



GREATER ORLANDO AVIATION AUTHORITY

PURCHASING MANUAL

ORLANDO INTERNATIONAL AIRPORT

ORLANDO, FLORIDA

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AVIATION AUTHORITY PURCHASING DEPARTMENT

MISSION STATEMENT

The Mission of the Purchasing Department is to promote competition and award quotes and bids to the most responsive and responsible low bidder. The Vision of the Purchasing Department is to provide goods and services that enhance the Orlando Experience for all of the traveling public.

GOALS

1. Ensure the Aviation Authority is obtaining goods and services at a competitive price by:
 - 1.1. Conducting procurements and assisting departments with procurement procedures to ensure that for each purchase, a fair competitive process is followed, a sufficient number of quotes/bids/proposals is obtained and appropriate evaluation of cost and quality is made; and
 - 1.2. Instituting improvements in the procurement process through distribution of new procedures and guidelines.
 - 1.3. Incorporating environmental considerations into purchasing and procurement practices.
 - 1.4. Establishing criteria for the procurement of products and services that incorporate consideration to reduce the:
 - 1.4.1. Consumption of natural resources.
 - 1.4.2. Use of products that have unhealthy components or that are manufactured using processes that may be harmful to the manufacturer's employees or the public near the manufacturing plants.
 - 1.4.3. Consumption of energy and water in the manufacturing or distribution process.
 - 1.4.4. Waste generation through optimized packaging.
 - 1.4.5. Use of virgin material.
2. Expedite the procurement of the Aviation Authority goods and services and respond to the department's needs and requests as follows:
 - 2.1. Increase communication with departments through the use of surveys and reports.
 - 2.2. Process requisitions and solicitations in a timely manner.
 - 2.3. Review Project Initiation Form (PIF) requests.

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***Material Control – Hours for**
Delivery 8am – 3pm
Call 407-825-2150 or
407-825-2648
to schedule deliveries.

PURCHASING POLICIES

The Greater Orlando Aviation Authority Purchasing Department adopted the following policies in August 28, 1991(Please refer to Attachment "A"):

- Section 204.01 – Greater Orlando Aviation Authority Ethics Policy
- Section 450.02 – Operational Procedure: Competitive Procurements
- Section 450.03 – Non-Competitive Procurements
- Section 450.04 – General Procedure and Approval Authorizations
- Section 450.041 – Operational Procedure: Contract Documentation and Changes
- Section 450.05 - Disposal of Surplus Property, Scrap, and Trash
- Section 450.08 – Procurement/Bid at Public Auction
- Section 405.09 – Procurement/Material Control
- Section 450.10 – Procurement Card
- Section 450.11 – Procurement/Property Control

GENERAL PROCEDURES

CONFLICT OF INTEREST

Purchasing staff shall ensure that no Aviation Authority staff may participate in the selection or award of a contract covered by this procedure, if that employee, any member of his or her immediate family or his or her partner, or an organization which employs or is about to employ any of the foregoing, as a financial or other interest in the firm selected for award. Employees may not accept gratuities from contractors, potential contractors or subcontractors.

VENDOR RELATIONS

It is a primary purchasing responsibility to cultivate and maintain good vendor relations. The Purchasing Department shall:

1. Promote fairness and integrity in all business dealings.
2. Provide all vendors with an opportunity for a full, fair and courteous hearing on any subject that is justified by the nature of their product or service.
3. Insure that all competition will be kept open and fair without favoritism.
4. Not knowingly take advantage of a vendor mistake.
5. Assure that strict truthfulness is observed in all transaction with vendors.

EMERGENCY PURCHASES

The Aviation Authority may acquire Goods, Services or Professional Services by directly negotiating award pursuant to an Emergency Procurement. For each Emergency procurement, the following steps must be followed to document the Emergency Procurement transaction and to permit payment to the vendor:

1. The requesting department must complete an Emergency Procurement Authorization Form with a justification for the Emergency Procurement (Form 450.03.3).
2. The completed Emergency Procurement Authorization Form with justification must be forwarded to the Assistant Director, Purchasing and Material Control prior to the procurement if practically possible or within 72 hours after the procurement, if practically possible. The requesting office retains a copy of the completed forms and enters a requisition.
3. All Emergency Procurements require confirmation of funding, and approval, by the Chief Financial Officer, or designee. Such approval should be obtained by the Requesting Department in advance of the procurement if practically possible or within 72 hours after the procurement.

4. The Assistant Director, Purchasing and Material Control will verify and forward the completed Emergency Procurement Authorization Forms for approval to a person with a sufficient limit of procurement authority as specified in Policy 450.041, Contract Documentation and Changes. Once signed by such person, the approved form is returned to the Purchasing Office as a supporting document.
5. The Requesting Department shall forward the original invoice to Accounts Payable for processing.
6. The procuring department shall process a receiving report in the Aviation Authority's financial software system if the Emergency Procurement was for Services. The Material Control Department will process the receiving report if the Emergency Procurement was for Goods.

SOLE SOURCE

The Aviation Authority may acquire Goods, Services, or Professional Services pursuant to a Sole Source Procurement. Sole Source Procurement is available when Goods, Services, or Professional Services are limited to one source, or when they must be obtained from a specific manufacturers' dealer and valid competition among dealers does not exist. The Requesting Department must complete a Sole Source Justification form (Form 450.03.1), which states, in detail, the justification for the Sole Source Procurement.

SINGLE SOURCE

The Aviation Authority may acquire Goods and Services pursuant to a Single Source Procurement. A Single Source Procurement is a procurement made from one firm among others in a competitive market place which, for justifiable reasons, is found to be most advantageous for the purpose of fulfilling the given purchasing need. The Requesting Department must complete a Single Source Justification form (Form 450.03.2), which states, in detail, the justification for Single Source Procurement.

APPROVAL OF SINGLE AND SOLE SOURCE PROCUREMENT AWARDS

The Executive Director is authorized to approve Single and Sole Source Procurements up to but not exceeding \$100,000. The Aviation Authority Board must approve Single Source Procurements and Sole Source Procurements in excess of \$100,000.

SUSTAINABLE PURCHASING

The Aviation Authority is committed to creating an environmentally conscious culture that engages and inspires social responsibility and enhances the customer experience. By incorporating environmental considerations into purchasing and procurement practices Authority can serve its commitment by continuing to improve the work environment for those who work for the Authority and for those working for one of the many business partners of the Orlando International Airport and Orlando Executive Airport.

The Authority's Purchasing Department encourages all departments, vendors, and service partners to adopt, practice and promote environmentally preferable purchasing practices. This applies to the following types of products:

1. Consumable Items.
2. Durable Goods: Appliances, Electronics, Furniture, and Maintenance Equipment.
3. Mercury containing items.
4. Building Materials for Alterations and Additions.
5. Process and Cleaning Chemicals.

The Purchasing Department shall continue to strive to reduce the amount of solid waste generated, increase recycled materials recovered from Authority's operation and maximize the procurement of recycled, energy efficient and safe products. The Purchasing Department shall monitor compliance with this pledge.

SMALL PURCHASE PROCEDURES

The Policy requires that procurements exceeding \$15,000 should be competed (or \$20,000 for a purchase directed to a Local Developing Business). There are services that are exempt from the procurement process, these services are: artistic works, employee benefits, entertainment, insurance, advertising, subscriptions and dues, travel, utilities, and legal services; or procurements made through other specific methods as approved by Authority Policy.

SMALL PURCHASES PROCUREMENT METHODS

Piggy-Backing:

The Authority can utilize contracts from other governmental agencies such as City, County, State, Airport Authority, and Federal (GSA) Contracts (the use of GSA Contracts is strictly limited to IT and Homeland Security purchases only). "Piggybacking" includes the utilization of Contracts issued by recognized co-operative purchasing groups: US Communities, The Cooperative Purchasing Network (TCPN), Western States Contracting Alliance (WSCA), and National Joint Powers Alliance (NJPA), etc.

Request for Quotes (RFQ):

RFQ is a competitive process for the one-time purchase of a commodity or service; or for inventory and supply replenishment; does not result in a formal Contract. All requirements are posted on AirportLink/WebProcure and are not advertised in the newspaper.

Responses can be received by fax or e-mail to Purchasing; there is some flexibility in the review of received responses.

Awards are made to the low, responsive and responsible bidder. "Responsive" Bidder is one who submits all of the required documentation per the RFQ documents, on time. "Responsible" Bidder must exhibit the capability and experience to provide the commodity or service. Both of these criteria must be met to make an award.

REQUISITION PROCEDURES

This procedure is to be used by the Aviation Authority employees to request that a purchase for goods and/or services, be authorized and processed. All requests shall be made in accordance with the Purchasing Policies and all related procedures.

Requisition Process:

1. The Requesting Department shall initiate an electronic Requisition.
2. Supporting documentation, specification or description of Goods, Services, or Professional Services shall be forwarded to the Purchasing Manager. An attachment to the Buyer shall be entered on the electronic Requisition to alert the Buyer of the documents being forwarded, or to provide the Buyer the location of the documents on the file server.
3. The Requesting Department's Director, designee or appropriate approval authority in the department approves the Requisition electronically. If the Requisition is for an amount that exceeds the initial approver's authority, the financial system will route the Requisition to the next level in the requestor's reporting chain with sufficient approval authority until approval is obtained prior to submitting it to the Purchasing Office.

Requisition Approval Authority:

1. Requisition approval authority is designated by the Executive Director. Deputy Executive Directors, Chief Financial Officer, Senior Directors, Department Directors, and other individuals, as delegated by the Executive Director, are authorized to approve valid Requisitions for Goods, Services, and Professional Services up to the amounts designated by the Executive Director providing that funding has been approved during the annual budgeting process of the Operations and Maintenance Funds and subject to availability of funds.
2. Requisitions for Goods and Services that are funded from sources other than the Operations and Maintenance Funds require additional approval. After the appropriate approval by the Requesting Department, these requisitions shall be electronically routed to the Finance Department for approval.
3. The Assistant Director, Purchasing and Material Control or the Purchasing Manager is authorized to approve Requisitions for items in an amount up to and including \$100,000.

Award of Approved Requisition:

Approval of Vendor selection and award of a procurement to a Vendor initiated through the Requisition process are specified in the Approvals section of this policy.

Contract Process for Goods, Services, or Professional Services:

1. Except as discussed in Section (v) below, the Procurement Initiation Form (PIF) is used to request Goods, Services, or Professional Services in which a multi-year Contract is deemed to be in the best interest of the Aviation Authority. The Requesting Department shall forward the PIF to the Purchasing Department in a timely manner to ensure that award can be made during required time frames.
2. The PIF shall include a description of the Goods, Services, or Professional Services required.
3. The Assistant Director, Purchasing and Material Control or Purchasing Manager and/or designee shall work with the Requesting Department to assist them in developing a scope and/or specification of the Goods, Services, or Professional Services requested in preparation for competitive solicitation and award, as described in Policy 450.02, Competitive Procurements. If it is determined that a Non-Competitive Procurement is required, preparation of associated documents and approvals described in Policy 450.03, Non-Competitive Procurements, shall be prepared.
4. The Assistant Director, Purchasing and Material Control or Purchasing Manager and/or designee shall develop a project schedule and guide the user department through the procurement process.
5. If the services require a Professional Services Contract that meets the definition of Project-oriented Professional Services defined in Policy 450.01, Purchasing Introduction and Definitions, the Executive Director shall determine whether it is procured by the Construction Department or the Purchasing Department. In either case, the 450 Series Policies shall govern the procurement.

PURCHASE ORDER PROCEDURE

1. After completion of the Vendor selection process and subject to obtaining appropriate approvals discussed in the Approvals section of this policy, the assigned Buyer shall create a purchase order, making certain that all information, terms, and conditions are stated clearly.
2. The Purchasing Manager or designee shall be responsible for completing the final review of the purchase order. All supporting documentation, solicitation information, vendor responses, related correspondence, and notes pertaining to the purchase shall be maintained by the Purchasing Office.
3. If the source selection results in the need for a formal Contract, the purchase order sequence indicated above shall occur after the Contract has been signed and distributed. In this case, the Purchase Order shall be used as a vehicle to encumber the funds and/or an ordering mechanism.
4. When the Purchase Order is for Goods and the item has been received by Material Control, Material Control shall process a receiving report.
5. When the Purchase Order is for Services and the Service has been satisfactorily performed, the Requesting Department shall process an electronic Service Receipt in the Financial System, acknowledging receipt of Services from the supplier.
6. Multiple Shipments: In instances involving multiple shipments of Goods or ongoing Services:
 - 6.1. Material Control shall process an electronic receiving report for the portion of the Goods received.
 - 6.2. The receiving department shall process an electronic receiving report for the portion of the Services satisfactorily performed.

CONTRACTS PROCEDURES

Purchasing Department is responsible for determining the appropriate contract procurement method and document the basis for the selection. Senior Purchasing Agents are responsible for the processing of Requests for Proposals (RFP), Invitation for Bids (IFB), ITN's or other methods, primarily associated with Multi-year service agreements, Capital Items with a value greater than \$250,000 and day to day Contract Management in conjunction with Authorized Agency Representative (AAR). Some of the procurement methods typically used are:

INVITATION FOR BIDS (IFB)

A procurement method where competitive sealed bidding is used, an Invitation for Bids is prepared and issued to prospective Bidders, with the goal of obtaining competitive responses.

REQUEST FOR PROPOSALS (RFP)

A competitive method used to solicit proposals from potential proposers for goods and services. Price is usually not a primary evaluation factor. Provides for the negotiation of all terms, including price, prior to contract award. May include a provision for the negotiation of best and final offers. May be a single-step or multi-step process.

REQUEST FOR PROFESSIONAL SERVICES (RPS)

The Executive Director may purchase Professional Services by directly negotiating award or other non-competitive method. Negotiations may be conducted by the Assistant Director, Purchasing and Material Control or designee with assistance from the Requesting Department and legal counsel and/or by other individuals as directed by the Executive Director, pursuant to the procedures and guidelines set forth in Policy 110.01, Executive Director.

REQUEST FOR INFORMATION (RFI)

A non-binding method whereby a jurisdiction publishes via newspaper, Internet, or direct mail its need for input from interested parties for an upcoming solicitation. A procurement practice used to obtain comments, feedback, or reactions from potential responders (suppliers, contractors) prior to the issuing of a solicitation. Generally, price or cost is not required. Feedback may include best practices, industry standards, technology issues, etc.

REQUEST FOR QUALIFICATION (RQ)

A procurement method may be used to obtain statements of the qualifications of potential responders (development teams or consultants) to gauge potential competition in the marketplace, prior to issuing the solicitation.

INVITATION TO NEGOTIATE (ITN)

A competitive negotiation process that is used when the procurement authority deems it is in their best interest to negotiate with proposers to achieve "best value." A form of source selection that is similar to the Request for Proposals process. A short list of acceptable proposers is created. Two negotiation methods are allowed: Single negotiation and concurrent negotiation.

MULTI-STEP SOLICITATION

A method of source selection involving two competitive steps, combining the elements of both Invitation for Bids and Request for Proposals. The first step may require the submission of technical and price proposals with only the technical proposals being evaluated and scored. The second step involves the opening of price proposals of those firms who have achieved the highest technical scores.

CONTRACT PROCUREMENT PROCEDURES

Pre-Document Review:

The Senior Purchasing Agent should review the requirements, plans and specifications with the following objectives:

1. Ensure that the description of the requirements provides a clear and accurate description of the technical requirements for the material, product or service to be procured.
2. Identify potential savings that might be achieved through the breakout and separate procurement of items that may be procured separately more economically or which might increase opportunities for Minority/Women Owned Business Enterprises (MWBE) and Local Developing Business ("LDB") Participation.
3. Ensure that there is an independent cost estimate for the project or procurement before the solicitation is issued.
4. Select appropriate Federal Clauses and Requirements are included in the solicitation and resulting contract.

Risk Assessment:

To protect the Authority's resources, the Risk Management determine the appropriate level of insurance a contractor should have in order to cover possible claims of damages. The Senior Purchasing Agent shall submit the Risk Assessment form, the Project Initiation Form (PIF) and the Specification to the Risk Management Department for their review and assessment of insurance coverages upon receipt of the PIF and Specification.

Small Business Assessment:

Upon receipt of the PIF and Specification, the Senior Purchasing Agent shall submit a SB Assessment for participation goal along with a copy of the PIF and Specification.

Bid/Proposal Bond:

A Bid/Proposal Bond will not be required unless recommended by the Purchasing Manager and concurred by the Chief of Operations.

Performance Bond/ Irrevocable Letter of Credit:

Performance Bond or Letter of Credit, shall be required for all solicitations that include Services to be performed in which the estimated annual amount of the award, based on the budget developed by the Aviation Authority for the solicitation, equals or exceeds \$300,000. The amount of the performance

guarantee shall be established for each solicitation by the Assistant Director, Purchasing and Material Control after consultation with the Chief of Operations, and other senior officials, as necessary. For all solicitations where the estimated annual amount of the award is less than \$300,000, a performance guarantee will not be required unless recommended by the Purchasing Manager and concurred by the Chief of Operations.

Item Number Review for Pricing Page:

The Senior Purchasing Agent shall review the item numbers of the pricing pages. If new item numbers are needed, an email request shall be submitted to the Purchasing Manager of Goods and Services with the following information:

1. Copy of the Pricing Pages
2. State if it is a service or good.
3. State if it is for a BPA or Requisition.

Prepare Solicitation Documents:

The Senior Purchasing Agent shall prepare solicitation documents according to Authority Purchasing Policies, review specifications, research market, and provide assurance to all involved in the solicitation that the process is fair, transparent and accurate.

