

IRL COUNCIL
OPERATING PROCEDURES MANUAL

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IRL COUNCIL BOARD OF DIRECTORS

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I. INTRODUCTION

This Operating Procedures Manual provides a guide to the fiscal and procurement procedures of the IRL Council. The objectives of the financial management and procurement system are to provide the Board of Directors with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with generally accepted accounting principles and the Code of Federal Regulations.

The National Estuary Program (NEP) was established by the Water Quality Act of 1987 (Act). The Act authorizes the Administrator of the Environmental Protection Agency to aid coastal communities in developing Comprehensive Conservation and Management Plans (CCMPs) to clean up and restore estuaries of national significance that are threatened by pollution, development, or overuse. The purpose of the NEP is to promote the development and implementation of comprehensive conservation and management plans (CCMPs) for estuaries of national significance. There are 28 nationally recognized estuary programs. The Indian River Lagoon was designated as an estuary of national significance in 1990. Since then the Indian River Lagoon National Estuary Program (IRLNEP) has proven to be an effective partnership for advancing regional efforts to achieve the fishable and swimmable goals of the Clean Water Act. The CCMP is implemented through research, restoration, outreach and advocacy with its partners.

The St. Johns River Water Management District (SJRWMD) was the original local sponsor of the IRLNEP. The SJRWMD, South Florida Water Management District (SFWMD), the Florida Department of Environmental Protection (FDEP), numerous local governments within the IRL basin and other key stakeholders and lagoon supporters worked together to explore alternative organizational structures for sponsoring the IRLNEP that would allow for program expansion and enhanced impact on the IRL. In June 2014, the IRLNEP Advisory Board, an advisory body to the SJRWMD Governing Board, voted unanimously to create a new sponsor for the IRLNEP. On February 24, 2015, the Indian River Lagoon National Estuary Program Interlocal Agreement (Interlocal Agreement) between the FDEP, SJRWMD, SFWMD, Volusia, Brevard, St Lucie, and Martin counties became effective. The IRL Council, was created to carry out the IRLNEP pursuant to the Interlocal Agreement, as it may be amended from time to time.

Preparation of this Operating Procedures Manual is authorized under Article 5 of the Interlocal Agreement. The IRL Council is authorized to enter into an administrative support agreement with a third party to provide administrative services.

II. MANAGEMENT STRUCTURE

A Board of Directors was established through the Interlocal Agreement to provide overall direction to the IRL Council and make policy decisions on program budgets and expenditures. Serving on the Board of Directors are representatives from the FDEP, the Governing Boards of the SJRWMD and SFWMD, and the various county governments. The Environmental Protection Agency (EPA) actively participates and provides technical assistance. In accordance with the Interlocal Agreement, the Board of Directors has primary authority over

the administration of the IRL Council. The Board of Directors has authority to create a Management Board and committees to provide for technical, citizen and other involvement.

This manual prescribes the expected flow of procurement and accounting documentation and establishes a uniform and systematic accumulation of information and statistical data necessary to fulfill the procurement, financial and accounting requirements of IRL Council. An annual report outlining the status of projects and accomplishments shall be prepared as part of the Annual Work Plan. Budget reports shall be provided to the Management and Board of Directors at the regular scheduled Board meetings. Quarterly progress reports on individual projects are provided to the EPA Project Officer in Region IV. Region IV staff also review the annual progress and quarterly budget and accounting reports.

If the Management Board does not yet exist, the Board of Directors shall carry out the responsibilities and tasks assigned to the Management Board in this manual. If the position of Executive Director is vacant, the person named by the Board of Directors to serve as acting or interim Executive Director shall carry out the responsibilities and tasks assigned to the Executive Director in this manual. If the position of Program Administrator is vacant, the person named by the Executive Director to serve as acting or interim Program Administrator shall carry out the responsibilities and tasks assigned to the Program Administrator in this manual.

III. ANNUAL BUDGET

Operations of the IRL Council are funded primarily through contributions from EPA, SJRWMD, SFWMD, FDEP, and participating local governments. The Interlocal Agreement establishes the funding contributions and requires that the Board of Directors develop and approve an annual budget.

The IRL Council Executive Director has the authority to apply for external grants. The Executive Director has the authority to accept grant and cooperative agreement funds if there is no IRL Council match required or if the IRL Council match has been approved as a project in the Work Plan. Notification of any cooperative agreement of Federal assistance applications shall be presented to the Board of Directors at its next meeting.

The IRL Council Board of Directors hereby delegates the authority to the IRL Council Management Board to transfer up to \$15,000 between all project budgets in the approved Annual Work Plan. The Board of Directors shall be advised of any budget amendments at the next meeting. Any budget changes to an approved project in excess of \$15,000 requires the approval of the Board of Directors.

The Code of Federal Regulations (2 CFR 200.308) permits grantees and subgrantees to revise budgets within the approved direct cost category to meet unanticipated requirements and to make limited program changes to the approved project. Therefore, the Management Board is authorized to approve transfers up to \$20,000 per Annual Plan Year for revisions between line items within the approved operating budget to meet unanticipated requirements. The IRL Council Board of Directors shall be notified of budget transfers at its next meeting.

Additional work tasks under a budgeted amount of \$15,000 which fall into projects previously approved in the Annual Work Plan may be contracted for in accordance with purchase order procedures as outlined in this Manual without further approval of the Management and Board of Directors. Budget changes for projects shall require the written approval of EPA if any of the following occur:

- the revision would result in the need for additional funding; or
- cumulative transfers among direct cost categories or among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed 10 percent of the current total approved budget, whenever the EPA's share exceeds \$100,000.

