

Resolution FY20-13

Resolution to Clarify and Amend the Master Procurement Code and Certain Procurement Policies

WHEREAS, North Broward Hospital District (the “District”) is a special taxing district of the State of Florida and is authorized and empowered to maintain hospitals and supportive facilities for the care and treatment of the people of said District;

WHEREAS, Section 24 of the Charter of the District authorizes the District’s Board of Commissioners (“Board”) to establish procedures governing the purchase of supplies, equipment, materials, and construction services needed to operate the District’s hospitals and facilities;

WHEREAS, the Board, on October 30, 2019, approved Resolution FY20-07: Resolution Creating a New Procurement Code and Establishing Emergency Waivers, which ratified the District’s new Master Procurement Code and its accompanying Procurement Policies and established the framework for the District to follow when procuring such goods and services;

WHEREAS, certain clarifications are needed regarding certain provisions in the Master Procurement Code and its accompanying Procurement Policies;

WHEREAS, the Board wishes to clarify those provisions in the Master Procurement Code and Procurement Policies to provide better guidance to the District when the District is procuring supplies, equipment, materials, and services; and

WHEREAS, unless context otherwise requires, capitalized terms used but not defined herein have the meanings ascribed to such terms in the Amended and Restated Bylaws of the North Broward Hospital District and its accompanying Codified Resolutions of the Board of Commissioners of the North Broward Hospital District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the North Broward Hospital District, that:

1. The Board approve the changes to the Master Procurement Code as detailed in the tracked changed version of the Master Procurement Code attached hereto and incorporated herein as Exhibit A. Specifically, the proposed changes can be found within Section IV., Exclusions, of the Master Procurement Code and are detailed, without limitation, as follows:
 - a. Amending the first paragraph of Section IV. to clarify that exclusions from the Master Procurement Code are only exclusions for the procedures of the Master Procurement Code governing the procurement of goods and services and do not include an exclusion from Section XVI., Information, Approval, and Execution Authority, of the Master Procurement Code;
 - b. Adding a catch-all exception for such other items that the Board, from time to time, may want to exclude from the Master Procurement Code without amending the Master Procurement Code by adding a policy governing the goods or services to the Procurement Policy Table; and
 - c. Clarifying that when something is excluded from the Master Procurement Code, it must still adhere to the procurement procedures established within the relevant Procurement Policy, Broward Health policy, or standard operating procedure.
2. The Board approve the changes to the Threshold Categories of the Procurement Code policy of the Procurement Policy Table as detailed in the tracked changed version of the Threshold Categories of the Procurement Code policy attached hereto and incorporated herein as Exhibit B. Specifically, the proposed changes are detailed, without limitation, as follows:

- a. Clarifying the definitions section to distinguish between the initial term and a renewal term of a contract; and
 - b. Clarifying that the 5-year term limit for contracts does not pertain to the total life of the contract and renewals can be entered into for a term of 5 years for each renewal.
3. The Board approve the changes to the Review, Approval and Administration of Contracts policy of the Procurement Policy Table as detailed in the tracked changed version of the Review, Approval and Administration of Contracts policy attached hereto and incorporated herein as Exhibit C. Specifically, the proposed changes are detailed, without limitation, as follows:
- a. Clarifying the definition of “Corporate Executive Management” to make it clear that only authorized signatories provided in the Master Procurement Code can enter into contracts binding the District;
 - b. Clarifying that all arrangements must follow the Master Procurement Code or, to the extent such arrangement is exempt from the Master Procurement Code, the relevant Procurement Policy or standard operating procedure governing the procurement of the goods or services;
 - c. Cross-referencing the policy governing Focus Arrangements and tracking, review, approval, and monitoring of referral sources; and
 - d. Deleting the “Interpretation and Administration” portion to maintain consistency with the District’s Organizational Chart.
4. This resolution hereby supersedes, amends, replaces and repeals any conflicting resolution or conflicting policy previously adopted by the Board.

DULY ADOPTED this 29th day of January, 2020.

Time Adopted 5:05 PM

FUNCTION:	ADMINISTRATION	SECTION: General Administration	
POLICY TITLE:	MASTER PROCUREMENT CODE	EFFECTIVE DATE:	10/2004
OWNER:	VP, SUPPLY CHAIN SERVICES/ CPO	REVISED:	10/2019
APPROVED:	BOARD OF COMMISSIONERS OF NORTH BROWARD HOSPITAL DISTRICT	APPROVED FOR USE:	System-Wide

**MASTER PROCUREMENT CODE
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I. INTRODUCTION AND PURPOSE

North Broward Hospital District d/b/a Broward Health (“Broward Health”), a special taxing district of the State of Florida, was originally established and created through its enabling legislation in 1951 under chapter 27438, Laws of Florida, and such enabling legislation was recodified in Chapter 2006-347, Laws of Florida, and subsequently amended by 2007-299, Laws of Florida (collectively, the “Charter”). It is the policy of Broward Health, consistent with its Charter, to promote competitive, fair, open and transparent Procurement processes for its effective and efficient operation, to reduce the appearance of improprieties and opportunities of favoritism, and to establish public confidence in the process by which commodities and contractual services are procured. To that end, the purpose of this Master Procurement Code (the “Code”) is to govern the Procurement of goods and services by Broward Health and to facilitate such goals and processes, except to the extent a more specific policy of the Board of Commissioners of North Broward Hospital District (the “Board”) applies to specific types of Procurements, including, but not limited to, those for design and construction services. This Code is intended to provide guidance to Broward Health employees in the conduct of orderly administrative Procurements under ordinary circumstances. Minor or immaterial deviations from this Code shall not constitute grounds for a protest or appeal by the persons affected by the activity at issue. As a special taxing district, Broward Health is not necessarily subject to all Florida state laws and regulations relating to Procurement matters but must still conduct its business efficiently, with integrity, and in compliance with all applicable laws and regulations.

II. DEFINITIONS AND ACRONYMS

The words and acronyms defined in this Section shall have the meanings set forth below wherever they appear in this Code, regardless of whether they are capitalized, unless:

- (1) The context in which they are used clearly requires a different meaning; or
- (2) A different definition is prescribed for a particular Section of this Code.

Words not defined shall be given their common and ordinary meaning unless the context in which they are used requires otherwise.

A. Definitions

TERM	DEFINITION
“Applicable Law”	Means the Charter, applicable provisions of the Florida Constitution, and applicable Florida and federal laws, rules, and regulations, all as amended from time to time.
“Bid” or “Proposal”	Means an offer submitted by a vendor in response to a Request for Quote or a Request for Proposal issued by Broward Health.
“Bidder” or “Offeror”	Means a person or entity submitting a Bid, quote, or Proposal to Broward Health for the supply of goods or services.
“Biomedical Equipment”	Means all clinical, electrical equipment used to treat patients.

“Board”	Means the Board of Commissioners of North Broward Hospital District.
“Broward Health”	Means the fictitious name established in 2007 for North Broward Hospital District to promote and effectively target the services of North Broward Hospital District in the healthcare marketplace. The naming of Broward Health does not modify or amend any covenants, Contracts, or other obligations of North Broward Hospital District. References to Broward Health throughout this Code mean and refer to the North Broward Hospital District and all of North Broward Hospital District’s other DBAs and wholly-owned entities now established and as further established from time to time by the Board. The term “Broward Health” shall specifically exclude all joint ventures of North Broward Hospital District unless the charter or articles of such joint venture indicate otherwise or unless the Board establishes a policy to subject such joint venture to the provisions of this Code.
“Budgeted”	Means expenditures by Broward Health which have been approved by the Board at a regular or a special meeting called for that purpose following a Budget Workshop and/or revised through the Final Tax Hearing.
“Business Day”	Means Monday through Friday from 9:00 a.m. to 5:00 p.m., excluding legal holidays that are recognized by the Broward County Government.
“Charter”	Means North Broward Hospital District’s enabling legislation, Chapter 2006-347, Laws of Florida, as amended by 2007-299, Laws of Florida, and any subsequent amendments or successor legislation thereof.
“Chief Procurement Officer”	Means the Broward Health employee acting as the principal public purchasing official for Broward Health that shall be responsible for the Procurement of goods, services, and materials in accordance with this Code.
“Code”	Means this Master Procurement Code.
“Code of Conduct”	Means Broward Health’s Code of Conduct, then in effect and as amended from time to time, as established by Broward Health’s Compliance and Ethics Program.
“Construction”	Means the process of designing, building, altering, repairing, remodeling, renovating, modifying, improving, or demolishing any structure, or building any real property owned or under the control of Broward Health.
“Contract”	Means all types of Broward Health agreements, regardless of what they may be called or referred to, for the Procurement or disposal of goods or services of any kind. Contracts also include amendments, modifications, supplemental agreements, addendums, exhibits, and/or attachments with respect to any of