When working on draft bid documents, use current boilerplates located on the "I" Drive, and keep track of document versions, do any and all corrections (including spell and grammar check) prior to moving draft document forward for review. Once bid review is completed, make all changes and corrections and resubmit to management and Legal. After Legal review, make all corrections and resubmit to management for final approval.

Advertisement of Solicitation:

Senior Purchasing Agent shall submit a legal classified advertisement request to Orlando Sentinel via email at: classified_legal@orlandosentinel.com on Wednesday to be published in The Orlando Sentinel newspaper on the following Sunday. Also request copies of the certified advertisement and invoice to be sent to the Finance Manager, Greater Orlando Aviation Authority, P.O. Box 620125, Orlando, Florida 32862-0125.

Copy of the legal classified advertisement and the invoice shall be submitted to Purchasing Manager of Professional Services and Contract Administration.

Proposal packages shall be uploaded at AirportLink's website at <http://AirportLink.perfect.com>.

Bid/Proposal Release Notification:

Upon placing the legal classified advertisement, the Senior Purchasing Agent shall send a Bid/Proposal Release Notification to: BidReleaseNotification@goaa.org with the following information: Solicitation number, Description, Release Date of the Solicitation, Pre-Bid/Proposal Conference Date, Opening Date and Time, and Opening Location.

Pre-Bid/Proposal Conference Meeting:

A Pre-Bid/Proposal Conference Meeting shall be held at the Greater Orlando Aviation Authority, Purchasing Office, 8652 Casa Verde Road, Building 811, Orlando, Florida 32827-4338. At the Pre-

Bid/Proposal Conference, the Senior Purchasing Agent shall review the Bid/Proposal Documents, conduct a question and answer period, and schedule a familiarization site visit. Attendance at the Pre-Bid Conference and the familiarization site visit is not mandatory but is strongly encouraged.

Addendum:

Any response by Authority to a request by a Proposer for clarification or correction of the Bid/Proposal packages will be made in the form of a written Addendum. The Addendum shall be uploaded at AirportLink, <http://AirportLink.perfect.com>. Addendum can be issued at any time up to the date and time set for Proposal opening.

Evaluation Process:

Bids/Proposals will be evaluated based on the evaluation factors set forth in the Solicitation, which may include criteria to determine acceptability of Goods (for example, inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose). Criteria for the acceptability of Goods shall be used to determine whether particular Goods are responsive to the Solicitation, and not to determine the relative desirability between acceptable Goods. The Aviation Authority reserves the right to waive any informalities or irregularities of bids, to request clarification of information submitted in any bid, to further negotiate with the Responsive and Responsible Bidder/Proposer selected for Contract award, or to reject any or all bids for any reason whatsoever. If no responsive and responsible bids/proposals are received or all bids/proposals are rejected, the Aviation Authority may procure such Goods and Services by direct negotiation as indicated in Policy 450.03, Non-Competitive Procurements.

Staff Review:

The Purchasing department shall make arrangements for staff review panel participation. The names of individuals agreeing to serve on the staff review panel shall be submitted to the Concessions/Procurement Committee (CPC), Professional Services Committee (PSC), Finance Committee, Retirement Benefits Committee (RBC) or Ad-Hoc Committee prior to the Committee Meeting.

After receiving the Bids/Proposals, the Senior Purchasing Agent shall prepare a Staff Review Memo to be sent to each member of the appropriate Committee Members and staff review panel. The letter shall contain the following information:

1. Type of Services to be evaluated.
2. Listing of Bidders/Proposers whose bids/proposals are to be evaluated.
3. Date and time of Solicitation that was released and opening.
4. Copy of the Bids/Proposals along with any Addendums.
5. Evaluation Criteria to be applied.
6. Staff Review Form.

Records:

The Purchasing Department shall maintain a file as documentation of the evaluation process. The file shall contain:

1. A copy of the solicitation documents.
2. A listing of Bids/Proposals received.
3. Evaluation Criteria
4. Names of each evaluator.
5. All Bids/Proposals received in response to the solicitation.

6. Staff Review Summary

Recommendation for Award to CPC, PSC, RBC, Finance or Ad-Hoc Meeting:

The Purchasing Department shall compile and verify the results of the Staff Review. Based on the results of the review, the Senior Purchasing Agent shall prepare a proposed recommendation for award of the contract and submit it to the appropriate committee for review and approval.

Appeal Period:

Contractors may appeal the results of actions made by the Committee. Contractors may file an appeal stating the item they wish to appeal and the basis for which they wish to appeal, and it must be received in writing by the Executive Director, in his office at One Jeff Fuqua Boulevard, Main Terminal Building by five (5) business days after Committee Meeting date.

Executive Director Approval of Procurement Awards:

The Executive Director (or designee) is authorized to approve any type of procurement of Goods, Services, or Professional Services and to execute multi-year Contracts, in an amount up to and including \$250,000, Single and Sole Source Procurements and Emergency Procurements in excess of \$100,000 require approval by the Aviation Authority Board.

Procurement Awards Requiring Aviation Authority Board Approval:

The Aviation Authority Board shall approve all procurement awards of Goods, Services, and Professional Services not delegated to the Executive Director and/or Aviation Authority staff as discussed in Purchasing policy 450.04.

Notification of Intent to Award:

Upon Executive Director or Board Approval, the Senior Purchasing Agent shall prepare two (2) original contracts, a letter of intent to award and have the two (2) original contracts signed by the contractor. The contractor has ten (10) calendar days to submit the two (2) signed original contracts along with the required documentation.

Approval of Award of Professional and Other Services:

Procurements of Professional Services and Services which require shortlisting and/or ranking shall be recommended by the appropriate Committee to the Executive Director and/or Aviation Authority Board for approval. Policy series 120 defines the type of procurements approved by each Committee.

Contract Documents Review:

The Senior Purchasing Agent will perform the following:

1. Review contract forms to ensure requested information comply with contract requirements.
2. Forward Certificate of Insurance (COI), Signed Risk Assessment form, and the General Conditions to Risk Management for review and approval.
3. Forward required submittals such as resume, transition plan, staffing plan, etc. to the AAR for approval.

4. Upon approval of COI and submittals, forward the two (2) signed original contracts to Legal for review and execution.
5. Upon Legal execution, forward both contracts to the Executive Director for execution.
6. At the Pre-Performance Meeting, a signed original contract and the Notice to Proceed will be hand delivered to Contractor.
7. Maintain one original contract in the contract file and provide a copy to the Department.
8. Contract Filing: Submit Contract Administration Forms along with a copy of the executed contract, CPC and Board Memo, Small Business Memo, Approved/Signed Risk Management Assessment form, Certificate of Insurance, Performance Bond/Letter of Credit, etc. to the permanent record maintained in the Purchasing Office.

ATTACHMENT "A"
PURCHASING POLICIES

OBJECTIVE To prescribe a uniform policy for prevention of conflict of interest, acceptance of Outside Employment and/or Gratuities and divulgence of information.

**METHOD OF
OPERATIONS**

Definitions **Airport Employer:** Entity that engages in business with the Aviation Authority and/or entity engaged in business at Orlando International or Orlando Executive Airport.

Employee. An individual who occupies a regular or temporary Aviation Authority appointed or classified position, or is in any way employed by the Aviation Authority on a salaried or hourly basis.

Gratuities. A gift, favor, reward, entertainment, loan, or other items of monetary value tendered to an Employee by any source other than the Aviation Authority.

Outside Employment. Employment in addition to an Employee's job with the Aviation Authority, including self-employment, unpaid positions, i.e. internships.

Member of the Authority Board. A person who serves by election or appointment on the Board of the Aviation Authority.

Senior Executive. Executive management classification above Director level.

Florida Statutes Florida Statutes (the Conflict of Interest Laws), are applicable to all Members of the Authority Board and Employees.

The declared policy of this law is to prohibit any Member of the Authority Board or Employee from having any interest in, or engaging in, any business or transaction, or from incurring any obligation "which is in substantial conflict with the proper discharge of duties in the public interest."

The law prohibits the acceptance by any Member of the Authority Board or Employee of "any gift, favor, or service that might reasonably tend to improperly influence him in the discharge of his official duties."

If an Employee of the Aviation Authority is an officer, director, partner, proprietor, associate, or general agent (other than a resident

agent solely for service of process) or material interest holder of any business entity in the State of Florida, he/she shall file a statement disclosing such facts with the Orange County supervisor of Elections.

A further explanation of this statute can be found under “Statement of Interest in Business Entities by Aviation Authority Officers and Employees,” below.

The law further prohibits any Member of the Authority Board or Employee from:

- using or attempting to use the official position to secure special privileges or exemptions for him/herself or others,
- accepting employment or engaging in any business or professional activity that might reasonably be expected to require or induce the disclosure of confidential information acquired by the Member of the Authority Board or Employee by reason of official position,
- disclosing to others or using any confidential information gained by means of official position for personal benefit,
- accepting other employment that might impair the independence or judgment of the Member of the Authority Board or Employee in the performance of public duty,
- receiving any compensation for official services to the Aviation Authority from any source other than the Aviation Authority,
- transacting any business in an official capacity of the Aviation Authority with any other business entity of which the Member of the Authority Board or Employee is an officer, director, agent, member, or who owns a controlling interest,
- having personal investments in any enterprise that will create a substantial conflict between private interests and public interest.

General

This procedure is not intended to prevent any Member of the Authority Board or Employee from accepting lawful private employment. It is not intended to prevent any pursuit that does not interfere with the full and faithful discharge of public duties.

All persons who fall within the categories of “state officers”, “local officers/employees”, “specified state employees”, as well as candidates for elective state or local office, are required to file

Commission on Ethics Form 1 within 30 days of the date of appointment or beginning of employment. Thereafter, filing is due by July 1st each calendar year. Failure to file by September 1 of any calendar year is subject to a fine of up to \$1,500.00. A public official leaving his/her position is required to file a final disclosure that covers the period between January 1st and the last day of office or employment. Filing is due within 60 days of leaving the public office or employment position.

The procedure prescribes appropriate standards of ethical conduct for Members of the Authority Board and all Employees of the Aviation Authority. Members of the Authority Board and Employees should avoid any action, whether specifically prohibited or not, that might result in or create the appearance of:

- using public office for private gain,
- offering preferential treatment to any person,
- impeding Aviation Authority efficiency or economy,
- losing complete independence or impartiality,
- making an Authority decision outside of official channels,
- adversely affecting the public's confidence in the integrity of the Aviation Authority.

POLICY

Employment of Relatives

Refer to Policy 201.05, Employment and Placement of Relatives.

Outside Employment

An Employee may not accept Outside Employment or engage in any private business if the Outside Employment or private business interferes with the normal conduct of the Employee's position. If a new Employee is currently working for another employer and wants to keep that position while working for the Aviation Authority, the new Employee shall seek authorization to retain that employment.

Form 204.01.2 (Request for Outside Employment) shall be submitted for review and authorization prior to an Employee accepting, continuing or engaging in Outside Employment.

If an Employee is seeking authorization to accept or continue employment with another Airport Employer, the Request for Outside Employment form shall also be reviewed by the Aviation Authority

Security Department. Employment with another Airport Employer may be deemed a conflict of interest and therefore may not be authorized.

It is the Employee's responsibility to ensure authorization for Outside Employment is obtained prior to accepting, engaging in, or continuing Outside Employment.

A copy of the request will be filed in the Employee's personnel folder. The Employee will be notified of the final disposition of the request by the Human Resources department. If the request is denied, the Employee may appeal the decision to the Senior Executive of his/her department or a designee.

Gratuities

No Member of the Authority Board or Employee may directly or indirectly solicit any Gratuity from a person, firm, or corporation who has sought or is seeking to obtain contractual or other business or financial gain from the Aviation Authority, who conducts operations or activities that are regulated by the Aviation Authority, or who has interests that may be substantially affected by the performance or non-performance of the Employee's official duty.

Exceptions to the acceptance of Gratuities include:

- situations of family or personal relationships, i.e., parents, children, or spouse of the Employee, in which the circumstances clearly indicate it is those relationships that motivate rather than the business connections of an Employee or Member of the Authority Board,
- acceptance of meals of nominal value, or infrequent occasions, and in the normal course of a business meeting, annual business receptions, conferences, seminars, or inspection tours, when the Member of the Authority Board or an Employee is properly in attendance,
- acceptance of loans from banks or other financial institutions on customary terms to finance proper and usual activities, such as home mortgage loans,
- acceptance of unsolicited advertising or promotional materials such as pens, pencils, note pads, calendars, and similar items. Such material shall be prominently identified as advertising or promotional material and have a retail value of less than \$25.00,
- rewards or gifts to an Employee as authorized by the Aviation

Authority,

- admission to events to which he/she is invited in an official representative capacity on behalf of the Aviation Authority,
- unsolicited Gratuities of a value up to and including \$100.00, provided that the Employee or Member of the Authority Board and the acceptance do not violate the provisions of Florida Statute 112.313.

In situations where a donor of a gratuity is unknown and the donee is not permitted to keep the gratuity, the gratuity shall be turned over to the Executive Director with a written report of the circumstances of how it was received. The Executive Director makes such disposition of the gratuity as he deems appropriate and in the best interest of the Aviation Authority.

This procedure should not be interpreted to prevent a Member of the Authority Board or an Employee from entering into a bona fide business transaction for the services or goods and materials from a person, firm or corporation who is engaged in business with the Aviation Authority so long as such services, goods and materials are provided for a price and terms available to the general public.

Divulgence of Information

No Member of the Authority Board or Employee furnishes any information other than public information that was obtained as a result of employment with the Aviation Authority to gain personal advantage for him/herself or another. This shall not be construed to limit, hinder, or prevent the divulgence or use of information in the performance of official duties, but will prohibit the use of or provision of information that would place the Employee or the recipient in a vantage position over the general public, thereby constituting a violation of public trust.

Interest in Contract with Aviation Authority

No Member of the Authority Board may be directly or indirectly employed by any person, firm, or corporation and no Member of the Authority Board may have an interest, directly or indirectly, in any firm or corporation, having any contractual relation with, or rendering for any consideration, services to the Aviation Authority.

No person, firm, or corporation having any contractual relation with, or rendering for any consideration, services to the Aviation Authority may employ directly or indirectly any Member of the Authority Board, nor may any such firm or corporation have as a direct or indirect interested party thereof a Member of the Authority Board.

**Interest in
Contract with
Aviation
Authority-
Employees of
the Aviation
Authority**

No person, firm, or corporation that has a Member of the Board as an employee, or as a direct or indirect interested party therein, may be eligible to be considered to have a contractual relation with or to render for any consideration, services to the Aviation Authority.

No Employee of the Aviation Authority may be directly or indirectly employed by any person, firm, or corporation, nor be directly or indirectly interested in any firm or corporation having, or proposing to have any contractual relation with or rendering, or proposing to render for any consideration, goods or services to the Aviation Authority when the approval, concurrence, decision, recommendation, or advice of the Employee may be sought, obtained, or required in any connection with contract service.

No person, firm, or corporation, having or proposing to have any contractual relationship with, or rendering or proposing to render any consideration, goods or services to the Aviation Authority may employ or have as an interested party, directly or indirectly, any Employee of the Aviation Authority, when the approval, concurrence, decision, recommendation or advice of such Employee may be sought, obtained, or required in connection with such contract or service.

No person, firm, or corporation may be deemed to be proposing to have a contractual relationship with the Aviation Authority or be proposing to render goods or services to the Aviation Authority unless such person, firm, or corporation submits a bid or proposal to the Aviation Authority for any Aviation Authority contract, makes a contractual offer to the Aviation Authority, or requests the Aviation Authority to consider entering a contractual relationship with the person, firm, or corporation.

No former Employee of the Aviation Authority may accept employment with a person, firm or corporation who was awarded a contract by the Aviation Authority for a period of six (6) months after the award of the contract if said former Employee participated in the review or recommendation process that resulted in the award of an Aviation Authority contract to said person, firm or corporation.

No person, firm or corporation may employ a former Employee for a period of six (6) months after leaving the Aviation Authority's employ, if said former Employee participated in the review or recommendation process that resulted in the award of an Aviation Authority contract to said person, firm or corporation.

Penalty

Violation by a Member of the Authority Board will be addressed

under Florida Statute 112.317.

Violation of any provision of this procedure by an Employee is sufficient cause for immediate dismissal of the Employee.

Violation of any provision of this policy by a contractor, supplier, or vendor is sufficient cause for the denial of the right of said contractor, supplier, or vendor to bid on or to sell any materials, supplies, equipment, or services to the Aviation Authority for a period of time that is determined by the Executive Director.

Violation of the six (6) months limitation on employment policy may, at the Aviation Authority's option, be treated as an event of default in the contract between the Aviation Authority and the violating person, firm or corporation.

**Statement of
Interest in
Business
Entities**

If a Member of Authority Board or an Employee is an officer, director, partner, proprietor, associate, or general agent, or owns a material interest in any business entity that is legally operating in the State of Florida, he/she files a statement that gives the name, address, and principal business activity of the business entity and states the position with such entity or the material interest and nature of interest held in the entity.

Disclosure of "Interests in Specified Business" is filed on the Commission on Ethics Form No. 1, Part F. The form shall be filed if the business is of the type specified in the instructions for completing Form 1, Part F.

Material interest means direct or indirect ownership of more than five percent (5%) of the total assets or capital stock of any business entity. For the purpose of this procedure, indirect ownership does not include ownership by a spouse or minor child.

New Members of the Authority Board and Employees shall file Form 1, if applicable, within thirty (30) days after taking office or becoming employed by the Aviation Authority.

The statement need not be filed by an appointed officer or Employee who has no interest in a business entity to report; however, if an interest in a business entity is acquired thereafter, a statement shall then be filed.