EPA must approve in writing any of the following proposed changes:

- major revision of the scope of work or objectives of the Work Plan;
- need for extension of the period of availability of funds;
- changes in key persons in cases where specified in an application of assistance award; or
- obtaining the services of a third party to perform activities which are central to the purposes of the award (not including procurement of equipment, supplies and general support services)

Requests to EPA for prior approval of any budget revision will be in the same budget form used by the grantee in its application and shall be accompanied by a narrative justification for the proposed revision. Requests for prior approval under applicable Federal cost principles (2 CFR 200.308) may be made by letter. A request by a contractor or subgrantee for prior approval shall be addressed in writing to the IRL Council. In turn, IRL Council shall review and approve or disapprove the request in writing. Budgets and project revisions must be consistent with the purpose of the terms and conditions of the Federal grant to IRL Council. If the requested revision would result in a change to the IRL Council-approved project which requires EPA prior approval, the IRL Council shall obtain EPA approval before approving the Contractor or Subgrantee's request (2 CFR 200.308).

The IRL Council uses the following budget categories:

Salaries This item represents the base salaries for all full-time and part-time employees, spot labor, temporary services and allocations of accrued holidays, vacations and sick leave.

Benefits This item represents the cost of FICA benefits and workers compensation paid plus the net cost of Health and Life Insurance for all employees. This cost also includes the contributions made on behalf of the employees to the Florida Retirement System.

Administrative Costs	This item represents publications, subscriptions and dues (various professional organizations, travel/conferences associated with work of the IRL Council, including mileage, per diem, air travel and other associated travel costs, registration fee for conferences, seminars and workshops), office supplies (an estimate of costs needed to provide for normal day-to-day office supply cabinet turnover items, such as stationery, pencils and pens, note pads, folders, and computer supplies, pre-printed forms, and purchase of software), postage (an estimate of money needed to support the postage demands of the IRL Council mailing programs, including routine and mass mailing postage and courier services), insurance, printing/graphics (includes printing labor costs as well as costs for all paper, ink, bindings, covers, graphic tools and materials necessary to produce meeting notices, special reports and other printed or reproduced materials required by various contracts as well as IRL Council publications) and travel (request will be verified for availability of funds by the IRL Council Program Administrator, approved by the IRL Council Executive Director and processed in accordance with Section 112.061, Florida Statutes, and the Employee Handbook).
Administrative Services	This item represents contract/consultant services (the cost of retaining any consultants and other professional services to assist the IRL Council in areas where specialized assistance is required), legal services, and auditing services.
Facilities	This item represents the annual rent costs of the IRL Council office, telecommunications (an estimated annual cost for telephone and related services, including local service, long distance carrier charges, Suncom upgrades and maintenance, cellular and internet accounts), purchases of equipment, furniture, etc. costing in excess of \$500.00 with an expected useful life of at least one year, the cost of leasing the copy machine, postage meter and various equipment. It also includes the maintenance agreement for the telephones and copy machine.
Other Expenditures	This item includes a variety of expenses necessary for program operations such as legal notices, staff training and development, recruitment costs, meeting expenses, recognition awards program, advertising, and rental space for records storage.

IV. PROCUREMENT PROCEDURES

Federal funds, combined with non-federal matching funds from IRL Council members constitute the principal funding sources for the IRL Council. The major budget objective of the IRL Council is to utilize the available federal funding each year together with an amount of non-federal matching funds sufficient to implement the approved Annual Work Plan.

Costs for major projects included in each year's Annual Work Plan are established through discussions with the Management and Board of Directors and with the advice of committees where appropriate. The process is initiated by IRL Council staff which recommends specific projects, associated work scopes, and estimated project costs as part of the coming year's work plan. Selection of projects and associated work scopes is based on the work necessary during the coming year to meet the responsibilities under the Interlocal Agreement. Committees may be called on where necessary to advise staff and the Management Board on what adjustments, if any, are necessary to project work scopes and costs. Projects and estimated costs are then included in the work plan for review by the Management Board which may adjust project work scopes and funding. The Management Board's recommendations are provided to the Board of Directors for review, adjustment and approval by the Board of Directors. The process is designed to take advantage of the considerable knowledge and experience of professionals and policy makers serving on the various boards and advisory committees.

The IRL Council has been requested by EPA Region IV to specify in each Request for Proposal (RFP) the amount of federal funding supporting the particular project. To comply with the intent of that requirement, and still allow for some competitiveness in pricing of projects, a narrow range of the expected cost of the work is specified in the RFP.

Contracts are generally written on either a cost-share basis or a cost-reimbursement basis with a not-to-exceed amount. The not-to exceed amount specified in a cost-share basis contract is usually a percentage of the proposed cost of a project. The not-to-exceed amount specified in a cost-reimbursement basis contract is the price offered in a contractor's proposal and includes the contractor's profit. Contract negotiations center on obtaining the best possible product(s) within the budget allocated for a particular project.

The procurement procedures contained in this procedure are designed to provide guidance to the IRL Council and staff in their efforts to procure goods and services. These procedures do not grant any substantive rights to third parties and are merely a guide for staff to use in carrying out their requisite procurement duties.

A. Approval of Purchases

In addition to initial approval in the Annual Work Plan, the following internal accounting controls are observed. All purchases must be approved by the IRL Council Program Administrator. Additional approval is required as follows:

1. Purchases over \$300.00 must be approved by the IRL Council Executive Director. The Executive Director may authorize, in writing, other staff to approve purchases on a temporary or other specified basis.
2. All capital equipment, regardless of price, must be approved by the IRL Council Executive Director.
3. Contracts over \$25,000 will be approved by the IRL Council Board of Directors or the IRL Council Management Board if so designated by the Board of Directors.

B. Selection of Contractors

In order to keep the IRL Council staff a small yet effective working unit, specialized technical services and other specialized needs will be obtained through qualified consultants and agencies in the public and private sector. It is the intent of IRL Council to select the best-qualified firms and agencies to provide the services necessary to meet IRL Council’s responsibilities under the Interlocal Agreement. Positive efforts will be made by IRL Council to comply with EPA guidelines in all solicitations involving federal funds.

C. Competitive Solicitation Requirements

The IRL Council will comply with the competitive solicitation requirements as follows:

- Auditor Selection provided for in section 218.391 of the Florida Statutes;
- Public Construction/Works provided in section 255.20 of the Florida Statutes; and
- Consultants’ Competitive Negotiation Act provided in section 287.055 of the Florida Statutes.