	the foregoing. Every Contract must be duly authorized and approved prior to execution as provided within this Code.
“Contract Custodian”	Means the Broward Health employee designated in the Contract as the individual who is responsible for understanding the terms of the Contract and for insuring/monitoring the compliance of the Contract.
“Contract Modification”	Means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, term, delivery date, payment date or other dates, or any other provisions of any Contract accomplished by mutual action of the parties to the Contract, in accordance with the terms the Contract.
“Contract Renewal”	Means the exercise of extending the term that a Contract is in effect.
“Contractor”	Means any person or entity having a Contract with Broward Health to provide goods or services of any kind.
“Cooperative Purchasing/Piggyback Contracts”	Means a Procurement process to procure goods or services by direct negotiation or another method from a supplier where the underlying purchasing agreement or Contract was competitively awarded by Broward Health or another public or government agency or entity (including, but not limited to, federal agencies or entities; tribal governments and entities; agencies, entities, counties, municipalities, special districts, boards, local governments, or other political subdivisions of the State of Florida; buying cooperatives; and other state and local governments) and which may also include shared Procurement programs and resources including advice and assistance.
“Diverse Vendor”	Means a Broward Health Certified or Verified Minority, Woman or Small Business Enterprise (M/W/SBE)
“Diverse Vendor Enhancements”	Means strategies designed by Broward Health which are intended to increase Procurement opportunities with Diverse Vendors, in accordance with the Procurement Policy Table.
“Formal Bid”	Means an RFP or RFQ as defined in this Code.
“Formal Bid Process”	Means the process of proceeding with the Procurement Procedures of an RFP or RFQ as provided in this Code.
“Group Purchasing Organization”	Means an entity or organization that aggregates the purchasing volume of members, such as hospitals and other health care providers, to leverage discounts with manufacturers, distributors, and other vendors to realize administrative savings and efficiencies. Also referred to as “Group Purchasing Plans.”
“General Services Administration Contracts” or “GSA Contracts”	Means Contracts entered into by the General Services Administration of the Federal Government (also known as GSA Schedules) that are multiple award contracts containing prices to be utilized by all federal government agencies. GSA Contracts also contain the most-preferred-customer clause,

	making the prices contained in GSA Contracts equivalent with those that are given to the most preferred customer of the vendor. For purposes of this Code, GSA Contracts are a form of Cooperative Purchasing/Piggyback Contracts.
“Informational Threshold”	Means the threshold amount referenced within the Procurement Policy Table which requires Broward Health’s Senior Management to provide information to the Board regarding Broward Health’s Procurements and contractual engagements.
“Legacy System”	Means systems including, but not limited to, computer software, computer hardware, and Biomedical Equipment that are integrated into the daily operations of one or more of Broward Health’s Departments, are considered strategic in nature, or are unique to the producer, manufacturer, distributor, and/or provider.
“Legal Counsel”	Means the General Counsel in charge of Broward Health’s General Counsel’s office, other legal counsel of Broward Health’s General Counsel’s Office of Broward Health, or other legal counsel reporting to or retained by Broward Health’s General Counsel’s Office.
“Line-Item Budget” or “Line-Item Budgeted”	Means a budget for the current fiscal year that was sorted by line-item categories presented separately in the budget and approved by the Board. Such line items must be separated into categories and subcategories specific enough to identify the services to be rendered or goods to be Procured to be considered Line-Item Budgeted.
“Non-Professional Services”	Means services that do not require professional licensure or professional expertise.
“Person”	Means any business, individual, union, committee, club, other organization, or group of individuals.
“Procurement” or “Procuring” or “Procurement Procedures”	Means the buying, purchasing, renting, leasing, or otherwise acquiring of any supplies, commodities, products, equipment, or services, and all functions that pertain thereto, including the description of requirements, selection, and solicitation of sources and award of Contracts.
“Procurement Policy” or “Procurement Policies”	Means all of the Board’s Procurement policies and procedures referenced in the Procurement Policy Table, GA-001-151 within Broward Health’s electronic policy database.
“Procurement Policy Table”	Means the Broward Health Policy containing the list and incorporation of all Procurement Policies applicable to this Code.
“Professional Services” and “Consulting Services”	Means non-Construction related services that require professional licensure or professional expertise.
“Purchase Order”	Means a purchaser’s document to formalize a purchase transaction with a vendor conveying acceptance of a vendor’s Proposal or Bid. The Purchase Order should contain statements

	as to quantity, description, and price of the supplies or services ordered, and applicable terms as to payment, discounts, date(s) of performance, transportation, and other factors or suitable references pertinent to the purchase and its execution by the vendor.
“Qualified Contractor”	Means an entity or person who: (1) has evidenced current qualifications to do business in the State of Florida; (2) possesses appropriate licensure; (3) maintains liability insurance in an amount determined to be adequate by Broward Health’s Risk Management Department; and (4) is registered in VRS.
“Request for Information”	Means a request by Broward Health for specific information from a group of suppliers or the general public. An RFI does not commit Broward Health to a purchase and is not a method of Procurement of goods or services by Broward Health. An RFI usually requests suppliers to provide qualifications, products, or services regarding interest in the general areas of the information requested. The information gathered may be used to assist in developing an RFQ or RFP or to simply validate the availability or interest level of suppliers responding to the specific RFI request.
“Request for Proposal”	Means a solicitation by Broward Health for Proposals and includes all documents, whether attached or incorporated by reference, utilized for soliciting Proposals.
“Request for Quote”	Means a solicitation by Broward Health for Bids, and includes all documents, whether attached or incorporated by reference, utilized for soliciting Bids.
“Responsible Bidder” or “Offeror”	Means a Bidder or Offeror who, as determined by Broward Health, has the capability in all respects to perform fully the Contract requirements, and the integrity and reliability which will assure good faith performance.
“Responsive Bidder”	Means a Bidder or Offeror who, as determined by Broward Health, has submitted a Bid which conforms in all material respects to a solicitation.
“Selection/Evaluation Committee”	Means a group of persons appointed by the Chief Procurement Officer or designee to evaluate Proposals in competitive Procurement processes by Broward Health.
“Senior Management”	Means Broward Health’s President/CEO and certain other Executive Vice Presidents and Senior Vice Presidents overseeing North Broward Hospital District’s operations.
“Sole Source”	Means the only vendor or the only reasonable vendor capable of providing a service or commodity.
“Solicitation”	Means a Request for Proposals or a Request for Quote.
“Spending Threshold”	Means the threshold amount referenced within the Procurement Policy Table which permits authorized signatories to execute Contracts and requisitions without obtaining Board approval.

“Standardization”	Means the use (standardization) of the same, similar, or compatible products or services providing consistency throughout Broward Health thereby reducing inventory of product, maximizing cost savings resulting in greater cost efficiencies, including, but not limited to, price, training, maintenance of equipment, etc.
“Supply Chain Services”	Means the entire Procurement Department and all of its individual divisions including, but not limited to, Purchasing, Sourcing, Materials Management, IT Systems, Bids, and Value Analysis.
“Threshold Category”	Means the specific Threshold Category referenced within the Procurement Policy Table.
“Vendor” or “Supplier”	Means any person or entity, other than a Broward Health employee, that is doing business with or providing a service or product to Broward Health, or that otherwise seeks to do so.
“Vendor Registration System”	Means a Broward Health system where vendors and prospective vendors are required to register as a condition to providing goods or services to Broward Health.

B. Acronyms

To the extent used in this Code, the acronyms below refer to the following:

TERM	NAME/TITLE
CEO	Chief Executive Officer of Broward Health
CFO	Chief Financial Officer of Broward Health
CPO	Chief Procurement Officer
GA	General Administrative
GPO	Group Purchasing Organization
GSA	General Services Administration
OEM	Original Equipment Manufacturer
OSD	Office of Supplier Diversity
PSC	Procurement Steering Committee
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Quote
VRS	Vendor Registration System

III. APPLICATION OF THIS CODE

This Code shall apply to the purchase of goods or services made by Broward Health, irrespective of the source of funds, except as otherwise provided by Applicable Law, the provisions of this Code, or any applicable and related policies. No provision of this Code shall be construed as conflicting with or exceeding Applicable Law. In the event of a conflict between this Code and Applicable Law, Applicable Law shall govern and control as if fully set forth herein. In the event of a conflict between this Code and any applicable

and related Procurement Policies or other policies, the Procurement Policy or other policy or policies shall govern and control unless otherwise specifically provided in this Code or prohibited under Applicable Law.

If any one or more of the provisions of this Code, or the applicability of any provision to a specific situation, shall be held invalid or unenforceable, the provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Code and all other applications of any provision shall not be affected thereby. The headings contained in this Code are for reference purposes only and shall not affect in any way the meaning or interpretation of this Code.

