

**SECTION 13: DISASTER PURCHASE ORDER PROCEDURES**

**13.0**        **Purpose:**

- 13.0.1        To provide guidelines for emergency purchasing operations and record keeping procedures in the event a natural disaster (such as a hurricane) or a man-made disaster strikes Lee County. Following these guidelines will help ensure that purchasing operations continue in the face of such a disaster and emergency supplies and services are procured as quickly as possible.
  
- 13.0.2        The Division of Procurement distributes pre-numbered Disaster Purchase Orders (hereinafter referred to as DPOs) to the County departments and divisions to be used in the event of a STATE OF LOCAL EMERGENCY, which is declared by Lee County Board of County Commissioners and/or their designee. This declaration is in accordance with Lee County Ordinance No. 87-1.
  
- 13.0.3        Lee County Ordinance No. 87-1 defines Emergency as any significant occurrence, whether accidental, natural, caused by man, in war or peace, which results or may result in substantial injury or harm to the population or substantial damage to or loss of property.
  
- 13.0.4        Any emergency purchases other than those under a declared “STATE OF LOCAL EMERGENCY” by the Board of County Commissioners shall be processed in accordance with the Emergency Purchase Section of the Procurement Manual. **Exception: If a State of Local Emergency is declared and Lee County is still operational, see section 12.6 of this manual.**
  
- 13.0.5        The pre-numbered DPOs are to be issued to the vendors at the time of purchase to serve as an official document authorizing the vendors to sell their goods or services to Lee County Government, and to give Lee County’s requesting department, Lee County Division of Procurement and the Clerk of Courts Finance Division proper documentation and backup for the procurement of goods and/or services.

**13.1**        **Background:**

- 13.1.1        In the aftermath of a disaster, the County may lose electrical power and telephone communications for an indeterminate period of time. The department/divisions will not have use of a computer or normal office equipment, and may be unable to contact vendors. If the area is damaged severely, local vendors will be stricken as well and cannot be expected to provide emergency supplies and services immediately following the disaster.

**13.2**            **Policy:**

13.2.1            In the event of a disaster, records and reports are required to support requests for reimbursement of Lee County public funds expended as a direct result of the disaster. It is therefore imperative that the practices outlined in this procedure be implemented to ensure accurate record keeping in the aftermath of a disaster.

**13.3**            **Procedures:**

**13.3.1.1**        **Overview of Emergency Operations Center Operations**

The Emergency Management Division will be coordinating all emergency operations out of the Emergency Operations Center (hereinafter referred to as EOC). Within twenty-four hours after the initial occurrence passes, each department supervisor will conduct a basic damage assessment of their facilities, document their findings and report their department status to Emergency Operations Center. The basic damage assessment will include the extent of damage to County property and an estimate of what is needed in repairs. County Risk Management will be available at EOC to assist department staff with processing insurable losses, including providing insurance adjustors when required to inspect and document County owned insurable losses.

13.3.1.2        Following the declaration of an emergency or disaster area, Federal Disaster Assistance may be made available to Lee County. The Federal Emergency Management Agency (FEMA) is the Federal Agency charged with the responsibility of administering all Federal disaster assistance to State and Local governments.

13.3.1.3        To prepare for a disaster situation, Chapter 252, Florida Statutes states that under the County's "Declaration of Local Emergency," political subdivisions are given the authority to waive certain procedures and formalities otherwise required of them. During the declared emergency period, many normal procedures and requirements may be suspended in accordance with this provision.

**13.3.2**            **Procedures for Disbursement of Disaster Purchase Orders**

13.3.2.1        The DPO differs in format from the regular purchase order format being used for day-to-day purchases. The 4-part form is designated as follows:

- White – Vendor Copy
- Yellow – Procurement Copy
- Pink – Finance Copy
- Goldenrod – Department Copy

- 13.3.2.2 The Division of Procurement will issue the number of DPOs requested by the user department to the department/division director or designee.
- 13.3.2.3 A log will be kept by the Division of Procurement showing the quantity of pre-numbered DPOs issued to each department/division director or designee and the numbers of the DPOs issued.
- 13.3.2.4 The department/division director or their designee must sign for the DPOs. It is highly recommended that control of these DPOs be assigned to a designated employee in the department.
- 13.3.2.5 The department/division director should issue DPOs to their designated employees out in the field at the various locations under his/her authority and supervision. Each DPO must be accounted for at all times by the department/division director that has signed for and received them. These DPOs will be valid for ongoing fiscal years unless the procedure or the format is changed.
- 13.3.3 Procedure for Use of Disaster Purchase Orders
- 13.3.3.1 In the event the DPOs must be used, the following procedures should be followed:
- 13.3.3.2 The department/division director's designated employee, having proper authorization, would either procure the goods and/or services by telephone or in person. In the event of a major disaster telephone, service may be out-of-service throughout the County. Authorization may be given to a County employee by the department/division director's designated employee to pick up the materials.
- The employee designated to pick-up the materials shall verify that all required information has been completed on the DPO.
- Upon pick-up or delivery the white (top) copy of the DPO will be given to the vendor's representative. The employee shall immediately return the completed DPO form to the department/division director's designated employee.
- 13.3.3.3 The department/division director's designated employee shall verify that all required information has been completed, sign the form and immediately forward it to his/her department/division's administrative office.
- 13.3.3.4 Upon receipt of the completed DPO, the department/division director or designee shall review the completed DPO and, if properly completed, forward the appropriate copies to the Procurement and Finance Divisions.