Unless otherwise set forth herein, competitive solicitation shall be used for the purchase of goods and services in accordance with the following process:

Competitive Threshold Category	Purchase Dollar Amount (per item)	Process Requirement
Category One	\$0 - \$1,000	Single Quote or Relevant Pricing Information
Category Two	\$1,000.01 - \$25,000	Three Competitive Written Quotes (RFQ)
Category Three	\$25,000.01 or more	Competitive Selection – ITB, ITN, RFI, RFP

The above chart represents the minimum procurement process requirements and the staff shall have discretion to determine whether a good or service requires a more comprehensive process (i.e. a determination that a particular good or service in Category One or Two requires additional quotes, a competitive sealed bid or RFP.)

D. Obtaining Quotes

1. For purchases of goods or services in Category One, the staff shall obtain at least one quote or relevant pricing information. Quotes may be obtained by any employee, but must be forwarded with the requisite work order to the Program Administrator (if under \$300) or the Executive Director for review and processing.
2. For purchases of goods or services in Category Two, the staff shall obtain through a request for quotes at least three written quotes. Each written quote should detail the quantity and description of the item purchased. Vendors must complete and return the written quote within the designated time period. The Executive Director

will then review the quotes and obtain any necessary employee input relating to which vendor has submitted the best, responsive, and responsible quote meeting the specifications. Written quotes must have the name and signature of the individual person providing the quote.

3. All purchase orders will be processed in accordance with the provisions of this manual to the lowest and/or best, responsive, responsible vendor meeting the specified requirements.

E. Competitive Selection

The minimum procurement process for acquiring equipment, supplies, or service with a cost in Category Three is through invitation to bid ("ITB"), invitation to negotiate (ITN), request for information (RFI), or the request for proposals (RFP) process. The IRL Council will follow the following procedures and advise third parties as to the applicability of the procedures during each procurement process.

1. Invitation to Bid – Unless otherwise provided by law, the IRL Council shall publicly announce an invitation to bid no less than ten (10) calendar days prior to the bid opening. The invitation to bid shall include a detailed description of the goods or services sought; the time and date for the submittal of sealed bids; the time and date of the public opening of submitted bids; the date for the IRL Council to award the bid; all contractual terms and conditions applicable to the contractual services or goods sought; and the criteria to be used by the IRL Council to determine the award of the bid. The public notice shall also include a reference to the protest provisions set forth below.
2. Request for Proposals – Unless otherwise provided by law, the IRL Council shall publicly announce an RFP no less than fourteen (14) calendar days prior to the proposal opening. The request shall include a detailed description of the services and/or qualifications sought; the time and date for the submittal of proposals; the date for the IRL Council to select a proposal; all contractual terms and conditions applicable to the contractual services sought; and the criteria, which shall include, but need not be limited to, price, to be used in determining acceptability of the proposal. The public notice shall also include a reference to the protest provisions set forth in below.
3. Invitation to Negotiate – see the Competitive Negotiation section of this manual for more information.
4. Request for Information – Unless otherwise provided by law, the IRL Council shall publicly announce an RFI no less than fourteen (14) calendar days prior to the response opening. The request shall include a description of the information sought; the time and date for the submittal of responses; and the date for the IRL Council to review the responses. Responses to these requests are not offers and may not be accepted by the IRL Council in the form of a binding contract. Responses for these requests may be used by the IRL Council in determining its needs with regard to the

good or service and in developing ITB, ITN, or RFP related to the purchase of the good or service.

5. Bid Packages: Bid packages or requests for proposal shall be prepared with the appropriate terms and conditions and detailed specifications, including items to be bid, units, and total (or estimated) quantity desired, instructions for bidding, delivery information, and any special requirements for bidding. Assigned dates and time for pre-bid meetings, if any, and for the public bid opening shall also be included. If the pre-bid conferences are mandatory, a representative from the bidder's firm shall be in attendance or its bid will be rejected. Bids and RFPs shall be publicly opened and read at the time designated in the documents. The timing of the release of sealed bids/proposals, as public records, will be in accordance with applicable law.
6. Bid/Proposal Submissions: The IRL Council will require that all bids and proposals be submitted on the IRL Council's forms, signed by a legal officer of the company, and provide all requested information; otherwise the Bid/Proposal is subject to being rejected.

The entire bid/proposal, including cover letter, all instructions, addenda, if any, and actual bid form must be returned intact. Further, all bids/proposals returned must be in envelopes, sealed, and clearly marked on the outside "SEALED BID" or "SEALED RFP." Failure to read or comply with the bids or RFPs general information will in no way relieve the bidder(s) from their liabilities arising in the bids/RFPs.

The IRL Council will require that any questions to an ITB or RFP must be provided in writing in accordance with the ITB or RFP requirements. All written questions shall be answered in writing and provided to all bidders/proposers in the form of addenda. All addenda issued shall be deemed part of the ITB or RFP.

7. The IRL Council will require the following standards regarding specifications: Manufacturer's names, trade names, brand information and/or catalog numbers listed in a specification are for information and establishment of quality level desired and are not intended to limit competition unless the bid so stipulates. When the bid allows equal or equivalent products that conform to the required specifications, indicate on the bid form the manufacturer's name, model or catalog number as may be required. Submit with your bid complete descriptive literature and/or specifications as well as a detailed explanation of how the proposed items meet the specification. The IRL Council reserves the right to determine what is equal or equivalent. Bids which do not comply with these requirements are subject to rejection. If the bidder fails to name another equal or equivalent item(s), it will be assumed that the bidder is bidding on, and will be required to furnish, goods identical in every respect to the bid standard. Only one alternate per item number as close to specifications as possible will be allowed. If more than one alternate on an item is submitted, the IRL Council will only consider one alternative that it determines is equal or equivalent and the remaining alternatives will not be considered.

All supplies and equipment offered and furnished must be new and of current production unless the request for product or bid specifically authorizes the use of used, remanufactured, or recycled items. In cases where the IRL Council requests bids for new equipment employing trade-ins or used equipment, a trade-in price quotation will be requested for the trade-in and separate price quotation without trade-in for the requested equipment. The IRL Council reserves the right to purchase equipment either with or without trade-in.

