

Jacksonville Police and Fire Pension Fund Procurement Policy

PART A – GENERAL PROVISIONS

Section 1. Adoption. This procurement policy was adopted by action of the Jacksonville Police and Fire Pension Fund Board of Trustees (hereinafter, the “Board” or “PFPF”) on June 15, 2018. This Procurement Policy (“Policy”) complies with applicable State and Local laws and shall apply to all procurement actions of the PFPF.

Section 2. General. The PFPF shall:

- a) Provide for a procurement system of quality and integrity;
- b) Provide for the fair and equitable treatment of all persons or firms involved in purchasing by the PFPF;
- c) Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable and valuable prices available to the PFPF;
- d) Promote competition in contracting; and
- e) Assure that the PFPF purchasing actions are in full compliance with applicable State and local laws.

Section 3. Definition. The term “procurement,” as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) supplies, (2) professional and contractual services (3) professional design services (i.e., architectural, engineering (A/E) and other services subject to Section 287.055, Florida Statutes), (4) financial related services, (5) capital improvement services; and (6) other services. The term “supplies” includes supplies, goods, equipment, and materials.

Section 4. Changes in Applicable Laws. In the event an applicable law is modified or eliminated, or a new law is adopted, the revised law shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

Section 5. Public Access to Procurement Information. Procurement information shall be available to the public to the extent provided in the Florida Statutes Chapter 119, Public Records.

Section 6. Certain Provisions Incorporated. Section 126.107 (Exemptions), 126.108 (Access to and examination of records) and 126.110 (Public official bid and contract disclosure and prohibition) of the City of Jacksonville Ordinance Code are incorporated herein by reference.

Section 7. Use of City of Jacksonville Procurement. Pursuant to Chapter 126, Ordinance Code, the Executive Director may elect for any procurement to use the City of Jacksonville’s procurement code and purchasing division.

Section 8. Authorization. The Executive Director is authorized to promulgate additional rules and procedures not inconsistent with this Policy, including but not limited to, bid protest procedures.

PART B – INFORMAL AND FORMAL PURCHASES

Section 1. Procurement Authority Chart. The Procurement Authority Chart attached hereto as Exhibit 1 shall be used in the procurement of informal and formal purchases related to all services except for financial related services which shall be governed by Part C of this Policy.

Section 2. Informal Purchases. Except for financial related services, informal purchases for supplies, professional and contractual services, professional design services and capital improvement projects in the amounts listed on the Procurement Authority Chart shall follow the informal purchase procedures set forth in the City of Jacksonville Procurement Code, Chapter 126, Ordinance Code, provided that the approvals of such informal purchases shall be as set forth on the Procurement Authority Chart.

Section 3. Formal Purchases. Except for financial related services, formal purchases for supplies, professional and contractual services, professional design services and capital improvement projects in the amounts listed on the Procurement Authority Chart shall follow the informal purchase procedures set forth in the City of Jacksonville Procurement Code, Chapter 126, Ordinance Code, provided that the approvals of such formal purchases shall be as set forth on the Procurement Authority Chart.

Section 4. Financial Related Services Not Subject to this Part B. Financial related services, including but not limited to, all investments of Police and Fire Pension Fund capital and other applicable financially related services, including, without limitation, liquidity support, investment managers, financial and/or investment advisors, issuing, and similar services that are offered in a limited market, that involve complex negotiations, or that require a limited time frame as necessary for a financial transaction shall be procured in accordance with Part C below.

Section 5. Utilization of Competitively Procured Governmental Related Agreements (i.e., Piggybacking). The procurement of supplies, professional design services, professional services, contractual services and capital improvements by the PFPF using agencies may be made by utilizing General Services Administration, State of Florida and other contracts and agreements that have been competitively procured, awarded and contracted by a federal, state, municipal, County, or local governmental entity, body politic, or using agency, provided that said procurement is not otherwise prohibited by law. Purchases made pursuant to this section shall not be required to be formally advertised. The Executive Director shall establish regulations controlling purchases made under this Section. The regulations shall require, at a minimum, prior approval of the Executive Director, for informal purchases, and of the Executive Director and Board, for formal purchases.

