

VETERAN BUSINESS ENTERPRISE PARTICIPATION PROGRAM PROCEDURES

I. Objective

The School Board of Osceola County, Florida (“Board”) has implemented a Veteran Business Enterprise Participation Policy (“Policy”) that recognizes that veteran-owned businesses provide essential support to the education system operated by the Board. This Veteran Business Enterprise (“VBE”) Participation Program (“Program”) implements the Board’s Policy and will seek to:

- promote economic growth;
- diversify the pool of qualified contractors vying for contracts to be let by the Board for construction projects, the procurement of goods and services, and professional services activities;
- increase the competitiveness for such contracts; and
- provide full and equal business opportunities to all VBEs in the Board’s construction projects, the procurement of goods and services, and professional services activities.

II. Definitions

- A. Board: The governing body of the School District.
- B. Certification: The process by which an applicant is determined to be a bona fide VBE.
- C. Construction and Construction Administrative Services: Construction services in the form of hard bid contractors, negotiated Contracts, construction managers, design-bid-build, and similar construction project delivery methods.
- D. Construction Professional Services: Professional Services relating to construction, to include bid and proposal administration, architectural and engineering services, Owner’s Authorized Representative (OAR), or other similar Professional Services.
- E. Contract: Any agreement with the Board for construction projects or for the purchase, lease or disposal of supplies or other Goods, or maintenance, installation or other Services, including Professional Services, but not including leases of real property, space use permits,

employee benefits, taxes, judgments, agreements for travel, dues, pensions, utilities, subscriptions, automobile allowances, debt service requirements, artistic works, purchases from governmental entities or postage.

- F. Direct Contract: A Request for Proposal, Invitation to Bid, or other solicitation which is limited exclusively to VBEs.
- G. Goods: Any and all supplies, materials, equipment, products, articles, or property that is purchased by the Board in the accomplishment of its responsibilities.
- H. Professional Services: Services rendered by an independent contracting individual having experience in a particular industry or subject matter due to specialized education, training, licensure, or skill, of advice, reports, conclusions, recommendations, or other outputs resulting from the time and effort of the service provider, as opposed to the acquisition of specific commodities or of services not requiring any specialized education, licensing, training, or skill.
- I. Services: The furnishing of labor, time, expertise, or effort, but does not include the rendering of Professional Services, employment or collective bargaining agreements, or the providing of a tangible end product.
- J. Superintendent: The Superintendent of the School District or the person or persons designated by the Superintendent to act on their behalf with respect to issues delegated to the Superintendent by the Board under the Veteran Business Enterprise Participation Policy 7.702+.
- K. Veteran: An individual who has served in any branch of the United States Armed Forces as determined by the United States Department of Veterans Affairs, through the Center for Verification and Evaluation ("CVE"), the United States Small Business Administration ("SBA"), or by the State of Florida's Department of Management Services, through the Office of Supplier Diversity ("OSD").
- L. Veteran Business Enterprise ("VBE"): A business that has been certified by the CVE, the SBA, or by the OSD.

III. Determination of General Goals

In order to promote the utilization of VBEs, the Board shall establish annual percentage goals for the dollar value of work to be awarded to VBEs for construction projects, procurement of goods and services, and professional services activities. Percentage goals may be modified or waived in the event there is insufficient availability of VBEs for a project or procurement upon the

concurrence of the Superintendent and counsel assigned to assist the Board with VBE matters.

The Board's Policy is being implemented by this Procedure.

IV. Designation of Responsibility for VBE Program

The Superintendent shall designate one (1) or more Veteran Business Officer(s) ("the VBE Officer"). The VBE Officer(s) may also serve as the Small Business Officer(s) ("the SBE Officer"). In order to provide full and equal business opportunities to all VBEs in the Board's construction projects, procurement of goods and services, and professional services activities, the VBE Officer(s) shall be charged with:

- A. Notifying veteran business assistance organizations and, if available, veteran assistance organizations that Board contracting and subcontracting opportunities are available;
- B. Providing, upon request, plans and specifications to veteran business assistance organizations and, if available, veteran assistance organizations at a reduced cost;
- C. Scheduling seminars to acquaint VBEs with information on Board bid specifications, procurement policies, and general bidding requirements. These seminars may be combined with seminars for small businesses;
- D. Maintaining a VBE directory and ensuring that the VBE directory accurately reflects VBEs available to compete for Contracts;
- E. Assisting in monitoring contractors' and subcontractors' compliance with VBE commitments throughout the performance period of Contracts;
- F. Participating in pre-bid, pre-proposal, and pre-construction conferences to explain VBE requirements and respond to questions; and
- G. Providing assistance in resolving major procurement and contracting issues affecting VBEs.