All goods called for in the bids or RFPs shall be delivered in good order F.O.B. destination, freight prepaid, inside delivery, within the time specified. Packing list must accompany all shipments.

8. Bid Bond/Performance and Payment (Public Construction) Bond: When bid bonds are required, the IRL Council will require that the bid must be accompanied by a certified check or cashier's check, treasurer's check, or bank draft of any national or state bank (personal or company checks are not acceptable), or bid bond in the amount as specified in the bid documents.

The IRL Council will require that the bid deposit must be made payable to the IRL Council as evidence of good faith and ensuring that the successful bidder will execute a contract in accordance with the terms, conditions and prices contained in the bid; and further ensuring that the successful bidder will provide a performance bond and payment bond within thirty (30) calendar days from the date of award of the contract, issued by a company qualified as a surety company to do business in the State of Florida with a minimum rating deemed acceptable by the IRL Council in its sole discretion. Such bond shall be for 100% of the contract amount. The bond shall extend as a guarantee bond for one year from the date of acceptance of the completed work. Should the successful bidder fail to provide such performance and payment bond within the prescribed time, the bid bond amount submitted with the bid shall be forfeited to the Board of Directors as liquidated damages.

Unless otherwise specified in the ITB, the IRL Council will return bid deposit checks or bonds (if requested) to the successful bidder following acceptance of a signed contract and receipt of the Public Construction Performance and Payment Bond. Bid deposit check and bonds (if requested) posted by the unsuccessful bidders will be released in accordance with the timeframes provided in the ITB.

The IRL Council will deem non-responsive bids received without a bid deposit or with a bid deposit in an amount less than the required.

9. Bid/Proposal Selection: The IRL Council may select a bid or proposal upon any relevant criteria to the extent the invitation or request clearly provides the applicable evaluation criteria and state the relative importance of each. If the contract is to be awarded based on price, the contract must be awarded to the lowest qualified, responsible, responsive bidder/proposer in accordance with the applicable IRL Council resolution and applicable contract documents. This section does not restrict

the right of the IRL Council to reject the low bid of a nonresponsible or nonresponsive bidder and to award the contract to the next highest ranked qualified and responsive bidder or the right of the IRL Council to reject all bids and rebid the project or elect not to proceed with the project. The Board of Directors reserves the right to waive minor formalities in any bid/proposal and to accept any bid/proposal which they consider to be in the best public interest. Once the bids or proposals are evaluated, the bids, proposals, and recommendations are forwarded to the Board of Directors for review, approval, and award.

Awards will be made to the lowest and best responsive and responsible bidder as determined by the Board of Directors. The Board of Directors' decision will be final and conclusive.

10. Request to Withdraw Bid/Proposal – A request for withdrawal will be granted if received by the IRL Council in writing at any time before the bid opening. A request for withdrawal, if received by the IRL Council in writing at any time before execution of a contract with the bidder/proposer, may be granted by the Board of Directors.
11. Tie Bids: Unless the Bid or Request for Proposal stipulates criteria for determination of an award for tie bids the criteria below will be used when two or more vendors submit the exact same dollar amount as their bid offer, or if two or more firms are deemed equal with the respect to price, quality and service. In order of importance, the following criteria will be used to break a tie:
 - a. Drug Free Work Place. In accordance with Section 287.087, Florida Statutes, a drug-free workplace shall be given preference. In order to receive preference, a signed certification of compliance must be submitted with the bid response.
 - b. Toss of the Coin.
12. Bidders Liability: The IRL Council will require that all solicitations for items or services that exceed \$25,000 must include a provision that assesses the cost of rebidding and additional costs to a bidder who fails to enter a contract based on its submitted bid.
13. Bid/RFP Protest Provision - This procedure applies to guide the IRL Council in the resolution of all protests arising from the competitive award procedures set forth above. The IRL Council will require that by submitting a bid/proposal to the IRL Council, bidders agree to the process set forth in this Section.
 - a. Notice of Protest - Notice of all IRL Council decisions or intended decisions shall be by posting to the IRL Council web site. Any person adversely affected by a bid or request for proposal shall file a notice of protest in writing, within two (2) business days from the date on the notice of the decision. A formal written protest shall be filed within five (5) business days after the protesting party files the notice of protest. No time will be added to the above time limits for mail service.

- b. Formal Written Protest - The formal written protest shall state with particularity the facts and law upon which the protest is based. The formal written protest shall be printed or typewritten and contain:
 - i. The name and address of the person or firm filing the protest and an explanation of how they are adversely affected by the IRL Council decision or intended decision;
 - ii. Identification of the procurement matter at issue.
 - iii. A statement when the notice of IRL Council decision or intended decision was posted;
 - iv. A statement of all issues of disputed material fact and, if there are none, a statement so indicating;
 - v. A concise statement of the ultimate facts alleged;
 - vi. A statement of the applicable law, rule, statute, or other authority upon which the protest is based and which entitle the protestor to relief;
 - vii. A specific demand for relief; and
 - viii. Any other information material to the protest.
- c. Filing Notices of Protest and Formal Protests - All notices of protest and formal protests shall be filed by hand delivery, mail or email with the IRL Council's Executive Director. A protest is not timely filed unless both the written notice of protest and the formal protest have been received by the IRL Council within the prescribed time limits. Filings received after 5:00 pm will be deemed received the next business day. Failure to file a protest within the time prescribed by this Section shall constitute a waiver of all claims.
- d. Stay of Award - Upon receipt of a formal written protest which has been timely filed, the bid solicitation or contract award process shall be stayed until the subject of the protest is resolved, unless the IRL Council's Executive Director, with the concurrence of the Board of Directors, sets forth in writing particular facts and circumstances which require the continuation of the solicitation process or the contract award process without delay in order to avoid an immediate and serious danger to the public health, safety or welfare.
- e. Resolution of Formal Protest - Upon the written request of the protestor or on its own initiative, the IRL Council shall provide an opportunity for the protestor to meet with the Executive Director to resolve the protest by mutual agreement within seven (7) business days, excluding holidays, of receipt of a formal written protest. If the subject of a protest is not resolved by mutual agreement within seven (7) business days, excluding holidays, of receipt of the formal written protest, or a mutually agreed upon extension of time, the Executive Director shall certify in writing to the Board of Directors that there was no resolution and provide the protestor with a copy of the certification.