Where to File

This form should be completed, signed, and sent to the Supervisor of Elections of the county in which you are principally employed, or a resident. The Human Resources Department shall be provided a copy

of the completed signed form.

FORMS

Commission on Ethics Form No. 1, Statement of Financial Interests.
Form 204.01.1 – Employee Acknowledgement
Form 204.01.2 – Request for Outside Employment

REFERENCE

Florida Statutes 112.311 through 112.318, “Conflict of Interest Law.

**APPROVAL
AND UPDATE
HISTORY**

Last Approval

Authority Board: August 20, 2014
Executive Director: July 28, 2014

Supersedes

All Previous

EMPLOYEE ACKNOWLEDGMENT

To: Human Resources

Subject: Acknowledgment of Policy and Procedure Section 204.01

I have reviewed Policy and Procedure Section 204.01, Code of Ethics and Business Conduct.

I agree to abide by the provisions of this policy.

I understand that if I have questions about the policy or about my rights and responsibilities in regard to this policy, I may contact the Director of Human Resources or the Aviation Authority's General Counsel.

Employee's Name (PRINT): _____

Employee's Signature: _____

Date: _____

Request for Outside Employment

Employee Name (Please Print): _____

Date of Request: _____ Department: _____

In accordance with Policy and Procedure Section 204.01, Code of Conduct and Business Ethics, I am requesting authorization to:

- Accept or continue employment with another Airport Employer - *complete sections 1, 2*, 3*
- Accept or continue employment with a non-Airport Employer - *complete sections 1 and 3*
- Engage in or continue self-employment or an unpaid position- *complete sections 1 and 3*

Section 1

Employer/Entity Name: _____

Employer/Entity Address: _____

Job Title: _____

Description of duties: _____

Work days: _____ Work Hours: _____

Employer/Entity Contact Person: _____

Contact Phone Number: _____

- I understand that I may not accept or engage in Outside Employment or any private business if doing so interferes with the normal conduct of my position with GOAA.
- I understand that I am required to seek authorization from the Authority prior to accepting employment or engaging in any private business. If I am requesting authorization to continue employment, I understand that I may have to choose between my GOAA employment and secondary employment should this request be denied.

Section 2

If I am requesting authorization to accept or continue employment with another Airport Employer, I agree to and understand the following: **Initial each*

_____ I shall not be issued a badge with another Airport Employer until this request has been approved.

_____ I understand that my access activity for all airport badges issued to me may be periodically reviewed to ensure I am in compliance with the access restrictions associated with each company's badge.

_____ I understand that the use of my Aviation Authority badge for non-Aviation Authority business will result in deactivation of all airport badges issued to me and my conduct will be reviewed in accordance with current rules, processes and procedures.

_____ I agree to attend a Security briefing regarding my accountability and responsibility for all badges issued to me at time of badge renewal.

_____ I understand that all airport badges issued to me may carry the same expiration date. In order to renew my non-Aviation Authority badge, I will be required to provide an updated and approved request form.

_____ I understand that I shall not display two badges at the same time.

_____ I understand that my rights and access privileges are only those reflected by the badge I am wearing for the job I am working.

_____ I understand that I shall keep badges separated when using electronic access control devices to ensure I maintain proper access privileges for the job I am working at the time.

_____ I understand that all badges remain the property of the Aviation Authority and shall be surrendered when I am no longer employed by the issuing employer, or should I receive a security violation.

_____ I understand that if I change jobs with an employer or if I change employers, I am required to complete an updated request form for authorization.

Security Briefing By:	Date
-----------------------	------

Section 3

Employee Signature _____ Date: _____

GOAA Review/Authorization

Department Management	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Department Director	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Senior Director	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Deputy Executive Director	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Chief Operating Officer	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Human Resource Director	Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No

OBJECTIVE Establish policies and procedures for the competitive procurement of Goods, Services, and non-construction related Professional Services required by the Aviation Authority.

SCOPE Except as described in Policy Section 450.03, Non-Competitive Procurements, contracts for Goods, Services, and non-construction related Professional Services shall be awarded, and procurements shall be made, through a Competitive Award using one of the following methods, or such other method permitted by Florida law:

- (i) Request for Quotations (RFQ);
- (ii) Invitation for Bids (IFB);
- (iii) Requests for Proposals (RFP);
- (iv) Request for Qualifications (RQ);
- (v) Invitation to Negotiate (ITN);
- (vi) Multi-Step Solicitation;
- (vii) Online reverse auction.

Request for Quotations **Request for Quotations:** Where Requests for Quotations are used, a Request for Quotation is prepared and issued with the goal of obtaining competitive responses.

Public Notice: Public notice is posted on the Purchasing Office's Internet Web Page for all Requests for Quotations in which the value is expected to exceed \$15,000 or \$20,000 in the case of a directed purchase to a Local Developing Business. Additional public notice may be provided for solicitations that, in the sole discretion of the Aviation Authority, are of the size, type, or dollar value that make additional public notice appropriate.

Quotation Opening: Quotations are opened on or after the due date indicated in the Request for Quotations.

Split or Partial Quotation Awards: A split or partial quotation may be awarded, if a Request for Quotations is for multiple Goods or Services, more than one vendor provides a quotation that meets the specifications for the items, and a price comparison can be made between the items quoted. The award may be split between more than one vendor by awarding to the lowest cost provider of each item or reasonable grouping of items if acquisition, delivery, and other requirements can be reasonably administered. A Split or Partial

Quotation Award shall not be used under the following conditions:

- a. When the solicitation is for an integrated system and the split of the award between components or parts of that system would jeopardize performance; or
- b. If the item is part of a system and the performance of that system would be jeopardized if another brand was substituted.

Tie Quotation: Tie quotations are handled in the same way as tie bids.

**Invitation For
Bids**

Where competitive sealed bidding is used, an Invitation for Bids is prepared and issued to prospective Bidders, with the goal of obtaining competitive responses.

Public Notice. Public notice (such as publication in a newspaper of general circulation or posting on the Purchasing Office's Internet Web page) of the Invitation for Bids must be given a minimum of five (5) calendar days prior to the date set for bid opening, unless it can be demonstrated that an urgent requirement for Goods or Services exists, in which instance, the requirement for public notice may be reduced by the Purchasing Manager.

Bid Opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. All relevant information, including each Bid amount and Bidder's name, will be recorded on a summary sheet.

Split or Partial Bid Award. May be awarded with the same guidelines and restrictions as those provided for split or partial quotation awards.

Tie Bid. In the event two or more identical bids are received, the following procedure will be used when the basis of award is low bid:

- (i) The tie Bidders will be contacted and advised of the tie and asked if they wish to reduce their bid in writing submitted in a sealed envelope to be opened at the time and place stated by Aviation Authority staff. If one or more of the tied Bidders agrees to participate, award will be made to the new low bid. If none of the tied Bidders agree to participate or if the new bids are tied, then Aviation Authority staff shall break the tie by following the procedures described below, as necessary.
- (ii) If the procedure in (i) does not result in an award, then to

the extent permitted by law, a tie Bidder that has a certificate as an MWBE or LDB that is accepted by the Aviation Authority, as described in Aviation Authority policy, would be recommended for award to the appropriate Committee or approving authority. If more than one Bidder meets this criteria, proceed to step (iii) below.

- (iii) If the procedures in (i) and (ii) above do not result in an award, then, to the extent permitted by law, a tie Bidder from a firm within Orange, Seminole, Osceola or Lake County, Florida would be recommended to the appropriate Committee or approving authority for an award over one without an office in that area.
- (iv) If the procedures above do not result in an award, then, the Purchasing Manager in the presence of two or more witnesses will flip a coin. Award will be recommended to the appropriate Committee or approving authority.

Correction or Withdrawal of Bids. Correction or withdrawal of inadvertently erroneous bids is permitted up to the time of bid opening. After bid opening, no change in bid prices or other provisions is permitted; however, minor irregularities may be waived by the Aviation Authority. No bid may be withdrawn for a period of ninety (90) days after the time scheduled for bid opening, or as otherwise stated in the Invitation for Bids.

Late Bids. Late bids will be rejected and returned unopened.

Bid Evaluation. Bids will be evaluated based on the evaluation factors set forth in the Invitation for Bids, which may include criteria to determine acceptability of Goods (for example, inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose). Criteria for the acceptability of Goods shall be used to determine whether particular Goods are responsive to the Invitation for Bids, and not to determine the relative desirability between acceptable Goods. The Aviation Authority reserves the right to waive any informalities or irregularities of bids, to request clarification of information submitted in any bid, to further negotiate with the Responsive and Responsible Bidder selected for Contract award, or to reject any or all bids for any reason whatsoever.

If no responsive and responsible bids are received or all bids are rejected, the Aviation Authority may procure such Goods and Services by direct negotiation as indicated in Policy 450.03, Non-Competitive Procurements.

Bid Award. The Bid will be awarded, if an award is made, to the responsible and responsive Bidder offering the lowest price whose

bid meets the requirements and criteria set forth in the Invitation for Bids. The Bid may require a Contract.

**Request for
Proposals**

When the Purchasing Manager determines the use of an Invitation for Bids is not practical or not advantageous because of existing market conditions or the type of items required, the Aviation Authority may procure Goods, Services, or Professional Services through receipt of competitive sealed Proposals. Competitive sealed Proposals are solicited through the use of an RFP, with the goal of obtaining competitive responses.

Public Notice. Public notice of the RFP shall be given in the same manner as the procurement of competitive sealed bidding.

Proposal Opening. Proposals shall be opened publicly, in the presence of one or more witnesses at the time and place designated in the RFP. A register of Proposals is prepared that lists each Proposer's name.

Correction or Withdrawal of Proposals. Correction or withdrawal of inadvertently erroneous proposals is permitted up to the time of the opening of proposals. No proposal may be withdrawn for a period of ninety (90) days after the time scheduled for proposal opening, or as otherwise stated in the RFP.

Late Proposals. Late proposals will be rejected and returned unopened.

Proposal Criteria. The RFP will identify the criteria to be considered and evaluated as the basis of award.

Evaluation Factors. Proposals submitted by Responsible and Responsive Proposers are evaluated by Aviation Authority staff based upon the criteria applicable to the RFP. All proposals (or the most acceptable Proposals in the discretion of the committee evaluating Proposals) will be ranked in order of their acceptability to the Aviation Authority, giving consideration to the criteria. The Aviation Authority has no obligation to award the Contract to the Proposer who proposes the lowest price.

The Aviation Authority reserves the right to waive any informalities or irregularities of proposals, to request clarification of information submitted in any proposal, to further negotiate with a Responsive and Responsible Proposer who has been selected for Contract award, or to reject any or all proposals for any reason whatsoever.

Contract Award. The Contract award will be awarded, if award is made, by the Aviation Authority to the Responsive and Responsible Proposer whose proposal is determined, in the Aviation Authority's

exclusive discretion, to be the most advantageous to the Aviation Authority, taking into consideration price, qualifications, and other factors as indicated in the RFP. The RFP will contain the basis on which the award is to be made.

If no Responsive and Responsible proposals are received or all proposals are rejected, the Aviation Authority may procure such Goods, Services, and Professional Services by direct negotiation as indicated in Policy 450.03, Non-Competitive Procurements.

**Request for
Qualifications
(RQ)**

Request for Qualifications: Requests for Qualifications may be used when it is determined to be in the Aviation Authority's best interest to evaluate the experience and qualifications of a Service provider, without regard to price or prior to considering price.

Procedural Requirements: The procedure for soliciting, opening and evaluating statements of qualifications shall be the same as described herein for competitive sealed proposals. Service providers whose qualifications meet the criteria established in the Request for Qualifications, at the sole discretion of the Aviation Authority, may be considered for Contract award by participation in the completion of a multi-step solicitation, as described below. Alternatively, the Aviation Authority may, by Direct Negotiation, finalize terms with service providers who are selected for award based on qualifications. The Aviation Authority reserves the right to reject any or all responses for any reason. Clarification of information may be requested by the Aviation Authority.

**Invitation to
Negotiate
(ITN)**

An Invitation to Negotiate (ITN) may be used when the Aviation Authority determines it is in its best interest to commence negotiation of price and other factors prior to recommendation of award, and it is approved by the Executive Director. An ITN may be used for Goods or Services when the scope of work is complex or difficult to define, if strict comparison of Services or Goods required may be difficult because components are likely to vary among Proposers, or in any situation in which it is in the Aviation Authority's best interest to negotiate prior to recommendation of award to obtain the product that best meets the Aviation Authority's needs, price and other factors being considered.

Procedural Requirements: The procedure for soliciting and opening initial responses to an Invitation to Negotiate (ITN) shall be the same as described herein for competitive, sealed Proposals.

ITN Criteria: The ITN will identify the criteria to be considered during the evaluation of proposals.

Evaluation Factors: All responsive and responsible proposals

submitted are evaluated based upon the criteria applicable to the ITN. Clarification of information submitted in the proposal may be requested. The Aviation Authority reserves the right to waive any informalities or irregularities of proposals, to request additional information from any Proposer, or to reject any or all responses for any reason whatsoever.

Negotiations: The Aviation Authority may, at its sole discretion, shortlist three or more firms, if possible that are deemed to best meet the Aviation Authority's requirements, taking into consideration all criteria listed in the ITN, including price. The Aviation Authority may, at its sole discretion, ask for formal presentations from all of the Responsive and Responsible Proposers, or only from those firms that are short-listed, if short-listing is determined to be in the best interest of the Aviation Authority. Negotiations will be conducted and may take place in person or via telephonic with all of the Proposers or, if short-listing occurs, with all of the short-listed Proposers. Proposers that participate in the negotiations may be given an opportunity to submit their Best and Final Offers.

Contract Award. The Contract Award will be awarded, if an award is made, by the Aviation Authority to the responsive and responsible proposer whose Proposal is determined to be the most advantageous to the Aviation Authority, taking into consideration price and other factors as indicated in the ITN. The Aviation Authority has no obligation to award the Contract to the proposer that submits the lowest price. Form 450.02.1 is required for justification.

**Multi-Step
Solicitation**

The Aviation Authority may initiate one of the multi-step solicitation processes described below when: (a) in the Aviation Authority's discretion, it is impractical to prepare an adequate or complete description of the Goods or Services desired (due to insufficient data, uncertain requirements, unfamiliar market options, etc.), (b) the Aviation Authority desires to identify a field of qualified Bidders, Proposers, Goods or Services, out of a broader field of Bidders, Proposers, Goods or Services, or (c) the Aviation Authority believes a multi-step process would best serve its purposes.

(i) Consecutive Multi-Step Process.

- (1) The Aviation Authority may request unpriced Proposals or statements of qualifications to be evaluated based on the criteria in the RFP or the RFQ for purposes of identifying one or more desirable or acceptable Goods, Services, or Professional Services or for purposes of identifying a field of at least three (if possible and available) qualified or most qualified Bidders or Proposers. The Aviation Authority may request

demonstrations, samples, or may conduct interviews with Proposers to aid in the identification of desirable or acceptable Goods, Services, or Professional Services or in the identification of qualified or most qualified Bidders or Proposers. In the event the Aviation Authority requests demonstrations or samples, the Aviation Authority is not required to seek or permit demonstrations or samples of Goods or Services deemed by the Aviation Authority to be less desirable or acceptable than other Goods or Services for which Proposals or statements of qualifications were received. In the event the Aviation Authority conducts interviews with Proposers, the Aviation Authority is not required to interview any Proposer deemed by the Aviation Authority to be unqualified or less qualified than other Proposers.

- (2) After identifying a field of most qualified Bidders or Proposers with the capability of providing the desirable or acceptable Goods, Services, or Professional Services, the Aviation Authority may either (I) follow a Competitive Award solicitation process among the field of vendors identified as having the capability to meet the Aviation Authority's requirements for the procurement; or (II) procure such Goods, Services, or Professional Services through one of the exceptions to the Competitive Award process described in Section 450.03, Non-Competitive Procurements.

(ii) Simultaneous Multi-Step Process:

- (1) The Aviation Authority may request that priced Proposals be submitted in two separate envelopes, with pricing information contained in one envelope and all other requested information contained in the other envelope. In such case, Proposals will be evaluated in accordance with the requirements set forth in the RFP, initially without regard to price and without opening the envelope containing pricing information. Based on such evaluation, the Aviation Authority will establish a field of at least three (if possible and available) qualified or most qualified Proposers. The Aviation Authority may conduct interviews with Proposers to aid in the identification of qualified or most qualified Proposers. In the event the Aviation Authority conducts interviews with Proposers, the Aviation Authority is not required to interview any Proposers deemed by the Aviation Authority to be

unqualified or less qualified than other Proposers.

- (2) After establishing a field of qualified or most qualified Proposers, the Aviation Authority will open the pricing envelopes of only the qualified or most qualified Proposers, and evaluate such pricing information in the manner described in the RFP for purposes of recommending/making an award (e.g. most advantageous proposal, price and other factors considered or low price submitted by qualified Proposers). In the absence of specific instructions to the contrary in the RFP, pricing information will be evaluated together with all other information required by the RFP for purposes of selecting among the qualified field of Proposers the most advantageous Proposal, price and other factors considered.

(iii) Multi-Step Process to Award Continuing Purchasing Contracts

- (1) When it is in the best interest of the Aviation Authority to have pre-qualified, Continuing Purchasing Contracts because of the need to Provide quick-response, repetitive Services or a range of Services or Professional Services within a specific field of expertise, the Aviation Authority may use either a Consecutive or a Simultaneous Multi-Step Procurement Process to identify one or more Continuing Contractors. The purpose is to identify one or more Continuing Contractors that demonstrate the ability to perform a particular type of Service during a specified Contract period.
- (2) Contract award - The multi-step solicitation shall specify the general types of Services required, the selection process to be used, and the selection criteria for award of the Continuing Contract(s).
- (3) Award of a specific scope of work to a Continuing Contractor - During the term of the Continuing Contract(s), specific scopes of work may be developed and awarded to Continuing Contractor(s), by Amendment to such Continuing Contract(s), provided that the specific scope of work is consistent with the general types of Services upon which award of the Continuing Contract(s) was made.

