal must be submitted.
3. Prebid Meeting/Conference - Place, date, and time of prospective offerors' conference.
4. Questions Due – Date and time after which no inquiries will be accepted.
5. Posting of Answer to Questions - Date by which responses to questions raised at the prospective offerors' conference must be dispersed by the Department.
6. Proposal Opened - Place, date, and time by which all responses to the RFP (proposals) must be received and opened. (Responses must be accepted up until the deadline set for receipt established in this schedule. After that date and time, they must be rejected as untimely.)
7. Review and Evaluation – Date range the selection team evaluates the proposals.
8. Posting of Award Selection - Date on which the selection notice identifying the individual or vendor with whom the contract will be negotiated or awarded is posted.
9. FCC Approval – Date contract submitted to the Commission for approval.
10. Award Date - Anticipated contract beginning date.

E. Reasonable Accommodations

A required statement informing prospective bidders whom they may contact to request a reasonable accommodation due to a disability.

F. Scope of Services

1. **State Requirements**

   This is boiler plate language that covers Florida Statutes, including Florida Citrus Code, Procurement, and Public Records. Also refers to Florida Administrative Code for Department.

2. **Scope of Work**
   a) Who is going to do it? Who is eligible to receive services? Identifies staffing levels, qualifications, responsibilities, and documentation requirements.

b) How all activities are to be executed, in any specific order, follow specific guidelines, and identifies how tasks are to be performed. How many (minimum/maximum) quantities of service to be delivered by the provider. Define how often certain services are to be completed.

c) When is it to be completed and identifies due dates.

d) Where will the work be done? What is the area the provider is responsible for? Where do services have to be delivered?

3. Services and Deliverables

a) Vendor Services - Commodities/Services to be provided. This describes and identifies all components of the commodities/services to be provided in a clear and concise manner. Deliverables must be quantifiable, measurable, verifiable, and directly related to the scope of work.

b) Reports - Specify the type, frequency, form content, and construction of any reports which the provider is required to submit as a part of the contract.

c) Records and Documentation - Describe the form, content, and construction of any records or documentation which the provider is required to maintain, any limitations which are pertinent to the inspection and availability of the documentation, who makes the final determinations regarding questions about records, and how to obtain such determinations.

4. Purchasing

Statement explaining the Department is an executive agency of the State of Florida and must abide by all purchasing rules as mandated by Florida Statute.

5. Staffing

Vendor agrees that a project manager(s) will be assigned and become the primary contact(s) for the Department.

6. Performance Measurement

Describe the benefits to the industry, and state which should result from the contracted services. Specify what constitutes completion of a task or completion of a service. Proof of performance will be provided to the Department prior to an invoice payment and will be demonstrated by, but not limited to copies of advertisements, photos of demos, samples of materials, flyers, details of contests, market research data, surveys, etc.

7. **Use of Name**
   States that neither the Department nor the Vendor will use the name of the other in any publicity, advertising, or news release without the prior written approval of an authorized representative.

8. **Conflict of Interest**
   Statement that the solicitation is subject to chapter 112 of Florida Statutes, and respondents are required to disclose the names of any employee, etc. who is also an employee of the State.

9. **Other Special Requirements**
   This specifies any special requirements which will affect how the contract is to operate; such as staffing, publications, facilities, cost limitations, use of name, ownership, conflict of interest, etc.

G. Considerations

1. **General Contract Conditions and General Instructions**
   Information provided to the vendor regarding forms PUR 1000 and PUR 1001 as discussed in Section 5.1 of this manual.

2. **MFMP Registration**
   Information and instructions provided on the MFMP registration requirements for the awarded vendor.

3. **Amount**
   Boiler plate language regarding total cost is provided in RFP template. This section also requires contract manager to provide additional information to vendor regarding estimated budget cap for this program, or provide historical budgets spent on this type of service in the previous fiscal years, if applicable.

4. **Cost Management Plan/Program Summary**
   Boiler plate language in the RFP template for CMP's and Program Summary.

5. **Financial Consequences**
   Boiler plate language regarding financial consequences is provided in the RFP template. However, additional information must be provided by contract manager, providing a mandatory reduction in payment for non-compliance of deliverable as provided in the RFP. This function may be handled via the CMP for larger, more complex contracts.

6. **Right to Audit**
   Boiler plate language regarding the Department's right to audit or inspect

any and all records to verify compliance with the contract.

7. **Financial Control/Risk Assessment**
   Questions to help the Department evaluate each vendor's ability to provide the services or commodities required in the RFP.

8. **MFMP Transaction Fee**
   Boiler plate language describing the required MFMP transaction fee assessed by the state.

9. **Vendor Lists**
   This section describes the various vendor lists maintained by the state. Any vendor who is on any of the following lists is ineligible from submitting a bid.

   a) Convicted Vendor List
      Pursuant to section 287.133, F.S., a person or affiliate who has been placed on the Convicted Vendor List following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S. for CATEGORY TWO for a period of 36 months following the date of being placed on the Convicted Vendor List.

   b) Discriminatory Vendor List
      Pursuant to section 287.134, F.S., an entity or affiliate who has been placed on the Discriminatory Vendor List may not submit a bid, proposal, or reply on a contract to provide goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.

   c) Antitrust Violator Vendor List
      Pursuant to section 287.137, F.S., a person or an affiliate who has been placed on the Antitrust Violator Vendor List following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply for any new contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply for a new contract with a public entity for the construction or repair of a public building or public work; may no be awarded or

perform work as a contractor, supplier, subcontractor, or consultant under a new contract with a public entity; and may not transact new business with a public entity.

10. Travel

Describe when a vendor will be reimbursed for travel expenses, if applicable.

11. Other Special Requirements

This is used to provide additional information to vendors, (i.e. Pre-Bid Meeting information, etc.)

H. Terms of Agreement

The term of agreement describes the length of the contract that will result from this solicitation. There is no standard language for this component of the RFP. If the Department contemplates renewal of the contract, a statement to that effect is required.

I. Evaluation Criteria

Any assistance received which results in the development of evaluation criteria must be considered carefully if the resulting criteria might exclude potential offerors or inject bias into the evaluation process. Criteria that will be used for evaluation of proposals shall include price, which must be specified in the proposal; if the agency contemplates renewal of the contract, the price for each year for which the contract may be renewed; and consideration of the total cost for each year of the contracts including renewal years must be included.

1. Description of Evaluation Criteria

This section explains the RFP evaluation process and introduces the RFP Rating Sheet. There is no standard language for this section. A specific narrative must be developed for each RFP.

a) It includes evaluation criteria for every element of the RFP that requires a response. These criteria should be written clearly and concretely so both the selection team and the bidder understand what they measure. The criteria should be organized in the same order as the required responses. Examples: Does the bidder's statement of need and purpose reflect general understanding and knowledge of the services to be provided? How well does or to what extent does the offeror provide adequate evidence of ability to meet the project objectives as specified?

b) Assignment of values to each evaluation criterion reflecting its importance.

2. **Identical or Tie Responses**
   This component of the RFP is included to advise the prospective offeror of the Department's practices in circumstances where identical or tie proposals occur.

J. Submittal Information

1. **Procurement Officer**
   The Department's Procurement Officer (Purchasing Manager) who is responsible for the solicitation. The address and phone number should be listed. This person is the sole point of contact for potential respondents from the issuance of the solicitation until the contract award and is responsible for conducting the bidder's conference and answering any inquiries concerning the RFP.

2. **Acceptance of Proposals**
   Proposals must be received by the Department no later than (enter time, date, and place as indicated in the preceding deadline schedule). Any proposal submitted shall remain a valid offer for at least 90 days after the proposal submission date. No changes, modifications, or additions to the proposals submitted (after the deadline for proposal opening has passed) will be accepted by or be binding on the Department.

3. **Notice of Contract Award**
   This RFP component explains how the notice of intended contract award is to be made. The award shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the Department, taking into consideration cost and other criteria set forth in the RFP. There is no standard language for this component. A specific statement must be developed for each RFP. Posting a notice of award statement is required. It is acceptable for notice to be made by posting a notice of award statement at the procurement office.

