

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

5 A-2

AGENDA ITEM SUMMARY

Meeting Date: February 23, 2010	<input type="checkbox"/>	Consent	<input checked="" type="checkbox"/>	Regular
	<input type="checkbox"/>	Workshop	<input type="checkbox"/>	Public Hearing

Department:

Submitted by: County Administration

Submitted for: County Administration

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve the policy promulgated by the County Administrator for implementation of the Inspector General Fee.

Summary: County Administration has created a Policy and Procedure Memorandum (PPM), #CW-F-081, Inspector General Fee Exemptions and Applicability, for implementation of the Inspector General Fee. This policy clarifies exemptions outlined in the Inspector General Ordinance (Ord. No. 2009-049), and lists exemptions by interpretation or practice to be used by all County departments, as well as the Clerk's Finance Department when determining applicability of the IG Fee to various types of procurements. The implementation schedule was created through the collaboration of Administration, Purchasing, FD&O, OFMB, other County Departments, and the Clerk's Office. We have also coordinated implementation of the IG Fee with CGI, the County's vendor for the Advantage Financial System, who will need to modify the System to accommodate implementation of the IG Fee. The target dates reflect consideration and allowance for limitations of the current version of the Advantage Financial System. The timeline allows for the majority of procurements to be effective March 2, 2010 (Phase 1) with the remaining procurement types becoming effective April 20, 2010 (Phase 2). Countywide (LB)

Background and Justification: On December 15, 2009, the Board of County Commissioners ("BCC") adopted Ordinance No. 2009-049, the Palm Beach County Office of Inspector General Ordinance ("IG Ordinance"). This Ordinance authorizes the Inspector General to conduct audits of, require reports from, and receive full and unrestricted access to the records of all County Departments. The cost for the Office of the Inspector General shall be borne by the imposition of a fee equal to one quarter of one percent (0.25%) of all procurements/contracts except those enumerated in the IG Ordinance. This PPM and Timeline clarify the exemptions contained within the IG Ordinance as they relate to interpretation or practice.

Attachments:

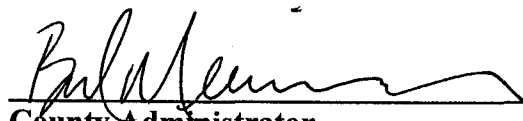
1. PPM# CW-F-081 Inspector General Fee Exemptions and Applicability

Recommended by:

Department Director

Date

Approved By:



County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years:	2009	2010	2011	20112	2013
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	See *		Comments		Below

ADDITIONAL FTE POSITIONS (Cumulative) _____


Is Item Included In Current Budget? N/A Yes ___ No ___

Budget Account No: Fund ___ Agency ___ Org. ___ Object ___

B. Recommended Sources of Funds/Summary of Fiscal Impact:
N/A

III. REVIEW COMMENTS

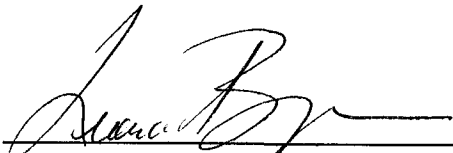
A. OFMB Fiscal and/or Contract Dev. and Control Comments:
*The fiscal impact of the new and revised policies, if any, is indeterminable at this time.



OFMB
1/17/10
2/1/2010
J.P.

N/A

Contract Dev. and Control

B. Legal Sufficiency:


Assistant County Attorney

C. Other Department Review:

Department Director

TO: ALL COUNTY PERSONNEL
FROM: ROBERT WEISMAN
COUNTY ADMINISTRATOR
PREPARED BY: COUNTY ADMINISTRATION
SUBJECT: INSPECTOR GENERAL ORDINANCE (2009-049)
IG FEE EXEMPTIONS AND APPLICABILITY
PPM #: CW-F-081

ISSUE DATE:
February 23, 2010

EFFECTIVE DATE:
March 2, 2010

PURPOSE:

To establish guidelines for implementation of the Inspector General Fee.

UPDATES:

Future updates will be the responsibility of County Administration. Further interpretation of exemptions or applications of the IG Fee consistent with the IG Ordinance shall be approved by the County Administrator.

AUTHORITY:

- Ordinance No. 2009-049

POLICY:

On December 15, 2009, the Board of County Commissioners ("BCC") adopted Ordinance No. 2009-049, the Palm Beach County Office of Inspector General Ordinance ("IG Ordinance"). This Ordinance authorizes the Inspector General to conduct audits of, require reports from, and receive access to the records of all County Departments. The cost for the Office of the Inspector General shall be borne by the imposition of a fee as specified in the IG Ordinance.

The term "contract", as used in the IG Ordinance, applies to any procurement type that is not exempt from said Ordinance, including purchase orders, regardless of source selection. Certain exempt procurements set forth in the Palm Beach County Purchasing Code are also subject to the Inspector General Fee ("IG Fee"). In addition, the Board may authorize the inclusion of the IG Fee in any contract. In order to fully implement the IG Ordinance, this policy, adopted by the BCC, is solely intended to clarify the intention of Paragraph B.(4) of said Ordinance.

PROCEDURE:

All solicitations and contracts for procurements that are not exempt from the IG Ordinance shall include language pertaining to the IG Fee.