- 13.3.3.5 Procurement's yellow copy of the completed DPO will be filed to serve as documentation and backup.
- 13.3.3.6 The Finance Division will receive the pink copy of the DPO for their records.
- 13.3.3.7 At the time Finance receives the pink copy of the DPO and the vendor's invoice, they will review all documents; and if all is in order and approved, payment will be processed to the vendor.
- 13.3.3.8 At some point in time a requisition must be entered into the purchasing system by the requesting department and processed into a purchase order by following Procurement procedures outlined in other sections of this manual. The DPO number should be referenced in the Order Attachment of the PO when the PO is issued. Issuance of the PO must be done in order for the financial and budgetary databases to be updated and accurate. Payments will be processed to the vendor through use of the DPO and payments will be transferred by the Finance Division to the purchase order issued for that transaction.
- 13.3.3.9 Any Emergency Purchases other than those declared to be a "STATE OF LOCAL EMERGENCY" by the Board of County Commissioners shall be processed in accordance with the Emergency Purchase Section of the Procurement Manual.
- 13.3.4 Documentation of Emergency or Disaster-Related Costs
  - 13.3.4.1 All records and reports required to support requests for reimbursement of Lee County funds expended, as a direct result of a disaster must be original for audit purposes. Departments should keep all original documentation.
  - 13.3.4.2 Keeping accurate documentation will make validation quicker and easier by providing you with the information that the State and FEMA will need to see. A set of six optional summary forms has been developed to assist you in organizing your project documentation. The summary forms are:
    - Force Account Labor Summary (FEMA Form 90-123)  
Used to record your personnel costs.
    - Force Account Equipment Summary (FEMA Form 90-127)  
Used to record your equipment use costs.
    - Material Summary Record (FEMA Form 90-124)

Used to record the supplies and materials that you take out of stock or purchase.

- Rented Equipment Summary Record (FEMA Form 90-125)

Used to record the costs of rented or leased equipment.

- Contract Work Summary Record (FEMA Form 90-126)

Used to record the costs of work you have done by contractor.

- Applicant's Benefits Calculation Worksheet (FEMA Form 90-128)

Used to record fringe benefit pay for employees.

- 13.3.4.3 Electronic copies of all Federal Public Assistance forms may be downloaded over the Internet from FEMA's website <http://www.fema.gov/government/grant/pa/forms.shtm>
- 13.3.4.4 Budget Services will serve as a clearinghouse agency approve and sign off on all Lee County FEMA project-worksheets and will be responsible for disbursing funds, upon receipt from-any financial recovery granting agency.
- 13.3.4.5 FEMA will not reimburse for blanket agreements. Each purchase order or contract for emergency supplies or services must be site specific, and must also contain pertinent information such as: who, what, where, when, why, and for how long.
- 13.3.4.6 Following and/or during a declared "STATE OF LOCAL EMERGENCY", in the interest of expediency, Chapter 252, Florida Statutes provides the authority to waive procedures and formalities otherwise required of political subdivisions, to allow whatever action is necessary to ensure the health, safety and welfare of the community. Therefore, purchases may be exempt from bid/quote requirements. Where possible, Departments shall develop a list of pre-qualified vendors who have undergone a proposal or bid process in order to avoid any delays in emergency procurements. It is important this list remains current and affords free and open competition.
- 13.3.4.7 Renting and leasing equipment and materials shall be given precedence over outright procurement, unless it is cheaper to buy the equipment than to rent or lease it (i.e., purchasing chain saws vs. renting them on a daily basis; purchasing using a lease to purchase option). FEMA encourages requests for reimbursement on rented items.
- 13.3.4.8 Oral contracts can severely jeopardize the County's ability to receive reimbursement from FEMA. Agreements must specify in writing quantities, prices and specific items being purchased.

- 13.3.4.9 Be careful about out-of-state vendors submitting bogus bid bonds or worthless payment and performance bonds. To protect the County, bonds must be issued by or countersigned by an agent authorized to do business in Florida. Be sure that the performance bond covers all costs associated with the project. Do not allow an irrevocable line of credit to be substituted for a performance bond.
- 13.3.4.10 Vendors who have been debarred, suspended or considered ineligible by FEMA or by the State of Florida will not be engaged in disaster recovery work.
- 13.3.4.11 Contracts for removal of debris or wreckage should be based on fixed price, unit price (i.e. cubic yard) or lump sum. Avoid time and materials contracts. In the event a time and materials contract is necessary due to exigency or where a clear scope of work cannot be obtained; Departments must monitor the contractors work closely to ensure expeditious and accurate performance of the contract. Where possible, when these situations exist, time and materials contracts should be converted to unit price or lump sum as quickly as possible, usually within 72 hours. In all instances however, where a time and materials contract is used, it must include a maximum ceiling or not to exceed amount.
- 13.3.4.12 Contracting for construction work should be based, whenever possible on competitive bids.
- 13.3.4.13 To the extent feasible and practicable, contractors residing or doing business primarily within Lee County must be engaged in disaster recovery work. FEMA wants to encourage contractors to support the local economy. All contracts entered into which will involve FEMA claims must state that the contractors will use materials and supplies and hire laborers to the extent possible within the disaster area.
- 13.3.4.14 Avoid executing contingency contracts or “cost plus” contracts. They may be illegal under current FEMA guidelines.
- It is imperative that contractors understand what information is necessary for FEMA reimbursement. At a minimum, invoices should be accompanied with a detailed description of what work was performed including quantities, unit prices, personnel used, equipment used etc. FEMA requires the same information for contract reimbursement as they would from departments using their own forces to accomplish the work. This is particularly important where a time and expense contract is being used.