IV. EXCLUSIONS

This With the exception of Section XVI., Information, Approval, and Execution Authority, the Code does not apply to Procurement provisions of this Code, as they pertain to the Procurement of goods and services, by Broward Health of are not applicable to the following:

- (1) Accounting or Audit Services;
- (2) Employment Contracts and Employment Matters Generally;
- (3) Finance-Related Services;
- (4) Legal Services;
- (5) Lobbyist Services;
- (6) Marketing Services;
- (7) Pharmaceuticals and Products Specific to the Regional Pharmacy Departments;
- (8) Physician Services;
- (9) Products specific to the Nutritional Services Department;
- (10) Professional Construction Services, Electrical Work, and Construction-Related Design Services and Selection of construction contractors, Electricians, and Professional Design Services Providers;
- (11) Professional Services and Consulting Services (non-construction);
- (12) Purchases with Broward Health Procurement Cards;
- (13) Purchasing and Procurement of Federal Awards;
- (14) Real Estate Initiatives; ~~and~~
- (15) Travel and Entertainment-Related Services; and
- (16) Any other services and goods referenced in a Procurement Policy as incorporated into the Procurement Policy Table.-

The above items shall at all times follow the Procurement procedures established in the relevant Procurement Policy, Broward Health policy, separate Standard Operating Procedure established by Supply Chain Services, or separate Standard Operating Procedure established by another Broward Health department, division, hospital or facility and approved by Supply Chain Services as the procedures to be following when Procuring such items.

V. OTHER POLICIES RELEVANT TO PROCUREMENT

Notwithstanding any specific exclusions to this Code, the Board has established several policies and procedures complementary to this Code that pertain to the Procurement of supplies, materials, and services to ensure an open, transparent, and fair Procurement process. To that end, any and all Procurement Policies, as defined above, are hereby incorporated by reference as if full set forth herein. All such Procurement Policies are Board policies and may only be modified upon Board approval and any such modifications of these Procurement Policies absent Board approval are void ab initio.

Broward Health's officers, employees, agents, and personnel are responsible for reviewing and complying with all applicable Procurement Policies and for raising any issues of applicability or interpretation with the CPO as appropriate. In the event of a conflict between this Code and any Procurement Policy, the Procurement Policy shall control, unless otherwise explicitly stated in the Procurement Policy or this Code.

Supply Chain Services may establish a Standard Operating Procedure (the "SOP") that establishes further procedures pertaining to the Procurement of goods and services whether covered under this Code or excluded from this Code; provided, however, in no event may the SOP contain provisions that conflict with this Code or any Procurement Policies. Broward Health's officers, employees, agents, and personnel, in addition to reviewing and complying with this Code and any Procurement Policies, are also responsible for reviewing and complying with the SOP. In the event of a conflict between the SOP, this Code, or any Procurement Policy, this Code and such Procurement Policy shall control.

VI. CODE OF ETHICS AND PROFESSIONAL CONDUCT

Broward Health and its officers, employees, and personnel, as well as persons or entities who offer to or do business or provide services at or on behalf of Broward Health, must at all times comply with Applicable Law and perform their responsibility in an ethical and proper manner, consistent with the Code of Conduct.

For questions or concerns related to a compliance issue under the Code of Conduct or Broward Health's Compliance and Ethics Program, please contact the Compliance Department at 954-473-7500 or contact the Compliance Hotline at 1-888-511-7370.

VII. PROCUREMENT ORGANIZATION AND AUTHORITIES**A. Chief Procurement Officer**

The President/CEO shall appoint a CPO for Broward Health, which role may be served by a current employee of Broward Health. The CPO shall perform the duties of the principal public purchasing official for Broward Health and shall be responsible for the Procurement of goods, services, and materials in accordance with this Code. Except as otherwise provided in this Code, the CPO shall be responsible for:

- (1) Interpreting the provisions of this Code;
- (2) Procuring or supervising the Procurement of all goods, materials, and services needed by Broward Health in accordance with this Code;
- (3) Soliciting and advertising Bids and Proposals for public improvements, goods, materials and services;
- (4) Establishing and maintaining programs for the inspection, testing, and acceptance of goods and services; and
- (5) Ensuring compliance with this Code by reviewing and monitoring Procurements conducted by any person to whom the CPO has delegated authority under this Code.

The CPO may delegate in writing the authority assigned or delegated by this Code to designees within Broward Health. All Procurement transactions and commitments to vendors must be performed by the CPO or such designees.

B. Procurement Steering Committee (PSC)

PSC performs pre-purchase analysis when (a) requests for Procurements of Contracts exceed Threshold Category 3, or (b) in the event of multiple Contracts for one single Project, requests whereby the aggregate cost of the Contracts for a single Project exceeds Threshold Category 4. For the purposes of this Section, a “Project” shall be defined as a large or major undertaking, especially one involving considerable money, personnel, and/or equipment (e.g., construction, renovations, improvements to real or personal property, etc.).

PSC’s pre-purchase analysis includes, but is not limited to, focusing on and ensuring that Broward Health employees and departments are properly adhering to this Code and its Formal Bid requirements, and compliance with maximum diverse vendor participation as assigned by the OSD and approved by PSC.

1. Committee Membership

PSC’s membership is as follows:

Chairperson:	CPO
Ex Officio:	Internal Audit representative
Membership:	Procurement/Sourcing representative Contracts Administration representative Director, Supply Chain Services Value Analysis representative Vendor Relations/Bids representative OSD representative Clinical/Biomedical Engineering representative Design & Construction representative CFO or designee CIO or designee

Non-Membership Regular Invitees:	These individuals receive meeting invitations, meeting agendas, and minutes of the PSC, but are not eligible to vote or participate in the PSC's deliberations: Supply Chain Managers Regional CEOs Regional CFOs Regional COOs
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2. PSC Committee Meetings

PSC's committee meetings shall be conducted as follows:

- a. Meetings are scheduled on a monthly basis unless otherwise rescheduled due to extenuating circumstances. Special meetings may be called by the CPO.
- b. Pre-meeting documents (i.e., agendas, exhibits and prior month's minutes) should be distributed via e-mail prior to the scheduled meeting.
- c. A quorum for any meeting is fifty percent (50%) of PSC's members. A majority vote of the members in attendance at a meeting at which there is a quorum shall constitute an affirmative vote and recommendation of PSC to the CPO regarding the issues at hand. Members may attend meetings via telephone or videoconference and such attendance shall be counted towards the quorum and vote. Notwithstanding, in no event shall a PSC committee meeting be held unless the CPO or CFO are present; provided, however, the CFO can delegate temporary Chairperson authority in the CPO's and CFO's absence and, in such an event, a PSC committee meeting may be held.
- d. The CPO shall be the ultimate authority regarding the decisions of the PSC. In making decisions and/or determinations, the CPO shall consider the recommendations and consensus of PSC's members, but the CPO's decision regarding a particular issue shall be the final decision unless otherwise overruled in whole or part by the CFO. In the event the CPO makes a final decision adverse to the consensus of PSC's members, the CPO shall indicate his or her reasoning on the record.
- e. Because the CPO is the ultimate authority regarding the decisions of PSC, in the event PSC cannot meet—because of an inability to establish a quorum or otherwise—or the CPO decides it is within Broward Health's best interests, the CPO may make any decisions regarding Procurement methods and/or diverse vendor enhancements in the absence of a gathering of the PSC and without any input from the PSC. To the extent the CPO makes any such decisions in the absence of input from PSC, the CPO

- must properly document such decisions within the applicable arrangement in Broward Health's electronic contracting database.
- f. The CFO may, in his or her sole discretion, overrule in whole or part any final decision of the CPO regarding Procurements and/or diverse vendor enhancements. The CFO may also make any decisions regarding Procurement methods and/or diverse vendor enhancements in the absence of a gathering of the PSC and without any input from the PSC. To the extent the CFO makes any such decisions in the absence of input from PSC, the CFO must properly document such decisions within the applicable arrangement in Broward Health's electronic contracting database.
 - g. In the absence of the CPO, the CFO may temporarily delegate the authority of Chairperson of the PSC to another responsible individual.
 - h. Minutes shall be taken for all PSC meetings. Following the preparation of draft minutes, such draft minutes shall be distributed to PSC's committee members via e-mail. All minutes shall be reflective of recommendations of PSC, decisions of the CPO, actions affected and approved, and will include any post-PSC action items such as Supplier Diversity Enhancements or any pending portions of the regular monthly meeting. All minutes shall be formerly approved at the following PSC meeting.
 - i. A master set of all agendas, minutes, exhibits, and supporting documentation shall be retained in Supply Chain Services as required under Florida law and its record retention schedules, as amended from time to time.

3. PSC's and CPO's Role in Procurement

PSC shall be tasked with reviewing and recommending, and the CPO for deciding and approving, proper Procurement methods (collectively, "PSC's Roles"). The following list contains PSC's Roles:

- a. *Formal Bids* – Reviewing and approving all requests for Formal Bids to Procure any goods or services exceeding Threshold Category 3 except those purchases made in Emergency Situations (as defined below);
- b. *Bid Waivers* – Reviewing and approving all Bid Waivers except those purchases made in Emergency Situations (as defined below);
- c. *Vendor Performance Issues* – Reviewing and recommending actions related to vendor performance issues; and
- d. *Supplier Diversity Vendor Opportunities* - Reviewing and approving Supplier Diversity Enhancements made by the OSD.

VIII. BID WAIVERS

A Contract may be awarded without following this Code's Formal Bid Process when a Bid Waiver applies in accordance with this Section or as otherwise required by Applicable Law.

