



Departmental Standard Operating Procedure (DSOP) No. 01-05

Last Amended: February 15, 2001

Effective: 3-6-2012

SUBJECT: CONTRACT MANAGEMENT AND PROFESSIONAL SERVICES PROCEDURES

PURPOSE and SCOPE: To establish general guidance for the management and administration of contracts and professional agreements with and between the Miami-Dade County Aviation Department and its vendors, contractors, and service providers.

I. AUTHORITY:

- A. Sections 2-11, 2-11.1, and 2-8.1.4 of the Code of Miami-Dade County.
- B. Administrative Order (A.O.) No. 3-19, Prompt Payment.
- C. Administrative Order (A.O.) No. 3-27, Cone of Silence.
- D. Administrative Order (A.O.) No. 7-1, Outside Employment and Gratuities.
- E. Operational Directive 99-03, Aviation Department Written Directive System.

II. DEFINITIONS:

- A. *Contract/Project Manager* – An individual authorized by the Aviation Department to do one or more of the following as part of the assigned duties:
 - 1. Order, coordinate, or direct the provision of goods or services from an entity outside the Aviation Department.
 - 2. Authorize the payment for goods or services provided to the Department.
 - 3. In the normal course of business: contact vendors, consultants, concessionaires, and others doing business with the Department concerning their business activities.
 - 4. Act as an agent for the Department.
 - 5. Act as a fiduciary.
- B. *Contracts* – for the purposes of this DSOP, include but are not limited to:

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1. Purchase Orders and Blanket Agreements (PO).
2. Professional Service Agreements (PSA) or Project Specific Services Agreements (PSSA).
3. Lease and Concession Agreements.
4. Permits and Test Permits.
5. Grants.
6. Bond Agreements.
7. Construction Contracts.
8. Management Agreements.
9. Interdepartmental Agreements.

C. *Fiduciary* – One who holds goods in trust for another or holds a position of trust and confidence. Anyone who is entrusted in making decisions regarding the funds or finances of the Miami-Dade Aviation Department. This would include authorizing payments, certifying invoices as correct or receiving goods for the Department.

III. POLICY:

- A. It is the policy of the Department that all employees who manage or administer contracts exercise due diligence, and a standard of care and skill sufficient to ensure that all contract terms are fully followed.
- B. All Contract Managers must maintain an arms-length relationship with those dealing with the County or the Department and are expected to be scrupulously honest. They should consistently use their best efforts to further the County's and the Department's best interests.
- C. All Contract Managers must avoid situations in which their personal interests are in conflict with those of the County and the Department.
- D. Contract Managers are expected to be, and must appear to be, above reproach in their dealings with outside entities on behalf of the County and the Department.
- E. All employees shall abide by Administrative Order (A.O.) 3-27, Code of Silence.

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- F. Effective immediately, all people involved in developing or managing professional agreements and contract documents will comply with the procedures delineated in this DSOP.

IV. GENERAL GUIDANCE:

- A. As County employees, Contract Managers have a duty to obey all lawful instructions given by the Director and Department supervisors delegated by the Director to act on the Director's behalf. Failure to obey lawful instructions may result in personal liability as well as administrative discipline. However, no employee may be instructed or ordered to commit a crime, an unlawful act or to violate established County rules. When confronted by such an apparent situation:

1. The employee will advise the person giving the unlawful/inappropriate order to provide explanation or clarification for this order.
2. The employee should use common sense and judgment following the order and exercise the affirmative duty to report any and all inappropriate orders immediately to a higher level supervisor, and/or the Professional Compliance Division.
3. The Professional Compliance Division will notify the appropriate authority, such as the Office of Inspector General, Audit and Management Services or the Miami-Dade Police Department.

- B. Contract/Project Managers assigned to a specific project are delegated the authority necessary to act as agents for the Department in the normal course of business arising from their assigned contract in accordance with A.O. 3-27.

1. Contract/Project Managers are not authorized to act beyond the scope of the contract, or to make representations that would lead a reasonable person to believe that the contract manager is so authorized.
2. Contract/Project Managers are cautioned to avoid situations where an action on their part could ratify an act or condition not found in the contract. Example: acceptance of activities or performance conditions not covered by the contract could be viewed as ratifying a change in terms.
3. Contract/Project Managers are also cautioned to avoid developing personal relationships with those dealing with the County or the Department under their supervision. Acceptance of gifts or items of an imputed monetary value, can be perceived as a violation of an arms-length relationship and provide the opportunity for speculation of a compromised arrangement, subject to inquiry or investigation.