V. Procedures to Ascertain the Eligibility of VBEs

- A. In order to ensure that only bona fide VBEs, and, if applicable, joint ventures involving VBEs, benefit from this Program, VBEs must be certified prior to submittal of their bids or proposals, and their certification must be updated upon request during Contract performance. Bids and proposals should include certification approval documentation. This information shall be used to verify the eligibility of VBE firms who are named by the apparent

successful bidder/proposer, and, if applicable, joint ventures involving VBEs who are the apparent successful bidder/proposer.

- B. Prior to the award of each Contract which is subject to the procedures set forth in this Program, the Board's VBE Officer(s) shall determine whether each firm claiming VBE status for a bid, proposal, or quotation to the Board, is certified properly as a VBE in accordance with the Board's VBE Policy, and therefore eligible for award.
- C. After the bids are opened and prior to an award of the Contract, the Board may request, receive, and consider omitted and supplemental information from the bidders as to the Certification status of VBE firms, if applicable, and of any subcontractor, supplier, or joint venture in order to determine VBE status.
- D. Firms who enter into Contracts with the Board should note that the Board reserves the right to approve all substitutions of subcontractors before award and during Contract performance. The Board shall require a prime contractor to make good faith efforts to replace a VBE that is terminated or has otherwise failed to complete its work on a Contract with another certified VBE. The Board shall require the contractor to notify the VBE Officer(s) immediately of the VBE's inability or unwillingness to perform and provide documentation as to the replacement firm's VBE status or as to the contractor's good faith efforts, when appropriate, to utilize a VBE to replace the non-performing VBE. Acceptance of the proposed replacement VBE subcontractor shall require the prior written approval of the Superintendent or designee.

VI. VBE Participation; Good Faith Efforts

- A. A bidder/proposer must submit to the Board at bid/proposal submission all VBE information requested by the Board in the bid/proposal documents. Continuing service contractors shall be required to submit a statement or plan to indicate how the continuing contractor plans to meet VBE goals throughout the term of the Contract.
- B. Contractors meeting the VBE participation Contract goal need not submit good faith documentation. If the bidder/proposer fails to meet the VBE goal, the Board shall require bidder/proposer to submit evidence of good faith efforts to reach the goal with its bid/proposal submission, which evidence includes, but is not limited to, the following:
 - 1. The name and title of the person responsible for the bidder/proposer's good faith efforts to reach the goal;
 - 2. Providing evidence of attendance at pre-bid/pre-proposal meeting,

if any, scheduled by the Board to inform VBEs of subcontracting opportunities under a given Contract;

3. Providing a list of VBE firms contacted;
4. Providing copies of written correspondence to VBEs that their bid is being solicited, as well as certified return receipts to prove receipt or the reason for non-delivery; proof of e-mails to whom the document was sent, the date when sent, and whether the transmission was successful;
5. Providing evidence of information provided to the VBE firms about the specific work the contractor intends to subcontract. Bidders/proposers shall identify commercially useful portions of the work which are consistent with normal industry practice, which may be performed by VBEs. Bidders/proposers shall make reasonable efforts to divide the work elements into bid packages which are well-suited to VBE participation;
6. Providing evidence that bidder/proposer provided interested VBEs with assistance in reviewing the Contract plans, specifications, and the terms and conditions of the general Contract, subcontract, and addenda;
7. Providing evidence that the bidder/proposer provided VBEs prompt notice of addenda affecting specific trade contractors;
8. Providing evidence that bidder/proposer made follow-up inquiries after initial solicitations of interest from VBEs showing a genuine effort to engage their services. Bidder/proposer shall maintain documentation of the date, time, and name of individuals contacted. A telephone log containing the name of the companies called, the specific individuals called, and the date and time called is acceptable documentation of this activity;
9. Providing a list of quotes submitted by VBE firms contacted;
10. Providing documentation as to why VBEs that submitted quotes were not utilized; and
11. For those instances where a non-VBE subcontractor is selected for a scope of work for which VBE bids were submitted, the bidder/proposer shall submit records of all quotations received from VBEs and from the selected non-VBE subcontractor, documentation to evidence good faith negotiations with VBEs, and provide an explanation of the reasons why VBEs were not selected.