Section 6. Single-Source Awards. Upon a recommendation by the Executive Director and as otherwise permitted by law, an exceptional purchase or purchase made without competition or advertisement can be made from a "single source". For purposes of this section, a "single source" shall mean a person or entity who (i) provides necessary follow-up goods and services to the PFPF such as replacement parts or warranty-related or required maintenance services for products and equipment previously purchased by the PFPF that may only efficiently and effectively be provided by such person or entity; or (ii) is the only one justifiable source available to provide necessary goods and services to the PFPF such as patented and manufactured products and services offered for sale in a noncompetitive market or solely by a manufacturer's authorized dealer. Without competition or advertisement, but only after posting prior notice on the PFPF's website for no less than seven calendar days, a single-source purchase, if found from the relevant facts presented to be sufficiently and properly justified, may be awarded hereunder. The informal and formal threshold amounts and approvals of such purchases shall be in accordance with the Procurement Authority Chart. A requirement for a particular good or service will not justify an award in circumstances where there is more than one potential source that can efficiently and effectively provide the same.

PART C – FINANCIAL RELATED SERVICES

All investments of Police and Fire Pension Fund capital and other applicable financially related services, including, without limitation, liquidity support, investment managers, financial and/or investment advisors, issuing, and similar services that are offered in a limited market, that involve complex negotiations, or that require a limited time frame as necessary for a financial transaction involving shall be procured in accordance with the procedures set forth in this Part C.

Subject to this Part C, the Police and Fire Pension Fund Executive Director shall develop written criteria and procedures necessary to evaluate and procure financially related services under this Part C, which shall include, without limitation, such factors as historic investment performance, fee structure, professional staff, size of firm, research capabilities, area of specialization, strategic fit with the overall financial service goals and objectives.

Any procurement under this Part C shall include as much competition as practically possible under the circumstances, and shall include procedures necessary to insure compliance with the requirement to procure the highest quality in financial services at the greatest economic value to the Police and Fire Pension Fund.

Section 1. Services to Which This Policy Applies and Types of Procurement.

This section applies to the procurement of the following financial instruments and services:

- a) Authorized investments pursuant to the Police and Fire Pension Fund's Investment Policy;
- b) Investment management firms, financial advisors, investment advisors, audit, actuarial, recordkeeping, and custody services;

- c) All other services and/or financial instruments prudent for the continued financial operation of the Police and Fire Pension Fund as outlined by applicable code and state statutes.

Section 2. Methods of Procurement: Request for Proposals (RFP), Request for Information (RFI), Request for letters of Interest (RFLI)

Professional services shall be obtained by RFP/RFI/RFLI which will be competitive in nature, except when authorized by the Police and Fire Pension Fund Executive Director, or his designee, as a sole source or proprietary procurement, an emergency procurement, or as noted below.

General criteria:

- a) Under competitive proposals, the quality of competing services may be compared and trade-offs made between price and quality of the services offered (all as set forth in the Request for Proposals);
- b) Award under competitive proposals is then made to the responsive and responsible firm(s) whose proposal is most advantageous to the Police and Fire Pension Fund;
- c) The competitive proposal shall describe the scope of services required, list the type of information and data required of each proposer, and list all evaluation factors;
- d) Adequate notice of the RFP/RFI/RFLI shall be given a reasonable time prior to the date set forth as the response deadline. Such notices may include publication in a newspaper, on the Police and Fire Pension Fund's website, advertisement by email from the Police and Fire Pension Fund or its Financial/Investment Advisors to qualified firms or in an appropriate trade publication;
- e) Record shall be kept by the Police and Fire Pension Fund or its financial and investment advisors of all proposals received. Late proposals shall not be accepted;
- f) The requesting organizational element shall designate an evaluator(s) to review and evaluate proposals received in accordance with the criteria set forth in the RFP. The evaluator may be the Police and Fire Pension Fund's financial advisor(s), investment advisor(s), Financial Investment Advisory Committee, the Police and Fire Pension Fund itself, or any third party approved by the Police and Fire Pension Fund to perform the evaluation. A summary of the bids and rationale for the scoring must be provided to the Police and Fire Pension Fund, by the evaluator. In the event that the Police and Fire Pension Fund is the evaluator, proper due diligence records must be maintained that document the rationale behind the final procurement decision. The evaluator may conduct discussions with any proposer to clarify the contents of their proposal. The ultimate decision on whether to procure the item or service in question, and which vendor to use if an affirmative decision is made, must be made by the Police and Fire Pension Fund after a thorough review of all relevant factors;