- f. Quasi-Judicial Hearing - Within seven (7) business days from receipt of written certification that there was no resolution, the protestor may provide a written request that the matter be heard before the Board of Directors in a quasi-judicial hearing. Failure to provide a written request to the Board of Directors within seven (7) business days of notice shall constitute waiver of any protest. Upon receipt of a written request, the Board of Directors may, in its discretion, request a written response from the Executive Director, and/or schedule the matter for hearing before the Board of Directors. Within seven (7) business days from the conclusion of the hearing, the Board of Directors will provide a written final decision on the matter to the protestor.

The protestor may contest the IRL Council's decision in a court of competent jurisdiction in the county court in which the IRL Council's main office is located no later than thirty (30) calendar days after receipt of notice of the IRL Council's decision, unless otherwise specified within the controlling request for proposal or qualification documents.

F. Competitive Negotiation

For any category of services and/or goods, the IRL Council may choose to purchase the services and goods through an invitation to negotiate pursuant to the provisions below and all relevant laws. The negotiations shall be made on the best price, terms and conditions obtainable by the IRL Council to meet its needs. The IRL Council shall specify in writing and make available to prospective contractors its needs for the services and goods to be purchased prior to commencing negotiations with any vendor.

When staff determine it is in the best interest of the IRL Council to procure a good or service through competitive negotiation, staff shall make a corresponding recommendation to the Board of Directors. Upon Board of Directors approval, the IRL Council may contract by negotiation without seeking bids/proposals first. When contracting by negotiation without first seeking competitive sealed bids/proposals for services and/or goods exceeding the threshold of Category Three, the following procedures shall apply:

1. The Executive Director shall submit a request in writing to the Board of Directors detailing the necessity to contract by negotiation, the proposed steps to be followed by the IRL Council in negotiating the contract, and the proposed vendors that will be used in the negotiations. The Board of Directors' intended decision to contract by negotiation shall be posted in the Executive Director's office or the IRL Council web site.
2. Public Notice – The IRL Council shall publicly announce each instance in which services or goods are being sought and provide a general description of the project/goods. The notice shall indicate how interested parties may apply for consideration and the criteria used to evaluate any responsive letter of interest. The public notice shall also include a reference to the bid protest provisions set forth above.

3. Letter of Interest – Pursuant to the public notice, a firm desiring to provide services for a project shall timely submit a letter of interest containing evidence of current professional status, capabilities, adequacy of personnel, past record and related experience, list of sub-consultants, and other information required by the notice necessary for the IRL Council to evaluate whether the firm is qualified. For contracts for the purchase of goods, each vendor shall provide a final firm price, terms and conditions for the specific commodity/contractual service offered.
4. Competitive Selection – The Executive Director or his/her designee shall evaluate each letter of interest submitted regarding qualifications and performance ability and shall conduct discussions with and may require public presentations by responding firms regarding their qualifications, approach to the project, and ability to furnish the services required pursuant to the terms of the notice. The Executive Director or his/her designee shall select and list not less than three firms, in order of preference, deemed to be the most highly qualified to perform the required contractual services and/or provide the required commodity after consideration of the factors set forth in the notice. The IRL Council may select and list less than three vendors only when there are less than three vendors which may offer the services or goods desired by the IRL Council. In determining whether a firm is qualified, the agency shall consider such factors as: ability of professional personnel; certified as MBE; past performance; willingness to meet time and budget requirements; location; recent, current, and projected workloads of the firm; financial soundness of the firm; and the volume of work previously awarded to the firm. The Executive Director or his/her designee will then recommend to the Board of Directors that competitive negotiations be instituted with the firms selected. The Board of Directors may amend the Executive Director's recommendations if determined appropriate to do so based upon the published evaluation criteria.
5. Competitive Negotiation – Once the Board of Directors authorizes competitive negotiations, the Executive Director or his/her designee shall begin contract negotiations for the subject project with the designated firms in order of rank for fair, competitive and reasonable compensation. Should negotiations with the firm determined to be the most qualified prove unsuccessful, negotiations with that firm will be formally terminated and negotiations shall begin with the next most qualified firm on the list. Failing accord with the second most qualified firm, the IRL Council must terminate negotiations with that firm and shall then begin negotiations with the third most qualified firm. If satisfactory agreement is not reached with any of the top three ranked firms, additional responding firms shall be ranked and listed in the order of their competence and qualifications. Negotiations shall then continue beginning with the first named firm on the second list until an agreement is reached. After successful negotiations, a recommendation shall be made that the Board of Directors award the contract. The IRL Council will maintain an accurate record of the discussions held with each vendor/bidder/proposer.

G. Transactions Exempt from Competitive Procurement

1. The IRL Council is exempt from competitive procurement of goods or services when it is in the IRL Council's best interest and allowed by law. Typical exemptions include, but are not limited to, the following:
 - a. Real Property Acquisition, such as land, easements, rights-of-way, existing buildings, structures, or improvements, resulting from negotiations and approved by the Board of Directors
 - b. Court-ordered fines and judgments, resulting from litigation
 - c. Court-ordered fees, resulting from the judicial process, processed by the Clerk of the Court, and charged against the appropriate budget for such fees
 - d. Cash transfers and investment transactions for fiscal management purposes, processed through the Accounting Department, and disbursed from general ledger accounts
 - e. Accrued or current liabilities already disbursed from the budget, processed through the Accounting Department, and paid from or through general ledger accounts
 - f. Debt service payments processed by the accounting services provider and charged against budgetary accounts
 - g. Refunds of current or prior year revenues charged against budgetary accounts
 - h. Grant disbursements to federal, state, or local government agencies, or to private groups or agencies
 - i. Insurance including but not limited to liability, property, medical, and workers compensation insurance or payments from any loss fund established for such purpose
 - j. Utilities, advertising, toll charges, gas cards, and postage
 - k. Dues and memberships in trade or professional organizations
 - l. Subscriptions for periodicals, advertisements, copyrighted material
 - m. Part-time and temporary labor and employees
 - n. Professional medical services, authorized hospitality expenses
 - o. Job-related travel, seminars, tuition registration and training
 - p. Legal services, expert witnesses, court reporter services, and all other related expenses of claims and/or litigation

