“SAMPLE”  
EXHIBIT “B”  
METHOD OF COMPensation  
DISTRICTWIDE TITLE SEARCH AND EXAMINATION SERVICES

1.0 PURPOSE:  
This Exhibit defines the limits and method of compensation to be made to the Vendor for the services set forth in the Exhibit “A”, Scope of Services and the method by which payments shall be made.

2.0 ASSIGNMENT OF WORK:  
The Department shall request Vendor services on an as-needed basis. Services to be provided on each project or assignment will be initiated and completed as directed by the Department’s Project Manager or Designee. A “Letter of Authorization” (LOA) will be issued for each project/assignment scheduled.

3.0 COMPENSATION:  
This is an Indefinite Quantity Contract for which the Department has established an estimated Budgetary Maximum Amount of $625,000.00. This is a Term Contract for an Indefinite Quantity Contract whereby the Vendor agrees to furnish services during a prescribed period of time. The specific period of time completes such a contract

The Department, based on need and availability of budget, may increase or decrease the Budgetary Amount by Amendment. Execution of this Agreement does not guarantee that the work will be authorized.

This contract covers both funded and unfunded work assignments. Current funding is available for work assignments up to a Maximum Limiting Amount as listed below. Unfunded services may be identified throughout the term of this agreement based on project-specific requirements and the availability of project funding. The VENDOR shall be compensated for each LOA. The total of all authorizations shall not exceed a Budgetary Ceiling of $625,000.00.

**Funded Services (Financial Project Number 4325712 3B01):** A Letter of Authorization shall be provided to the VENDOR for each assignment given for Funded Services up to a Maximum Limiting Amount of $425,000.00.

**Unfunded Services (Various Project Numbers):** A Letter of Authorization shall be provided to VENDOR for each assignment given for the Unfunded Services. The total of all LOAs for Unfunded Services shall not exceed the Maximum Limiting Amount of $200,000.00. Funds shall be encumbered by the Project Manager prior to the issuance of the Letter of Authorization.
4.0 **ESTABLISHMENT OF LETTER OF AUTHORIZATION AMOUNT:**

For each "Letter of Authorization" (LOA) the Vendor, following the Scope of Services as set forth in Exhibit "A", shall prepare an estimate of work and price based on the rates established in Exhibit "C". **Once an acceptable Maximum Amount has been agreed upon by the Vendor and the Department's Project Manager, a "Letter of Authorization" shall be issued by the Project Manager or Designee.** All work authorizations shall be completed within the term of this Agreement.

Each LOA issued by the Department’s Project Manager or designee shall serve as a formal notice to proceed and will include an effective time period for that particular LOA being issued. No work shall be undertaken by the Vendor unless it has been authorized in writing from the Department.

Each Letter of Authorization shall state whether the project will be paid for under Funded Services or Unfunded Services and will list the balance of the fund for each service.

No Letter of Authorization shall exceed the budgetary ceiling of the contract without an executed amendment.

No LOA shall authorize work beyond the term of this Agreement.
5.0 PROGRESS PAYMENTS:

The Vendor shall submit three (3) originals invoices in a format acceptable to the Department. For the satisfactory performance of the services detailed in each “Letter of Authorization”, the Vendor shall be paid up to the Maximum Amount of each Authorization.

Invoices for this Agreement will be prepared by the Vendor and submitted to the Department as required by Department procedures to substantiate the charges being invoiced.

The Department shall review reports made and services performed and notify the Vendor of any deficiencies within ten (10) working days of the receipt thereof. If no deficiencies exist, the Department will notify Vendor to submit the invoice for payment. Changes/corrections shall be submitted within five (5) working days of notification of request.

The Vendor shall submit invoices as established in Exhibit “A”. Payment shall be made to the Vendor for work satisfactorily completed on the services as approved by the Department.

Invoices shall be submitted to: Florida Department of Transportation
District Four Headquarters District Surveyor Office
3400 West Commercial Boulevard
Fort Lauderdale, Florida 33309-3421
ATTN: District Title Examiner, Project Manager

IF THE VENDOR HAS CERTIFIED THAT MBE OR DBE PARTICIPATION WILL BE UTILIZED FOR THIS CONTRACT, THE FOLLOWING STATEMENTS MUST BE INCLUDED: *****************

The Vendor has certified that ____% MBE/DBE utilization would be achieved for this contract. If MBE utilization was certified by the Vendor, an MBE payment certification form shall be submitted with each invoice to verify the MBE utilization.

If DBE utilization was certified, DBE payments are to be input each month at the following link: https://www3.dot.state.fl.us/EqualOpportunityOffice/bizweb/

New users reporting DBE payments will need to contact the FDOT Service Desk at FDOT_ServiceDesk@dot.state.fl.us to get a BizWeb user ID and password to access the application.
6.0 PENALTIES:

The Vendor will be assessed a penalty for late delivery of all work products. In addition, the Vendor will be assessed a penalty for failure to provide or late delivery of requested corrections to all work products. Such penalties will be calculated and adjustments made to approved invoice payments based on the following: Late delivery of title reports or any other title services, or failure to correct requested corrections within a total of 5 working days; the penalty shall be 1% of the service fee per calendar day for the first 7 working days, and a 2% thereafter.

If payment has been made on a report or service and the Vendor has not been notified of corrections until after the review period of ten (10) working days, this will not relieve the Vendor from making necessary corrections.

7.0 DETAILS OF BILLING RATES:

Details of Billing Rates for the performance of the Vendor’s services set forth in Exhibit “A” are shown in Exhibit “C”, attached hereto and made a part hereof.