The Board waives this Code's Formal Bid Process for the following types of Procurements even when the value of such Procurements exceeds Threshold Category 3. Notwithstanding the foregoing, with the exception of Procurements obtained through a GPO Contract, GSA Contract, Cooperative Purchasing/Piggyback Contract, or purchases made in an Emergency Situation (as defined below), the following Bid Waivers do not apply to Procurements of supplies, equipment, materials, or construction projects if the value of such Procurements, exceed one-and-one-half (1.5) mills of the total annual District revenues for the previous fiscal year. In such an event, such Procurements shall follow the Formal Bid Process.

A. Group Purchasing Organizations & General Services Administration

The Board recognizes, in accordance with its Charter, that purchases made through a GPO and/or GSA Contract are best practices in hospital Procurements nationwide with associated efficiencies, savings, and speed. Purchasing completed utilizing GPO or GSA Contracts are exempt from the competitive acquisition or Procurement process; however, should the purchase be a GPO multisource contract, Supply Chain Services may obtain multiple GPO and/or GSA Contract quotes.

B. Cooperative Purchasing/Piggyback Contracts

When it is in the best interest of Broward Health, and consistent with Applicable Law, Broward Health may Procure goods or services through Cooperative Purchasing/Piggyback Contracts whereby the Formal Bid Process or another process of competitive solicitations were consistent with the provisions of this Code and Procured by another government or public entity including, but not limited to, any state, regional, county, local, or municipal government entity of Florida or another state, whether executive, judicial, or legislative; any department, division, bureau, commission, authority, board, local government, special district, or political subdivision of Florida or another state; any public school, community college, or state university of Florida or another State; any and all federal or tribal agencies or entities, whether executive, judicial, or legislative; any public agencies or entities of any state, federal, or tribal governments; any buying cooperatives; and any other units of Florida government, other state governments, tribal governments, or the federal government. Notwithstanding the foregoing, Broward Health may, in its sole and absolute discretion, negotiate the terms and pricing of any Cooperative Purchasing/Piggyback Contract provided such negotiation is in accordance with Applicable Law.

PSC, consistent with its procedures as set forth in this Code, shall review and approve all requests for procurement by virtue of a Cooperative Purchasing/Piggyback Contract status. All items presented to PSC as a Cooperative Purchasing/Piggyback Contract must be validated and approved before further action may be taken.

C. Legacy Systems

All determinations regarding the status of systems as Legacy Systems and all requests for the support, maintenance, and expansion of Legacy Systems including, but not limited to, computer software, computer hardware, and Biomedical Equipment shall be decided, reviewed, and approved by PSC. The criteria used to identify and determine whether a system is deemed a Legacy System includes, but is not limited to, the following:

- (1) Systems that are fully integrated into the daily operations of one or more departments of Broward Health;
- (2) Systems that are strategic in nature; and/or
- (3) Systems that are unique to the producer, manufacturer, distributor, and/or provider.

Any unbudgeted Legacy System expenditures exceeding the Spending Threshold in a single fiscal year require the Board's determination that a system is a Legacy System and the Board's approval to continue the maintenance, support, expansion and/or funding of a Legacy System. Notwithstanding the foregoing, a Legacy System that is Line-Item Budgeted indicates the Board's determination that a system is indeed a Legacy System and includes a commitment to the continued maintenance and expansion of these Legacy Systems. The Board's approval of a Line-Item Budget with Legacy Systems thereby empowers the PSC to waive/exempt Legacy Systems exceeding the Spending Threshold from the Formal Bid Process requirements without further Board approval even in the event the proposed Contract will extend beyond a single fiscal year; provided, however, in no event shall a Budgeted Legacy System Contract be entered into, renewed, or extended beyond a three (3) year term without the Board's approval. Notwithstanding anything in this Code to the contrary, Legacy System expenditures requiring Board approval are not approved when Budgeted unless the line item specifically designates the Legacy System or Contract. The CPO, or his or her designee, is responsible for determining whether a line item in a budget is specific enough to constitute Board approval of a Legacy System.

Any expenditures or Contracts deemed Legacy Systems by PSC or the Board shall maintain the status of a Legacy System for a period of five (5) years from the date the status of the Legacy System was decided. All Legacy System determinations must be reviewed at least every five (5) years by PSC or the Board, as applicable, for a previously deemed Legacy System to continue in its status as a Legacy System.

D. Sole Source

All determinations regarding the status of Sole Source shall be decided, reviewed, and approved by PSC. The criteria used to identify and determine whether Sole Source status is appropriate in a particular Procurement includes, but is not limited to, the following:

- (1) Equipment or services which are deemed unique and have a single producer, manufacturer, distributor, and/or provider;

- (2) Software and hardware upgrades and maintenance agreements and Contracts for such software and hardware as provided by the OEM;
- (3) Equipment needed to add to or expand an existing system and maintenance agreements and Contracts for such equipment as provided by the OEM; and/or
- (4) Equipment, supplies, or services needed where using an alternative product jeopardizes a warranty, maintenance agreement, or Contract, or creates any user, patient, and/or financial risks. This includes consideration of lead times and geographical availability to avoid these risks.

All unbudgeted Sole Source expenditures exceeding the Spending Threshold in a single fiscal year require the Board's approval and a determination that the goods, equipment, and/or services are a Sole Source. Notwithstanding the foregoing, a Sole Source expenditure that is Line-Item Budgeted indicates the Board's determination that the goods, equipment, and/or services are indeed a Sole Source and the Board's approval to proceed with a Procurement exceeding the Spending Threshold in a single fiscal year without further Board approval even if the proposed Contract will extend beyond a single fiscal year; provided, however, in no event shall a Budgeted Sole Source Contract be entered into, renewed, or extended beyond a three (3) year term without the Board's approval. Notwithstanding anything in this Code to the contrary, Sole Source expenditures or Contracts requiring Board approval are not approved when Budgeted unless the line item specifically designates the Sole Source expenditures or Contract. The CPO, or his or her designee, is responsible for determining whether a line item in a budget is specific enough to constitute Board approval of a Sole Source expenditure or Contract.

Any expenditures or Contracts deemed a Sole Source by PSC or the Board shall maintain the status of a Sole Source for a period of five (5) years from the date the status of the Sole Source was decided. All Sole Source determinations must be reviewed at least every five (5) years by PSC or the Board, as applicable, for a previously deemed Sole Source to continue in its status as a Sole Source.

E. Standardization

All requests for Bid Waivers by virtue of a Standardization status shall be reviewed, determined, and approved by the PSC. The criteria used to determine a Standardization status includes, but is not limited to, the following:

- (1) Equipment or services which are deemed appropriate to standardize at two (2) or more facilities due to technology or to promote cost savings and cost efficiencies including consistency of negotiated prices, services, training, or maintenance for equipment;
- (2) Reduction of inventory requirements (one (1) item is stocked in place of two (2) or more items);

- (3) Reduction in purchase price because the volume of purchases for two (2) or more previous items will be added together to provide additional leverage in negotiating price concessions;
- (4) Savings in training time when the same products are used throughout Broward Health or within individual facilities or hospitals;
- (5) Negotiating long-term Contracts for the purchase of multiple units over a period of multiple years which can be undertaken by standardizing one (1) type of equipment and such a purchase can provide significant savings in the cost of a few units that might be purchased within a single year; and/or
- (6) Supplies required to operate the equipment and equipment repair parts will be consistent because multiple units are in use throughout Broward Health, such consistency reduces the inventories necessary to support the equipment, and higher-volume purchases can be used to negotiate lower purchase prices.

All unbudgeted requests for Standardization Bid Waivers exceeding the Spending Threshold within a single fiscal year require the Board's approval unless the selection of the equipment, goods, or services were initially made through the Formal Bid process. Notwithstanding, a Standardization expenditure or Contract that is Line-Item Budgeted indicates the Board's approval to proceed with a Procurement exceeding the Spending Threshold in a single fiscal year without further Board approval even if the proposed Standardization expenditure or Contract will extend beyond a single fiscal year; provided, however, in no event shall a Budgeted Standardization Contract be entered into, renewed, or extended beyond a three (3) year term without the Board's approval. Notwithstanding anything in this Code to the contrary, Standardization expenditures requiring Board approval are not approved when Budgeted unless the line item specifically designates the Standardization expenditures or Contract. The CPO, or his or her designee, is responsible for determining whether a line item in a budget is specific enough to constitute Board approval of a Standardization expenditure or Contract.

Any expenditures or Contracts deemed a Standardization Contract by PSC or the Board shall maintain the status of a Standardization Contract for a period of five (5) years from the date the status of the Standardization Contract was decided. All Standardization Contract determinations must be reviewed at least every five (5) years by PSC or the Board, as applicable, for a previously deemed Standardization Contract to continue in its status as a Standardization Contract.