- q. Consultant Services, as defined above, unless otherwise provided by law. For example, services covered by sections 287.055 (CCNA) and 218.391 (Auditor Selection) would not be exempt from Competitive Solicitation. Anytime this exemption is utilized, a justification as to why consultant services should not or cannot be competitively solicited shall be provided to the Executive Director for approval prior to entering into a contract for the service. The Executive Director will determine, on an individual basis, whether the exemption is applicable.
 - r. Title insurance, title commitments, title searches, and ownership and encumbrance searches and real estate appraisal services to determine the market value of real property
 - s. Political lobbying services
 - t. Transactions by Interlocal Agreement
 - u. Art work, maps, and design services
 - v. Permitting fees
 - w. Security services by off-duty law enforcement personnel
 - x. Purchases under Tax Savings Program
 - y. Sole source items in accordance with the provisions of this manual.
 - z. Purchases which "piggy-back" on existing government contracts in accordance with this manual.
 - aa. Intergovernmental purchases and agreements.
 - bb. Emergency purchases as noted in this manual.
 - cc. Multiple quantities of a single item of common operational supplies.
2. Further, the IRL Council may grant exemptions for Public Construction projects in accordance with section 255.20, Florida Statutes.
 3. The IRL Council has the following policies related to certain enumerated exemptions:
 - a. Sole Source:
 - i. If the Executive Director determines that a service and/or good is available from a single source and the total cost is within Category One or Two, then the purchase may be excepted from procurement requirements, in writing, upon filing a written statement stating the conditions and circumstances requiring the purchase and filing the written statement with the Accounting Services Provider.

- ii. If the Executive Director determines that a service and/or good is available from a single source and the total cost is within Category Three, the purchase may be excepted from bid requirements by the Board of Directors, in writing, upon the filing of a certification by the Executive Director stating the conditions and circumstances requiring the purchase. This certification shall set forth the purpose and need of the purchase and explain why the single source is the only one that will produce the desired results. The IRL Council's intended decision shall be presented to the Board of Directors on the consent agenda at the next regularly scheduled public meeting.
 - iii. In any case, where the IRL Council seeks to purchase from a sole source, materials for the construction, modification, alteration, or repair of any IRL Council-owned facility, the IRL Council's Board must first make the written findings required by section 255.04, Florida Statutes.
- b. Piggy-backing. The IRL Council may purchase services and/or goods other than Professional Services governed by section 287.055, Florida Statutes, and procure contracts from the purchasing agreements of other special districts, municipalities, counties, or other Florida governmental entities which have been procured pursuant to competitive bid, requests for proposals, competitive selection, or competitive negotiation, and which are otherwise in compliance with Florida Statutes and this policy. Piggybacking can be done when the bids submitted by the vendors to the other governmental agencies permit purchases by other agencies, the vendors agree to do so in writing, and if such purchases are to the economic advantage or best interest of the IRL Council.

H. Contract Renewals and Continuing Contracts

Unless otherwise specified in the contract, contracts for goods and services may be renewed for an additional term not to exceed the original contract period unless the original contract period is 24 months or less, in which case the contract may be renewed for up to three one-year periods. Renewal of the contract shall be by mutual agreement in writing and shall be subject to the same terms and conditions set forth in the initial contract. If the service or good is purchased as a result of the solicitation of bids or proposals, the cost of any contemplated renewal shall be included in the invitation to bid or the request for proposals. Renewals shall be contingent upon satisfactory performance evaluation by the IRL Council.

Nothing in this Procurement Policy shall be construed to prohibit a continuing contract between a firm and the IRL Council consistent with the requirements of applicable law.

I. Emergency Purchases of Services or Goods

Notwithstanding any other provision of this policy, emergency purchases of goods or services may be made in the event of a disruption of essential operations, or where there exists a threat to public health, welfare, safety, or when the protection or preservation of public property would not be possible through normal procurement procedures. To the extent practical under the

circumstances, such emergency purchases shall be made using competent and qualified firms and include a competitive selection process.

The Executive Director shall file with the Board of Directors a statement certifying the conditions and circumstances requiring an emergency purchase of goods/contractual services in excess of the threshold amount for Category Three for services/goods or for qualifying construction contracts. Statements shall be submitted within thirty (30) calendar days after the date of purchase order or contract and shall include complete details surrounding the event(s) which created the emergency. A copy of the purchase order or contract shall accompany the statement.

J. Restrictions on Purchases

1. Any person or affiliate who has been placed on the convicted vendor's list following a conviction for a public entity crime:
 - a. May not submit a bid on a contract to provide any goods or services to a public entity.
 - b. May not submit a bid on a contract with a public entity for the construction or repair of a public building or public work.
 - c. May not submit bids on leases of real property to a public entity.
 - d. May not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and
 - e. May not transact business with any public entity in excess of the threshold amount provided in sections 287.017 for Category Two.
2. No person or business entity shall be awarded a contract by the IRL Council for the provision of goods or services, if that person or business entity:
 - a. Has been convicted of bribery or attempting to bribe a public officer or employee of the IRL Council, State of Florida, or any other public entity, in that officer's or employee's official capacity
 - b. Has been convicted of a conspiracy or collusion among prospective vendors in restraint of freedom of competition, by agreement to offer a fixed price, or otherwise; or
 - c. Has made an admission of guilt of such conduct described in subsection a and b above, which is a matter of record, but has not been prosecuted for such conduct, or has made an admission of guilt of such conduct, which is a matter of record pursuant to formal prosecution.
 - d. Notwithstanding the above, a person, business entity, or officer or employee of a business entity, having been convicted of one or more of the crimes set forth above or having made an admission of guilt as set forth above shall be ineligible for the awarding of a contract by the IRL Council for a period of five (5) years following such conviction or admission.