4. **Proposal Guarantees and Performance Bonds**
   a) Sureties – Proposal Guarantee
      Where appropriate, this component of the RFP is included to instruct the prospective offeror of the requirement to submit a proposal guarantee with the proposal. The proposal guarantee provides a measure of assurance to the Department that the prospective offeror is willing to be held to the terms and conditions of the proposal and will enter into a contract if the award is made.

   b) Sureties – performance Bond

Where appropriate, this component of the RFP is included to advise the prospective offeror of the requirement for the provider to submit a performance bond upon execution of a contract if the prospective offeror becomes the selected provider. The performance bond provides a measure of assurance to the Department that the offeror will perform as agreed in the contract terms and conditions and will assist it in defraying the cost of reprocurement if needed.

i. Bid, Performance and Payment Bonds
   Bid Bonds, and Performance and Payment Bonds are financial guarantees that a vendor/contractor will fulfill all of the contractual obligations. It is imperative that the bid specifications and contracts contain clear and definitive language stating the intentions of the purchaser. Recovery on potential claims against a vendor/contractor depends on the language contained within the bid specifications and the contract or purchase order. Although there are no established criteria except as provided in s. 255.05, (F.S.), as to when a vendor/contractor must furnish the State a bid and performance bond, the accepted practice is to require such bonds when purchasing commodities requiring service and/or installation. In addition, when purchasing service contracts, these bonds should be included in the bid specifications.

ii. Bid Bond
   A bid bond guarantees the purchaser that a party bidding for a State contract will, if their bid is accepted, enter into a contract and furnish required performance and payment bonds, or pay the purchaser the difference between the amount of their bid and that of the bid finally accepted. The amount of the bid bond is usually equal to five percent of the bid price. When the bid bonds are required, they should accompany each bid submitted. They are returned to the unsuccessful bidders after the award has been made. The successful bidder may request the return of their bid bond after they have furnished the purchaser with signed contracts, performance and payment bonds.

iii. In lieu of a bid bond, a vendor or contractor may submit a bid guarantee in the form of a cashier's check, bank draft, or certified check equal to five percent of the amount of the bid and payable to the purchaser.

iv. Performance Bond

A performance bond guarantees the purchaser that the work will be completed according to the contract specifications. This is considered the key bond because the purchaser is guaranteed that the contractor/vendor will comply with all requirements contained within the contract and pay for all labor and materials used in the fulfillment of the contract.

5. **Protest or Disputes**
   This information is included on PUR 1001 - General Instructions to Respondents, paragraph 20 as well as the cover page of the RFP and states "Proposal tabulations with recommended awards will be posted electronically for review by interested parties on or about the date listed in Section 1.3 of the solicitation and will remain posted for a period of 72 hours. Failure to file a Protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes."

5.4 Instructions to Bidders Responding to RFP
The prospective offeror will be requested to include the following information in response to the RFP.

A. **Proposal Certification**
   The RFP certification statement (on RFP cover page) must be signed by the prospective offeror and returned to the contact person listed in the RFP with the proposal.

B. **Title Page**
   Each copy of the proposal should have a title page. The title page should contain the following information:

   1. RFP number (assigned by Department Purchasing Department)
   2. Title
   3. Prospective prebid name (person, organization, firm)
   4. Address to which proposal is to be submitted
   5. Name, title, phone number, and address of person who can respond to inquiries regarding the proposal
   6. Name of the contract manager (if known)

C. **Response to Introduction**
   A brief discussion which evidences the prebid understanding of the need for and the purpose of the project as presented in the RFP should be included in this component of the RFP.

D. **Response to RFP Specifications**

This is the most important section of the proposal with respect to the program content and service delivery. It is very important that bidders be given clear and complete instructions for responding to this section. At a minimum, the proposal should include:

1. The project objectives as seen by the bidders
2. A detailed explanation of how the services will be provided
3. An operational plan which lists the activities to be conducted to accomplish each objective and completion dates.

E. Description of Organization Capability

To provide evidence of organizational capability by:

1. Providing a table of organization, indicating how the project staff fit into the total agency, and how each member of the project staff relates to the other.
2. Providing a synopsis of the bidder's corporate qualifications, indicating their abilities to manage and complete the proposed project.
3. Submitting evaluations of the projects similar to the one proposed in the RFP (previous experience is desired but not required).
4. Submitting a copy of the most recent financial statement or audit or completing the Financial Control / Risk Assessment questionnaire.
5. Submitting an explanation outlining the staff who will be providing the commodity/service, their qualifications and their telephone number.

F. Contract Cost Proposal or Rate and Justification

To submit either a line item price proposal delineating all costs accompanied by a budget narrative supporting each line item; or for a fixed price contract, a rate for service(s) to be provided. A line item cost proposal may be requested in order to aid the contract manager in his evaluation of the proposed rate for service(s).

G. Required Statements or Certifications

1. **Contract Terms and Conditions**

   The proposal must include a signed statement in the response to the RFP indicating acceptance of the terms and conditions of provisions of the commodity/service as specified in the RFP.

2. **State of Florida Public Entity Crime Statement**

   All respondents must submit a signed and notarized Public Entity Crimes statement. This form is included in the RFP template.

3. **Trade Secrets**

   When this section is appropriate and applicable the following language is mandatory in the RFP/ITB/ITN:

The Department will attempt to afford protection from disclosure to any trade secret as defined in s. 812.081, F.S., where identified as such in the response to this RFP, to the extent permitted under s. 815.04, F.S., and Chapter 119, F.S. Any prospective vendor or offeror acknowledges, however, that the protection afforded by s. 815.04, F.S., is incomplete, and it is hereby agreed by the offeror and the Department that no right or remedy for damages arises from any disclosure.

4. **Number of Copies Required**
   This component states the number of copies of the proposal the Department requires to be submitted with an original. It should also state that at least one copy of the proposal submitted to the Department must contain an original signature of an official of the prospective provider agency who is authorized to bind the provider to their proposal.

5. **Statement of No Conflict of Interest**
   This is a signed statement which must be completed by all individuals taking part in the selection, evaluation, and award process, as required by s. 287.057(19), F.S. This signed statement is placed in the procurement file.

5.5 Invitation to Bid

The invitation to bid (ITB) is used for the procurement of all contractual services, commodity, or group of commodities in excess of the threshold amount for Category Two where only the cost will be used to select the provider and the Department is capable of specifically defining the scope of work for which a contractual service is required or when the Department is capable of establishing precise specifications defining the actual commodity or group of commodities required. If the Department contemplates renewal of the contract, a statement to that effect must be included. An ITB includes a detailed description of the services sought accurately detailed and broken down into units of service, the date for submittal of bids, and all contractual terms and conditions applicable for procurement of contractual services. The contract is awarded to the offeror who conforms to all the material terms and conditions of the ITB and has the lowest price. Bids submitted in response to an ITB in which renewal is contemplated, must include the price for each year for which the contract may be renewed and evaluation of bids shall include consideration of the total cost for each year including renewal years.

5.6 Instructions for Developing an Invitation to Bid

The format for an ITB is virtually identical to the outline for an RFP, with minor differences. For this reason, these instructions will concentrate on the differences. Remember to substitute the language ITB and bid for RFP and proposal, respectively.

A. **Minimum Requirements**
   This section of the ITB is different from that of an RFP in that the services/commodities must be very specific and exact. In an ITB, the Department

must detail exactly what services/commodities are to be provided, and exactly how they are to be provided.

B. **Bid Evaluation Criteria and Bid Tabulation Sheet**
   The bid evaluation criteria for an ITB require a yes or no answer rather than requiring a subjective judgment as in an RFP. The bid tabulation sheet provides general information regarding the ITB being responded to and simply lists the offerors (whether or not they meet all the requirements) and the cost-per-unit-of service (fixed price) quoted. Bid tabulation sheets are available from the purchasing officer. Some mention of mandatory criteria should be included in this section, as in the RFP.