- (4) When there is more than one Continuing Contractor available to perform the specific scope of work defined, the process for award of the work is set forth below:
- a) Work may be rotated during the Contract period between the Continuing Contractor(s) that were selected to perform the general type of Services required; or,
 - b) Award may be made to the Continuing Contractor that is deemed, based on its original Proposal, to be most advantageous to the Aviation Authority for the specific scope of work required, price and other factors being considered and without regard to rotation among selected contractors; or,
 - c) Quotations, Bids or Proposals may be requested from the pre-qualified Continuing Contractor(s) that were selected to perform the general type of Services or Professional Services required. The Aviation Authority may select the Continuing Contractor whose quotation, bid, or proposal is deemed to be most advantageous to the Aviation Authority to perform the specific scope of work required.

**Online
Reverse
Auction**

The Aviation Authority reserves the right to utilize this procurement method when advantageous. The process will be specified in the Solicitation Documents.

**Performance
Guarantee**

Unless waived by the Authority Board, a performance guarantee, such as a Performance Bond or Letter of Credit, shall be required for all solicitations that include Services to be performed in which the estimated annual amount of the award, based on the budget developed by the Aviation Authority for the solicitation, equals or exceeds \$300,000. The amount of the performance guarantee shall be established for each solicitation by the Assistant Director, Purchasing and Material Control after consultation with the Senior Director of Administration and Technology, and other senior officials, as necessary.

For all solicitations where the estimated annual amount of the award is less than \$300,000, a performance guarantee will not be required unless recommended by the Purchasing Manager and concurred by the Senior Director of Administration and Technology.

**Approval of
Awards and**

Prior to the consummation of the purchase by the Aviation Authority of Goods, Services, or Professional Services, such purchase must be

Recommendations approved by a person having approval authority over such purchase, as described in Policy Section 450.04, General Procedures and Approval Authorizations.

FORMS Form 450.02.1 - Invitation to Negotiate Justification

**APPROVAL
AND UPDATE
HISTORY**

Format and Re-Numbering Authority Authority Board: August 28, 1991 (4R)

Last Approval Authority Board: January 21, 2015
Executive Director: December 23, 2014

Supersedes All Previous.

INVITATION TO NEGOTIATE JUSTIFICATION

The Invitation to Negotiate is a competitive process that may be used for Goods or Services when the scope of work is complex or difficult to define, if strict comparison of Services or Goods may be difficult because components are likely to vary among proposers and it is in the best interest of the Aviation Authority to negotiate prior to recommendation of award to obtain the product that best fits the Aviation Authority's needs, price and other factors being considered. Examples of appropriate use of this process may include but are not limited to copyrighted items such as software in which components offered by each vendor vary.

Procedures for conducting the competitive process for an Invitation to Negotiate are set forth in Policy 450.02, Competitive Procurements. The Executive Director must approve the Invitation to Negotiate request prior to solicitation. The requesting department must provide the additional information requested below:

1. Description of good or service required for an Invitation to Negotiate:
2. Reason the Invitation to Negotiate is the preferred method over Invitation to Bid, or Request for Proposal. Include summary of market research performed.
3. List of potential Bidders or Proposers:
4. Estimated cost:

Department Director	Date
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Assistant Director of Purchasing	Date
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Deputy Executive Director	Date
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Senior Director of Administration and Technology	Date
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Chief Operating Officer	Date
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Executive Director	Date
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OBJECTIVE	Establish procedures for the procurement of Goods, Services, and non-construction related Professional Services with limited or no competition under Aviation Authority Policy 450 Series.
Scope	The provisions of this policy section shall apply to the procurement of Goods and Services, when competitive procurement under Policy Section 450.02, Competitive Procurements, is not practical, feasible, possible or desirable.
Sole Source Procurement	The Aviation Authority may acquire Goods, Services, or Professional Services pursuant to a Sole Source Procurement. Sole Source Procurement is available when Goods, Services, or Professional Services are limited to one source, or when they must be obtained from a specific manufacturers' dealer and valid competition among dealers does not exist. The Requesting Department must complete a Sole Source Justification form (Form 450.03.1), which states, in detail, the justification for the Sole Source Procurement.
Single Source Procurement	The Aviation Authority may acquire Goods and Services pursuant to a Single Source Procurement. A Single Source Procurement is a procurement made from one firm among others in a competitive market place which, for justifiable reasons, is found to be most advantageous for the purpose of fulfilling the given purchasing need. The Requesting Department must complete a Single Source Justification form (Form 450.03.2), which states, in detail, the justification for Single Source Procurement.
Use of Aviation Authority-Owned On-site Hotel	Aviation Authority events involving catering or use of meeting rooms may be conducted in the Aviation Authority owned on-site hotel for the amount negotiated with the hotel management and without seeking competitive bids or proposals.
Direct Negotiation	(1) Following the completion of a Competitive Award solicitation process under Section 450.02, Competitive Procurements, that fails to produce a responsible or responsive Bidder or Proposer, that fails to produce a qualified respondent, or for which all submissions were rejected for any reason, the Aviation Authority may procure the Goods, Services, or Professional Services that were the subject of such failed solicitation by Direct Negotiation with any provider of such Goods or Services when: (a) issuing a revised solicitation is not recommended by the appropriate Committee and the Executive Director with concurrence by legal counsel; or item (b) with concurrence

- from the Authority Board, if award is expected to exceed \$250,000; or
- (b) in cases in which the Purchasing Manager is the approving authority with the concurrence from the Executive Director and legal counsel. Negotiation will be conducted by the Assistant Director, Purchasing and Material Control with assistance from the Requesting Department and legal counsel.

(2) Goods, Services, or Professional Services may be acquired by Direct Negotiation as otherwise provided in this policy.

**Emergency
Procurement**

The Aviation Authority may acquire Goods, Services or Professional Services by directly negotiating award pursuant to an Emergency Procurement.

For each Emergency Procurement, the following steps must be followed to document the Emergency Procurement transaction and to permit payment to the vendor:

- (i) The requesting department must complete an Emergency Procurement Authorization Form with a justification for the Emergency Procurement (Form 450.03.3).
- (ii) The completed Emergency Procurement Authorization Form with justification must be forwarded to the Assistant Director, Purchasing and Material Control prior to the procurement if practically possible or within 72 hours after the procurement, if practically possible. The requesting office retains a copy of the completed forms and enters a requisition.
- (iii) All Emergency Procurements require confirmation of funding, and approval, by the Chief Financial Officer, or designee. Such approval should be obtained by the Requesting Department in advance of the procurement if practically possible or within 72 hours after the procurement.
- (iv) The Assistant Director, Purchasing and Material Control will verify and forward the completed Emergency Procurement Authorization Forms for approval to a person with a sufficient limit of procurement authority as specified in Policy 450.041, Contract Documentation and Changes. Once signed by such person, the approved form is returned to the Purchasing Office as a supporting document.

- (v) The Requesting Department shall forward the original invoice to Accounts Payable for processing.
- (vi) The procuring department shall process a receiving report in the Aviation Authority's financial software system if the Emergency Procurement was for Services. The Material Control Department will process the receiving report if the Emergency Procurement was for Goods.

Costs Under the Competitive Threshold

The Purchasing Manager or designee may acquire Goods and Services by Direct Negotiation or by some other non-competitive method, when the dollar value of the purchase does not exceed \$15,000 or when the value of a directed purchase to a Local Developing Business does not exceed \$20,000, and a properly executed and authorized Requisition is received.

Procurement Card

Procurement card purchases are addressed in Policy 450.10, Procurement Card.

Executive Director Purchase of Professional Services

The Executive Director may purchase Professional Services by directly negotiating award or other non-competitive method. Negotiations may be conducted by the Assistant Director, Purchasing and Material Control or designee with assistance from the Requesting Department and legal counsel and/or by other individuals as directed by the Executive Director, pursuant to the procedures and guidelines set forth in Policy 110.01, Executive Director.

Procurement for Aviation Authority Owned On-site Hotel

Where the Aviation Authority's contract with the hotel operator allows for or requires a procurement method other than a Competitive Award, the Aviation Authority shall, to the extent possible, comply with any contractually required process and may deviate from a Competitive Award where permissible.

Due to the nature of the services provided by the Aviation Authority owned hotel, the hotel management may designate items of specific brand and model for purchase, and the Aviation Authority shall use whatever process it deems appropriate to best procure such designated items, even if this results in limited or no competition. The Purchasing Manager will take the necessary steps to obtain the most advantageous prices for such items, including using where possible Competitive Awards. When Competitive Awards are not advantageous, in the sole discretion of the Aviation Authority, the Aviation Authority may acquire such designated items through Direct Negotiation or other non-competitive process.

Government

The Aviation Authority may acquire Goods, Services, and

**Contract/
Annual
Contract** Professional Services by Direct Negotiation or other method involving limited or no competition from a Supplier having a requirements contract, annual agreement, or multi-year contract with any public entity (e.g., federal, state, county, city, authority, school board, Buying Cooperative, etc.) for Goods, Services, or Professional Services described in such contract and at prices or discounts no less favorable than any set forth in such Contracts.

**Sales Tax
Recovery** The Aviation Authority, in order to use its sales tax exempt status, may purchase materials and supplies to be used on behalf of the Aviation Authority directly from a supplier of a contractor to whom the Aviation Authority has awarded a contract.

Procurement of Materials – The Aviation Authority may determine that it is in its best interest to purchase materials or supplies directly from suppliers or subcontractors designated by the contractor which was competitively awarded work, rather than to reimburse the contractor for the costs of those materials or supplies, which would include sales tax. The Aviation Authority shall consider eligibility for grants and PFC funding in determining the extent to which direct procurement from the supplier is in the Aviation Authority’s best interest and whether inclusion of the item in the base Contract or as an alternative is required. The Aviation Authority shall place purchase orders for those materials or supplies, pay all associated invoices, and deduct from the Contract price the greater of the cost of the materials and supplies and the amount of sales tax that would have been included if the contractor had made the purchase or, the actual amount stipulated in the Contract for such materials or supplies. The contractor shall receive the materials and supplies and shall utilize them for the awarded project.

**Approval of
Awards and
Recommendations** Prior to the consummation of the purchase by the Aviation Authority of Goods, Services, or Professional Services, such purchase must be approved by a Person having approval authority over such purchase, as described in Policy Section 450.04, General Procedures and Approval Authorizations.

FORMS Sole Source Justification (Form 450.03.1)
Single Source Justification (Form 450.03.2)
Emergency Procurement Authorization (Form 450.03.3)

**APPROVAL AND
UPDATE HISTORY**

**Format and Re-
Numbering Authority** Aviation Authority Board: August 28, 1991 (4R)

**Operational Procedure:
Non-Competitive Procurements**

**Section 450.03
Purchasing**

Last Approval

Aviation Authority Board: January 21, 2015
Executive Director: December 23, 2014

Supersedes

All Previous

SOLE SOURCE PROCUREMENT JUSTIFICATION

Requests for approval of a Sole Source Procurement must be justified in writing by the initiator and approved by the appropriate approval authority. The Executive Director may approve Sole Source Procurements up to an amount of \$100,000. Requests for Sole Source procurements in excess of \$100,000 must be approved by the Aviation Authority Board. Requests for Sole Source approval are routed from the Requesting Department through the Purchasing Office.

A sole source procurement is a procurement made from a firm that is the only available firm possessing the ability to fulfill the need. The following questions should be addressed in the justification.

Item/Service Description:

Supplier:

- 1. What is the end use of the item or nature of the goods or service being requested?**

- 2. What capability does the supplier or suppliers item have that make it uniquely capable of satisfying the need?**

- 3. Why are these unique capabilities or characteristics essential and necessary to meet the need?**

- 4. What market research was done to ensure no other source was capable of fulfilling the requirement?**

- 5. Is there a specification, statement of work or purchase description available that is sufficient for competitive procurement? If not, is one being developed?**

- 6. What steps are being taken to foster competition in subsequent procurements of this product or service?**

7. **What would the impact be in job accomplishment and financial loss if another supplier's product or service with similar capabilities were substituted?**

8. **If this request is for a one-time procurement, what is the estimated cost of the Goods or Services requested?**

9. **If this request is for multiple procurements over a 12-month period, what is the estimated total cost of the Goods or Services over that time period?**

Request Initiator Date

Department Director Date

Assistant Director, Purchasing and Material Control Date

Deputy Executive Director Date

Senior Director of Administration and Technology Date

Chief Operating Officer Date

If \$100,000 or less, forward to Executive Director for approval.

If over \$100,000, Authority Board approval is required.

Attach Board memo and forward to Executive Director for signature.

Executive Director Date

SINGLE SOURCE PROCUREMENT JUSTIFICATION

Requests for approval of a Single Source Procurement must be justified in writing by the initiator and approved by the appropriate approval authority. The Executive Director may approve Single Source Procurements that do not exceed \$100,000. Requests for Single Source procurements in excess of \$100,000 must be approved by the Aviation Authority Board. Requests for Single Source Procurement approval are routed from the Requesting Department through the Purchasing Office to the Executive Director.

A Single Source Procurement is a procurement made from one firm among others in a competitive market place which, for justifiable reasons, is found to be most advantageous for the purpose of fulfilling the given purchasing need. The following questions should be addressed in the justification.

Item/Service Description:

Supplier:

- 1. What is the end use of the item or nature of the Goods, Services, or Professional Services being requested?**
- 2. What capability does the supplier or suppliers of the Goods, Services, and Professional Services have that make it most advantageous for the purpose needed?**
- 3. What research was done to ensure no other available source was as appropriate to fulfill the need?**
- 4. What would the impact be in job accomplishment and/or financial loss if another Supplier's Goods, Services, or Professional Services with similar capabilities were substituted?**
- 5. Is this a one-time procurement? If so, what is the estimated cost of the Goods, Services, or Professional Services required?**

6. Circumstances change over time. If this request is a for approval for a continuing requirement, what is the length of time the Single Source Procurement approval is needed prior to reevaluating available commercial solutions and the Authority's requirements?

Request Initiator Date

Department Director Date

Deputy Executive Director Date

Assistant Director, Purchasing and Material Control Date

Senior Director of Administration and Technology Date

Chief Operating Officer Date

If \$100,000 or less, forward to Executive Director for approval.

If over \$100,000, Authority Board approval is required.

Attach Board memo and forward to Executive Director for signature.

Executive Director Date

2. The Purchasing Manager will verify and forward the completed EP forms to the Executive Director (or designee) for review and approval.

3. The Executive Director returns the approved EP form and related documentation to the Purchasing Office.

4. The approved EP Authorization form and related documentation are used to support the Purchase Order

Justification:

Received By: _____ Date: _____

Route approval in the following order:

Department Director (Attached memo if Designee) Date

Deputy Executive Director Date

Assistant Director, Purchasing and Material Control Date

Executive Director (attach memo if Designee) Date

Return to Purchasing Office (for use as justification for award of Purchase order and to facilitate payment to supplier)

OBJECTIVE Establish procedures and limits of authority for the approval of purchases and the award of Contracts for Goods, Services, and non-construction related Professional Services.

Procurement Procedure **Requesting Goods, Services, and Professional Services**

The Requisition is one of two forms used to initiate procurement action. It provides information, approvals, and approved funding required by the Purchasing Office to proceed with procurement of Goods, Services, or Professional Services.

The other form is the Project Initiation Form (PIF), which is generally used to initiate the competitive process for procurements with an estimated value greater than \$100,000 of approved funding or for multi-year purchases for any authorized procurement method.

The Assistant Director, Purchasing and Material Control will begin the solicitation process based upon receipt of either an approved Requisition or an approved PIF.

Requisition Process

- (i) The Requesting Department shall initiate an electronic Requisition.
- (ii) Supporting documentation, specification or description of Goods, Services, or Professional Services shall be forwarded to the Purchasing Manager. An attachment to the Buyer shall be entered on the electronic Requisition to alert the Buyer of the documents being forwarded, or to provide the Buyer the location of the documents on the file server.
- (iii) The Requesting Department's Director, designee or appropriate approval authority in the department approves the Requisition electronically. If the Requisition is for an amount that exceeds the initial approver's authority, the financial system will route the Requisition to the next level in the requestor's reporting chain with sufficient approval authority until approval is obtained prior to submitting it to the Purchasing Office.

Requisition Approval Authority

- (i) Requisition approval authority is designated by the Executive Director. Deputy Executive Directors, Chief

Financial Officer, Senior Directors, Department Directors, and other individuals, as delegated by the Executive Director, are authorized to approve valid Requisitions for Goods, Services, and Professional Services up to the amounts designated by the Executive Director providing that funding has been approved during the annual budgeting process of the Operations and Maintenance Funds and subject to availability of funds.

- (ii) Requisitions for Goods and Services that are funded from sources other than the Operations and Maintenance Funds require additional approval. After the appropriate approval by the Requesting Department, these requisitions shall be electronically routed to the Finance Department for approval.
- (iii) The Assistant Director, Purchasing and Material Control or the Purchasing Manager is authorized to approve Requisitions for items in an amount up to and including \$100,000, or, alternatively, in the amount designated in Policy 450.10, Procurement Card, when in accordance with that policy, it is in the best interest of the Aviation Authority to make such purchases using the Procurement Card.

Award of Approved Requisitions

Approval of Vendor selection and award of a procurement to a Vendor initiated through the Requisition process are specified in the Approvals section of this policy.