3. Any business entity controlled by or affiliated with any person or business entity ineligible for the award of a contract may also be prohibited from contracting with the IRL Council if the relationship or affiliation is such that in the reasonable opinion of the Executive Director, the person or business entity, by reason of the relationship to the ineligible person or entity, is likely not to conduct business in a responsible or lawful manner, or if the ineligible person or business entity could directly benefit from the contract.

K. Other Considerations

Equal Employment and Educational Opportunities: It is the sole responsibility of the bidder to comply with provisions of the Immigration Reform and Control Act of 1986. The IRL Council hereby stipulates and affirms its policy of offering Equal Employment and Educational Opportunities for all persons regardless of race, creed, color, sex, national origin, age or handicap. The failure of any contractor or supplier to the IRL Council to comply with the terms of this Equal Employment Opportunity Policy will subject any contract or purchase order to revocation.

L. Conduct

1. Conflict Of Interest - Any award made by the IRL Council will be subject to provisions of Chapter 112, Florida Statutes. The IRL Council will require all bidders to disclose with their bid, the name of any officer, director, or agent who is also an employee of IRL Council. Further, all bidders must disclose the name of any IRL Council employee who owns directly or indirectly, an interest of five percent (5%) or more of the bidder's firm or any of its branches. Any concerns regarding this must be conveyed to the Executive Director prior to bid submittal for clarification and further direction.
2. Lobbying – The IRL Council will require that after the issuance of any bid/RFP, or during renegotiation of any existing contract, no prospective vendor, bidder, their agents, representatives, or persons acting at the request of such vendors may contact, communicate with or discuss any matter relating to the bid/RFP or renegotiations with any IRL Council officer, agent, Board of Directors member, or employee other than the person named in the procurement documents. This prohibition ends upon execution of the final contract or when the bid/RFP has been cancelled or the renegotiation is terminated. Renegotiation is deemed to have commenced upon a vote of the Board of Directors or written notice from the Executive Director.
3. Gifts And Gratuities - The process of public purchasing should be conducted in such a manner that the integrity of the competitive selection process is not compromised, and therefore the IRL Council strives to eliminate any possibility of, or even the appearance of, improper business relationships. In this regard, the IRL Council prohibits the acceptance of gratuities, gifts, or other favors with a monetary value exceeding \$100.00 and/or that might give rise to doubts of impartiality.

M. Responsibilities of IRL Council and Vendor/Contractor

1. IRL Council - Prior to the execution of any contract or approval of any purchase order, the Executive Director shall confirm the availability of funds related to the transaction.
2. Vendor/Contractor – The IRL Council will require that every vendor/contractor with the IRL Council is responsible for:
 - a. Notifying the IRL Council of any changes, name, address, products/services, or other pertinent information, via letter or completed W-9 Form.
 - b. Reading and understanding each page of the Quote, Bid or Request for Proposal.
 - c. Double-checking its offer prior to submittal.
 - d. Executing the signature page of the bid document, RFP or quote.
 - e. Ensuring that its offer is made within the prescribed time limits and to the proper address.
 - f. Providing all information as required in the Request for Proposal, Bid, or the Quote.
 - g. If an award is made to your firm, make delivery as specified.
 - h. Contact the Executive Director should you have any questions.

N. Termination of Contract; Rescission of Award

Termination of any contract or rescission of award must be made by the awarding authority; and in all cases where the Board of Directors takes action, Board of Directors will consider the Executive Director's recommendation prior to termination or rescission. The Executive Director will examine the circumstances and reasons behind the breach of contract, or other reasons for rescission or termination, consult with legal counsel, and determine if there is a solution possible in the situation. If a breach of contract occurs, or rescission of award or termination of the contract is necessary, the Executive Director may suspend or debar the subject vendor for failure to perform under the terms of the IRL Council's Purchasing Policy in accordance with this manual.

O. Public Records

The IRL Council will require any vendor/contractor providing goods or services to the IRL Council to maintain and provide access to any records the vendor has related to the provision of those goods and service to the IRL Council for at least five (5) years from the date the final payment is made by the IRL Council. A vendor's/contractor's failure to comply with this provision of the IRL Council's Procurement Policy will be deemed a default and may provide cause for termination of the contract and debarment.

P. Compliance with the Procurement Policy

In procuring goods and services, the IRL Council will ensure all material provisions of this procurement policy requiring vendor/contractor compliance are included within the contracts entered into by the vendors/contractors of the IRL Council.

Q. Purchase Orders

Purchase order systems are established for dual purposes; one for controlling costs through purchases, and the second for internal control within the administering agency. Both purposes are of equal importance, and the purchase order system established by IRL Council will be designed to achieve both internal control and cost control.

The IRL Council Program Administrator is responsible for the control of purchase orders. A purchasing activity is initiated through the IRL Council Program Administrator who prepares the purchase order. A log for purchase orders including date of initiation, vendor, item (service) ordered, and amount is maintained by the IRL Council Program Administrator.

Purchase orders should specify type of item, size, color, and other appropriate descriptions to ensure satisfactory order. It should also include the vendor's inventory item number and price (including applicable discounts), along with the project number to be charged. Items must be verified for availability of funds through the IRL Council Program Administrator.

After approval by the IRL Council Executive Director, the purchase order is returned to the IRL Council Program Administrator for recording and release to the vendor. The original copy is sent to the vendor, one copy will be kept on file with the IRL Council Program Administrator.

The IRL Council Program Administrator is responsible for receiving incoming merchandise delivered to the IRL Council office. All invoices are date stamped. The IRL Council Executive Director or his or her designee ensures the invoice is matched to the purchase order and compares description, size, color, quantity and amounts. The invoice is then forwarded for payment in compliance with the provisions of the Local Government Prompt Payment Act.