IX. EMERGENCY COMMITMENTS AND INTERNAL APPROVALS

Broward Health's hospitals, medical centers, and non-acute health care facilities provide patient care twenty-four (24) hours per day and three hundred sixty-five (365) days per year. The Board, in accordance with the Charter, is permitted via resolution to identify emergency or unusual conditions, the existence of which compliance with this Code and the Formal Bid Process would be detrimental to the District. Accordingly, the Board has determined and makes a finding that in the event that following this Code may result in an

actual or perceived threat to: (a) Broward Health's compliance with regulatory requirements; (b) the life, health, safety, or welfare of patients, employees, or the public; or (c) the operations of Broward Health facilities (an "Emergency Situation"), such an Emergency Situation constitutes emergency or unusual conditions to permit deviations from this Code and the Formal Bid Process. Accordingly, in the event such an Emergency Situation exists, Broward Health may, at its sole discretion and without following the Formal Bid Process or the provisions of this Code, acquire goods, supplies, and/or services through an emergency purchase ("Emergency Purchase") by adhering to the following procedures:

- (1) To the extent possible, before engaging in any Emergency Purchase, appropriate authorization must be obtained from a department head;
- (2) To the extent possible, prior confirmation of funding and approval by the CFO, or his or her designee, shall accompany all Emergency Purchases. If confirmation of funding and approval cannot be obtained in advance, such confirmation shall be obtained as soon as possible following the Emergency Purchase;
- (3) An Emergency Purchase shall be communicated to the CPO, or his or her designee, by email the same day or otherwise as soon as such communication is possible;
- (4) The requesting department must complete an emergency procurement authorization request, as approved by Supply Chain Services, with a justification for the Emergency Purchase. The completed emergency procurement authorization request with its accompanying justification must be forwarded to the CPO, or his or her designee, prior to the Emergency Purchase or otherwise as soon as such communication is possible following the Emergency Purchase.
- (5) The CPO, or his or her designee, will verify and forward the completed emergency procurement authorization request for approval to a person with a sufficient limit of requisition authority. Once signed by such person, a copy of the approved emergency procurement authorization form shall be retained by Supply Chain Services and the original emergency procurement authorization request shall be returned to the requesting department; and
- (6) The requesting department shall enter a requisition and forward the requisition along with the emergency procurement authorization request and invoice to Accounts Payable for processing, if applicable.

Any Emergency Purchase shall be limited only to those goods, supplies, or services necessary to meet the Emergency Situation. All emergency purchases exceeding the CEO's Spending Threshold shall be submitted to the Board for ratification as soon as possible following the Emergency Purchase.

X. ACQUISITION PROCEDURES

The CPO shall select the method of Procurement based on the application of the guidelines set forth in this Code. Unless a Bid Waiver applies, an Emergency Situation exists, or unless otherwise authorized by this Code, the Charter, or Applicable Law, all Broward

Health Contracts subject to this Code shall be Procured in accordance with the methods outlined below as applicable to each of the following categories:

- (1) **Micro Purchases or Commitments Up To and Including Threshold Category 1;**
- (2) **Small Purchases or Commitments Exceeding Threshold Category 1 and Up To and Including Threshold Category 2;**
- (3) **Medium Purchases or Commitments Exceeding Threshold Category 2 and Up To and Including Threshold Category 3; and**
- (4) **Large/Formal Purchases or Commitments Exceeding Threshold Category 3.**

All transactions are subject to be reviewed and audited periodically by Supply Chain Services to ensure adherence to this Code. DEPARTMENTS SHALL NOT BREAK UP REQUESTS WITH THE INTENT TO AVOID REQUIRED APPROVALS.

A. Micro Purchases or Commitments Up To and Including Threshold Category 1

For a Procurement equal to or less than Threshold Category 1 (“Micro Purchase”), only one (1) quotation is required. The quotation may be written or verbal and shall be recorded on the purchase requisition. However, to the extent there is time and multiple available suppliers/vendors, Broward Health employees are encouraged to obtain information from multiple vendors/sources to maximize savings. Broward Health employees must still conduct business in a manner that is fair and reasonable regardless if such Procurement is a Micro Purchase.

The Procurement of goods and services constituting a Micro Purchase may be made without any Formal Bid or other competition because the benefits from following such procedures typically will not outweigh the costs. Notwithstanding, Broward Health employees should still conduct reasonable checks, such as a telephone or written quote request, to ensure pricing is fair and reasonable.

A written record shall be maintained in the Procurement file for each Micro Purchase and shall contain the price information obtained to support the determination of reasonableness and any other pertinent information regarding a particular Micro Purchase. Supply Chain Services may, in its sole and absolute discretion, solicit written Proposals or quotes via VRS.

B. Small Purchases or Commitments Exceeding Threshold Category 1 and Up To and Including Threshold Category 2

With respect to a Procurement exceeding Threshold Category 1 and up to and including Threshold Category 2 (“Small Purchase”), to the extent sufficient vendors are reasonably available, quotations or Proposals must be requested from a minimum of two (2) different vendors unless the transaction has an approved Bid Waiver, there is an Emergency

Situation, or the transaction is otherwise exempt from this Code. Written quotes and Proposals may be in electronic form.

The Procurement of goods and services constituting a Small Purchase may be made based on quotations or Proposals from only two (2) vendors/suppliers because the benefits from a Formal Bid or conducting competition from a broader pool of vendors typically will not outweigh the time and costs.

A written record shall be maintained in the Procurement file for each Small Purchase and shall contain the price information obtained to support the determination of reasonableness of a particular Small Purchase and any other pertinent information regarding a particular Small Purchase. In cases where the selected vendor is not the apparent lowest-cost vendor, an explanation of the factor(s) considered and relied upon to select such vendor shall be provided. Supply Chain Services may, in its sole and absolute discretion, solicit written Proposals or quotes via VRS.

C. Medium Purchases or Commitments Exceeding Threshold Category 2 and Up To and Including Threshold Category 3

With respect to a Procurement exceeding Threshold Category 2 and up to and including Threshold Category 3 (“Medium Purchase”), to the extent sufficient vendors are reasonably available, quotations or Proposals must be requested from a minimum of three (3) different vendors unless the transaction has an approved Bid Waiver, there is an Emergency Situation, or the transaction is otherwise exempt from this Code. Written quotes and Proposals may be in electronic form.

The Procurement of goods and services constituting a Medium Purchase may be made based on quotations or Proposals from three (3) vendors/suppliers because the benefits from a Formal Bid or conducting competition typically will not outweigh the time and costs.

A written record shall be maintained in the Procurement file for each Medium Purchase and shall contain the price information obtained to support the determination of reasonableness of a particular Medium Purchase and any other pertinent information regarding a particular Medium Purchase. In cases where the selected vendor is not the apparent lowest-cost vendor, an explanation of the factor(s) considered and relied upon to select such vendor shall be provided. Supply Chain Services may, in its sole and absolute discretion, solicit written Proposals or quotes via VRS.

D. Large/Formal Purchases or Commitments Exceeding Threshold Category 3

All purchases and Contracts exceeding Threshold Category 3 must be conducted pursuant to the advertisement requirements set forth below unless a Bid Waiver applies, there is an Emergency Situation, or such Procurement is otherwise exempt from this Code.

The CPO may authorize the release of an RFI to gather information to assist in determining acquisition methodology in the best interests of Broward Health. Since an RFI does not commit Broward Health to any business endeavor, it does not need to follow the advertisement requirements below.

1. Cancellation of Solicitation, Rejection of Bids/Proposals and Waiver of Minor Irregularities

Any RFQ, RFP, RFI or other solicitation may be canceled, or any or all Bids or Proposals may be rejected, in whole or in part, when it is in the best interests of Broward Health. Broward Health further reserves the right to waive any minor irregularity, technicality or omission in any Bid or Proposal if Broward Health determines, in its sole and absolute discretion, that doing so will serve Broward Health's best interests.

2. Advertisement Requirements

The following advertisement requirements apply to Large/Formal Purchases or Commitments unless otherwise provided in Applicable Law:

- (a) *Large/Formal Purchases up to and including Threshold Category 5:* Where it is anticipated that the total Contract price for the initial term of an awarded Contract to a Bidder will be equal to or less than Threshold Category 5, the Formal Bid Process only requires an online advertisement via a posting on Broward Health's website, www.browardhealth.org and a physical advertisement via a posting on a "Sunshine Board" located in the lobby of Broward Health's Corporate Offices ("Advertisement Category 1"). The foregoing Advertisement Category 1 is based only on the anticipated total Contract price of the initial term of the awarded Contract and is not applicable to any renewal options or future or potential renewals or extensions of such Contracts. Notwithstanding, to the extent the total Contract price for the initial term of an awarded contract comes in at a higher value than was expected and exceeds Advertisement Category 1, the Formal Bid will be considered valid in the absence of a newspaper advertisement provided the total value of the initial term of the awarded contract does not exceed Threshold Category 6 (a "Permitted Increase Over Expected Amount").
- (b) *Large/Formal Purchases over Threshold Category 5:* Except to the extent the total Contract price for the initial term of an awarded Contract is a Permitted Increase Over Expected Amount as defined above, where it is anticipated that the total Contract price for the initial term of an awarded Contract to a Bidder will exceed Threshold Category 5, advertisements during the Formal Bid Process must be made by a publication in a newspaper of general circulation in the North Broward Hospital District ("Advertisement Category 2"). In addition to, but not in lieu of, such publication in a newspaper of general circulation, advertisements of Formal Bids over Threshold Category 5 may also be made by posting at

www.browardhealth.org, and/or by posting on a “Sunshine Board” located in the lobby of Broward Health’s Corporate Offices. The foregoing Advertisement Category 2 is based only on the anticipated total Contract price of the initial term of the awarded Contract and is not applicable to any renewal options or future or potential renewals or extensions of such Contracts.

