



## INTEROFFICE MEMO

To: Mark S. Woodard, County Administrator  
From: Joe Lauro, Director of Purchasing *Joe Lauro*  
Thru: Paul S. Sacco, Assistant County Administrator  
Subject: Recommendations from Clerk of Circuit Court/Comptroller and Division of Inspector General Pertaining to Purchasing Code Review  
Date: September 10, 2018

On August 8, 2018, a public hearing was held for the purpose of seeking Board of County Commissioner (Board) consideration to approve proposed modifications to the Pinellas County Code related to purchasing (Code). At the public hearing, the Board requested the Clerk of Court/Comptroller (Finance Division) and Division of Inspector General review the proposed modifications and for staff to return at a later date for Board consideration

Both the Division of Inspector General and Finance Division agree with the modification related to MRO contracts expressing that it strengthens controls by specifying the County Administrator's authority to approve increases to MRO contracts. In addition, both entities agree that the modifications simplify the Code. Below are other recommendations made by the Division of Inspector General and Finance Division (not necessarily Code related) followed by staff response. All staff responses have been reviewed/discussed with the Division of Inspector General and Finance Division and both entities appreciate staff reviewing their recommendations and modifying what can be modified accordingly. In addition, staff responses have been reviewed by the Office of County Attorney:

Division of Inspector General:

- 1) Section 2-180 should require attestation that no conflict of interest exists for non-competitive selection of vendors

Response – The discovery and elimination of conflicts of interest is currently performed as part of the due diligence process on all contracts, not just non-competitive contracts. This process is part of the Purchasing Departments internal procedures prior to contract award.

- 2) Draft language that pertains to the suspension and debarment of subcontractors

Response – The County does not have a contractual relationships with subcontractors. After discussion with the Office of County Attorney, it was confirmed that County contracts are drafted specifically so that the relationship is with the prime contractor. With that said, staff will work with the Office of County Attorney to research the best way to address and possibly accomplish this recommendation.

Finance Division:

- 3) Definition of Purchase Order - In what instance would a purchase order only be used as an internal document? Is this exception statement necessary?

Response – The exception statement is necessary as a purchase order may be utilized as an internal document to encumber funds without release to a firm

- 4) Definition of agencies includes departments or offices under the Board and County departments or offices created by special act or interlocal agreement but not limited to the Pinellas Planning Council, the Construction Licensing Board and the Business Technology Services Department (BTS). Section 2-158 of Code allows Constitutional Officers or Agencies to use all or part of the County's purchasing process. Since the Construction Licensing Board and BTS are included in the agency definition, this appears to give those offices which are Board departments the option of using the Code rather than it be a requirement; consider revision

Response – the definition of agency has been revised by the Office of County Attorney to provide more clarity and to distinguish the restrictive applicability of the code versus the permissive applicability to constitutional officers and agencies

- 5) Competitive Sealed Bids resulting in a tie bid – Why was the requirement removed that when all is equal, the contract shall be awarded to the local bidder with a principle place of business in the County

Response – The Office of County Attorney has opined that the tie bid provision is intended to provide certainty and resolution in the event of a tie bid. Utilizing local preference to resolve this would have the opposite result since "local" if not sufficiently defined and such preferences are not always permitted depending on funding sources such as grants. In addition, State of Florida statutes prohibits award of construction contracts where preference is based upon a contractor maintaining an office or place of business within a particular local jurisdiction.