In accordance with Chapter 403.7065, Florida Statutes, it shall be the policy of IRL Council to procure products or materials with recycled content when those products or materials are available at reasonable prices and not otherwise determined, by the IRL Council, to meet one of the statutory exemptions.

R. Petty Cash

Petty cash funds are established to provide a ready source of funds for payments of miscellaneous expenses such as supplies, postage, etc. Charges to the petty cash fund should not exceed \$20.00. A petty cash fund in the amount of \$100 is maintained by and is the responsibility of the IRL Council Program Administrator. It is intended to facilitate quick, minor disbursements and eliminates the need for requesting checks for small items. An employee shall purchase the necessary supplies then submit the receipt to the Program Administrator for reimbursement. Reimbursement shall not be approved without a receipt. A list of expenditures

with documentary vouchers and receipts is forwarded to the IRL Council Accounting provider for processing.

S. Credit Card

IRL Council Credit cards shall be used, when practical, to purchase goods and services. A corporate credit card account will be established and used, when appropriate, for purchases. A Purchasing/Travel Request form must be submitted for authorization prior to using an IRL Council credit card. The IRL Council Program Administrator will receive statements and forward them for processing on a monthly basis.

V. CASH DISBURSEMENTS

Small purchases under \$300 and certain routine bills and purchases such as utilities, postage, office supplies, telephone, etc. do not require the use of a purchase order, but do require a Purchasing/Travel Request form. Check requests are initiated by the IRL Council Program Administrator and approved by the IRL Council Executive Director. The IRL Council Program Administrator shall approve routine bills and purchases such as utility and telephone bills. The IRL Council Executive Director shall approve all invoices for legal services. After approval, invoices are sent to the IRL Council Accounting provider for processing.

The IRL Council Program Administrator receives all unopened bank statements for inspection of all deposits and checks disbursed during the period. The statements are received by the IRL Council Accounting provider for reconciliation. All bank reconciliations require the approval of the IRL Council Accounting provider.

All accounts payable require approval by the Program Administrator and the Executive Director and are forwarded to the IRL Council Accounting provider to be processed on Thursday of each week. Travel payments, including seminar or conference attendance must also be accompanied by an approved Purchasing/Travel Request form.

Invoices shall be addressed to IRL Council. The IRL Council Executive Director shall approve all IRL Council invoices in excess of \$300. The IRL Council Program Administrator shall approve invoices less than \$300. The IRL Council Executive Director may delegate authority for approving check requests and invoices to the Program Administrator.

VI. CASH RECEIPTS

The objective of the Cash Procedure is to insure that all cash and checks are accurately received, recorded, and promptly deposited. The following policies regarding the handling of cash receipts and shall be adhered to:

- Unless received directly by the IRL Council Accounting provider, the IRL Council Executive Director is responsible for all cash and checks received and will ensure a log for all cash and checks received is maintained. The IRL Council Executive Director or his or her designee will endorse stamp all checks on the back "for

deposit only IRL Council”, before forwarding to the IRL Council Program Administrator.

- IRL Council Program Administrator will make copies of all checks received and forward documentation of deposit to IRL Council Accounting provider.

VII. PAYROLL

When a person is hired, the IRL Council Program Administrator immediately prepares a personnel folder. This folder should contain the following documents:

- Completed Application
- Resume
- Employment Letter
- Copy of Social Security and Driver’s License
- W-4
- Employee Handbook Form
- Key Entrance Form
- Florida Retirement Membership Form
- Immigration Form
- COBRA Letter
- Drug Free Workplace Statement
- Professional Background

All personnel records are kept locked in the administrative area. The IRL Council Executive Director and IRL Council Program Administrator are authorized to have access to the IRL Council’s personnel files. If anyone has to inspect a file, one of these individuals must be present at all times.

The IRL Council Executive Director authorizes the hiring of an employee by signing an Employment Letter and Pay Change Authorization Form. This form is routed to the IRL Council Accounting provider to initiate a payroll master file for the new employee. Any changes in the master file must be initiated by the properly executed form.

Each Employee will complete a time record as set forth in the IRL Council Handbook of Personnel Policies and Practices. Additionally, full-time and part-time employees accumulate paid time off as addressed in the IRL Council Handbook of Personnel Policies and Practices. The approved time records shall be submitted to the IRL Council Accounting provider where they will be utilized both to produce time accounting reports and assist in the preparation of the payroll reports. Payroll checks are then written and the IRL Council Executive Director, prior to the bi-weekly distribution of payroll checks, approves a corresponding payroll register. The IRL Council follows the same check- writing procedure as those presented in the cash disbursement section of this manual.

An employee terminating employment in accordance with the IRL Council Handbook of Personnel Policies and Practices is entitled to a final check that includes pay for accumulated

paid time off if applicable. Before the final check (s) is released, the individual must complete an Employee Check-out Form.

VIII. INVESTMENT POLICY AND OVERSIGHT

A. Authority

The Florida law governing IRL Council's surplus funds is Chapter 218.415, Florida Statutes, "Local Government Investment Policies."

Paragraph 17 addresses local municipal governments with no formal written investment policy and states, "Those units of local government electing not to adopt a written investment policy in accordance with investment policies developed as provided in subsections (1)-(15) may invest or reinvest any surplus public funds in their control or possession in:

1. The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Section 163.01, Florida Statutes.
2. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
3. Interest-bearing time deposits or savings accounts in qualified public depositories (QPD), as defined in Section 280.02, Florida Statutes.

B. Internal Controls of Cash Management

Authorization for account access and signatory authority will be determined by resolution of the Board of Directors. External accountants provide monthly banking reconciliation on all accounts, scrutinize for accuracy, and prepare monthly reports to the Board of Directors.

C. Annual Audit over Internal Controls

In accordance with *Government Auditing Standards*, an annual audit is conducted, and in part, considers the IRL Council's internal control over financial reporting and tests its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. Various tests are performed to provide reasonable assurance about whether the Estuary Program's financial statements are free from material misstatement or noncompliance with which could have a direct and material effect on the determination of financial statement.