- (c) *Construction-Related Contracts and Professional Design Services*: These Advertisement Requirements are inapplicable to construction-related projects, electrical work, and professional design services. Such construction-related projects, electrical work, and professional design services must follow the applicable policy referenced in the Procurement Policy Table.

XI. SUPPLIER DIVERSITY IN PROCUREMENT

Broward Health is committed to the participation of diverse vendors in the Procurement of supplies, equipment, services, and Contracts for general business purposes and will adhere to the OSD procedures documented in the Procurement Policy Table.

XII. SELECTION/EVALUATION COMMITTEES

Selection/Evaluation Committees shall be utilized for the evaluation of Bids and Proposals in Formal Bid Processes. The determination of the membership of Selection/Evaluation Committees shall follow the following procedures:

- (1) Recommendations are requested from the project custodian regarding the Selection/Evaluation Committee participants. Those recommendations are provided to CPO for consideration and approval. The CPO may approve or modify the Selection/Evaluation Committee as considered appropriate.
- (2) The CPO may appoint, alternate or substitute members to a Selection/Evaluation Committee as the CPO deems necessary. The CPO may also, in his or her sole discretion, permit a Selection/Evaluation Committee to consist of a reduced number of voting members when appointed members are unavailable to serve and the appointment of alternate members would, in CPO’s sole determination, compromise or unreasonably delay the Procurement process.
- (3) Supply Chain Services will provide appropriate instructions and training regarding the roles and responsibilities of the Selection/Evaluation Committee. Prior to serving on the Selection/Evaluation Committee, each member shall execute a Conflict of Interest Certification Form.

XIII. CONE OF SILENCE

Broward Health prohibits communication by any potential Vendor, contractor, subcontractor, service provider, Bidder, lobbyist, or consultant to or with any member of Broward Health’s Board or to or with any Broward Health officer, employee, agent,

department, or division related to any Broward Health RFQ, RFP, or other competitive solicitation beginning upon the date on which the solicitation is first advertised by Broward Health and continuing until the later of the date of the final award of the competitive solicitation, the date of rejection of all Bids or responses to the competitive solicitation, or the date of final disposition by Broward Health of any protest of the competitive solicitation (“Cone of Silence”). Violation of this Cone of Silence may, at Broward Health’s sole discretion, result in disqualification of the offending vendor from the competitive solicitation, as well as possible suspension or debarment from participating in any future Broward Health Procurements or competitive solicitations. The Cone of Silence shall not apply to: (1) communications to or with the designated point of contact identified in any RFQ, RFP, or other competitive solicitation; (2) presentations by any Bidder or Proposer at duly noticed pre-Bid conferences; or (3) presentations before duly noticed Selection/Evaluation Committee meetings. All RFQs RFPs, and other competitive solicitations shall include provisions describing the requirements and prohibitions of this Cone of Silence.

XIV. CHANGES AND MODIFICATIONS WITHIN 20% OF AGREED PRICE

Pursuant to the Charter, Broward Health may negotiate and agree with a successful Bidder for changes and modifications to the successful Bid provided the total value of changes and modifications do not exceed twenty percent (20%) of the agreed price. To the extent any changes or modifications to the agreed price exceed twenty percent (20%), the Contract shall be void and the Formal Bid Process shall be redone.

XV. OWNER DIRECT PURCHASES (TAX-EXEMPT STATUS)

Rather than reimburse a contractor for the costs of the materials or supplies, which would include sales tax, Broward Health may determine, in its sole and absolute discretion, it is in its best interest to use its tax-exempt status to purchase materials or supplies on its own directly from its own suppliers or from suppliers or subcontractors designated by an awarded contractor. In such event, Broward Health may issue a Purchase Order for such supplies or materials, pay all associated invoices, and deduct from the awarded contract the cost of the materials and supplies and the amount of sales tax that would have been owed if the contractor had made the purchase or the actual amount stipulated in the contract for such materials or supplies.

XVI. INFORMATION, APPROVAL, AND EXECUTION AUTHORITY

A. Spending Threshold

The Board from time to time sets Spending Thresholds and permits Senior Management to execute Contracts and requisitions to purchase services, goods, supplies, materials, and other Procurements. When such Procurements or Contracts are equal to or below the Spending Threshold, no Board authorization or approval is required. Any Procurements or Contracts beyond the Spending Threshold require Board authorization or approval. The President/CEO is permitted to set his or her own authorization levels for requisitions when they do not

exceed the Spending Threshold. However, only the Board may designate those positions authorized to bind the District to Contracts.

The Board's approval of a Contract over the Spending Threshold only constitutes approval to enter into a Contract over the Spending Threshold and is not approval of a Bid Waiver or any other provisions of this Code requiring Board approval unless the Board so indicates. To that end, to the extent Broward Health requests Procurements and Contracts over the Spending Threshold that contain Bid Waivers or any other procedures or exemptions of this Code requiring Board approval, Broward Health must request Board approval and the Board must approve all of the foregoing before Broward Health proceeds with the Procurement. If the Board, pursuant to a request to approve all the foregoing, only approves the Procurement over the Spending Threshold, Broward Health may only proceed after following the Formal Bid Process.

1. Exceptions to the Spending Threshold

- a. *Line-Item Budgets*

The Spending Threshold is inapplicable to Budgeted Contracts or Procurements provided such Contracts or Procurements are Line-Item Budgeted and approved by the Board. Once the Board approves the annual budget, the goods, services, Contracts, and other Procurements requested, as defined in the approved Line-Item Budget category regardless of amount, are approved for acquisition in accordance with Broward Health's Policies and Procedures without further Board approval. To the extent a category is Line-Item Budgeted, the total amount of expected expenditures within the category—or any combination thereof (whether in one or multiple Contracts) up to the total amount in the Line-Item Budget category—may be Procured without further Board approval regardless of if the compensation amount in the Contract exceeds the Spending Threshold within a single year of the Contract's effective term. Board-approved Line-Item Budgeted expenditures or Contracts are approved to extend beyond a single fiscal year; provided, however, in no event shall an expenditure or Contract in a Line-Item Budget that exceeds the Spending Threshold be entered into, renewed, or extended beyond a three (3) year term without the Board's approval. Line-Item Budgeted expenditures are not approval of Bid Waivers unless the line item specifically designates the system, expenditure, or Contract claiming such Bid Waiver. The CPO, or his or her designee, is responsible for determining whether a line item in a budget is specific enough to constitute a Bid Waiver or an exception to the Spending Threshold.

- b. *Pass-Through Funds*

The Spending Threshold is inapplicable to funding obtained from grantors, government entities, or private entities used to fund a program or programs for which such funding was furnished to Broward Health ("Program") provided such funding is solely pass-through funding and there are no funds (whether received from ad valorem taxes or otherwise) used from Broward Health's own finances. Accordingly, the use of such pass-through funds and entering into Contracts using pass-through funds which exceed the Spending Threshold do not require Board approval. Notwithstanding, this exception for pass-through funds does not

exempt such Procurements from any other procedures of this code including, but not limited to, the Formal Bid Process unless such Procurements are required from a particular Vendor or contractor pursuant to the terms of the Program.

c. Receipt of Funds

The Spending Threshold is inapplicable to Broward Health's receipt of funds regardless of its source. Accordingly, any grants, Contracts, or other methods or means used by Broward Health to receive funding which are over the Spending Threshold do not require Board approval.

2. Execution of Contracts

a. Entering Into or Renewing Contracts

The Board hereby delegates the authority of executing Contracts and Contract renewals, whether on the same or different terms, to the CEO and the CFO.

b. Delegation of Signing Authority

The CEO and/or CFO may, in their absence, delegate the authority to execute Contracts to another employee or officer of Senior Management. Any delegation of signing authority shall be evidenced by a letter from the CEO or CFO, as applicable, delegating the authority to the employee or officer and such letter shall be documented in the Contract's electronic file within Broward Health's electronic database. In the event of delegation, the employee or officer delegated the CEO's or CFO's signing authority shall have the same power to bind the District as the CEO or CFO and may execute Contracts exceeding the Spending Threshold provided such Contracts were approved by the Board. Any authority delegated by the CEO or CFO shall no longer be effective upon return of the CEO or CFO unless and until the CEO again delegates his or her signing authority pursuant to this Section. Nothing herein shall be construed as preventing the CEO from delegating such authority in his or her absence despite the presence of the CFO nor shall it be construed as preventing the CFO from delegating such authority in his or her absence despite the presence of the CEO.