5.7 Invitation to Negotiate

The invitation to negotiate (ITN) is a solicitation used which is intended to determine the best method for achieving a specific goal or solving a particular problem and often used for new services. The ITN may be used only for the procurement of services, not commodities and price is not the primary consideration in the selection. The ITN must include specific negotiation methodology. One or more responsive vendor(s) is identified that the Department may negotiate with in order to receive the best value. Before issuing an ITN, the executive director must determine and specify in writing the reasons that an ITB or RFP is not practicable (s. 287.057(1)(c)1 F.S. The ITN must describe the questions being explored, the facts being sought, and the specific goals or problems that are the subject of the solicitation. The criteria that will be used for determining the acceptability of the reply and guiding the selection of the vendor(s) which the Department will negotiate must be specified. One or more vendor(s) within the competitive range may be selected to commence negotiations. The contract file for a vendor selected through an ITN must contain a short, plain statement that explains the basis for the selection of the vendor and that sets forth the vendor’s deliverables and price pursuant to the contract, along with an explanation of how these deliverables and price provide the best value to the state. Prior to the time for receipt of bids, proposals, or replies, a conference or written question and answer period for purposes of assuring the vendor’s full understanding of the solicitation requirements may be conducted.

If one or more of the following criteria apply, chances are an ITN is the most applicable purchasing method.

1. The scope of work for the contract cannot be accurately and completely defined by the Department. This often occurs for acquisitions of rapidly changing technology, outsourcing or complex services.

2. The services can be provided in several different ways, any of which could be acceptable. This often occurs for the acquisition of emerging technologies or complex services.

3. Contractor qualifications and the quality of the services to be delivered can be considered more important than the contract price.

4. The responses may contain innovative solutions that differ from what the Department may have requested, and this process allows for those types of alternatives to be considered.

5. The responses may contain innovative solutions that differ from what the Department may have requested, and this process allows for those types of alternatives to be considered.

5.8 Negotiation Approaches for ITN

There are two negotiation steps or approaches that the Department uses when procuring services when using ITN. These steps are summarized below:

A. Competitive Method A

1. Statement of qualifications: no prices are solicited
2. The most qualified respondents are selected as finalists.
3. Finalists are interviewed by an evaluation panel and ranked in order of their qualifications.
4. Price and scope of services are negotiated with the first-ranked offeror until an acceptable contract price is established, or it is determined an acceptable agreement cannot be achieved with such vendor.
5. If negotiations fail with the first-ranked offeror, negotiations may begin with the second-ranked offeror, and so on until there is an agreement on an acceptable contract.

B. Competitive Method B

1. Offeror qualifications are requested, prices also can be requested, provided that pricing is subject to further negotiation.
2. After the evaluation of responses, offerors most likely to be considered for award are selected and interviewed.
3. Finalists are then selected for negotiations covering both the price and content of the proposal.
4. The award is made to the offeror with the best combination of proposal, qualifications, and price.

5.9 Procedures to Follow in all Competitive Procurements

A. Advertisements of RFPs, ITBs and ITNs

A centralized website on the Internet to electronically post solicitations, decisions or intended decisions and other matters relating to procurement to establish a system of coordinated, uniform procurement policies, procedures and practices has been established under MyFloridaMarketPlace.com. Electronic posting of solicitations must be in place for at least 10 days before the date set for receipt of bids, proposals, or replies, unless determined by the Department in writing that a shorter period of time is necessary to avoid harming the interests of the state.

B. General Vendor Issues

1. **Vendor Registration**
   All firms doing business with the Department on a repetitive basis for the sale of contractual services/commodities defined in s. 287.012, F.S., in excess of the threshold amount for Category Two (currently $35,000) per purchase, shall be registered with the Division of State Purchasing, DMS. Information about the registration process is available, and registration may be completed, at the MyFloridaMarketPlace (MFMP) website at https://vendor.myfloridamarketplace.com

2. **Removal of Providers from Registered Vendor Lists**
   The Division of State Purchasing, DMS, may remove the name of a person or firm listed on the registered vendor list for reasons of nonperformance, failure to respond to three consecutive bid invitations, or other pertinent factors deemed reasonable and valid (s. 287.042 (1)(b), F.S.)

3. **Vendor Lists**
   The contract manager may compile and maintain a list of the contractual services for which he/she expects to contract. A current list of registered providers can be obtained through the MFMP (Ariba on Demand) system.

5.10 Inquiries and Prebid Conference

The purpose of these two activities is to ensure that offerors understand the contract requirements and can submit bids or proposals. The offerors should be advised in the RFP/ITB/ITN of the process for handling questions or concerns, for example, only written questions will be entertained or an offerors conference will be held (indicate the time and place of the conference in the Timeline of Events found in the Introduction section of the RFP/ITB/ITN). **NOTE:** If it becomes necessary to make any changes to the RFP/ITB/ITN when responding to inquiries, an addendum to the RFP/ITB/ITN must be sent by certified mail, return receipt requested, to all persons or firms who returned the Notice of Intent to Submit a Proposal/Bid and to other interested persons who requested, in writing, copies of information distributed regarding the RFP/ITB/ITN. This modification becomes a legal part of the bid. If changes necessitate delaying the bid opening in order to allow sufficient time for responses, this should be accomplished in the addendum. Late or improper notification to the offerors could give cause for a re-solicitation. If practical, verbal notification should precede the delivery of a bid.

A. Written Inquiries

The purchasing office is responsible for having a designated Procurement Officer to receive written inquiries, giving the inquiries a number, and keeping them listed in a log in order of receipt. The purchasing office should then prepare responses (with input from contract manager when necessary) to the inquiries in the order in which they were received. Upon transmitting a response, a copy of the response must be placed in the contract manager's bid file.

B. Telephone Inquiries

The purchasing office should establish a method for recording telephone inquiries and responses given and follow up all calls with a letter or email responding to the inquiry. Maintain copies of the record of telephone inquiries received as well as written responses in the contract manager's bid file. It is recommended that only written inquiries be accepted. This requirement would have to be outlined in the general information section of the RFP/ITB/ITN.

C. Distribution of Information Resulting from Inquiries

Copies of responses to verbal and written inquiries, referenced above, must be distributed to 1) all who attend the pre bid conference; 2) all who requested an RFP/ITB/ITN; 3) all who sent Notices of Intent to Submit a Proposal; and 4) anyone who requests it in writing.

D. Changes to RFP/ITB/ITN

Occasionally, after a solicitation (RFP/ITB/ITN) has been advertised, it becomes necessary to make a change or modification to the solicitation requirements. Changes should be accomplished through an addendum letter explaining the revised requirements and delivered in the most practical manner to all potential offerors. The addendum should also be posted on the Vendor Information Portal with the original solicitation advertisement. Properly delivered and advertised, this modification becomes a legal part of the solicitation. If changes necessitate delaying the RFP/ITB/ITN opening date in order to allow sufficient time for responses, this should be accomplished in the addendum. Upon transmitting changes to an RFP/ITB/ITN, a copy of the changes must be placed in the contract manager's bid file and sent to 1) all who attend the pre bid conference; 2) all who requested an RFP/ITB/ITN; 3) all who sent Notices of Intent to Submit a Proposal; and 4) anyone who requests it in writing. Adherence to this procedure should eliminate any potential re-solicitation.

E. Pre-Bid Conference

The purpose of the pre-bid conference is to review the RFP/ITB/ITN with the interested offerors so that areas of misunderstanding or ambiguity are clarified. An offerors' conference may be held at the contract manager's or contract signer's discretion. The time and the place of the offerors' conference must be included in the Timeline of Events found in the Introduction section of the RFP/ITB/ ITN. An agenda of items to be discussed, such as clarification of the statement of work provisions, billing and payment procedures, reporting requirements and allowable cost determinations should be developed and distributed at the offerors' conference. The name, title, and group or firm affiliation of attendees at the offerors' conference must be recorded. The contract manager or other authorized Department representative should present the items listed in the agenda. After the presentation the floor should be open for questions. Minutes should be taken, or the offerors conference recorded on tape so that a written transcript of the questions and answers discussed at the conference may be made. Copies of the transcript should be sent to all attendees and other interested offerors, as well as retained in the contract manager's bid file. **NOTE:** An offerors' conference is not mandatory. A proposal/bid may still be submitted and accepted from an individual or firm who has not requested an RFP/ITB/ITN or indicated prior interest in the RFP/ITB/ITN, providing there is no contradictory wording in the RFP/ITB/ITN.