Contract Process for Goods, Services, or Professional Services

- (i) Except as discussed in Section (v) below, the Procurement Initiation Form (PIF) is used to request Goods, Services, or Professional Services in which a multi-year Contract is deemed to be in the best interest of the Aviation Authority. The Requesting Department shall forward the PIF to the Purchasing Department in a timely manner to ensure that award can be made during required time frames.
- (ii) The PIF shall include a description of the Goods, Services, or Professional Services required.
- (iii) The Assistant Director, Purchasing and Material Control or Purchasing Manager and/or designee shall work with

the Requesting Department to assist them in developing a scope and/or specification of the Goods, Services, or Professional Services requested in preparation for competitive solicitation and award, as described in Policy 450.02, Competitive Procurements. If it is determined that a Non-Competitive Procurement is required, preparation of associated documents and approvals described in Policy 450.03, Non-Competitive Procurements, shall be prepared.

- (iv) The Assistant Director, Purchasing and Material Control or Purchasing Manager and/or designee shall develop a project schedule and guide the user department through the procurement process.
- (v) If the services require a Professional Services Contract that meets the definition of Project-oriented Professional Services defined in Policy 450.01, Purchasing Introduction and Definitions, the Executive Director shall determine whether it is procured by the Construction Department or the Purchasing Department. In either case, the 450 Series Policies shall govern the procurement.

**Purchase
Order**

Procedure:

- (i) After completion of the Vendor selection process and subject to obtaining appropriate approvals discussed in the Approvals section of this policy, the assigned Buyer shall create a purchase order, making certain that all information, terms, and conditions are stated clearly.
- (ii) The Purchasing Manager or designee shall be responsible for completing the final review of the purchase order. All supporting documentation, solicitation information, vendor responses, related correspondence, and notes pertaining to the purchase shall be maintained by the Purchasing Office.
- (iii) If the source selection results in the need for a formal Contract, the purchase order sequence indicated above shall occur after the Contract has been signed and distributed. In this case, the Purchase Order shall be used as a vehicle to encumber the funds and/or an ordering mechanism.

Receiving Report

When the Purchase Order is for Goods and the item has been received by Material Control, Material Control shall process a receiving report.

When the Purchase Order is for Services and the Service has been satisfactorily performed, the Requesting Department shall process an electronic Service Receipt in the Financial System, acknowledging receipt of Services from the supplier.

Multiple Shipments: In instances involving multiple shipments of Goods or ongoing Services:

- (i) Material Control shall process an electronic receiving report for the portion of the Goods received. or
- (ii) The receiving department shall process an electronic receiving report for the portion of the Services satisfactorily performed.

Approval Authority for Award of Procurements

- (i) Approval of Award of Goods and Services Not-to-Exceed \$100,000: The Purchasing Manager, with concurrence from the Assistant Director of Purchasing and Material Control, upon receipt of a valid, approved Requisition, is authorized to approve procurement of Goods and Services in an amount up to and including the actual or estimated sum of \$100,000, subject to the availability of funds for such procurement, and subject to the provisions contained in this Policy.
- (ii) **Approval of Award of Goods and Services that Exceed \$100,000:** Procurements of all Professional Services and of Goods and Services that exceed \$100,000 shall be recommended by the appropriate Committee to the Executive Director and/or the Aviation Authority Board for approval. Policy Series 120 defines the type of procurements approved by each Committee.
- (iii) **Approval of Award of Professional and Other Services:** Procurements of Professional Services and Services which require shortlisting and/or ranking shall be recommended by the appropriate Committee to the Executive Director and/or Aviation Authority Board for approval. Policy series 120 defines the type of procurements approved by each Committee.
- (iv) **Price of an Award Exceeds Amount Approved in the Requisition:** If the actual price exceeds the amount

estimated on the Requisition by more than 10%, the award cannot be made until Requesting Department Director (or designee) authorizes the increase or until the reviewing Committee (e.g. Professional Services Committee or Concessions Procurement Committee) recommends the acquisition to the appropriate approving authority based on the actual cost.

- (v) **Executive Director Approval of Procurement Awards:** The Executive Director (or designee) is authorized to approve any type of procurement of Goods, Services, or Professional Services and to execute multi-year Contracts, in an amount up to and including \$250,000, except as indicated below for Single and Sole Source Procurements. Emergency Procurements in excess of \$100,000 require ratification by the Aviation Authority Board as discussed below.
- (vi) **Approval of Single and Sole Source Procurement Awards:** The Executive Director is authorized to approve Single and Sole Source Procurements up to but not exceeding \$100,000. The Aviation Authority Board must approve Single Source Procurements and Sole Source Procurements in excess of \$100,000.
- (vii) **Invitation to Negotiate:** The Executive Director must approve the Invitation to Negotiate prior to solicitation
- (viii) **Procurement Awards Requiring Aviation Authority Board Approval:** The Aviation Authority Board shall approve all procurement awards of Goods, Services, and Professional Services not delegated to the Executive Director and/or Aviation Authority staff as discussed in this policy.
- (ix) **Approval of Contract Amendments, Renewals, and Extensions:**

The Executive Director is authorized to execute Amendments to procurement Contracts as set forth below, provided that budgeted funds are legally available, except for situations that require approval of the Aviation Authority Board as indicated below.

- (a) Approval of Contract Amendments, Renewals and Extensions Not-to-Exceed \$100,000: The Purchasing

Manager, with concurrence of the Assistant Director of Purchasing and Material Control, is authorized to approve Contract Amendments, Renewals and Extensions in an amount up to and including the actual or estimated sum, in the aggregate of \$100,000 over the contract value, including Amendments, Renewals and Extensions previously approved, subject to the availability of funds, and subject to the provisions contained in the policy. For example, a single Amendment, Renewal, or Extension, increasing the contract value previously approved by the Assistant Director of Purchasing and Material Control and the Purchasing Manager by \$100,001 or an Amendment, Renewal, or Extension increasing the contract value by \$25,001 when added together with previous Amendments, Renewals, or Extensions, totaling \$75,000, none of which have been approved by the Executive Director or Aviation Authority Board must be approved by the Executive Director or Aviation Authority Board, in accordance with this policy.

- (b) Approval of Contract Amendments, Renewals, and Extensions that Exceed \$100,000; Contract Amendments, Renewals, and Extensions that exceed \$100,000 in aggregate over the contract value, including Amendments, Renewals, and Extensions previously approved, shall be recommended by the appropriate Committee to the Executive Director and/or the Aviation Authority Board of approval. Policy Series 120 defines Committee responsibilities for approval of the types of Contract Amendments, Renewals, and Extensions.
- (c) The Aviation Authority Board must approve all Contract Amendments that result in the value of any Contract being increased, in the aggregate, by more than \$250,000 over the contract value, including Amendments previously approved by the Aviation Authority Board. For example, the Aviation Authority Board must approve (1) a single Amendment increasing the contract value previously approved by the Aviation Authority Board by \$250,000, or (2) an Amendment increasing the contract value by \$50,000, when added together with previous Amendments totaling \$200,000, none of which have been approved by the Aviation Authority Board. The Executive

Director may approve all other Amendments, including Amendments that decrease or result in no change to the contract value.

- (d) The Aviation Authority Board must approve all options to exercise Renewal periods if the value of the contract in the Renewal period exceeds by \$250,000 or more over the contract value, including Amendments, previously approved by the Aviation Authority Board for such Renewal term. For example, the Aviation Authority Board must approve (1) a Renewal having a contract value during the Renewal term of more than \$250,000, if the Aviation Authority Board did not previously approve a contract value for such Renewal term, or (2) a Renewal having a contract value that exceeds any previous Aviation Authority Board approved value for such Renewal period by more than \$250,000. The Executive Director may approve all other options to exercise Renewal periods.
- (e) The Aviation Authority Board must approve any Extension of a contract (1) that exceeds, in the aggregate, a duration of six months following the expiration of the original Contract term and all previously approved Renewal terms or (2) that would require Aviation Authority Board approval if such Extension were a Renewal. The Executive Director may approve all other contract Extensions.

Approval of Contract Assignments: The Executive Director is authorized to approve assignments, after review by Legal Counsel, where there is no release of liability of the original contracting entity, and the contracting entity to which the assignment is made agrees to fulfill all of the terms and conditions of the original Contract, including any and all applicable bonding requirements.

Awarded Contracts: The Purchasing Department maintains and monitors purchasing contracts procured through the 450 Policy Series.

**Approval of
Emergency
Procurements**

Emergency Situations

An Emergency Situation is defined in Policy 450.01, Purchasing Introduction and Definitions. The Department must declare the emergency, in which the immediate procurement of Goods, Services, or Professional Services is essential based on the definition of an

Emergency Situation.

In Emergency Situations, with the consent of the Department Director or any level above Director in the Department's reporting chain and/or the Assistant Director, Purchasing and Material Control or designee, a Department may procure items using Emergency Procurement methods described in Policy 450.03, Non-Competitive Procurements, and is required to complete the Emergency Purchase Form provided therein.

All Emergency Procurements require confirmation of funding approval by the Chief Financial Officer or designee. Such approval should be obtained by the Requesting Department in advance of the procurement, if practically possible, or within 72 hours or as soon as possible after the procurement.

Ratification of Emergency Procurements:

The Executive Director may authorize an Emergency Procurement or ratify Emergency Procurements made by other authorized individuals as discussed above, up to an amount of \$250,000.

Emergency Procurements in an amount that exceed \$250,000 may be made with the concurrence of the Executive Director and the Aviation Authority Board's Chairman.

An Emergency Procurements in excess of \$100,000 shall be presented to the Aviation Authority Board for ratification at the next regularly scheduled meeting following the procurement.

**APPROVAL AND
UPDATE HISTORY**

**Format and
Re-Numbering
Approval**

Aviation Authority Board: October 17, 2001

Last Approval

Aviation Authority Board: February 17, 2016
Executive Director: December 23, 2014

Supersedes

All Previous

OBJECTIVE Establish procedures for Contract Documentation and changes to Contracts for Goods, Services, and non-construction related Professional Services.

**CONTRACT
DOCUMENTATION**

(i) Original Contract

The original of all Contracts and leases for Goods and Services, including Professional Services procured through the Purchasing Department and entered into by the Aviation Authority.

(ii) Maintaining Contract Documentation

The Purchasing Department shall maintain the original Contract and Contract master records as described above, and shall record any changes that occur to those Contracts. Those changes shall include, but are not limited to, Contract Amendments, Contract Renewals, Contract Extensions, Contract Assignments, Contract increase of funds, use of Contracts by multiple Aviation Authority Departments, and Contract termination. The Purchasing Department will assign a number to each Contract for tracking purposes within the Purchasing Systems. The Requesting/Using Department should maintain a copy of Contracts and leases.

(iii) Contract Execution

When Contracts or changes to Contracts are prepared for signature, they must be forwarded to the Director of Board Services with appropriate documentation for tracking when they are to be executed by the Executive Director.

(iv) Contract Tracking

The Director of Board Services maintains a tracking system of all Aviation Authority Contracts and reports to the Authority Board, as required, those Contracts and reports that do not require approval by the Authority Board.

(v) Insurance Certificate Tracking

The Purchasing Department, in conjunction with the Risk Management Department, will oversee Insurance Certificate Renewal Notices, prior to the ending term of the Insurance Certificate for each year that the applicable Contract is in effect.

(vi) Surety Bonds or Letters of Credit

During the initial term of a Contract and prior to renewing or amending any Contract, the Purchasing Department must receive updated Surety Bond or Letter of Credit information from the Contractor's Surety Agent or bank verifying that the Bond(s) or Letter(s) of Credit are valid and will, in association with the

renewal or amendment, be updated to reflect the correct term of the Contract.

**CONTRACT
CHANGES**

(i) Contract Amendments

Changes to the original scope of work in a Contract, or work that may be added to a Contract, require a Contract Amendment. Changes will be initiated by the Requesting Department who will prepare a justification and obtain department authorization. The Purchasing Department will process the request and will assist in obtaining approvals discussed in Policy 450.04, General Procedures and Approval Authorizations, in the Section titled Approval Authority for Award of Procurements. Upon approval, a written Contract Amendment will be developed by the Purchasing Department, approved by legal counsel and executed by authorized signatories for both parties (Aviation Authority and Contractor) prior to implementation of the change. Changes in price will be negotiated by the Purchasing Department and the Requesting Department or as designated by the Executive Director.

(ii) Contract Renewals

When written in the original Contract, the Aviation Authority may exercise a renewal option upon completion of the original term or any previous renewal term of the Contract. As a part of the Contract renewal process, the Contractor may request a price increase based upon escalation clause(s) in the Contract. The Purchasing Department shall verify with the Using Department the need to renew the Contract and, with their approval, shall notify the Contractor of the upcoming option to renew. The Contractor must agree to the renewal and request any price adjustment in writing. When written agreement to renew is received from the Contractor, a Contract renewal option will be prepared by the Purchasing Department for appropriate approvals and for signature by the Contractor and the Aviation Authority.

(iii) Contract Extensions

When there are no remaining options to renew a Contract, and the Aviation Authority determines it is in its best interest to extend a Contract, the Requesting Department shall notify the Purchasing Department. The Requesting Department shall prepare a justification approved by the Department Director for the extension and forward it to the Purchasing Department. The Purchasing Department will assist the Requesting Department in obtaining appropriate approvals in accordance with the Approval Authority Section of Policy 450.04, General Procedures and Approval Authorizations. If the extension is approved, the Purchasing Department shall prepare the Contract Amendment for signature by the Contractor and the Aviation

Authority.

(iv) Contract Assignments

In the event that a Contractor desires to assign a Contract to a third party, the Purchasing Department shall prepare documents required for appropriate approvals defined in the Approval Authority Section of Policy 450.04, General Procedures and Approval Authorizations, and for signature by the new contracting entity and the Aviation Authority. The Purchasing Department shall monitor receipt of updated insurance and Surety Bond or Letter of Credit.

(v) Contract Increase in Funds

When unforeseen or unpredicted events occur, Departments may request additional funds which will increase the original Contract value. All requests for additional funds which increase the original Contract value will be made in accordance with the approval requirements defined in the Approval Section of Policy 450.04, General Procedures and Approval Authorizations, and if approved, will require a Contract Amendment to be prepared by the Purchasing Department and executed by the Aviation Authority and the Contractor.

(vi) Contract Termination

When the Aviation Authority determines that it is not in its best interest to renew a Contract, or determines that it must terminate a Contract with or without cause, the Purchasing Department shall consult with legal counsel, obtain approvals from the Executive Director, and proceed with a written letter of termination to the Contractor after review by legal counsel. The Purchasing Department, in conjunction with the Requesting/User Department and legal counsel, shall determine if the Aviation Authority will proceed to collect on any Surety Bond(s) or Letter(s) of Credit issued by the awarded Contractor that are due to the Aviation Authority for financial loss or potential damages and will work with legal counsel to collect the Surety Bond(s) or Letter(s) of Credit.

See Also Policy 450.04, General Procedures and Approval Authorizations

**APPROVAL AND
UPDATE HISTORY**

Last Approval Authority Board: August 17, 2011
Executive Director: December 12, 2014

Supersedes All Previous

OBJECTIVE To provide for disposal of Aviation Authority property which is surplus, obsolete, Scrap or Trash no longer useful for Aviation Authority purposes.

DEFINITIONS **Item.** An article of Aviation Authority property.

Surplus Item. Any item of Aviation Authority property that is surplus, obsolete or unusable and has been declared "excess" by the Material Control Supervisor pursuant to Section 450.11, Property Control.

Scrap. Equipment, materials or goods which are cannibalized or discarded as no longer being in serviceable condition or uneconomical to repair and have value only as material for reprocessing or for sale as Scrap.

Trash. Any item(s) which has little or no value and is uneconomical to store or offer for sale.

Responsibilities **The Assistant Director of Purchasing and Material Control or the Purchasing Manager** is responsible for:

- The administration of this procedure.
- The disposal of Surplus Items when they are deemed to be excess to the needs of all Aviation Authority departments.
- The collection of the revenue derived from the sale of Surplus Items and Scrap and for the transmittal of such revenue to the Finance Manager.

Department Directors: Each department director is responsible for the safekeeping and accountability of all items charged to the department. The Department Director determines when items are Scrap or Surplus Items to the needs of that department and declares such items as "excess" to the Material Control Supervisor pursuant to Section 450.11, Property Control.

Material Control: Material Control will take possession of property deemed Surplus to a particular department and make it available for issue to other departments, if its condition permits. Property not needed by any Aviation Authority department will be declared Surplus and disposed of in accordance with this policy.

Disposal by Purchasing Manager **Disposal:** Subject to the approval of the Executive Director, the Purchasing Manager disposes of Surplus Items by:

- Trade-in,
- Public Auction,
- Public Sealed Bid.
- As Scrap or Trash

Procedures for Trade-In

Items for Trade-in: Surplus Items recommended for trade-in, such as vehicles and mowing equipment, are listed as equipment available for trade-in in bid quotes to vendors and will be considered as a part of the overall bid.

Procedures For Public Auction

When Aviation Authority property is to be disposed of by public auction, selection of a firm to provide auction services will be accomplished through a solicitation process in the same manner as other services are procured. The projected dollar value expected to be returned to the Aviation Authority as the result of the auction along with the nature of the items being auctioned, and industry practices will determine if the solicitation is done as a RFQ, IFB, or RFP.