B. Informational Threshold

While the Board has delegated the authority to certain Senior Management to enter into Contracts and to requisition for Procurements equal to or under the Spending Threshold, the Board, pursuant to the Charter, maintains responsibility for the oversight of Broward Health. To that end, any Contracts or Procurements at or above the Informational Threshold and up to and including the Spending Threshold shall be communicated to all members of the Board; provided, however, that those Contracts and Procurements excepted from the Spending Threshold as indicated above (i.e., Line-Item Budgets, Pass-Through Funds, and Receipt of Funds) are also excepted from the Informational Threshold and do not need to be communicated to the Board for informational purposes.

XVII. PUBLIC RECORDS AND SUNSHINE LAW

All Bidders, Offerors, and Vendors are put on notice that Broward Health is subject to Florida's Public Records Law (Ch. 119, Fla. Stat.) and Florida's Government in the Sunshine Law (Ch. 286, Fla. Stat.). It is the responsibility of all Bidders, Offerors, and Vendors, consistent with the directions contained within each RFP or RFQ, to protect any trade secrets or proprietary information they submit in response to a Formal Bid. Broward Health is not responsible for protecting any trade secrets or proprietary information. Submission of a response to a Formal Bid constitutes the agreement by Bidders, Offerors, and Vendors to indemnify, defend, and hold Broward Health, its commissioners, officers, employees, and agents harmless from and against any actions pertaining to a public records request due to the Bidder's, Offeror's, or Vendor's assertion of an exemption under Florida law. If a Bidder, Offeror, or Vendor has any questions regarding application of these laws, such questions should be sent to Broward Health's Public Records Custodian at PublicRecordsRequest@browardhealth.org.

XVIII. PROTESTS

Protest provisions enhance the accountability of the Procurement process, but the protest process also must not interfere with the prompt and efficient acquisition of goods and services needed by Broward Health. Broward Health's goal is to ensure the prompt and fair resolution of vendor protests. The CPO, or his or her designee, shall be the point of contact for all Timely Protests, as defined below, to an RFP or RFQ advertisement and/or award. Upon receipt of a written and Timely Protest in accordance with the timeline and procedures below, the CPO, or his or her designee, shall notify appropriate parties and proceed consistent with the following:

- (1) Any actual or prospective Bidder, Offeror, or contractor who is an interested party and is aggrieved in connection with a solicitation or award of a Contract over Threshold Category 3 may protest an award by submitting a timely and written protest to the Chief Procurement Officer no later than:
 - (a) five (5) Business Days after the solicitation or any amendment/addendum to the solicitation is issued if protesting or challenging any of the terms or conditions of the solicitation or addendum, or
 - (b) five (5) Business Days after the date of Notice of Intent to Award is given by Broward Health if protesting or challenging an award ("Timely Protest").The Timely Protest must: (1) adequately identify the solicitation or Contract number; (2) set forth a detailed statement of the legal and factual grounds of protest, including copies of relevant documents; (3) provide a statement as to how the protestor is interested and aggrieved; and (4) state the relief requested. **THE FAILURE TO TIMELY SUBMIT A WRITTEN PROTEST CONSISTENT WITH THIS SECTION SHALL CONSTITUTE A WAIVER OF ANY AND ALL PROTEST RIGHTS.** Protests relating to solicitations or awards below Threshold Category 3 may be considered, but are not required to be considered by Broward Health and such consideration is within Broward Health's sole and absolute discretion.
- (2) In the event of a Timely Protest, Broward Health may decide, within its sole and absolute discretion, not to proceed further with the solicitation or with

the award of the Contract until a final decision on the protest is issued by Broward Health.

- (3) All protests shall follow the procedures in this Section and all appeals must be exhausted before the commencement of an action in court concerning the controversy. The CPO, or his or her designee, shall have the authority, in consultation with Legal Counsel, to settle and resolve a protest or appeal of an aggrieved actual or prospective Bidder, Offeror, or contractor concerning the solicitation or award of a Contract prior to the commencement of an action in court or another venue of competent jurisdiction concerning the controversy. In the event an action is filed in court or another venue of competent jurisdiction, any resolution or settlement may only be approved by the Board. Broward Health may allow an awardee to participate in a protest as an intervenor if deemed advantageous to the resolution of the matter by Broward Health in its sole discretion.
- (4) If the protest is not resolved by mutual agreement, the CPO, or his or her designee, will endeavor to issue a written decision on the protest within sixty (60) days after receipt of the protestor's written and Timely Protest ("Written Decision"). The Written Decision shall state the reasons for the action taken and advise the protestor of its right to appeal the decision in accordance with this Code. The Written Decision on the protest shall be provided to the protesting vendor and, if relevant, the intended awardee by email and/or by certified mail, return receipt requested. Such delivery through the foregoing methods shall be deemed sufficient delivery of notice of the Written Decision and, in the event of delivery by email, such notice of the Written Decision shall be deemed received by the protesting vendor upon sending the email.
- (5) Aggrieved parties to the original protest may appeal the CPO or his or her designee's decision by filing a written appeal with the CFO within five (5) Business Days of the date of receipt of the Written Decision ("Written and Timely Appeal"). The Written and Timely Appeal must: (1) adequately identify the solicitation or Contract number; (2) attach a copy of the decision being appealed as rendered by the CPO, or his or her designee; (3) set forth a detailed statement of the legal and factual grounds for the appeal; and (4) state the relief requested. **THE FAILURE TO SUBMIT A WRITTEN AND TIMELY APPEAL SHALL CONSTITUTE WAIVER OF ALL APPEAL RIGHTS AND THE CPO'S DECISION SHALL BE CONSIDERED FINAL.**
- (6) To the extent a Written and Timely Appeal is filed, the CFO will endeavor to render a written decision on the Written and Timely Appeal within ninety (90) days after receipt of the notice of the Written and Timely Appeal. The CFO's written decision shall state the reasons for the decision, actions taken, if any, and shall be the final order on the protest. The written decision shall be provided to the appealing party by email and/or by certified mail, return receipt requested. The institution and filing of an appeal, and obtaining a decision from the CFO thereon, is an administrative remedy to be satisfied as a condition precedent to the institution and filing of any civil

action against Broward Health concerning the action or intended action by Broward Health.

- (7) The burden in any protest or appeal under this Section is on the party filing the protest or appeal to establish that the intended action by Broward Health is materially contrary to Broward Health's governing statutes, its Charter, this Code, Broward Health's Policies and Procedures, or the solicitation's specifications. The standard of proof for such proceedings shall be whether the intended action by Broward Health would be clearly arbitrary or capricious.

POLICY AND PROCEDURE

Policy # GA-001-152	THRESHOLD CATEGORIES OF THE PROCUREMENT CODE	Page 1 of 3
Section: PC - Procurement		
Sponsor: VP, Supply Chain Services, CPO	Origination Date: 10/2019	Distribution: System-wide
Approver: Board of Commissioners of North Broward Hospital District		
Revision Date (s)	10/30/2019	
Review Date (s)	10/30/2019	

I. Purpose

These Threshold Categories of the Procurement Code (this “Policy”) establishes and contains the threshold amounts referenced in the Master Procurement Code, GA-001-150 (the “Code”) and the signature authority and ability of certain officers of Broward Health to bind North Broward Hospital District (the “District”) to Contracts.

II. Definitions

The words and acronyms defined in this Policy shall have the meanings set forth in the Code regardless of whether they are capitalized, unless:

- (a) The context in which they are used clearly requires a different meaning; or
- (b) A different definition is prescribed for a particular section of this Policy.

Words not defined shall be given their common and ordinary meaning unless the context in which they are used requires otherwise.

For purposes of this Policy, the below terms shall have the following meanings associated with them:

“Contract Term” means the ~~length of time~~initial time period a Contract is in effect from its original commencement date to its expiration date.

“Renewal Term” or “Renewal Terms” means any subsequent period of duration of a Contract following the expiration of the Contract Term.

“Spending Threshold” means the threshold amount referenced in this Policy and incorporated into the Code, which permits authorized signatories to execute Contracts and requisitions without obtaining Board approval.

“Threshold Category” means the particular threshold category amount referenced in this Policy and incorporated into the Code.

III. Policy

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The Board has established several spending thresholds applicable to the Code that pertain to the District’s acquisition of services, supplies, goods, and materials. To that end, any and all references in the Code to a “Threshold Category” or to a “Spending Threshold” shall be a reference to such specific terms and amounts contained in this Policy. Such Threshold Categories and Spending Thresholds are incorporated into the Code by reference as if fully set forth therein. To the extent the Code references the Procurement Policy Table, such reference includes a reference to this Policy, as applicable.

IV. Threshold Amounts

A. Threshold Categories

The following Threshold Categories are hereby created:

- (1) Threshold Category 1: \$5,000
- (2) Threshold Category 2: \$50,000
- (3) Threshold Category 3: \$100,000
- (4) Threshold Category 4: \$250,000
- (5) Threshold Category 5: \$1,000,000
- (6) Threshold Category 6: \$1,250,000

B. Spending Threshold

The Board from time to time sets Spending Thresholds and permits Broward Health’s President/CEO (“CEO”) and Broward Health’s Chief Financial Officer (“CFO”) to execute Contracts and requisitions to purchase services, goods, supplies, materials, and other Procurements. When such Procurements or Contracts are below the Spending Threshold, no Board authorization or approval is required. Any Procurements or Contracts beyond the Spending Threshold require Board authorization or approval. The CEO and/or CFO may, from time to time, delegate their signing authority to other officers of Senior Management in accordance with the procedures established in the Code.