I. EXEMPTIONS

A. IG Fee - Ordinance Exemptions:

1. Contracts for legal services. This applies to any contract for legal services and related fees, including those contracts and related fees for special magistrates and special masters.
2. Auditing contracts.
3. Contracts under one thousand (\$1,000) dollars, specifically DPOs.
4. Federal, state and local government funded grants. This applies to any procurement wholly funded by federal, state or local grant and any procurement made pursuant to a federal, state or local declaration of emergency.
5. Interlocal agreements. This applies to payments to another governmental entity for any reason even if that payment is being made for services directly provided by that other governmental entity.
6. Revenue generating contracts. This applies to contracts entered into for the sole purpose of generating revenue.
7. Purchases pursuant to a DOR approved Sales Tax Recovery Program.

B. IG Fee - Exemptions by Interpretation or Practice

1. Employee travel expenses and reimbursements (mileage, tuition, etc)
2. Job related dues, memberships and subscriptions
3. Job related expenses such as training and seminars
4. Job applicant expenses
5. County employees having employment contracts with the Board
6. Moving and relocation expenses
7. Vending machines
8. Goods and services purchases with petty cash in accordance with established County procedures
9. Indigent expenses
10. Death certificates
11. Insurance policies
12. Radon fees
13. Postage
14. Professional medical services
15. Spay and neuter services
16. Advertising
17. Admission fees for amusement parks and entertainment activities for County recreational programs
18. Presenters and lecturers for County library programs

19. Recreational instructors and sports officials
20. Goods or services purchased with donations, gifts or bequests where the application of County procurement policies would be contrary to any condition of the donation
21. Payments to AT&T, FPL, or Florida Public Utilities for utility services or to modify, alter, or install utility owned infrastructure
22. Mobile Satellite, Direct TV, Dish Network, Comcast
23. Contracts with Respect of Florida
24. Contracts with PRIDE
25. Garbage collection and disposal fees
26. Hazardous waste disposal fees
27. Regulatory Fees
28. Non-construction goods and services, amendments, monetary increases or time extension solicited and/or awarded prior to the Phase 2 implementation date.
29. Work Orders issued pursuant to any Job Order Contracting (JOC) contract that was solicited prior to the Phase 1 implementation date
30. Work Orders/Task Orders issued pursuant to any annual construction contract solicited prior to the Phase 1 implementation date AND where bid price is the sole basis for award.
31. Change orders to construction contracts that were solicited prior to the Phase 1 implementation date
32. Consultant Services Authorizations (CSAs)/Task Orders/Work Task Orders to a project specific design contract that were solicited prior to the Phase 1 implementation date
33. Supplemental Agreements to any CSA that was awarded prior to the Phase 1 implementation date
34. Contracts where otherwise superseded or prohibited by federal, state or local law

II. APPLICABILITY

IG Fee Applicable Procurement Types (Purchasing Code Exempt and Non Exempt Purchases)

A. **PHASE 1: March 2, 2010**

Implementation of the IG Fee to the following procurement types will be March 2, 2010 for any applicable procurement, initiated (by advertisement or by approved alternative method pursuant to PPM # CW-F-064) on or after this date. This includes all emergency (confirming) procurements for these types.

1. Purchases of goods and services subject to the Purchasing Code (regardless if alternative source selection is used), are subject to the IG Fee, unless exempt pursuant to IG Ordinance Exemption A.3., A.4. or A.6. above. The IG Fee is applicable to all term contracts unless specifically exempt.

2. All construction services purchases subject to the Purchasing Code (regardless if alternative sources election is used) are subject to the IG fee, including those under \$1,000 and all annual contracts, unless exempt pursuant to IG Ordinance Exemption A.4., A.6., or A.7. above. Materials purchased in support of construction activities performed by County employees are subject to A.1. in Phase 1 above.
3. All procurements with professionals subject to the requirements of the Competitive Consultant Negotiations Act (CCNA). This applies to procurements which are below the CCNA threshold, and procurements less than \$1,000.

B. PHASE 2: April 20, 2010

1. Agreements with not for profit organizations for the transfer, sale or exchange of goods or services
2. Purchase of communication equipment, including wireless equipment, from any source if the ownership of the equipment will transfer to the County
3. Copyrighted Materials. Publications are exempt from the IG Fee
4. Food services and retails leases and concessions. The IG Fee will be applied to the County's net payment on contracts that have offsetting revenue components.
5. Purchases for promotional goods greater than \$1,000
6. Artwork as defined by the applicable policy and procedure
7. Contracts with independent contractors or businesses for temporary personnel services
8. Event specific stage productions or programming including individuals or groups providing musical or theatrical performances or lectures
9. Renewals or amendments of any procurement type (including those procurement types identified for implementation in Phase 1).
 - a. Non-construction goods and services and all amendments, monetary increases or time extension relating thereto will be subject to the application of the IG Fee.
 - b. For construction goods/services and CCNA procurements, the following actions will trigger the application of the IG Fee regardless of the date of award of the base contract.
 - i. CSAs (which also include task orders, supplemental agreements or work task orders) to a continuing services contract awarded pursuant to CCNA
 - ii. Work orders issued pursuant to annual construction contracts where bid price is NOT the sole basis for award
 - iii. Task orders issued pursuant to Construction Manager At Risk (CM) Contracts
 - iv. Guaranteed Maximum Price (GMP) Amendments to CM Contracts

10. Purchase of any Real Property interest, including temporary and permanent easements
11. Contracts related to the administration and management of insurance policies such as, but not limited to broker agreements, loss control services, etc.
12. Piggyback contracts – subject to amendment of Purchasing Code by BCC prior to applicability
13. Any remaining contracts as determined applicable and not previously addressed

ROBERT WEISMAN
COUNTY ADMINISTRATOR