

TO: ALL COUNTY PERSONNEL

**FROM: VERDENIA C. BAKER
COUNTY ADMINISTRATOR**

**PREPARED BY: OFFICE OF FINANCIAL MANAGEMENT & BUDGET
(OFMB)**

SUBJECT: CONTRACT ADMINISTRATION PROCEDURES

PPM #: CW-O-018

ISSUE DATE
April 26, 2021

EFFECTIVE DATE
April 26, 2021

PURPOSE:

To outline the function and responsibilities of the Office of Financial Management & Budget/Contract Development & Control Division for Countywide contract administration and review.

UPDATES:

Future updates to this PPM are the responsibility of the Director of OFMB.

AUTHORITY:

Palm Beach County Administrative Code, Section 307.00.

DEFINITIONS:

1. Clerk to the Board of County Commissioners - (hereinafter called the Clerk) - serves as the Clerk to the County Commission.
2. Contract - Includes contractual instrument, attachments, change orders, consultant services authorizations, task orders, work orders, amendments, addendums, bonds, fee schedule, and any other related documents for incorporation into the contractual agreement.
3. Contract Development & Control Monitoring - Action taken by Contract Development & Control to ensure adherence to the contractual conditions by vendors and user agencies.
4. Contract Register - A data bank that reports the status of County ad valorem funded contracts.

5. Functional Areas - The Divisions/Departments which fall directly under the authority of the County Commission through the County Administrator.
6. Funding Source - Dollars used to pay for a given project, e.g., ad valorem, bond revenue, Federal and State.
7. Site Visit - Visit to user agency to review and insure proper monitoring and administration of specific contracts. May also include visits to job sites to insure proper service by vendors.
8. Standard Contracts - Contracts maintained and standardized to the fullest extent possible, to include all notices, instructions and related contract conditions.

POLICY:

It shall be the policy that all contracts, except for those covered in the County Code and separate Purchasing policies as developed by the Purchasing Department, must be reviewed by the Contract Development & Control Division of OFMB (hereinafter CDC). Additionally, CDC will be responsible for centralizing the monitoring and procedural review functions in relation to all County contracts which includes a determination as to compliance with terms and conditions of executed contracts. CDC also reviews all ancillary and change documents in relation to contracts.

PROCEDURES:

CDC has authority and responsibility to develop and revise policies and procedures for administrative monitoring of all contracts for conformity with the conditions and legal constraints stipulated in the contract.

Specific objectives are:

- A. To coordinate all County contracts as a central clearinghouse for the County Commission's departments, except those exempt above.
- B. Develop contractual agreements in conjunction with the County Attorney's Office.
- C. Standardize contracts where possible, and to provide consistent and efficient documents that will adhere to County policies and regulations.
- D. Maintain contract copy files by functional areas and user agencies.
- E. Maintain a computerized contract register for tracking and updating the status of current ad valorem funded County contracts.
- F. Maintain a contract library of standardized agreements to promote consistency in format and terminology for similar documents.

- G. Administratively assist in the monitoring of projects by interfacing with the user agency's project manager and those responsible for the financial and technical aspects of the contract.
- H. Facilitate and coordinate the drafting, review, approval, and signature by the Board's Mayor of formal contractual agreements.
- I. Review selected interim and final payments.
- J. Coordinate with all outside agencies and professionals and assist in producing contractual documents for same.
- K. Actively serve on negotiating teams and selection committees, and participate in other meetings with potential and contracted vendors and consultants relating to large contracts for the County.
- L. Serve as the central review and clearinghouse for all items to be submitted to the County Contract Review Committee per Countywide PPM CW-F-050.
- M. Review all draft copies of contracts delegated by the Board of County Commissioners to the County Administrator or designee, as well as all purchasing generated items such as formal written contracts, RFPs, bonds, letters of credit, etc.
- N. Review of Board of County Commissioners Agenda Items, with authority to sign off on the Agenda Item Summary pertaining to the contract or contract related item for adherence to County policies.

CDC shall establish procedures for processing contracts from initiation through final closeout.

It is recognized that several County Departments administer contracts for specialized functions in areas of their responsibility. However, CDC retains overview authority. Such overview authority includes, but is not limited to, the following:

- A. Insuring that responsible user departments are following approved policies and procedures for contract development and administration.
- B. Establishing appropriate reporting procedures for contracts administered by responsible user agencies.
- C. Providing technical guidance to user agencies with delegated contract administration functions.

CDC has authority and the responsibility to maintain a centralized database in a Contract Register for all ad valorem funded Board of County Commission approved contracts (excluding contracts/amendments approved via a Contract List submitted by the Purchasing Department) Viewing of the data in the Contract Register is available on the OFMB web site, under Contracts.

CDC shall develop policies and procedures for administratively monitoring all contracts for conformity with the conditions and legal constraints stipulated in the contract. Site visits may be made to verify adherence to the terms and conditions of the contract. Reports will be prepared and filed and copies submitted to affected parties as a result of the site visits. CDC shall interface with those responsible for technically monitoring the contract, including outside professionals or County personnel. CDC may conduct compliance reviews as deemed necessary to assure compliance with County Policy, legal, and budgetary constraints, and terms of the contract. CDC shall develop appropriate reporting procedures to be received and reviewed quarterly from all user agencies.