Procedure for Sealed Bid

Sealed Bid Preparation: The Assistant Director of Purchasing and Material Control or the Purchasing Manager will invite sealed competitive bids. The invitation includes a general description of the Surplus Items to be sold, states where bid forms may be secured, where and when the items may be viewed, and the time and place for opening bids. All Surplus Items are sold "as is" and "where is" and the Assistant Director of Purchasing and Material Control or the Purchasing Manager may establish such terms and conditions of sale, including a minimum acceptable price for any item, as may be in the best interest of Aviation Authority. Adequate public notice will be given prior to sale in the same manner as for procurement by competitive sealed bidding (See Section 450.02, Competitive Procurements).

Bid Opening Bids will be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. All relevant information, including each bid amount and each bidder's identification, will be recorded on a summary sheet. All bids and the Aviation Authority's bid file will be available for public inspection following the bid opening.

Award: All sales are made to the highest responsible and responsive bidder whose bid meets the terms and conditions of the

sale. The Assistant Director of Purchasing and Material Control or the Purchasing Manager may reject any or all bids, or the bid for any one or more items included in the Invitation for Bids, if he/she determines that acceptance of the highest responsible and responsive bid for such item is not in the best interest of the Aviation Authority.

A successful bidder who fails to remit the full amount of his bid within the time required by the terms and conditions of the sale, forfeits his/her bid. The Assistant Director of Purchasing and Material Control or the Purchasing Manager may award the sale of the Surplus Item(s) in question to the next highest responsible and responsive bidder meeting the terms and conditions of the sale.

**Procedures
for Sale of Scrap**

Method: The method used to sell Scrap is determined by the estimated value of the Scrap. Scrap will be offered for public sale to one or more Scrap buyers selected after soliciting competitive quotes or sealed bids pursuant to this Policy.

- When the RFQ process is used, one or more quotes will be solicited, with award made to the highest responsible, responsive offer.
- When the formal bid process is used, Public Notice of sale is executed in the same manner as for procurement of competitive sealed bidding (See Section 450.02, Competitive Procurements).

Timing: Scrap is sold whenever the Assistant Director of Purchasing and Material Control or the Purchasing Manager deems it necessary.

Award: The sale of Scrap is awarded to the highest responsible and responsive bidder upon such terms and conditions that are acceptable to the Aviation Authority.

Exception to Sale: In the event the Assistant Director of Purchasing and Material Control or the Purchasing Manager determines that market conditions make it uneconomical to sell accumulated Scrap, it may be disposed of as Trash.

Sale by Weight: When the Scrap is sold by weight, the Purchasing division ensures the Scrap is weighed and the Aviation Authority receives credit for the full weight. The scales used for weighing Scrap must be certified by the Florida Commission of Agriculture. Weight tickets showing the exact weight of the shipment is submitted to the Purchasing Manager for forwarding to Accounts

Receivable.

**Satellite
Scrap
Collection
Areas**

Authorization: The Assistant Director of Purchasing and Material Control or the Purchasing Manager may, in writing, authorize a department with large accumulations of Scrap to maintain a satellite Scrap collection area under its own control and to arrange for the sale of such accumulated Scrap in accordance with this procedure.

Procedure: Any such authorization will include the procedures to be followed in the collection of Scrap.

**Disposal of
Trash**

Trash: The Assistant Director of Purchasing and Material Control or the Purchasing Manager may authorize the disposal of any Surplus Item determined to be Trash.

Options: Trash may be transported to a dump or given to any person willing to remove it from Aviation Authority property at no cost to the Aviation Authority.

**Proceeds From
Disposition of
Aviation
Authority
Property**

The Finance Department is responsible for the use of proceeds from the disposition of Aviation Authority property.

**APPROVAL AND
UPDATE HISTORY**

**Format and
Re-Numbering
Authority**

Authority Board: August 28, 1991 (4R)

Last Approval

Authority Board: October 17, 2001
Executive Director: December 12, 2014

Supersedes

All Previous

OBJECTIVE Procurement of capital equipment through bid at public or private auction.

Responsibility

Department Directors:

- Ensure that funding is available prior to engaging in any auction related procurement activity, and that the Finance Department is provided with sufficient, timely information to establish a credit relationship with the Auctioneer.
- Ensure that approval of the Director of Maintenance is obtained prior to procuring any motorized, vehicular, or mechanical equipment, or other equipment that must be maintained by the Maintenance Department. This insures that equipment is not purchased that cannot be maintained reasonably in terms of parts availability and cost effectiveness, and ensures compliance with established standards and specifications for such equipment.

Finance Department: Arrange methods of payment and establish a credit relationship with the Auctioneer prior to the auction.

Procedure

The Requesting Department: Notifies the Purchasing Department in writing of its intent to bid at auction.

The Auction Team:

- Inspects and evaluates items at the auction site prior to bidding
- Establishes the fair market value of the item to be purchased.
- Determines the maximum bid amount within funding limits established by the Finance Department.

Requesting Department Director (or designee): Does the bidding within auction team guidelines.

Executive Director (or designee): Is authorized to sign necessary purchase and/or title documents for the Aviation Authority. Transportation costs and applicable sales tax must be considered as part of the overall cost.

Requesting Department: Initiates requisition in the financial system to ensure the purchased item is properly accounted for.

Auction Team

The Auction Team may be expanded to include technical and operational evaluation and advisory personnel as deemed necessary by regular auction team members. The Auction Team normally consists of:

- Assistant Director of Finance (or designee)
- Requisitioning Department Director (or designee)
- Assistant Director, Purchasing and Material Control or Purchasing Manager (or designee)

**APPROVAL AND
UPDATE HISTORY**

**Format and
Re-Numbering
Authority**

Authority Board: October 17, 2001

Last Approval

Authority Board: March 18, 2009
Executive Director: December 12, 2014

Supersedes

All Previous

OBJECTIVE	To establish a uniform method of receiving, storage, issuing, movement, handling, processing, and disposal of materials.
SCOPE	These procedures apply to all Aviation Authority owned materials.
DEFINITIONS	<p>Assigned Location: Location set up in the financial system to designate a specific storage location within the warehouse for a stocked item to be placed when received.</p> <p>Fixed Asset Items: Non-consumable items with a useful life in excess of one (1) year and an acquisition value in excess of \$1,000. See Policy 450.11, Property Control.</p> <p>Hazardous Materials: Any substance designated by the US Environmental Protection Agency, the Florida Department of Environmental Protection, or the Occupational Health and Safety Administration as a hazardous material, hazardous substance, hazardous waste, petroleum product, used oil, unused aerosol cans or pollutant. The term includes, but is not limited to, materials that exhibit the following characteristics: (Also see Operational Procedure 1150.00, Hazardous Materials)</p> <ul style="list-style-type: none">• Combustible: Any substance or material that is easily ignited at temperatures of 100^o F or more, and/or burns with unusual rapidity.• Corrosive: Any material or substance that can inflict damage if exposed to human skin.• Explosive: Any material or substance that has the capacity to burst forth with great disruptive force.• Flammable: Any substance or material that is easily ignited at temperatures under 140^o F or less, and/or burns with unusual rapidity.• Poisonous: Any material or substance that can be harmful to humans if ingested or inhaled.• Solvent: Any material, other than water, that is used for bonding, dissolving, or cleaning materials or products. <p>Hazardous Materials Contingency Plan: An emergency plan which outlines the steps Aviation Authority personnel should follow in the event of an accident involving hazardous waste. Posted in accordance with 40 CFR 262.34.</p> <p>Lost and Found items: Items received from the Aviation Authority's Lost & Found Division, and other tenants on airport</p>

property, not reclaimed by the owner.

Material Control After Hours Entry Log (MC140): After normal business hours any person entering the Material Control warehouse must fill out this log. It is located in the caged area at the front of the warehouse. This form must be signed, dated, and filled out regardless of whether any stock is picked up or pulled from the warehouse.

Material Control Inventory Recommendation Form (MC240): Form used to request new material to be stocked, stored, and issued from the Material Control warehouse. Form MC240B is used for parts requests for the baggage system and passenger loading bridges from the Baggage Handling System (BHS) contractor and approved by the Aviation Authority BHS Supervisor prior to Material Control entry.

Material Control Request Form (MC800): A Material Control form used in Emergency Situations, as defined in Policy 450.01, Purchasing Introduction and Definitions, or after hours, to issue materials from the Material Control warehouse. Also used by the BHS contractor to pull stock from the warehouse on a daily basis.

Material Management Specialist: office staff whose responsibility is to assist the Supervisor and Storekeepers with processing and auditing documentation of material movement.

Materials: items, goods, commodities, excess materials, equipment parts, and supplies.

Obsolete Inventory Materials: Inventory materials that are stocked in the warehouse and no longer needed by the department.

Pick sheet: Used to issue materials from the Material Control warehouse and generated from the financial system.

Receipt Traveler: form generated from the financial system when a receipt is processed after receiving materials at the Material Control warehouse.

Receiving Log: form used daily to list information about material shipments received at the warehouse.

Safety Data Sheets (SDS): Chemical manufacturers and suppliers are required to develop and provide SDS for each hazardous material they produce or supply. The SDS contains information concerning the characteristics of the material, safety information, and a list of components contained in the material.

Storekeeper: warehouse staff whose responsibility is to

accurately document all Materials received at the warehouse and issued from the warehouse to users in various departments.

Uniform Hazardous Waste Manifest: Federal regulations require generators of hazardous waste to use this form for both interstate and intrastate transportation of hazardous waste.

RESPONSIBILITIES **The Material Control Supervisor** is responsible for the administration of procedures for the proper receipt, storage, issuing, handling, control and disposition of Aviation Authority owned Materials, material handling equipment, and hazardous waste.

RECEIVING **Upon receipt of materials, the storekeeper shall:**

- Examine the package and/or items for damage, document when damage is found, and locate the electronic purchase order.
- Verify Safety Data Sheets (SDS) are included when Hazardous Materials are received.
- Complete Receiving Log form if the delivery is not associated with a purchase order.
- Notify the Material Management Specialist or the Material Control Supervisor for clarification if a discrepancy is discovered.
- If the item is to be returned to the vendor, prepare a Return Material Authorization form (MC840) and attach the approved form, with the approval code from the vendor for the item, and place the item on the proper shelf in the warehouse.
- Label materials designated as inventory items with the appropriate item number and description.
- Enter receiving information into the financial system.
- Store received materials in their assigned locations. New materials without assigned locations shall be located in the warehouse with items of the same grouping.
- Obtain a signature on the Receipt Traveler document or on the Delivery Log if the order is not associated to a purchase order when delivery is made (Procurement Card purchases, etc.).
- Match the receipt traveler, which is signed by the recipient when the material is delivered, with the packing slip to verify correct entry.

**STORAGE AND
MOVEMENT**

Equipment Operation: The forklift shall be operated only by a qualified and certified forklift operator.

Warehouse Security: Access doors and gates must be closed when not being used for receipt or distribution of materials. The warehouse is a controlled access area and only authorized or escorted persons shall be admitted.

Inventory Items: Materials classified as inventory items shall be properly identified with a part number and description before being placed into a warehouse location.

Items Requiring Pallet Loading:

- Pallets must be checked for condition, and only serviceable pallets may be used.
- Loads must be stacked cross-compacting each layer of containers to ensure that they are bound securely during transit and during elevating or retrieval from vertical storage locations. Use bonding straps or material wrap on palletized materials before placing them into pallet locations.
- Secure unstable items with bonding straps or material wrap to prevent items from falling off the pallet causing damage to the items or injuring personnel.
- Top-heavy conditions that may lead to crushing material or spilling components must be avoided.
- Palletized items shall be labeled with the part number, description, and quantity before placing pallet onto a pallet rack location.

ISSUING

Pack Slip: Deliver document that is generated when a Pick Slip is processed in the financial system. Used to show proof of delivery to the end user and is audited and filed with the Pick Slip by the Material Management Specialist.

Pick Slips: Requests for inventory items are entered into the financial system by users in various departments and a Pick Slip document is generated and automatically prints in the Material Control Office.

Picking and Entering Items: The Storekeeper shall pick the item(s) requested from inventory printed on the Pick Slip and enter the Pick Slip data into the financial system. From the two copies generated, the Storekeeper will attach one copy of the Pack Slip to the item(s) to be delivered to the end user. The second copy will be signed by the end user upon delivery and returned to the Material Control office for auditing and filing.

Emergency Issues: When activity takes place in the absence of a system-generated Pick Slip, the item number, quantity, and the description of the item shall be entered onto the Material Control Request Form (MC800). The request form will have a “Z” placed after the last line item requested to ensure that no other item can be entered on the form. An Aviation Authority Supervisor or designee shall sign the form thus authorizing approval.

Staging Items: The Storekeeper shall place the items(s) or boxes with the Pack Slip or “Delivery Tag” attached to the item or box onto the delivery shelf or pallet in the designated space in the warehouse and enter delivery information, if required, onto the Delivery Log.

Item Delivery: Materials that are picked up by the end user at the Material Control warehouse or delivered to the end user by a Material Control Storekeeper shall be signed for and dated by the end user, on the Pack Slip, Receipt Traveler, or Delivery Log to show proof of delivery.

**HAZARDOUS
MATERIALS
STORAGE AND
HANDLING**

Regulations:

- These basic guidelines for the handling of hazardous materials and hazardous wastes are not a substitute for the applicable regulations. All management of these wastes and materials must be conducted in full compliance with federal and state regulations.
- The following regulations are to be followed when handling hazardous waste. Florida Administrative Code, Chapter 62-730, 40 CFR chapters 260-268, and 49 CFR Part 397, Subpart C. In addition, the handling and transporting of hazardous materials must comply with 29 CFR and 49 CFR.

Storage and Handling:

- Prior to shipping hazardous waste to the Material Control Center, every effort will be made to properly identify and label the hazardous waste.

- All generators and transporters of hazardous waste must obtain a hazardous waste identification number from the Department of Environmental Protection.
- Hazardous waste containers must be labeled properly and have a delivery date marked on the label.
- Hazardous Waste Returns Form (450.09.2) shall be filled out and signed by the person delivering hazardous waste to the Material Control Center. Incompatible wastes must not be placed in the same storage drum or in the same storage area.
- Hazardous waste accumulation area must be inspected, at least weekly. Inspections are documented on form (450.09.1).
- Employees who handle hazardous waste must follow established department policies and federally mandated rules and regulations. Employees directly involved with hazardous waste handling must receive a program of instruction that teaches them how to safely handle hazardous materials.

Shipping Waste:

- The Material Control Supervisor or designee shall schedule pick up and removal of the hazardous waste in the time frame established by the EPA regulations in order to be in compliance with federal and state regulations.
- Affix Department of Transportation (D.O.T.) approved warning label on hazardous waste drum.
- Upon arrival of carrier, jointly review packaging, labeling, and Uniform Hazardous Waste Manifest.
- Obtain signature of carrier upon release of shipment and file all forms.
- Material Control must keep a signed copy of the hazardous waste manifest for three years for shipments to the designated facility which received the waste.

**SURPLUS
MATERIALS**

Metal Scrap: All metal scrap should be delivered to the metal scrap area unless instructed otherwise by the Material Control Supervisor or designee. See Policy 450.05, Disposal of Surplus Property, Scrap, and Trash.

Lost & Found Items: Lost and found items that are received shall be sorted and distributed in the following methods:

- **Items for use by the Aviation Authority:** Items for use by Aviation Authority departments shall be delivered and

signed for by a Department Supervisor/Manager on the Request for Transfer of Aviation Authority Property Form (450.11.1).

- **Items to be donated to charitable organizations:** Items to be donated to a charitable organization may be delivered or picked up by the organization. The person accepting the items shall sign and date the delivery document.
- **Items that have value to be sold at auction:** Items to be retained for the auction shall be stored in a secure location and picked up monthly by the Auctioneer along with a spreadsheet detailing every item to be sold.
- **Items not reusable or of no value shall be deemed as trash:** Items deemed as trash shall be sealed in a container and placed in the nearest trash container or donated to the K9 staff for dog training purposes.

Fixed Asset Items: See Policy 450.11 - Property Control.

Obsolete Inventory: Materials that are deemed obsolete shall be removed from the inventory and disposed of in accordance with Policy 450.05, Disposal of Surplus Property, Scrap, and Trash.

FORM MC840	Returned Material Authorization
FORM MC800	Material Control Request
FORM 450.09.1	Weekly Inspection Report
FORM 450.09.2	Hazardous Waste Returns
FORM	Material Control After Hours Entry Log
MC140FORM	Material Control Inventory
MC240	Recommendation Form
	Material Control Inventory
FORM MC240B	Recommendation Form – Baggage Handling and Passenger Loading Bridges

See Also

Policy 450.01, Purchasing Introductions and Definitions
Policy 450.05, Disposal of Surplus Property, Scrap, and Trash
Policy 450.11, Property Control
Policy 1150, Hazardous Materials

**APPROVAL AND
UPDATE HISTORY**

Last Approval

Executive Director: December 12, 2014

Supersedes

All Previous

OBJECTIVE:

Small Order Purchasing System: To provide a small order purchasing system for Aviation Authority employees while ensuring that the purchasing of Goods and Services continues to be accomplished in accordance with the Aviation Authority's policies.

Internal Controls: To establish internal controls so that procurement cards are used only for authorized purposes, and to limit the Aviation Authority's exposure to and liability from inappropriate use of the procurement card.

Payment Method: To provide a method of payment for certain purchases, contracts, and agreements for the purpose of simplifying the payment process and reducing workload with a resultant reduction in time merchants must wait for payment.

Efficiency: To promote operational efficiency, reduction in payables transactions, and vendor goodwill.

SCOPE

Application: This policy applies to use of, supervision of, and administration of Aviation Authority procurement cards as a payment method for Aviation Authority purchases. It applies to employees who use or authorize the use of the procurement card, employees who approve purchases made with a procurement card, employees who administer any aspect of the program, including approving or making payments for procurement card purchases and supervisors of employees who perform all of these functions.