VII. Evaluation of Good Faith Efforts

- A. In order to ensure that bidders/proposers comply with the Board's VBE Program, successful contractors must either meet the VBE participation goal for a specific Contract or demonstrate good faith efforts to meet the VBE goal. Within two (2) business days after receipt of a request from the Board, bidders/proposers failing to meet the VBE Contract goal must submit documentation of the good faith effort they made before submission of their bid/proposal. In evaluating good faith efforts, the Board determines whether the bidder/proposer made reasonable efforts, prior to submission of the bid/proposal, to achieve the VBE goal. The Board may evaluate not only the different kinds of efforts made by a bidder/proposer, but also the quality and intensity of those efforts. An adjectival rating system may be used to assist the Board in evaluating good faith efforts. Efforts made by the bidder/proposer, after the deadline to submit the bid/proposal to meet the VBE goal, will not be considered by the Board.
- B. In addition to the documentation listed in Section VI above, the Board may consider the following information in evaluation of the bidder's/proposer's good faith efforts:
 - 1. Efforts made by bidder/proposer to select portions of the work proposed to be performed by VBEs in order to increase the likelihood of achieving the stated goal; and/or
 - 2. Whether other bidders/proposers met the Contract goal relating to the utilization of VBE subcontractors.

VIII. Procedures by Which the Board May Implement VBE Direct Contacts

- A. The Board may implement Direct Contracts exclusively for VBE participation for construction projects, the procurement of Goods and Services, and Professional Services activities. The VBE Officer(s) may recommend which construction Contracts, Goods and Services Contracts and Professional Services Contracts shall, or are likely to, attract meaningful competition from VBE firms capable of meeting the Contract specifications. Consequently, the Board may use direct contracting techniques when necessary to meet VBE goals and/or stimulate the VBE Program provided that the following conditions exist:
 - 1. At least three (3) VBEs capable of performing the Contract are available;

2. The Board has determined that the Contract should be a Direct Contract in order to meet VBE goals and/or stimulate the VBE Program, and;
 3. Consultation with the appropriate department (e.g. Purchasing, Engineering, Construction, Commercial Properties, Concessions, etc.) is conducted to determine if a Direct Contract shall be appropriate.
- B. The Board shall state in its solicitation if a particular Contract shall be a Direct Contract with VBEs.
 - C. VBEs interested in bidding or proposing on Board Direct Contracts must submit VBE status verification in accordance with the instructions provided in the Contract documents.

IX. Counting VBE Participation Toward Meeting VBE Goals

- A. In non-direct construction projects, the procurement of Goods and Services, and Professional Services bids/proposals which carry a VBE goal, the portion of the Contract not subcontracted by a VBE bidder/proposer shall be counted as VBE participation.
- B. When a VBE subcontracts part of the work of its Contract to another firm, the value of the subcontracted work may not be counted toward VBE participation goals unless the VBE subcontracts to another VBE firm on a Contract which allows participation in the second tier to be counted.
- C. In projects utilizing a Construction Manager (“CM”) or Construction Manager at Risk (“CM@R”) method of delivery, the CM/CM@R selection shall include a VBE participation goal as established by the Board. For satisfying the goals established, the participation to be counted shall include participation at the first and second tier subcontract levels.
- D. Where VBE subcontractors are certified material suppliers, the participation credited shall be the dollar amount equal to sixty percent (60%) of the dollar value of the Goods purchased from the VBE supplier. However, where the VBE is also certified as a manufacturer and is the manufacturer of the product supplied, bidders shall receive credit for one hundred percent (100%) of the dollar amount of the product supplied.
- E. If the VBE provides Goods, VBE participation shall be counted at one hundred percent (100%) if the supplier is certified as a manufacturer and is a manufacturer of the supplies or certified as a dealer and is a dealer that owns, operates, or maintains a store, warehouse, or other establishment which may include distribution systems for bulk items, in

which the materials, supplies, articles, or equipment of the general character described in the specifications required under Contract are bought, kept in stock and regularly sold or leased to the public in the usual course of business. There shall be no credit where the VBE simply acts as a broker of Goods.

- F. The degree of goal attainment by joint ventures between VBE and majority firms will be calculated as follows:
 - 1. A joint venture consisting of a VBE and majority firm functioning as a prime contractor will be credited with VBE participation on the basis of the percentage of the dollar amount of the work to be performed by the VBE.
 - 2. In joint venture bids/proposals in which all joint venture participants are VBEs, the joint venture shall be credited with VBE participation for that portion of the dollar amount of the Contract which they perform, and that portion subcontracted to VBE firms.

X. Monitoring and Enforcement Mechanisms

- A. The Board may require contractors to submit information certifying work performed by and payment made to VBE subcontractors on each Contract. The Board retains the right to audit a contractor's books and records to determine the accuracy of the information reported. In the event the Board determines a contractor has failed to comply with the VBE participation submitted by contractor and accepted by the Board, the Board may, in its discretion, require contractor to comply, default the contractor pursuant to the Board's contract provisions, disqualify contractor from consideration for award of future Board Contracts or proceed in any manner which the Board deems reasonable.