The following Spending Threshold is hereby created:

Spending Threshold: Up to and including Four Hundred Thousand Dollars (\$400,000.00) for each year of a Contract Term for a maximum Contract Term of five (5) years.

Notwithstanding the foregoing, Contracts without the exchange of monetary compensation may exceed a five (5) year Contract Term or contain an auto-renewal clause without obtaining Board approval. Further, the District may renew or extend Contracts and/or Procurements for one or more subsequent Renewal Terms without Board approval even if the total life of the Contract or Procurement exceeds five (5)

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years; provided, however, that each individual Renewal Term may not exceed five (5) years in length or be over Four Hundred Thousand Dollars (\$400,000.00) per year of the Renewal Term without Board approval.

As provided in the Code, this Spending Threshold is inapplicable to (1) line-item Budgeted Contracts and/or Procurements; (2) pass-through funding obtained from grantors, government entities, or private entities used to fund a program or programs for which such funding was furnished; and (3) the receipt of funds regardless of its source.

C. Informational Threshold

Although the Board has delegated the authority to Broward Health enter into Contracts and Procure services and goods, the Board, consistent with its Charter oversight duties, requires information for certain Contracts and Procurements. Accordingly, those Contracts and Procurements at or above the Informational Threshold and up to and including the Spending Threshold shall be communicated to all members of the Board.

The following Informational Threshold is hereby created:

Informational Threshold: \$250,000 for each year of a Contract Term.

As provided in the Code, this Informational Threshold is inapplicable to (1) line-item Budgeted Contracts and/or Procurements; (2) pass-through funding obtained from grantors, government entities, or private entities used to fund a program or programs for which such funding was furnished; and (3) the receipt of funds regardless of its source.

V. Related Policies

GA-001-150, Master Procurement Code

GA-001-151, Procurement Policy Table

VI. Interpretation and Administration

Administration and Interpretation of this policy is the responsibility of the President/CEO, CFO and Chief Procurement Officer.

POLICY AND PROCEDURE

Policy # GA-001-020	Review, Approval, and Administration of Contracts	Page 1 of 4
Section: GA-System Governance		
Sponsor: VP, Supply Chain Services, CPOGino Santorio, President/CEO	Origination Date: 10/2019	Distribution: System-wide
Approver: Board of Commissioners of North Broward Hospital District		
Revision Date (s)	10/30/2019	
Review Date (s)	10/30/2019	

I. Purpose

The purpose of this Policy is to set forth the general guidelines for the submission, approval, and administration of contracts, in conjunction with the Master Procurement Code, GA-001-150 (the “Code”) of North Broward Hospital District (the “District”).

II. Definitions

The words and acronyms defined in this Policy shall have the meanings set forth in the Code regardless of whether they are capitalized, unless:

- (a) The context in which they are used clearly requires a different meaning; or
- (b) A different definition is prescribed for a particular section of this Policy.

Words not defined shall be given their common and ordinary meaning unless the context in which they are used requires otherwise.

For purposes of this Policy, the below terms shall have the following meanings associated with them:

“Arrangement” means every District Contract, arrangement, procurement, or transaction, whether set forth in writing or otherwise, with another person, party, or entity that involves, directly or indirectly, the offer of payment, solicitation, or receipt of anything of value.

“Contract” means all types of contractual agreements and Arrangements of the District, regardless of what they may be called or referred to, for the procurement or disposal of goods or services of any kind.

“Contract Initiator” means an authorized employee of the District who initiates the contracting process.

“Contracts Administration” means the District department responsible for overseeing the review and administration of the District’s Contracts.

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“**Contracts Management System**” means the District’s electronic contracting system that serves as the centralized repository for all District Contracts and which contains all Contract reviews, approvals, and supporting documentation.

“**Contracting Process**” means the process followed, in accordance with Contracts Administration’s Standard Operating Procedure, in the Contracts Management System when the District is entering into a Contract.

“**Corporate Executive Management**” means the District’s President/Chief Executive Officer, the District’s Chief Financial Officer, their designees, or any other individuals authorized by the Board to bind the District to Contracts [as provided in Section XVI. of the Code](#).

“**Department Authority**” means the relevant individual in the District’s Corporate Executive Suite who, as provided within the District’s Organizational Chart, (1) possesses authority over the District or over a particular District hospital, facility, department, or division; and (2) with the exception of the President/Chief Executive Officer, reports directly to the President/ Chief Executive Officer. Such individuals include, without limitation, the District’s (a) President/Chief Executive Officer, (b) Chief Financial Officer, (c) Chief Administrative Officer, (d) SVP, Operations, (e) Chief Medical Officer, (f) Chief Human Resources Officer, (g) any other individual who meets the criteria for being deemed “Department Authority,” and/or (h) any other individual or position delegated such “Department Authority” from time to time by the President/Chief Executive Officer.

“**Focus Arrangement**” means a Contract with an actual source of health care business or referrals to the District and involves, directly or indirectly, the offer, payment, or provision of anything of value; or is between the District and any physician (or a physician's immediate family member as defined in 42 C.F.R. § 411.351) who makes a referral to the District for designated health services (as defined in 42 U.S.C. § 1395nn(h)(6)).

III. Policy

This Policy governs the review, approval, and administration of the District’s Contracts. All of the District’s Contracts must be procured in accordance with the provisions of the Code and/or any applicable policy in the Procurement Policy Table that governs the procurement of goods and/or services.

IV. Procedure

- (1) Every Arrangement [Procured and](#) entered into by the District shall follow the provisions of the Code ~~and/or~~ [to the extent the Arrangement is exempted from the Code](#), any applicable policy in the Procurement Policy Table, [relevant Broward Health policy, or Standard Operating Procedure](#).

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- (2) Every Arrangement entered into by the District shall be reviewed by the District’s Compliance and Ethics Department to determine whether such Arrangement is a Focus Arrangement. To the extent an Arrangement is deemed a Focus Arrangement, such Focus Arrangement shall always be in the form of a written Contract signed by both parties to the Contract and shall always conform to the requirements of [Policy GA-004-441: Physician and Non-Physician Financial Arrangement Review, Approval, Tracking and Monitoring](#) and Section III.D. of the Corporate Integrity Agreement entered into on August 31, 2015 between the District and the Office of Inspector General, U.S. Department of Health and Human Services (“CIA”).
- (3) Unless an exception otherwise exists as defined in Section V., Exceptions, below, all Contract requests shall be submitted by the Contract Initiator in the Contracts Management System where it will be reviewed and approved prior to its execution.
- (4) Contracts Administration shall supervise and oversee the Contracting Process to ensure that all Contracts are properly routed to all applicable departments, divisions, and employees to receive the proper reviews and approvals.
- (5) The Contracting Process procedure is set forth in Contracts Administration’s Standard Operating Procedure (a link to the Standard Operating Procedure can be found below).
- (6) Following the Contracting Process, all Contracts shall be executed by Corporate Executive Management.

V. Exceptions

The following two (2) exceptions apply to temporarily exempt a District hospital, facility, department, or division from the Contracting Process:

- (1) An actual or perceived threat or emergency exists whereby strictly adhering to the Contracting Process may result in (1) a negative effect to patient care; (2) a threat to the life, health, welfare, or safety of patients, employees, or the public; (3) the District failing to comply with regulatory requirements or its CIA; (4) severe financial consequences; or (5) adverse effects or negative consequences to the operations of any District hospital, facility, department, or division. To the extent such a perceived or actual threat or emergency exists, it must be communicated to the Department Authority before proceeding forward without adhering to the Contracting Process. The Department Authority possesses the ultimate authority to decide whether or not a Contract may proceed forward without following the Contracting Process. To the extent such an exception is granted, the relevant circumstances of the perceived or actual threat or emergency and the approval of the Department Authority must be documented within the relevant Contract file in the Contracts Management System.
- (2) The General Counsel’s Office may draft, negotiate, and review Contracts and legal terms outside the Contracts Management System to ensure that all relevant reviews are being done in an effective and timely manner.

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Notwithstanding the two (2) exceptions above, any and all documentation and completed reviews must be properly documented within the relevant Contract file in the Contracts Management System following such reviews and approval. In no event shall any of the exceptions above apply to exempt a Focus Arrangement from adhering to the requirements of Section III.D. of the CIA.

VI. Related Policies

GA-001-150, Master Procurement Code

GA-001-151, Procurement Policy Table

Contracts Administration Standard Operating Procedure (the Standard Operating Procedure may be found by clicking this link: [Standard Operating Procedure](#))

~~VII. Interpretation and Administration~~

~~Administration and Interpretation of this policy is the responsibility of the Chief Procurement Officer.~~