5.11 RFP/ITB/ITN Opening

Purchasing must identify a bid opening clerk. As proposals/bids are received, they must be stamped indicating the date and time of receipt. They should then be logged in showing the vendor name and the date and time of receipt. Proposals/bids upon receipt by the Department shall be maintained unopened, in a secure location until the opening time and date. Proposals/bids must be opened on the day and time specified in the RFP/ITB/ITN. If a proposal/bid is received after the opening deadline, then that proposal/bid cannot be considered because it did not meet the proposal/bid opening deadline as stipulated in the RFP/ITB/ITN. If the proposal/bid is in the possession of the Department (i.e., the location listed in the RFP/ITB/ITN), it is considered to be in the care, custody, and control of the bid opening clerk.

A. Opening Process

The opening shall be conducted by a Department employee and witnessed by at least one other Department employee. The RFP/ITB/ITN opening process is open to the public and may be attended by anyone. Documentation must be maintained, evidencing the following: the date, time and place of opening, and names of persons in attendance and their role. For ITBs, tabulation sheets shall be completed simultaneously with the public reading of prices received whenever appropriate. (For RFPs, only the name(s) of the offeror(s), shall be completed on the tabulation sheet(s) at the time of opening.) Upon completion of the tabulation, a copy of the tabulation sheet(s) shall be made accessible for inspection by any interested party. All present at the opening shall be advised that the reading of the prices/names received does not imply or constitute an award. After proposals/bids are opened and tabulated, the opening clerk will give them and the log to the contract manager.

The proposal/bid documents are exempt from public inspection or discussion at that time. Sealed bids or proposals received by the Department pursuant to a RFP/ITB/ITN are exempt from public inspection and examination until such time as the Department provides notice of decision, or intended decision, or until 30 days after the proposal or bid opening, whichever is earlier. (s. 119.071(2), F.S.)

If the RFP required the submission of a separate cost proposal, it must not be opened until the technical proposal is scored and the minimum required score is achieved. The same opening process must be followed for the cost proposal.

B. Receipt of Less Than Two Responses to and RFP/ITB/ITN

When no competitive sealed bids or proposals are received for the purchase of contractual services or commodities in response to a sealed bid or proposal solicitation, the Department shall review the situation in order to determine the reasons, if any, why no competitive sealed bids/proposals were received before issuing a second RFP or ITB/ITN. If the Department determines that the contractual service or commodity is available only from a single source, or that conditions and circumstances warrant negotiation on the best terms and conditions, the Department's intended decision shall be posted in accordance with s. 120.57(3), F.S., before the Department may proceed with the procurement. The contract manager is responsible for documenting the conditions and circumstances used to determine the decision to proceed without a second call for bids in the contract file. The Department is required to report all such actions to the State Purchasing Office, DMS, on a quarterly basis unless this bid/proposal falls under Chapter 601.10(12), F.S.

5.12 Evaluation of Responses

A. A selection team of at least three persons who have experience and knowledge in the program area(s) and service requirements for which contractual services are sought, will be appointed by the appropriate authority to aid in the selection of providers for contracts exceeding the threshold amount for Category Four. It is required that a selection team of at least three employees be used for all contracts, regardless of dollar amount. (s. 287.057(17), F.S.)

B. It is required that each prospective member of the selection team complete the Attestation of No Conflict form to ensure that no team member has any conflict of interest which would interfere in the selection of a provider. The form may be found on the DMS website, form PUR 7662. If a proposed team member is unable to sign, his/her participation on the selection team must be reviewed by the contract manager in conjunction with the legal counsel.

C. While the Department does not recommend that selection team members participate in the development of the RFP/ITB/ITN and its evaluation criteria, if these circumstances cannot be avoided, the Attestation of No Conflict form must be completed prior to such involvement.

D. Meetings of the selection team are subject to the provisions of the Government in Sunshine Law, s. 286.011, F.S. Any meetings of two or more members of the selection team must be open to the public and are governed by the provisions of Chapter 286, F.S. If the Schedule of Events and Deadlines in the RFP includes the location, date, and time of selection team meetings, this serves as the required public notification.

E. The selection team must evaluate ITBs based on lowest price and must evaluate RFPs/ITNs using the evaluation sheet contained in the published RFP/ ITN. The selection team, upon completion of their review, may be required to submit their recommendation (a ranked list of all offerors) to the contract signer for review. The contract signer will then decide which person or firm is to be awarded the contract based upon the recommendation made by the section team and taking into consideration which offer is most advantageous to the Department. If the highest ranked offeror, as reported by the selection team, is not selected, the reason for the selection of another offeror must be set forth in writing and included in the procurement file.

5.13 Awarding the Contract

A. In the case of an ITB, the contract shall be awarded to the most responsive and responsible offeror with the lowest price. In the case of an RFP/ITN, the contract will be awarded to the offeror who was ranked highest using the evaluation methodology in the RFP/ITN and who presents the best offer for the contractual service sought.

B. The Department shall provide notice of the intended award by electronic posting. The notices must be posted for seventy-two (72) hours (not including Saturdays, Sundays, or legal holidays). If no written notice of protest is filed during this posting period, the intended contract award becomes final. If the bid tabulation method is used, the bid tabulation must also show beginning and ending posting time and date.

C. Recommended and Required Bid Tabulation and Notice Statements

1. The following statement is **recommended** in the posting of bid tabulations and all notices of intended contract award:

   As a result of the RFP/ITB/ITN evaluation procedure for RFP/ITB/ITN number ____________, the Department has selected __________as the prospective provider with which it will seek to contract.

2. The following statements are **required** in the posting of bid tabulations and

all notices of intended contract award. A Bid/Proposal Tabulation form, located on the share drive under staff information must include the following statement in accordance with s.120.57(3)(a), F.S.,

Failure to file a protest within the time prescribed in section 120.57(3), Florida Statutes, or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under chapter 120, Florida Statutes.

5.14 Protests

Pursuant to s. 120.57(3)(b), F.S., any person or firm who has been adversely affected by a decision or intended decision concerning a bid solicitation or a notice of contract award may file a written notice of protest with the contact person listed in the solicitation within seventy-two (72) hours of receipt of bid documents or posting of tabulations. The rule requires filing with the agency and does not provide any additional time for mailing. (s.120.57(3)(b), F.S.)

Filing the Protest

Any person or firm adversely affected by a bid solicitation or by a Department decision, or intended decision concerning a procurement solicitation or award, and who wants to protest the decision or intended decision shall:

1. Advise the contact person listed in the bid solicitation of their intent to file a notice of protest. The notice of intent to protest must be in writing and filed within seventy-two (72) hours.

2. File a formal protest with the contact person listed in the bid solicitation after filing the notice of intent to protest. The formal protest must be in writing and filed within ten (10) days after filing the notice of protest.

   Failure to timely file a formal written protest shall constitute a waiver of proceedings under Chapter 120, F.S.

3. Formal written notice of protest must state with particularity the facts and law upon which the protest is based.

4. At the time of filing the formal written protest, a bond payable to the Department must be included.

   a) In lieu of a bond, a cashier's check or money order in the amount of the bond may be submitted to the contact person.
   b) Failure to file the proper bond at the time of filing the formal protest will result in a denial of the protest.

5. Any person who files an action protesting a decision or intended decision pertaining to contracts administered by the Department pursuant to ss. 120.57(3)(b), and 287.042(2)(c), F.S., shall:

    a) Post with the Department at the time of filing the formal written protest, a bond payable to the Department in an amount equal to one (1) percent of the Department's estimated contract amount, which bond shall be conditioned upon payment of all costs which may be adjudged against the protestor in the administrative hearing in which the action is brought and in any subsequent appellate court proceeding. For protest of decisions or intended decisions of the Department pertaining to requests for approval of exceptional purchases, the bond shall be in an amount equal to one percent of the Department's estimate of the contract amount for the exceptional purchase. The Department shall provide the estimated contract amount within 72 hours, excluding Saturdays, Sundays and state holidays, after the filing of the notice of protest by the vendor. In lieu of a bond, the Department may accept a cashier's check or a money order in the amount of the bond.

    b) Whether protesting a decision or intended decision, the bond will be submitted to the contact person. Upon receipt of the formal written notice of protest, the contact person must secure the bond, cashier's check, or money order until resolution of the protest. (s.120.57(3), F.S.)