V. GENERAL PROCEDURES FOR CONTRACT MANAGEMENT:

- A. Upon assignment of the duty to manage a contract, the Contract/Project Manager must:

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1. Obtain a complete copy of the contract to include authorizing resolutions, all modifications, change orders, and addenda. Assure final contract allocations have been provided by accessing the procurement website for County contracts at <http://services.miamidade.gov/DPM/SearchContracts.aspx> or contacting the Aviation's Commodities Management Division.
2. Become familiar with the contract. Read the contract and related documents including but not limited to the Request for Proposal (RFP), Request for Qualifications (RFQ), and/or other procurement documents.
3. Make an outline of key contract provisions:
 - a. Dates (payments due, contract termination/renewal, etc.);
 - b. Contractor responsibilities under the contract;
 - c. County/Department obligations under the contract;
 - d. Approved rates and charges (hourly rates, markups, minimum amounts, etc.);
 - e. Performance Bond and/or Letter of Credit requirements (including option to renew period, if applicable); and
 - f. Insurance requirements (including option to renew period, if applicable).
4. Set up and maintain a timeline and/or suspense file to schedule deliverable, renewals and other key actions. Notify others involved in the contracting process of these dates in a timely manner.
5. Process invoices promptly in accordance with Section 2-8.1.4 of the County Code, Ordinance 94-40 and A.O. 3-19.

B. During the life of the contract, the Contract/Project Manager must:

1. Document all correspondence with the contractor.
2. Post all relevant actions and approvals in writing.
3. Enforce all contractual provisions and timelines. Advise the supervisor of any deviations on the part of the contractor.
4. Not authorize any payments greater than contracted prices without Board of County Commissioners' approval.
5. Not allow unauthorized substitutions.
6. Not act beyond the delegated scope of authority.
7. Make no promises or commitments to the contractor not expressly provided in the contract. The Contract/Project Manager's word could become a guarantee of performance under the contract thus binding the County or the Department.

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8. Work with the Commodities Management Division to issue solicitations and/or purchase orders.
9. Assure payments will not be authorized for:
 - a. work not performed
 - b. goods not delivered
 - c. substandard performance
10. Maintain an arms-length relationship with the contractor.
11. Avoid any conflict of interest.
12. Report to the appropriate authority any and all activities not in strict conformance with contract terms or with this DSOP.

VI. ISSUING WORK ORDERS ON CONTRACT DOCUMENTS AND OPEN SERVICE ORDERS ON PROFESSIONAL SERVICE AGREEMENTS:

- A. The practice of issuing Work Orders or Open Service Orders to reserve the unused dollar value of agreements or contracts about to expire for future use will not be done by the Miami-Dade Aviation Department without written approval from the Director, or his designee.
- B. Procedure:
 1. When an existing agreement or contract with dollar value left unassigned is nearing its expiration date, the assigned contract or project manager will review the operational need for continued services under the PSA or Contract document.
 2. If operationally needed, an amendment or Change Order for a time extension only will be prepared and routed through the normal channels.
 3. This review process will take place at least six months before the contract expiration date to allow adequate time for implementing the change order or amendment before the contract expires.
 4. The Finance Division notifies management of expiration dates for Lease and Concession Agreements, Management Agreements and Permittee Agreements.
 5. The Contracts Administration Division notifies management of expiration dates for Construction, Architectural and Engineering (A&E), and other Professional Service Agreements.

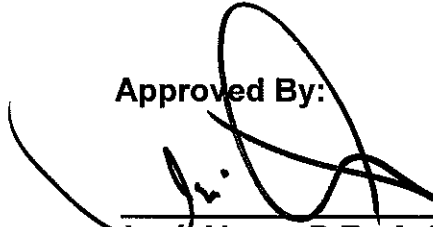
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IV. REVOCATION: None

V. CROSS REFERENCES: None

Approved By:

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by 'A', 'B', 'R', 'E', 'U' in a cursive script.

José Abreu, P.E., Aviation Director

Date: 3-6-12