All written, formal contracts reviewed by CDC staff will be accomplished with the use of a Contract Information Summary Form, a copy of which is attached hereto as Attachment A, which may change from time to time.

OTHER COUNTYWIDE PPMs:

This PPM should be utilized in conjunction with all other Countywide PPMs that address contracts or contract related issues.



VERDENIA C. BAKER
COUNTY ADMINISTRATOR

Supersession History:

1. PPM #CW-O-018, effective 7/1/88
2. PPM #CW-O-018, effective 3/20/02
3. PPM #CW-O-018, effective 8/16/10
4. PPM #CW-O-018, effective 5/20/15

CONTRACT REVIEW CHECKLIST

#	DESCRIPTION	YES	NO	N/A
1.	Is Agenda Summary Sheet information correct and complete?			
2.	Are the parties correctly identified? (All contracts must be with Palm Beach County NOT the Department).			
3.	Has the other party signed? If not, why? (BCC policy requires other party's signature prior to approval unless it is a higher governmental entity).			
4.	Are titles of signing parties and signature lines entered? (Be sure the person signing the contract is authorized to do so by his/her firm and witnessed with a corporate seal, where applicable).			
5.	Are all attachments/exhibits appropriately labeled as such and referenced in the body of the contract?			
6.	Do the individual amount in the contract and attachments collectively match the totals in the contract?			
a.	Is there a cap on the total amount of the contract?			
7.	Are the beginning and ending dates correct and specified?			
8.	Is there a schedule of events and milestones for completion?			
9.	If the contract is for more than two years and ad valorem funds are involved, is there an annual appropriation clause?			
10.	Does the termination clause allow for termination at the convenience of the County?			
11.	Are the indemnification clauses included? (This should be verified with Risk Management for non-standard contracts).			
12.	Does the contract contain a clause addressing the Florida Public Entity Crime Statute (287.133) (2) (a)?			
13.	Does the item comply with the EBO Ordinance?			
14.	Has the Budget Division indicated sufficient Budget availability?			
15.	Are the payment provisions acceptable? (Be sure there are no advance payments).			
16.	Are reimbursable costs identified and capped?			
17.	Are insurance requirements adequate? (This should be verified with Risk management).			
a.	Is proof of insurance attached?			
b.	Is expiration date equal to or longer than the contract period?			
c.	Is Palm Beach County named as additional insured?			
18a.	Is liquidated damages clause included? If so what is the daily assessment? \$ _____/day.			
b.	Is there an early completion bonus/incentive? If so, what is the daily amount \$ _____/day.			
19.	Is performance/payment bond included?			
a.	Is surety verified against U.S. Treasury listing?			
b.	Is Bond sealed? Bond # _____			
c.	Does bond match Contract amount?			
20.	Has the Terms & Conditions Block been executed by Dept?			
21.	Is there a certificate or affidavit from the Contractor indicating who had the authority to execute the contract for the contractor/signature authority verified in Sunbiz?			
22.	Is there an access and audit clause?			
23.	Is there a notification/address identifying provision in the contract?			
24.	Inspector General language?			
25.	Criminal history records check clause?			
26.	Regulations/laws/ordinances clause?			
27.	E-verify (If state contract).			
28.	No Third Party Beneficiaries clause.			
29.	Non-discrimination clauses?			
30.	Federally funded?			
31.	Scrutinized companies provision?			

INSURANCE REQUIREMENTS:

Original Contract Amount: \$ _____

Contractor: _____

General Liability			Expires:
Required: \$500,000		Limits: \$500,000	
\$1,000,000		\$1,000,000	
Other \$ _____		Other: \$ _____	_____

Comprehensive Auto			
Required: \$500,000		Limits: \$500,000	
\$1,000,000		\$1,000,000	
Other \$ _____		Other: \$ _____	_____

Professional Liability Required:			
Required: \$500,000		Limits: \$500,000	
\$1,000,000		\$1,000,000	
Other \$ _____		Other: \$ _____	_____

If claims made – Retro date _____

Excess Liability: \$ _____

Workers Compensation			
Required: Y or N		Limits: \$100/500/100	
		\$500/500/500	
		1mil/1mil/1mil	_____

All Risk - Builders Risk			
Required: _____		Limits: \$ _____	_____
(Eliminate Occupancy Clause)		(Equal to total value of project)	

Must cover until final acceptance.
Sub-limits not acceptable if less than total value of project.)

All Risk - Transit or Motor Truck			
Cargo Required: _____			
(Replacement cost coverage for highest value. Must contain Waiver of Subrogation)		Limits: \$ _____	_____

Aircraft Liability Required: _____		Limits: \$5,000,000	_____
---	--	----------------------------	-------

Watercraft Liability Required: _____		Limits: \$5,000,000	_____
---	--	----------------------------	-------

Other Requirements: _____

Date: _____