Authority and Responsibility: This policy and procedure delineates the authorization and responsibilities within the Aviation Authority, provides a framework to administer the procurement card program, and is designed to ensure that a Cardholder uses the procurement card for Aviation Authority approved purchases only within the specific dollar and transaction limits that have been assigned to the Cardholder's procurement card.

Characteristics

A Procurement Card (P-Card) as referenced in the Aviation Authority policies is a credit card issued to the Aviation Authority in the name of an authorized user to purchase authorized Goods and Services within established limitations for Aviation Authority business purposes.

- Each card is unique and contains information such as the Cardholders name, account number, and expiration date along with the Aviation Authority's name and tax exempt number.

- A Procurement Card differs from a standard credit card due to the presence of additional controls. The Aviation Authority, not the Cardholder is responsible for the payment of purchases made with an Aviation Authority Procurement Card. The Cardholder is responsible for all unauthorized purchases made with an Aviation Authority Procurement Card.

Authorized User or Cardholder: An individual appointed by the department director who has been issued a Procurement Card with which to purchase Goods or Services in accordance with Aviation Authority policies.

Approving Official: An individual authorized to verify and approve charges received for a Cardholder's Procurement Card purchases, in accordance with this policy.

RESPONSIBILITIES

Senior Management of the Purchasing Department shall designate a Program Administrator.

Program Administrator: The Program Administrator administers the Procurement Card program for the Aviation Authority. The Program Administrator manages the issuance of Procurement Cards to authorized Cardholders and maintains associated documentation, recommends transaction and other limits in accordance with policy, provides orientation to new users, ensures that appropriately authorized limits are maintained, ensures appropriate cancellation of accounts and destruction of expired or cancelled cards, and interfaces with the card issuer. The Program Administrator may designate an individual within the Purchasing Department to perform the day-to-day administrative functions.

Senior management of the Finance Department shall designate a Payables Administrator.

Payables Administrator: The Payables Administrator ensures that payments to the card issuer are duly authorized and that Cardholders have provided supporting documentation required and that invoices from the card issuer are reconciled. The Payables Administrator may designate an individual within the Finance Department to perform the day-to-day functions.

Department Directors: Department Directors are responsible for:

- Appointing Procurement Cardholders within their departments and assigning dollar, transaction, and other limitations for their Cardholders' purchases.
- Approving Procurement Card purchases by their Cardholders that appear on transaction logs and credit card statements..

Approving Official: Each Approving Official is required to attend an Approving Official orientation session, sign a "Procurement Card Approving Official Agreement" (Form Number 450-10.04), and forward the form to the Program Administrator before performing the activities that follow.

- An Approving Official, with knowledge of the job responsibilities of each Cardholder(s) shall review each Cardholder's billing statement, transaction log, and supporting documentation submitted for approval in order to determine if the Goods or Services purchased were for official use and that the transaction(s) were in accordance with policy and procedure.
- The Approving Official shall audit the billing statement(s) and associated documentation submitted by Cardholders to determine that the required paperwork is attached, and verify that the account codes assigned to the transactions are appropriate.
- The Approving Official shall assist the Cardholder in resolving any questions or issues about the purchases, shall sign the billing statement, indicating his/her approval, and forward the completed Cardholder billing statement(s) with all attachments to Accounts Payable for payment processing within five (5) calendar days after receipt of the billing statements from the Cardholders. Every effort should be made to forward Cardholder billing statements for the appropriate billing cycle to Accounts Payable for processing before the 18th of each month. It is not necessary to send the entire department's billing statements at the same time.
- If a purchase is determined to be unnecessary or not for official use, then it will be the responsibility of the Approving Official to initiate an appropriate resolution activity, which may include:
 - Requiring the Cardholder to return the item for credit and obtain a credit voucher demonstrating the item has been returned for credit.
 - Recommending suspension and/or termination of the Cardholder's privileges for improper and/or unauthorized use as defined below.

- Recommending disciplinary action for improper and/or unauthorized use as defined below and as governed by Section 204.02, Allegations of Misconduct.

Note: In cases of fraud, in addition to any administrative and disciplinary action that may be taken, the employee may be required to reimburse the Aviation Authority for the total amount of the improper charges and other expenses incurred by the Aviation Authority as a result of fraudulent use, such as collection costs, attorney fees, etc.

Cardholder:

- The Cardholder is responsible for purchasing those Goods or Services required for use by the Aviation Authority that are governed by this policy and other Aviation Authority policies including the Local Developing Business and Minority and Woman Owned Business Enterprise policies.
- The Cardholder is responsible for providing the Payable Administrator with the required back-up documentation to support purchases no later than the date required by the Accounts Payable Department to allow for the updating of the financial accounts and balancing the Aviation Authority's Procurement Card statement.
- The Cardholder is responsible for maintaining all documentation associated with purchases made with the Procurement Card, including but not limited to receipts, packing slips, and transactions logs.
- If the Cardholder has scheduled time away from the Aviation Authority when the supporting documentation for Procurement Card purchases is due to the Payables Administrator, the Cardholder shall provide all necessary documentation to the Approving Official for submission to Accounts Payable within the required time frame.

MERCHANT

AUTHORIZATION Merchant Purchase Authorization: Merchants are responsible for obtaining appropriate approval authorizations for credit card, including procurement card transactions, from the credit card issuer. When a merchant seeks authorization for a purchase, the card issuer's authorization system will check each individual Cardholder's assigned spending limits before authorization for that transaction is granted. If any of the limit parameters are exceeded, then approval should be denied and the transaction should be blocked.

**Cardholder
Spending Limits**

Delegation of Authority: The delegation of authority that has been provided to each Cardholder establishes the maximum transaction value, daily transaction limit and monthly credit limit that are unique to each Cardholder within the specific merchant groups approved for use by the Procurement Card Administrator. These limits will be included in the Request for Procurement Card (Form 450.10.1)

Assigned Limits: Department directors may, and are recommended to, assign limits lower than the policy maximums appropriate for members of their staff based upon the needs and responsibilities of the individual staff member.

- The Department director shall determine the transaction dollar value limits assigned to an individual card. The single transaction dollar value limit shall not exceed \$5,000 for any Cardholder without prior approval of the department director and the Senior Director of Administration and Technology or designee.
- The cumulative number of transactions that will be approved for a single Cardholder shall not exceed ten (10) in one (1) business day, except as authorized in accordance with an Emergency Situation as defined in Policy 450.01, Introductions and Definitions. The department director shall determine the daily transaction limit assigned to an individual card.
- The cumulative transaction dollar limit shall not exceed \$5,000 for a single vendor for a single Cardholder in any one (1) business day. The department director shall determine the cumulative transaction credit limits that will be approved for a single Cardholder within a one (1) day and any one (1) calendar month period.
- Each Cardholder's transactions will be limited to merchants within specific groups that have been assigned to the individual Cardholder's card.
- A Procurement Card may be issued to pay for purchase of inventory Goods when it is determined to be the most cost effective method of payment, when the Goods were selected through a competitive process, and when the purchase of the Goods has been processed and approved in accordance with Aviation Authority policies. The Assistant Director of Purchasing shall concur with Procurement Card payment for inventory Goods prior to the purchase. Purchase and payment shall not exceed authorized quantities or costs. The Assistant Director of Purchasing, with concurrence from the Senior Director of

Administration and Technology, shall establish limits for the Procurement Card designated to replenish inventory Goods.

- The Executive Director or designee shall establish limits as required for Emergency Situations as defined in Policy 450.01.

**CARD REQUESTS
AND CHANGES**

Card Requests: A "Request for Procurement Card" (Form Number 450-10-01) shall be completed to initiate all requests for new Cardholders or to make changes to the records of current Cardholders. The form will be processed through the Program Administrator who will forward the request to the card issuer to obtain the new Procurement Card or to process the change(s) requested.

Approval: The department director and the Program Administrator must approve all requests for Procurement Cards. When the Program Administrator receives the Procurement Card from the card issuer, the Cardholder will be notified by the Program Administrator and will be required to attend an orientation session and complete and sign Form 450.10.2 prior to receiving his/her card.

**PROCUREMENT
CARD USE**

Authorized Purchases: The Procurement Card is to be used for authorized purchases only. Authorized purchases are purchases of Goods or Services for the direct benefit and use of the Aviation Authority that are consistent with the monetary limitations for such purchases by the Aviation Authority Cardholder as are established by the Aviation Authority's policies, including the authorization required pursuant to this policy.

- When approved by the Senior Director of Administration and Technology, the Procurement Card may also be used as a method of payment for Goods or Services purchased by contract, agreement or purchase order irrespective of the merchant code or type, in those cases where the vendor has indicated willingness to accept payment through the Procurement Card process.

Prohibitions: A procurement card shall not be used to purchase gift cards. Except as authorized in accordance with an Emergency Situation as defined in Policy 450.01, Introductions and Definitions, and authorized in accordance with Policy 450.03, Non-Competitive Procurements, a Procurement Card shall not be used to purchase, gasoline, diesel fuel, heating oil, food or beverages, personal items, telephone calls, Goods, or Services normally processed through the travel policy, cash advances, or for any capital items. For purposes of this section, capital items are defined as items of value greater than \$1,000.00 having a useful life of more than one year and components of those items having a useful life of more than one year that in the aggregate exceed \$1,000.00, such as a

credenza with an attached overhead shelving system. Replacement parts or repairs are not capital items. Registration fees for webinars that are attended during business hours on Aviation Authority property are not considered to be travel services and are not prohibited as P-card purchases. The Procurement Card shall not be used to purchase non-capital items over \$5,000.00 or to purchase components that in aggregate exceed \$5,000.00, except as payment for the purchasing of inventory items by the Supervisor of Material Control, or as authorized by the Executive Director or designee in an Emergency Situation, as indicated in the section of this policy that describes Cardholder Spending Limits. The procurement card shall only be used to purchase items funded by the Operations and Maintenance Fund. Exceptions to the Operations and Maintenance Fund restriction may be granted only with the written consent of the Chief Financial Officer.

Over-The-Counter Purchases: When a purchase is made over the counter, the Cardholder is to obtain a customer copy of the charge slip and a merchant receipt if one is issued. The charge slip or related receipt must show in sufficient detail the types and numbers of items purchased and the unit cost. The charge slip/receipt should also indicate that no sales tax was charged.

Purchases By Telephone or Internet: Purchases may be made by telephone or Internet when the Goods or Services can be described in sufficient detail so that the parties to the transaction have a clear understanding of what is being acquired. When a purchase is made by telephone or Internet, the Cardholder shall instruct the merchant:

- To include on the shipping document, receipt, and/or packing slip the words: "*Procurement Card Purchase*" and to insert the word "Visa - (Cardholder's name)" in place of a purchase order number in the appropriate space(s). An itemized invoice with unit prices and item descriptions shall be included and also marked as a Procurement Card purchase. The information on this document will allow the central receiving office to verify the shipment and notify the Cardholder that the shipment has been received.
- To charge the Procurement Card on the date when shipment is made or service provided so that receipt of shipment or performance of service can be reconciled against the appropriate entry on the Cardholder's billing statement.
- To only include in the sale those items that the merchant has in stock and available to ship.
- That the Aviation Authority does not allow "back orders" to be received.

- That the items ordered must ship complete to arrive at the Aviation Authority no later than 30 days from the date of placing the order.

Receipts and Proof of Purchase: The Cardholder is solely responsible for retaining all itemized receipts, charge slips, packing lists, and/or other proof-of-purchase documents associated with Procurement Card transactions for the purpose of submitting reconciled billing statements for approval and payment.

Cardholder's Transaction Record: Each time a purchase transaction is made that will be paid using a Procurement Card, whether it is done over the counter, through the Internet or by telephone, a record of the transaction must be created by the Cardholder. Actual transaction entries may be on paper or done electronically. This document will later be used to verify the purchase transaction listed on the Cardholder's billing statement. The only exception to this would be for subscription services such as cable, Internet, etc. that are billed monthly with no paper invoice. Form 450.10.4 is provided as a sample showing the type of data to be logged.

Billing Statements: Upon receipt of each billing statement, the Cardholder shall review the listed transactions, attach the appropriate receipts, charge slips, packing lists, etc., and the original (or copy) of the appropriate transaction log to the billing statement. The Cardholder will sign the transaction log signifying concurrence with the billing statement and deliver it to the Approving Official within five (5) calendar days after receipt for review and department approval.

Cardholder Absence: If a Cardholder has scheduled an absence during the time the next billing statement is due, a copy of the statement for the absent Cardholder will be forwarded to the Payables Administrator or designee with other Cardholders' statements. Open transaction documentation and unreconciled transaction logs must be submitted by the Cardholder prior to leaving on travel or extended leave. The Payables Administrator or designee will process payment of the statement but keep it in suspense. The Cardholder will review, note corrections to, and sign the original transaction log at the time he/she returns from leave.

**Invoice and
Payment
Procedures**

Billing Statement: The card issuer will provide a comprehensive billing statement to the Aviation Authority at the end of each billing cycle in accordance with the terms of the Aviation Authority's agreement with the card issuer.

Each Cardholder will receive a billing statement for each transaction that has been posted to each card during each billing cycle. The Cardholder will not receive a billing statement if the Cardholder has not used the Procurement Card during the billing cycle and no adjustments have been

processed by the card issuer from earlier transactions.

Payment: The Payables Administrator will pay for purchases made by Cardholders and approved by the Approving Official, utilizing a Procurement Card against approved billing statements within the terms of the Aviation Authority's agreement with the card issuer, and subject to dispute resolution procedures provided below.

Disputes

Responsibility: The Cardholder is responsible for initiating corrective action in the event that a transaction appears on a billing statement and is deemed to be in dispute. A disputed item could be, but is not limited to, the result of an unauthorized charge, or a duplicate transaction posting.

Action: The Cardholder has the responsibility to address a disputed item as soon as it has been identified. The Cardholder shall contact the merchant and request a credit against the disputed transaction. It is essential that the time frames and documentation requirements established by the Procurement Card Issuer be followed to protect the Authority's rights in dispute. Dispute policies and procedures issued by the Procurement Card Issuer, as well as the Cardholder agreement, will be provided at the time Procurement Cards are issued to Cardholders.

If the merchant refuses to provide a credit for the disputed transaction, the transaction shall continue to be considered in dispute and additional action shall be taken as follows:

- A "Cardholder Statement of Disputed Item" Form 450.10.05 must be completed by the Cardholder with appropriate documentation attached. This form shall be forwarded with a copy of the billing statement through the Approving Official to the Program Administrator for adjustment and/or resolution with the card issuer. The Program Administrator will notify the Cardholder and Approving Official of the action taken on disputed items and will forward Form 450.10.5 to the Payables Administrator or designee.

Lost or Stolen Procurement Cards

Notification to Card Issuer: Should any Cardholder lose or have his/her Procurement Card stolen, he/she must notify the card issuer immediately upon discovery of the loss. The telephone number(s) of the card issuer will be provided when the card is issued to the Cardholders.

Internal Notifications: In addition to notifying the card issuer, the Cardholder must notify his/her Approving Official and the Program Administrator of the lost or stolen card within one (1) workday after discovery of the loss or theft of the card. The Cardholders Approving Official is required to submit a written report to the Program

Administrator, within five (5) working days after notification, including the complete information on the loss, the date the loss was discovered, the location where the loss occurred, if known, the purchases that the Cardholder had made prior to the loss, and any other pertinent information. Should the card be returned, it must be turned in to the Program Administrator for destruction.

**Improper or
Unauthorized
Use**

Random reviews of all Cardholder transactions by the Payables Administrator and/or Internal Audit Department will be conducted. Cardholders and Approving Officials who are found to be in violation of prescribed P-Card policies and procedures face possible disciplinary measures for his or her actions including suspension or termination of P-Card privileges, suspension or termination of employment, or legal action as warranted by the severity of the offense. If the offense warrants possible suspension or termination of employment, established Aviation Authority guidelines will be followed.

If an employee unintentionally uses a P-Card for personal use, the employee must notify the department director within 30 days. The first offense may result in P-Card suspension and subsequent offenses will result in P-Card termination.

**Administration
of Disciplinary
Action**

Disciplinary action for Approving Officials and Cardholders will be administered based on the severity of the offense, consistent with Policy 204.02, and shall be applied by the Deputy Executive Director of the users department or the Executive Director upon recommendation of Program Administrator and Senior Director of Administration and Technology. Disciplinary action for Cardholders will be administered in accordance with the guidelines listed below for the offenses described below based on the severity of Cardholder actions and results of the actions, associated with the offenses. In each instance, the Cardholder and his/her director will be reminded of the P-Card policies set forth in this manual. The guidelines below include, but are not limited to, disciplinary action for failure to comply with program guidelines.

Card Suspension: An employee may receive a written warning or may have Procurement Card privileges suspended for the following reasons:

- (1) Use of the card exceeding a) maximum dollar amounts allowed for a single purchase, and/or b) maximum number of transactions allowed and/or c) dollar limit allowed in one business day and/or d) maximum monthly dollar amount may result in P-Card privileges suspended for 30 days.
- (2) Use of a card to purchase items that a Cardholder is aware are back-ordered (i.e. items not currently in stock) may result in P-Card privileges suspended for 30 days.