6. Department's Response to Protest
    a) Upon receipt of a formal written notice of protest which has been timely filed, the solicitation of the bids or proposal process or contract award process may be stopped until the protest is resolved. Upon receipt of a protest, the contract manager shall immediately consult the general counsel. With the general counsel, the Department must determine whether or not to accept or reject the protest. (s. 120.57(3), F.S.)

    b) The Executive Director, if it is deemed necessary, may set forth, in writing, particular facts and circumstances which require continuance of the solicitation of bids or proposals or contract award process on an emergency basis without the above mentioned delay in order to avoid immediate and/or serious danger to public health, safety, or welfare. This written determination will specifically detail the facts underlying the decision and will constitute final agency action. (s. 120.57(3), F.S.)

7. Resolution of the Protest
    a) Upon receipt of the intent to protest or formal written notice of protest, the contract manager must attempt to resolve the protest by mutual agreement with the provider on an informal basis. The contract manager will have seven (7) days after receipt of the formal written notice of protest to resolve it

through mutual agreement. The seven (7) days will exclude Saturdays, Sundays, and legal holidays, as designated in s. 110.117, F.S. (s. 120.57(3), F.S.)

b) If the protest is not resolved by mutual agreement within seven (7) days (excluding Saturdays, Sundays, and legal holidays, as designated in s. 110.117, F.S.) of receipt of the formal written protest, and there is no disputed issue of material fact, a Hearing Officer shall be designated who shall conduct an informal proceeding pursuant to s. 120.57(3), F.S.

c) If the protest is not resolved by mutual agreement within seven (7) days (excluding Saturdays, Sundays, and legal holidays, as designated in s. 110.117, F.S.) of receipt of the formal written protest, and there is a disputed issue of material fact., the formal written protest shall be referred to the Division of Administrative Hearings for further proceedings after consulting with legal counsel. (s. 120.57(3), F.S.)

d) Upon completion of the administrative hearing process and any appellate court proceedings the disposition of the bond shall be as follows: If the Department prevails, it shall recover all costs and charges which shall be included in the final order or judgment, excluding attorney’s fees. Upon payment of such costs and charges by the person protesting the award/provider, the bond shall be returned to him. If the person protesting the award prevails, he shall recover from the Department all cost and charges which shall be included in the final order of judgment, excluding attorney’s fees.

Department of Citrus
Administrative Policies and Procedures
Purchasing

Section 6 - Contract Documents

The Department may make purchases via purchase orders, written contracts approved by the Florida Citrus Commission, and Purchasing Cards. This section will address when a purchase order, written contract or P-cards are to be used and will address terms which must be in purchase orders or contracts. The contract or purchase order **must include** all terms and conditions governing the nature and delivery of services, provider performance requirements and performance evaluation methodology, record keeping and reporting requirements, payment methodology, penalties for provider ‘s failure to comply, etc. The contract **shall** ensure that the provider is held to the highest standards possible for service quality, accountability, economic efficiency, and service effectiveness.

6.1 All Contracts Subject to Approval by the Florida Citrus Commission

A. Advertising and Promotional Services

1. s. 601.10(12), F.S., provides broad contracting authority to the Department. Specifically, notwithstanding the provision of Part I, Chapter 287, Florida Statutes, the Department (Florida Citrus Commission) has the power to promulgate rules for the purpose of entering into contracts which are primarily for promotional and advertising services, and promotional events, which may include commodities involving a service. (Rule 20-104, F.A.C.)

2. Under such rules, the Department has the authority to negotiate costs with the offerors of such services and commodities which have been determined to be qualified on the basis of technical merit, creative ability, and professional competency. This includes:

   a) Premium and prize promotions designed to increase the use of citrus in any form.

   b) Conducting marketing activities in foreign countries and other programs designed to develop and protect domestic and international markets.

3. Department rules also provide that contractual services for advertising and promotion services may be awarded without competition if it is determined in writing and certified by the Executive Director or his designee that such

services are available only from one source. Unless certified by the Executive Director, Chapter 287, single source procurement procedures apply.

4. All advertising and/or promotional services that are less than the threshold for Category Three shall require a contract that must be approved by the Florida Citrus Commission, unless the Executive Director determines that a contract is not necessary. (DOC Policy) In making this determination, the Executive Director shall consider the following:

    a) Are the terms complex?
    b) Does the Department have obligations to perform other than payment?
    c) Are there periodic payments?
    d) Are there issues of indemnification or ownership of intellectual property involved in obligations?
    e) Will payments involve two (2) or more fiscal years?

5. All advertising and/or promotional services that are at the threshold for Category Three or higher shall require a contract that must be approved by the Florida Citrus Commission. (Rule 20-104, F.A.C.)

B. Formal Contract Subject to Chapter 287, Florida Statutes

1. The Department 's annual expenditures which relate to scientific research, legal, and administrative purposes are governed by the provisions of Section 287.058, F.S., and Department of Management Services (DMS) rules relating to the competitive bid process.

    a) This includes the purchase of contractual services from private for-profit or non-profit organizations, other governmental agencies, or individuals.

    b) Some contractual services maybe exempt specifically by s. 287.057(3)(e), F.S., from the competitive bid process. Any proposed contractual services that fall into this category must clearly state the Florida Statutes from which the authority is derived for the exemption.

2. All contract documents governed by Chapter 287, Florida Statutes, relating to scientific research, legal, and administrative purposes require a written agreement that is subject to Florida Citrus Commission approval in the event costs are greater than the threshold for Category Two . Additionally, if the costs for such services are less than the threshold for Category Two , the

Executive Director may determine that a contract, subject to Florida Citrus Commission approval, may be required. In making this determination, the Executive Director shall consider the following:

a) Are the terms complex?
b) Does the Department have obligations to perform other than payment?
c) Are there periodic payments?
d) Are there issues of indemnification or ownership of intellectual property involved in obligation?
e) Will payments involve two (2) or more fiscal years?

3. If the purchase is governed by Chapter 287, F.S., but is purchased via a State Term Contract, (for example; furniture, office maintenance, office supplies, etc.) FCC approval is not required, and the Department may proceed with the purchase via purchase order.

4. If the purchase is governed by Chapter 287, F.S., but involves the purchase of research supplies, (for example; oxygen, test tubes, beakers, etc.) FCC approval is not required, and the Department may proceed with the purchase via purchase order or P-card.

6.2 Contract Requirements

A. The Legal Department has developed a model core contract document which contains the basic (boiler plate) contract terms and clauses required in all Department contractual services contracts. This includes statutory requirements applicable to contracting in general, the State Comptroller‘s requirements, and Department policy. The written agreement shall be signed by the Executive Director and the provider prior to the rendering of any contractual service.

1. The Purpose of a standard contract is to:

a) Aid contract managers in obtaining the necessary information to facilitate the preparation of their contracts

b) Ensure inclusion of uniform administrative requirements of contract providers on a Department wide basis.

c) Ensure that the minimum contract document requirements are included in all Department contractual services contracts.

d) Simplify the review of the contract document.