- g) The product of the evaluation process shall be a list of qualified proposers with the relevant information to rank order the most qualified to least qualified. Tie rankings are permissible. When proposers are tied or are very similar in score for the most qualified, these proposers may be interviewed to determine the most qualified;
- h) The evaluator(s) shall negotiate fair and reasonable compensation and other contract terms with the most qualified proposer. If terms cannot be agreed upon with the most qualified proposer, then negotiations will be formally terminated with the selected proposer. If one or more other proposers were determined to be qualified, negotiations may be conducted with such other proposers, in the order of their respective ranking;
- i) Award shall be made to the proposer determined to be most qualified and in agreement with compensation and other contract terms determined to be fair and reasonable. Multiple or split awards may be made if in the best interest of the Police and Fire Pension Fund and provided for in the solicitation document;
- j) For the hiring of external investment managers, the Police and Fire Pension Fund may utilize its consultant to perform a thorough and in depth review of the marketplace to determine the manager which best fits the needs of the pension or operating funds. In addition, the Police and Fire Pension Fund may perform its own analysis using its investment software/database from which it will rank managers based on the desired portfolio characteristics. The Police and Fire Pension Fund and Financial Investment Advisory Committee may interview the top ranked candidates if necessary to determine the winner of the search. The purchase of individual securities by hired external money managers is left to the discretion of the external money managers within the framework of the Police and Fire Pension Fund's investment policy;
- k) In accordance with the Police and Fire Pension Fund's investment policies, the Executive Director in consultation with the Investment Consultant may take emergency action that deviates from this policy if it is deemed necessary to avoid financial loss or to secure gains. Any action taken pursuant to this authority shall be presented to the Pension Board of Trustees and Financial Investment Advisory Committee at its next regularly scheduled meeting or an emergency meeting held sooner.

The Police and Fire Pension Fund authorized investments are stated in Police and Fire Pension Fund Charter, Ordinance Code, Florida Statutes, and the Police and Fire Pension Fund's Investment Policy Statement. The procurement of securities by hired external money managers is left to the discretion of the external money manager, so long as the procurement method is in the best interest of the Police and Fire Pension Fund.

Exhibit 1 – Procurement Authority Chart

Jacksonville Police and Fire Pension Fund Procurement Authority Chart

Informal Purchases: Where estimated costs or fees do not exceed the applicable formal threshold amounts.			
Type	Amount	Procedure	Approval
Supplies, Professional and Contractual Services	\$0-\$5,000	Field Order	Exec. Dir.
	\$5,001-\$15,000	One written solicitation	Exec. Dir.
	\$15,001-\$30,000	Three written solicitations	Exec. Dir.
	\$30,001-\$65,000	Three written solicitations	Board of Trustees
Professional Design Services	Up to \$35,000	Three written solicitations	Board of Trustees
Capital Improvements Projects	\$200,000 or less	Three written solicitations	Board of Trustees

Formal Purchases: Where the estimated costs or fees exceed thresholds established by Florida Statue Section 287.017.			
Type	Amount	Procedure	Approval
Supplies, Prof. & Cont. Services	Exceeding \$65,000	Prof. Recommendation/RFP/RFQ	FIAC & Board of Trustees
Professional Design Services	Exceeding \$35,000	Prof. Recommendation/RFP/RFQ	FIAC & Board of Trustees
Capital Improvements Projects	Exceeding \$200,000	Prof. Recommendation/RFP/RFQ	FIAC & Board of Trustees

Piggybacking: The utilization of contracts and agreements that have been competitively procured, awarded and contracted by a federal, state, municipal, county or local governmental entity, body politic, or using agency, provided that said procurement is not otherwise prohibited by law.			
Type	Amount	Procedure	Approval
Any Purchase	Any Amount	Request to COJ Procurement Ofc.	Board of Trustees

Note: Contracts above \$30,000 reviewed by Office of General Council.

THJ 05/16/2018

FIAC Recommended: _____

Board Approved: _____