- (3) Failure to provide itemized receipts and other required documentation to substantiate reports related to Cardholder activity in a timely manner may result in P-Card privileges suspended for 30 days.
- (4) The improper payment of sales tax on P-Card purchases shall require the Procurement Cardholder to resolve the sales tax issue. Failure to resolve within 60 days of the first billing cycle of the sales tax item may result in P-Card privileges suspended for 30 days.
- (5) Any splitting or division of purchases for the purpose of avoiding the limitation on single purchase amounts and/or number of transactions allowed in a business day may result in P-Card privileges suspended for six (6) months.
- (6) Use of a card for purposes other than those expressly allowed by this policy or as authorized by the Executive Director or designee for an Emergency Situation as defined in Policy 450.01 (including, but not limited to, the purchase of gasoline, diesel fuel, heating oil, food or beverages, personal items, telephone calls, capital items, Goods or Services normally processed through the travel policy, or to make cash advances) may result in P-Card privileges suspended for six (6) months. Registration fees for training Webinars that are attended during business hours on Aviation Authority property are not considered to be travel services and are not restricted from P-Card purchases.

Card Suspension Required Action: In the event that the Cardholder's privileges have been suspended, the Approving Official will hold the card for the term of the suspension and may, but is not required to, reissue the card to the Cardholder when the suspension has been served.

Card Termination: An employee's Procurement Card privileges may be terminated for the following reasons:

- A Cardholder's violation of the items listed above that results in three (3) suspensions
- Use of a card for any purpose other than the purchase of Goods and/or Services for official use by the Aviation Authority and not reported within 30 days.
- A Cardholder's employment by the Aviation Authority is terminated for any reason , or

- Any unauthorized use of the Procurement Card deemed by the Aviation Authority in its sole discretion to merit termination of Procurement Card privileges.

Card Termination Required Actions: In the event an employee's Procurement Card privileges are terminated:

- The Approving Official shall collect the card from the Cardholder, destroy the card, and send the destroyed card with a memorandum explaining the reason for the termination of privileges to the Program Administrator.
- The Program Administrator will notify the card issuer that the card has been destroyed and is no longer in use.
- In the event the Approving Official is not able to collect a suspended or terminated Procurement Card for any reason, then the Approving Official shall immediately notify the Program Administrator by telephone and follow-up with a memo or e-mail to ensure the Procurement Card is suspended/voided.

The Program Administrator shall notify the card issuer to suspend or void the particular Procurement Card account to prevent any further purchases.

The Program Administrator will manage the card administration and advise the Senior Director of Administration and Technology and the Chief Financial Officer periodically of violations.

The Payables Administrator will manage the payment of Procurement Card expenditures and advise the Senior Director of Administration and Technology and the Chief Financial Officer of violations.

FORMS

Form 450.10.1	Procurement Card Application
Form 450.10.2	Procurement Card Cardholder Agreement
Form 450.10.3	Procurement Card Transaction Log
Form 450.10.4	Procurement Card Approving Official Agreement
Form 450.10.5	Cardholder Statement of Disputed Item

APPROVAL AND UPDATE HISTORY:

Last Approval Authority Board: October 17, 2012
Executive Director: March 7, 2014

Supersedes All Previous

PROCUREMENT CARD APPLICATION

TO: Procurement Card Administrator

FROM: _____ / _____ (Department/Office)

- Request for a new Procurement Card. Please issue the following employee a Greater Orlando Aviation Authority Procurement Card.
- Change to an existing Procurement Card. (Insert the employees' name and fill in only those items that need to be changed.)
- Temporary Change to an existing Procurement Card. (Insert the employees' name and provide only the temporary change and reason and/or backup for temporary change.)

The first section shall be completed by the employee who will receive the Procurement Card:

Full Name: (Print) _____
Title: _____
Reports To: (Title) _____
Employee Office Address: _____ Extension: _____
Social Security Number: ____/____/____ Birth Date: ____/____/____
Mother's Maiden Name: _____
Signature: _____ Date: ____/____/____

The center section needs to be completed by the Department Director/Approving Official:

Single transaction dollar value shall not exceed: \$_____.00 (Maximum is \$5,000.00)
Number of transactions per day shall not exceed: _____ (Maximum is 10 per day)
Cumulative transaction dollar value for a single vendor in any 1 day: \$_____.00 (Maximum is \$5,000.00)
Cumulative value of transactions in a single calendar month shall not exceed: \$_____.00
MCC Code Restrictions: _____
Default Account Code: ____/____/____/____/____/____
Signature of Department Director: _____ Date: ____/____/____
(Must be approved by Department Director. Designee signatures will not be accepted as proper authorization and approval.)

The final section needs to be completed by the Procurement Card Administrator:

Received and Processed by the Procurement Card Administrator:
Signature: _____ Date: ____/____/____

PROCUREMENT CARD CARDHOLDER AGREEMENT

Please review the terms stated below, sign, date, and return to your Approving Official. You will receive a copy for your records. Please note that this Cardholder Agreement also acts as your signature card and will be kept on file in the Purchasing Department.

I, _____, hereby acknowledge receipt of a GOAA Procurement Card, number _____ (the "card"). I have verified the information contained thereon and attest to its accuracy.

I have received, read, and understand the Greater Orlando Aviation Authority Procurement Card Cardholder Instructions and Section 450.10 of the Aviation Authority's Policies and Procedures Manual. I agree to accept responsibility for the protection and proper use of the card in accordance with the above-referenced instructions and policies and procedures. I understand that I am the only person permitted to use this card. I understand that my use of the card is subject to audit by the Aviation Authority, that my purchases with the card are limited to the number of transactions per day and dollar amounts per day as set forth in the policies and procedures, and that the card is not to be used to purchase certain commodities as outlined in the policies and procedures. I further understand that I am authorized to purchase only for the specified program number and that all purchases must be for official business on behalf of the Aviation Authority.

I agree to immediately notify my Approving Official, the Program Administrator and Bank of America at the numbers listed below, if the card is lost or stolen. I also agree to immediately notify my approving official if unauthorized charges appear on my statement of account. I understand that failure to immediately notify my Approving Official of the presence of unauthorized charges on my statement of account could subject me to disciplinary action and make me responsible for charges resulting from fraudulent use of the card.

Bank Contact:	Bank of America	Customer Service (including
	315 S. Calhoun Street	Lost/Stolen Card):
	Second Floor	1-888-449-2273
	Tallahassee, FL 32301-6916	24 Hours/Day, 7 Days/Week

PROCUREMENT CARD CARDHOLDER AGREEMENT

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Use of the Aviation Authority P-Card other than as authorized in this policy shall be considered misappropriation of Aviation Authority funds. This could result in: a) immediate and irrevocable forfeiture of the Card; and b) disciplinary action that may include termination of employment.

If the Aviation Authority initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay court costs, reasonable attorney's fees and other expenses incurred by the Aviation Authority in such proceedings if the Aviation Authority prevails in such legal action.

I understand that the Aviation Authority may suspend or terminate my privileges to use the Card at any time for any reason. I agree to surrender the Card immediately upon retirement, termination of employment, termination of Cardholder privileges, transfer to another department, or upon the request of the Approving Official, the Program Administrator, or an authorized representative of the issuer (bank). I understand that use of the Card after Cardholder privileges have been suspended or terminated is prohibited, and that I will be held responsible for charges resulting from such use.

Signature:

_____ Date: _____

Print Name: _____

Department: _____

Procurement Card Administrator Approval:

_____ Date: _____

PROCUREMENT CARD APPROVING OFFICIAL AGREEMENT

Please carefully review the terms stated below. Sign, date, and return this agreement to your department director who will forward the agreement to the Program Administrator. You will receive a copy for your records.

I, _____, hereby acknowledge that I have received, read, and understand the Greater Orlando Aviation Authority Procurement Card Approving Official Instructions and Section 450.10 of the Aviation Authority's Policies and Procedures Manual. I agree to accept responsibility for the proper and accurate review of the use of Aviation Authority Procurement Cards ("Cards") by those employees ("Cardholders") designated to forward their Statements of Account ("Statements") to me. I know and understand the authorizations and limitations on the use of the Cards assigned to each of the Cardholders and I agree to monitor and review the usage of said Cards to ensure compliance with the above-referenced instructions and policies and procedures.

I agree to immediately notify the Program Administrator and my department director if apprised of the loss or theft of a Card. I further agree to immediately verify by telephone the reporting of the loss or theft of any such Card to Bank of America:

Bank Contact: Bank of America
315 S. Calhoun Street
Second Floor
Tallahassee, FL 32301-6916
Customer Service (including Lost/Stolen Card):
1-888-449-2273
24 Hours/Day, 7 Days/Week

I agree to immediately notify the Program Administrator and my department director if unauthorized charges appear on any Statement, or if any Cardholder is delinquent in forwarding a Statement for my review. I also agree to timely and accurately review each Statement and to sign and forward same to Accounts Payable within five (5) work days after receipt from the Cardholder.

I acknowledge that any failure upon my part to comply with the terms of this agreement shall constitute grounds for discipline in accordance with Section 204.02 of the Aviation Authority's policies and procedures. I understand that said discipline may consist of any or all of the provisions set forth in Section 204.02 and may also result in suspension or revocation of my Approving Official responsibilities.

PROCUREMENT CARD APPROVING OFFICIAL AGREEMENT

Record of Procurement Card Orders

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Signature: _____ Date: _____

Print Name: _____

Department: _____

Witness: _____

Witness: _____

Program Administrator Use Only

Approval: _____ Date: _____

CARDHOLDER STATEMENT OF DISPUTED ITEM

TO: Procurement Card Administrator **Date:** ____/____/____

VIA: _____ (Approving Official)

FROM: _____ (Cardholder)

SUBJECT: Disputed Item on Procurement Card Billing Statement

The following item(s) listed on the Statement of Account is/are disputed.

DATE OF BILLING: ____/____/____

TRANSCATION IN DISPUTE: _____
(Merchant)

TRANSACTION DATE: ____/____/____
(Attach a copy of the billing statement to this form)

EXPLANATION:

REQUESTED ACTION:

CARDHOLDER'S SIGNATURE: _____

APPROVING OFFICAL'S SIGNATURE: _____
(Forward completed form to the Procurement Card Administrator)

DISPUTE OUTCOME/RESOLUTION:

PROCUREMENT CARD ADMINISTRATOR'S SIGNATURE:

- OBJECTIVE** To establish procedures for the accountability of Aviation Authority Property. The Assistant Director of Purchasing and Material Control or the Purchasing Manager is responsible for administering these procedures.
- DEFINITIONS**
- Accountable Officer:** The Department Director or any designated unit supervisor having Property in his/her custody.
- Acquisition:** The act of receiving the item into the financial system at Material Control Receiving.
- Custodian:** The person whom an accountable officer designates as agent for internal responsibility for custody of Property and liaison with Material Control.
- Property:** Any item or sub-component of an item that is of a non-consumable nature and has a useful life in excess of one (1) year, including Fixed Assets, as defined in Policy 450.09, Procurement/Material Control.
- Exceptions:** Real estate intangibles, or any consumable that loses its original identity when used. The decision of accountability in each instance will be the responsibility of the Assistant Director of Purchasing and Material Control or the Purchasing Manager.
- Property Control Record:** The entry made into the financial system database to record the Property Control Number.
- Property Control Number:** A series of numbers assigned and affixed to a piece of Property or a system used to identify Property items in the inventory control process.
- Inventory Control:** The continuing procedure for maintaining an adequate record of the existence, location, and responsibility for each item of Property.
- Physical Inventory:** A physical determination that a specific item exists and is in the location stated in the financial system Property Control Record.
- Transfer:** The approved and permanent change in accountability for Property from one accountable officer to another.

Surplus Item: The approved removal from the inventory record of Aviation Authority Property resulting from the Property being turned in to Material Control. See Section 450.05, Disposal of Surplus Property, Scrap, and Trash.

PROCEDURES

These procedures will be used to account for Aviation Authority Property, including acquisition, physical inventory control, and disposal.

**Vehicular
Accountability**

The accountability for motorized and accessory equipment is vested in the Directors of the Operations and Facilities Departments. Thus, the accountability procedures for such vehicular and accessory equipment are the responsibility of these departments.

Responsibilities

The Assistant Director of Purchasing and Material Control or the **Purchasing Manager** is responsible for the accountability of Aviation Authority Property and the implementation of approved inventory control procedures to reflect the acquisition and disposal of Aviation Authority Property.

Department Directors:

- Ensure that these procedures are followed within their respective departments on a continuing basis
- Establish any intradepartmental procedures necessary to avoid loss or misappropriation of Aviation Authority Property to private use.
- Are directly responsible for any Property assigned to their immediate office, including items not subject to formal tracking and inventory due to their cost.

Acquisition

Property received at Central Receiving is tagged prior to delivery to the department ordering the item. Whenever Property is received by an accountable officer (or designated custodian) that has not been tagged, the accountable officer will notify the Property Specialist in writing listing all items received and the purchase order number(s).

Upon receipt of the notification, the Property Specialist will assign a Property Control Number to the item if necessary.

**PHYSICAL
INVENTORIES**

Physical inventories will be conducted by the Property Specialist in coordination with, and with the assistance of, the

appropriate accountable officer or a designated custodian. Inventory listings will be certified by the accountable officer or designated custodian and the Property Specialist completing the inventory. If any items are missing, the accountable officer will immediately initiate the procedures for Lost or Misplaced Property.

The Assistant Director of Purchasing and Material Control or the Purchasing Manager may waive the requirements for the annual inventory if an initial or special inventory has been conducted during the fiscal year.

The Assistant Director of Purchasing and Material Control or the Purchasing Manager will make a report of the results of the annual inventory to the Executive Director at the end of the fiscal year or at a date determined by the Executive Director.

**TYPES OF
INVENTORIES**

All inventories will be actual sight-and-site verification of each item. The latest financial system listing of Property, as amended by changes, will be used as a point of reference in the inventory. The following types of inventories are performed:

- **Initial.** The initial inventory to establish the Property accountability record of a division or department.
- **Special.** An inventory initiated at the request of the accountable officer, or by direction of the Executive Director.
- **Annual.** An inventory taken once during each fiscal year of each department and unit.

**Non-Recorded
Property**

If Property is found during any inventory that is not on the inventory record, action will be taken to list such Property on the Property Inventory List.

Missing Property

Property listed on the Property Inventory List that cannot be found is processed as outlined under Lost or Misplaced Property.

**Financial System
Listing**

Each accountable officer will receive annually a listing of all Aviation Authority Property under their control.

**Transfer of
Property Between
Accountable**

A Request for Transfer of Property (Form 450.11.1), initiated by the losing accountable officer and endorsed by the gaining accountable officer or custodian (to acknowledge receipt and

Officers

custody of the Property,) will be sent to the Property Specialist. This form will list the Property Control Number, the description of the Property as shown on the inventory listing, and the reason for the transfer.

The Property Specialist will update the financial system database.

**Transfer of
Property To a New
Location**

When Property is permanently moved to a new physical location (another floor, building, or office,) the accountable officer will send a memorandum listing the Property Control Number, description of the Property, and the new location to the Property Specialist.

**Property That is
Unserviceable and
Uneconomical to
Repair**

When the accountable officer determines that Property is unserviceable and uneconomical to repair, he or she will initiate a Request for Transfer of Property (Form 450.11.1) to the Property Specialist. This form will include the Property Control Number, the condition and location of the Property (in detail), and recommended action.

The Material Control Supervisor, in coordination with the Assistant Director of Purchasing and Material Control or the Purchasing Manager, will determine the disposition method per Section 450.05, Disposal of Surplus Property, Scrap, and Trash, and provide the instructions to the accountable officer.

The Property Specialist will draft an Aviation Authority Board agenda item asking approval to dispose of the excess items. In accordance with Section 709 of the bond resolution, the authority to dispose of Surplus Property rests with the Aviation Authority Board.

When the Property is disposed of the General Ledger staff will update the financial system to indicate the deletion of the item from the Inventory Record.

Excess Property

Serviceable Aviation Authority Property that has been replaced or is in excess to the Aviation Authority's needs will be turned over to Material Control for reissue to another Aviation Authority department or will be declared surplus Property and disposed of per Section 450.05., Disposal of Surplus Property, Scrap, and Trash.

**Lost or Misplaced
Property**

When a physical inventory indicates that Property is lost or misplaced or when the accountable officer (or designee)

determines that Property is missing, the accountable officer will take immediate action to locate the item and will immediately report the missing item to the Property Specialist.

If the missing Property cannot be located, the accountable officer will provide all facts surrounding the situation to the Assistant Director of Purchasing and Material Control or the Purchasing Manager. The Assistant Director of Purchasing and Material Control or the Purchasing Manager will investigate as necessary and report its findings to the Executive Director.

The Executive Director may, if warranted by the circumstances delete the item from the inventory.

Forms

Form 450.11.1 Request for Transfer of Property

See Also

Policy 450.05, Disposal of Surplus, Scrap, and Trash

**APPROVAL AND
UPDATE HISTORY**

**Format and
Re-Numbering
Authority**

Authority Board: August 28, 1991 (4R)

Last Approval

Authority Board: October 17, 2001
Executive Director: December 12, 2014

Supersedes

All Previous

**REQUEST FOR TRANSFER OF
PROPERTY**

TO: INVENTORY SPECIALIST, MATERIAL CONTROL

FROM: _____ DEPARTMENT #: _____
(Print name, designated custodian)

<u>DESCRIPTION OF ITEM</u>	<u>TAG NUMBER</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Item(s) listed are to be held until transfer is arranged by Material Control.

REASON FOR TRANSFER

- ___ TRANSFER TO ANOTHER DEPARTMENT DEPARTMENT # _____
- ___ ITEM NOT NEEDED BY DEPARTMENT
- ___ UNSERVICEABLE OR UNECONOMICAL TO REPAIR
- ___ HOLD UNTIL ___/___/___ (Enter date)
- ___ OTHER (EXPLAIN)

(Signature of releasing designated custodian) DATE: _____

(Signature of receiving designated custodian) DATE: _____

Entered into the Property record by:
(Material Control Inventory Specialist) DATE: _____