2. In addition to the Standard Contract language, additional information is required which addresses all terms which are not covered in the Standard Contract but are necessary to govern the relationship between the Department and the provider. These terms address such things as the services to be purchased, provider performance standards and evaluation methodology, provider staff qualification requirements, reporting requirements, and payment methodology/schedule of deliverables.

   a) **Format**
      A format has been developed to assist the Contract Manager in negotiating with the provider, and to outline what information is needed for the development of a contract document.

      i. **Statement of Purpose**
         This should be a detailed expression of the necessity of the services/project, and how the services/ project relates back to the strategic planning process and what the Department is trying to buy.

      ii. **Statement of Objectives/Scope of Work**
         This should briefly describe what the project must accomplish and must relate to the statement of purpose. This creates the list of tasks/services that must be verified during the monitoring process. A poor Scope of Work may lead to the Department's mission being unfulfilled. A poorly written Scope of Work may also result in the following: tasks that were intended to be performed may not be, the provider may perform unnecessary tasks, an inability to monitor effectively.

      iii. **Term of Agreement**
         The term of agreement describes the length of the contract. Contracts for commodities or contractual services may be renewed for a period that may not exceed 3 years or the term of the original, whichever period is longer. Renewal of a contract for commodities or contractual services shall be in writing and shall be subject to the same terms and conditions set forth in the initial contract. If purchased as a result of the solicitation of bids, proposals, or replies, the price of the commodity or contractual service to be renewed shall be specified in the bid, proposal, or reply. A renewal contract may not include any compensation for costs associated with the renewal. Renewals shall be contingent upon satisfactory performance evaluations by the Department and subject to the availability of funds.

iv. Manner of Services Provided/Deliverables

This section outlines the services to be provided, including the outcome measures and performance standards. The contract must be divided into specific, quantifiable, measurable and verifiable units of deliverables. Deliverables can be the events that trigger payments. The provider receives payment when a deliverable is received and accepted in writing by the Contract Manager. In some instances, the tasks defined by the scope of work and the deliverables are the same. Each deliverable must be directly related to the scope of work and specify the required minimum level of service to be performed and criteria for evaluating the successful completion of each deliverable. Payments are made on monthly or quarterly basis for convenience but only after the provider submits the verification that the services have been rendered to the Contract Manager.

v. Method of Payment

This section specifies the total or maximum dollar amount of the contract, the manner in which the contract costs will be displayed on invoices, the frequency with which invoices will be submitted to the Department, and any special conditions pertaining to payment of contract invoices. This section identifies the documentation which must be submitted by the provider to the Department or maintained on file by the provider to establish sufficient detail for a proper audit trail for contract costs and provisions of services.

a. Payment Methods Used

The Department uses two basic payment methods in contracting for services, Cost Reimbursement and Fixed Price.

1) Cost Reimbursement

This payment method is used when it is desired to exercise some degree of control/oversight over the provider‘s cost incurred in delivering the contracted services. The provider will be reimbursed for actual, allowable expenditures that are made within the limits of the approved budget. In order to be paid, the provider will have to submit periodic invoices which clearly identify these expenditures. Additionally, the expenditures reported on the invoice must be supported with documentation which is required to accompany each invoice.

2) **Fixed Price**
Fixed Price is representative of the following payment methods: Unit Cost or Fixed Fee. In a unit cost payment method, the provider is paid a pre-determined price for each unit of service delivered. A unit of service may be based on time, tasks, activities, contacts, or any combination thereof. In a fixed fee payment method, the total contract price is determined up front and paid upon completion of the total service requirements of the contract.

vi. **Expenses**
Receipts are required for all expenses incurred, such as office supplies, printing, long distance telephone calls, etc.

vii. **Travel**
For all authorized travel expenses, a Department travel voucher, (State of Florida Voucher for Reimbursement of Traveling Expenses) must be submitted. Original receipts for expenses incurred during officially authorized travel (items such as car rental and air transportation, parking and lodging, tolls and fares) are required for reimbursement. s. 287.058(1)(b), F.S., requires that bills for any travel expenses shall be submitted in accordance with s. 112.061, F.S., governing payments by the state for traveling expenses.

viii. The contract must specify the financial consequences that will apply if the provider fails to perform in accordance with the contract.

ix. Addressing the property rights of any intellectual property related to the contract and the specific rights of the state regarding the intellectual property if the contractor fails to provide the services or is no longer providing the services.

6.3 Purchase Order in Lieu of the Contract Document

In lieu of a written agreement, the Department may authorize the use of a purchase order for classes of contractual services.

A. Use of a purchase order may be considered for a given class of contractual services on a limited basis when:

1. The purchase (regardless of the amount) is from a source of supply certified on term contract by the State Purchasing Office, Department of Management Services (DMS);

2. The purchase, (regardless of the amount), is for research supplies (for example: oxygen, test tubes, beakers etc.); and

3. The purchase satisfies **all** of the following criteria. The purchase:

   a) Is for a simple or standardized service.
   b) Involves a limited, one-time transaction.
   c) Involves advertising and promotional services in an amount less than $65,000 or involves services subject to the provisions of chapter 287, F.S., and is less than $35,000.

B. When using a purchase order for contractual services, it is necessary to meet **all** of the following criteria:

1. Adhere to applicable procurement procedures.

2. Ensure that the Department's performance contracting policies are complied with where applicable.

3. Ensure that efficient tracking and accounting mechanisms are in place, which are compatible with and accessible to existing systems for contractual services in order to facilitate the monitoring and oversight.

4. Ensure that, at a minimum, all of the following terms and conditions are included in the purchase order: (s. 287.058(1), F.S.)

   a) The provisions of s. 287.058(1)(a) - (i), F.S. (**NOTE:** These specific provisions may be printed somewhere on the purchase order either in full or incorporated by reference.)
   b) A clause prohibiting the use of funds for lobbying
   c) A clause regarding the Public Entity Crimes
   d) A clause regarding the State's obligation to pay being contingent upon an annual appropriation by the Legislature.
   e) An adequate description of the services.
   f) The contract period.
   g) The Method of Payment.

h) The electronic signature of the individual authorized to sign (before the services are rendered).

C. Information Required on Purchase Order

The purchase order would be generated in the Purchasing Department and electronically mailed to the vendor via Ariba on Demand. The following information must be noted on the face of the purchase order.

1. The terms of payment are clearly stated.

2. There is an adequate description of the commodity as to size, color, model number, quantity, date of delivery, etc. if applicable, and an adequate description of services to be rendered.

3. If the purchase order is the result of a bid, attach a copy of bid invitation, bid tabulation, award of lowest price, or proper certification if not lowest bidder.

4. State FOB point and/or charges for delivery. All deliveries should be FOB destination.

D. Purchase Order Distribution

The purchase order, with all support, will be distributed by Purchasing as follows:

1. Provide the electronic copy to the vendor for purchases of $35,000 or greater.

2. One copy to the Accounting Department with required support.

3. One copy with supporting documents to the Contract Administrator, if applicable.

4. One copy placed in the file of the contract manager.

5. One copy in the Purchasing file.

E. Chief Financial Officer 's Waiver of the Contract Document Requirements of s. 287.058, F.S.

<u>The authority to grant these waivers rests solely with the Chief Financial Officer pursuant to s. 287.058(5), F.S.</u> These waivers have been limited and are very specific as to the services/situations to which they apply.

6.4 Purchase Order Requirements

A purchase order can only be initiated by the Purchasing Department upon receipt of a purchase requisition via MyFloridaMarketPlace (MFMP) Ariba on Demand which contains a description of the goods or services to be purchased, account codes, and approval of the individual authorized to initiate the request (Deputy Executive Director or designees).

A. Before a purchase order can be issued, it is the Purchasing Department 's obligation to verify that the commodity is not under State contract, proper bidding documentation exists and includes all supporting documentation.

B. A purchase order is not to be issued after the fact or in confirmation of prior unauthorized instructions to a vendor to start work or ship a commodity to the Department.

C. If a purchase order is to be changed after it is once issued, several factors must be considered.

1. If the purchase order **is** the result of a formal bid invitation and the vendor cannot fulfill his obligation, then:

    a) If the work has not begun, the purchase order can be canceled and the purchase awarded to the next lowest bidder.

    b) If the work has begun or the Department stands to lose funds due to vendor default, then legal action should be considered. **NOTE:** Consult with the Legal Department before canceling a purchase order or agreeing to any changes.

2. If the purchase order **is not** issued by way of a formal bid, and the vendor cannot fulfill his obligation, then:

    a) By amendment, a minor technical change may be made to the original purchase order. The vendor must sign and return the amendment to the Department.

    b) If the work has not begun and there is a major change in the terms or a revision in the quality, quantity, or price, then the purchase order must be canceled and a new one issued.

    c) If the work has begun or is completed, a purchase order cannot be voided after the fact.

    d) A state purchase order may never be issued for the purchase of an item for personal use even if the employee intends to reimburse the State. Such action can result in dismissal of the employee.

e) A purchase order must include information concerning the status of Certified Minority Business Enterprise proposals.

D. If an error has been made by the Department and the purchase order has been issued incorrectly, such as a wrong model color, etc., then contact the Purchasing Department for correction.

E. Advanced Payments

Advance payments will not be honored without prior approval. s. 216.181(16)(b), F.S., with minor specific exemptions, prohibits payment for services or commodities prior to completion of the work or receipt of the goods. If this situation arises, refer to the Accounting Department for possible approval from the Department of Financial Services.

F. Deferred Payments

If a deferred payment price will exceed the cost of a commodity that could have been acquired through a normal purchase, such contract must be submitted to the Department of Financial Services for pre-audit and approval. The contract should be submitted at least twenty-one (21) days before the anticipated date of acceptance. The annual percentage rate of interest as calculated by the vendor, in accordance with the Federal Truth in Lending Act, shall be submitted along with the proposed deferred payment contract.

Department of Citrus
Administrative Policies and Procedures
Purchasing

Section 7 - Contract Management

7.1 Definitions/Purpose

A. Contract Manager

An individual designated by the Executive Director/ Deputy Executive Director who shall be responsible for enforcing performance of the contract terms and conditions and shall serve as liaison with the provider/vendor. The Contract Manager is the individual who is primarily responsible for negotiating and enforcing the terms and conditions of the contract, carrying out the preparations for contracting, developing the Scope of Work, developing evaluation tools for bid analysis, and reviewing and approving invoices. The Contract Manager is the primary point of contact through which all contracting information flows between the agency and the provider/vendor in coordination with the Purchasing Department.

B. Contract Administrator

An individual designated by the Executive Director who is responsible for maintaining files on all of the Department's contracts to document the contract history (start/end dates, increases/ decreases, amendments, renewals and extensions beginning with the process of administering a contract from the initial stages through the procurement of a provider to deliver those commodities or contractual services and then track the routing of contract documents through the Department review process. The Contract Administrator serves as the Department's source of contract policy administration, also serving as a liaison with the Contract Managers, Department of Purchasing, Fiscal/ Accounting, and Legal Departments. The Contract Administrator's file includes a copy of the completed, signed contract when executed, provides the contract number referenced on any and all correspondence about the contract, and a signed and dated Contract Routing Form. The Contract Administrator is also responsible for posting all contract information to the Florida Accountability Contract Tracking System (FACTS) system within 30 days of execution of the contract as required by s. 215.985(14)(a), F.S.

7.2 Contract Requirements

A. Contract Files

State law requires that a file be maintained for every contract to ensure that documentation exists to protect the Department, and to clarify events, should a protest, audit or other situation arise. The contract file provides pertinent information related to a contract in a logical and coherent manner and provides required documentation on decisions and events related to the contract. Each contract file consists of two sub files, the procurement file and the contract file. The contract file is the **official record** for the department and must be maintained for a period of five (5) years following the contract closeout or resolution of pending action (such as legal or audit) whichever is later. Reviews of the contract manager's file are to be conducted on a routine basis by contract administration to ensure necessary documentation is being properly maintained.

1. **Procurement File**
   The bid/provider procurement file contains all documentation and information regarding the provider's selection process regardless of the procurement method. This may include the following items:

   a) Proof of legal advertising.
   b) Copy of Requests for Proposal (RFPs), Invitations to Negotiate (ITNs), or Invitations to Bid (ITBs)
   c) Copies of bids/proposals received.
   d) Documentation of bid/proposal opening activities.
   e) Copies of selection team's evaluations.
   f) Correspondence relating to bid.
   g) Documentation of any posting activities.
   h) Notice of Award.
   i) Copies of protests received and documentation of their resolution.
   j) Bid Tabulation.
   k) Copies of the questions and responses to all inquiries.
   l) For competitive procurements, documentation listing the names of all individuals taking part in the development of selection of criteria for evaluation, the evaluation process, and the award process.
   m) Documentation required by small purchase procedures. (see Section 3 of this policy manual)
   n) Documentation required by procurement procedures addressed in section 4 of this policy manual.

2. **Contract File**
   A chronological file prepared to hold pertinent information related to a contract from the time it is awarded until the contract is closed out. The

Contract Administrator keeps the executed Contract original; however, each Contract Manager should also maintain copies for their records. The official file record combining the Contract Manager's file and the Contract Administrator's file may include, but is not limited to:

a) Copy of the contract and Approval Form.
b) Copy of the applicable Contract Renewal Form or Letter.
c) Relevant monitoring and evaluation reports.
d) Correspondence regarding contract.
e) Amendments, if any.
f) Memorandum of Negotiation.
g) Documentation evidencing cost or price analysis.
h) Copies of invoices and supporting documentation.
i) Chronological activity report.
j) Documentation supporting provider compliance with insurance requirements in contract.
k) Payment Activity Documentation.
l) Contract Manager's Budget Record and Authorizing Documents (budget agendas, etc.)

B. Contract Manager Responsibilities

ss. 287.057(15), and 601.10(12), F.S., requires the Department, for each contractual services contract, to designate an employee to be responsible for enforcing performance of the contract terms and conditions and serve as a liaison with the provider/vendor. The contract manager's responsibilities include but are not limited to:

1. Carrying out the preparations for contracting.
2. Objectively soliciting and analyzing offers and documenting these offers.
3. Negotiating the offers with purchasing.
4. Ensuring that the appropriate audit requirements are conveyed to the provider.
5. Monitoring the provider's performance.
6. Processing, inspecting, reviewing, and approving the provider's invoices for payment.
7. Reviewing the provider's documentation of contract-related expenditures.
8. Securing a signed Conflict of Interest statement from the individuals taking part in the development or selection of criteria for evaluation, the evaluation process, and the award process.

C. Invoice Processing, Inspection, Review and Approval

Unless an alternative Departmentally approved invoicing process has been established, the contract manager must receive invoices or requests for payment directly from the provider and process them for payment.

1. **Invoice Processing**
   Upon receipt of each invoice, the contract manager must determine the following:

   a) The invoiced goods and services were satisfactorily provided according to the terms and conditions of the contract. (see fiscal policy #103)
   b) The invoice or request for payment is in the proper format and mathematically correct, and contains the necessary information as required.
   c) Back-up documentation is included.
   d) Back-up documentation supports the invoice or request for payment.
   e) Expenditures are allowable according to the contract budget and/or other contract terms.

2. **Invoice Approval**
   The contract manager's electronic signature in Ariba on an invoice or request for payment attests that the goods or services have been satisfactorily provided, and that the expenditures are allowable and in compliance with the terms of the contract. If the invoice or request for payment is approved, the contract manager should transmit it to the fiscal office for payment. If the invoice or request for payment is disapproved, the contract manager should return it to the provider with an explanation and corrective actions to be taken.

7.3 Procedures for Contracting
Listed below are some general steps for the procurement of contractual services regardless of whether a contract or purchase order is needed.

A. Defining, with the appropriate input from staff, the procurement purpose and expected deliverables and verifying that such purpose and deliverables are consistent with Commission approved marketing plans and budgets.

B. Designation of the Contract Manager - Once the decision is made to procure contractual services, a Contract Manager is selected who shall have operational responsibility for the contract. This person is responsible for carrying out the preparations for the contract, monitoring contract performance, approving invoices prior to payment, and maintaining the contract file.

C. The Contract Manager, with appropriate assistance from the Deputy Director and the Purchasing Manager, will determine whether the proposal follows Department rules or Chapter 287, F.S.

1. A detailed description of the Scope of Work must be developed that explains the services desired.

    a) For contracts valued up to the threshold amount for Category One, two or more **verbal or written quotes** shall be obtained and documented, and if required a copy of the prospective bidder's proof of insurance.

    b) For contracts greater than the threshold amount for Category One but less than the threshold amount for Category Two, three or more **written** quotes shall be obtained, and if required a copy of the prospective bidder's proof of insurance.

    c) Contracts in excess of the threshold amount for Category Two require formal competitive bids except when the contract falls under Department rules.

    d) When Department rules are in force, contracts in excess of the threshold amount for Category Three require formal competitive bids. (Three or more **written** quotes shall be obtained, and if required, a copy of the prospective bidder's proof of insurance.)

2. The Contract Manager then must determine with the Purchasing Director the correct procurement method, whether an RFP, ITB or ITN, or if it is determined to be a single source.

    a) For single source purchases, the contract manager is responsible for documenting the research and the conclusions regarding the determination that the services are available only from one source and making those documents part of the bidding file.

    b) In the event of an emergency purchase, contracts may be entered into without bidding competition upon approval by the Executive Director.

1) Any emergency contract equal to or less than the threshold amount for Category Two must be documented by memorandum detailing the conditions and circumstances of the emergency and the contract file must be documented as to the reason for no solicitation of quotes.

2) For contracts in excess of the threshold amount for Category Two the Executive Director must determine in writing the circumstances that warrant bypassing even minimal competitive procurement methods and that an immediate danger to public health, safety, or welfare or other substantial loss to the state requires emergency action. The Executive Director must also complete and sign form PUR 7800 “Notice of Emergency Purchase”.

3) After such certification of an emergency, the Executive Director will call an emergency meeting of the Florida Citrus Commission, or if that is not possible, will notify the members of the emergency status.

3. Once the bidding procedure has been determined, Purchasing will advertise the formal bid (see section 5 for details) and at the conclusion of the bidding process, the responses will be sent to the selection team, which includes the contract manager, to evaluate the bids, responses, or proposals, by ranking the respondents and/or proposers.

4. Upon selecting the successful respondent, Purchasing with assistance from the contract manager, will negotiate the terms of the contract.

7.4 Contract Review and Approval

A. Contract Preparation/Routing Form

This form must be fully completed and attached to the negotiated contract rough draft forms and received by the Contract Administrator prior to the Commission meeting at which the contract is scheduled to be presented.

1. Initiator Review

The initiating department/contract manager sign-off certifies:

a) Approval to initiate the contract development process

b) Approval of the activity concept as it relates to the current mission the need for the services under the terms of the contract.

c) That the Statement of Purpose and Scope of Services are clearly written and that the expected results are quantifiable, measurable, and clearly defined in the contract and meet the Department strategic planning requirements.

d) That the contract negotiation, cost/price analysis, and terms of payment are clearly provided, and that supporting documentation is in the contract manager's file.

e) That the Conflict of Interest statement has been completed by each person who participated in the procurement process. The Conflict of Interest statement is either included with the contract or is on file with the contract manager.

2. Budget Review
Financial sign-off and approval attests:

a) To the presence of budget authority to expend moneys for the services specified in the contract.

b) That correct accounting codes are used.

c) That appropriate payment provisions are included and are in compliance with the method of payment as negotiated.

3. Contract Administrator
The Contract Administrator will coordinate developing and processing the contract and determine if it is in full compliance.

a) Determines that the contract is in compliance with applicable state procurement rules and regulations.

b) That the appropriate Departmental contract documents are being used.

4. Legal Review
Legal sign-off and approval signifies that the provider is properly bound by the contract, that the performance requirements are clearly defined, and that the Department is adequately protected.

a) The Contract Administrator prepares the contract in final form and mails it to Commission members prior to the Commission meeting.

b) The Contract Manager presents the contract at the Florida Citrus Commission meeting for final approval.

c) After Commission approval, the contract will be sent to the vendor for signature.

d) After Commission approval, and obtaining the signature of the vendor, the contract will be signed by the Executive Director and attested to by the Commission Secretary or Assistant Secretary. A copy of the fully executed contract will be returned to the Contract Administrator for transmittal to the vendor.

7.5 Contract Monitoring

The review and evaluation of the provider's performance of the contract terms and conditions is contract monitoring. The term contract monitoring encompasses the monitoring of programs, research and administrative terms and conditions. In general, monitoring is accomplished by a combination of the review of reports or other documentation submitted by the provider, and input from the recipients. The contract manager should identify reports to be submitted by the provider, ensure that stipulated time frames are being met, and review and analyze reports received from the provider. All performance based contracts shall contain the specific criteria (performance measures, performance standards, etc.) which will be used to evaluate the provider's performance.

A. **Program Monitoring**

The evaluation of the program performance of the provider against specific contract terms and conditions by the contract manager is program monitoring.

1. The provider's performance, including deficiencies, should be discussed with the provider periodically during the term of the contract. Time frames for correcting the deficiencies should also be discussed at that time. An appropriate notice must be sent to the provider specifying the deficiencies found, the appropriate corrective action to be taken and confirming the time frames in which this is to be accomplished. A copy of the notice should be put in the contract manager's file.

B. **Administrative Monitoring**

The primary objective of this review is to ensure that the provider's administrative records are complete and that the provider is complying with the administrative terms of the contract.

Department of Citrus
Administrative Policies and Procedures
Purchasing

Section 8 - Purchase of Printing

All procurement of printing must be in accordance with Chapters 283 and 287, Florida Statutes (F.S.), Department of Management Services' (DMS) rules, and FDOC policies and guidelines. Printing shall not be purchased in excess of the purchasing threshold amount for Category Two without securing formal competitive bids/proposals from two or more printing firms. When printing costs less than Category Two it may be purchased on an informal bid basis. When utilizing the informal bid process, two or more written or verbal quotes should be received from prospective printing firms to assure reasonable competitiveness.

8.1 Definitions

A. **Duplicating**
The process of reproducing an image or images from an original to a final substrate through the electrophotographic, xerographic, laser or offset process or any combination of these processes by which an operator can make more than one copy without rehandling the original.

B. **Printing**
The transfer of an image or images by the use of ink or similar substance from an original image to the final substrate through the process of letterpress, offset lithography, gravure, screen printing, or engraving. Printing shall include the process of, and the materials used, in binding and duplicating when used to produce a publication.

C. **Publication**
Any document produced for public or internal use.

D. **Printing Equipment**
Equipment used to transfer images through the process of letterpress, offset press, offset duplicator, gravure, screen printing, engraving or high xerographic duplicating.

8.2 Purchase of Publications

A. Department publications may be printed in-house, by another agency, by the Legislature, or purchased on bid, whichever is more economical and practical as determined by the Purchasing Department. Any publication for distribution to the public, when economical and practical, should display the name of such publication on its spine when spine measures 1/4" or more.

B. Binding may be contracted separately by the Department if more practical or economical. Printers may subcontract for binding.

C. All printing of publications that cost in excess of the threshold amount for Category Two shall be competitively bid. Non-competitive procurement of printing should be made in accordance with DMS. (60A-1.002, F.A.C.)

D. Printing contracts shall be for a definite term and a definite number of copies.

E. Printing of a publication is subject to the provisions of s. 287.057, F.S., and when applicable, the definitions in s. 287.012, F.S., shall be considered a commodity for that purpose.

F. The provisions of s. 946.515(4), F.S., shall not apply to purchase of printing.

G. The Department shall give preference to bidders located within the state when awarding contracts to have materials printed, whenever such printing can be done at no greater expense than the expense of awarding a contract to a bidder located outside the state and can be done at a level of quality comparable to that obtainable from a bidder located outside the state.

8.3 Notification of Printing Acceptance

The Department shall notify the contractor within a reasonable time after delivery of the printing as to acceptance or non-acceptance, and such reasonable time shall be specified in the contract. The contract shall also provide that a contractor has a reasonable time to correct any defects if delivery is made by a date specified in the contract, unless such a provision is not practicable because of time constraints.

A. No printing may be accepted as in compliance with the contract when the printing is not of the grade of workmanship which is usually employed by professional printers of such class, or when the printing is not of the full quantity or acceptable quality for which it has been contracted.

B. If immediate necessity and lack of time to procure printing elsewhere compel the use of defective printing furnished by a contractor, it shall be accepted without approval, and one-half of the contract price shall be deducted as liquidated damages for breach of contract.

8.4 Publication of Purchase

The Departmental Purchasing Department shall maintain bid records. These records shall include written justification of the need of such publication, purpose of the publication, legislative or administrative authority, source of funding, frequency and number of issues, and reasons for deciding to have the publication printed in-house, by another agency, by the Legislature, or purchased on bid as required by Chapter 283.33, F.S.