

"SAMPLE"
EXHIBIT "B"
METHOD OF COMPENSATION

1.0 PURPOSE:

This Exhibit defines the limits and method of compensation to be made to the Vendor for services set forth in **Exhibit "A"** 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 performed/provided at each location will be initiated and completed as directed by the Department and/or the Department's Project Manager (and/or his/her designee).

A Purchase Order/MFMP Contract (C-Contract) will be issued for each designated District Four locations of assignments.

3.0 COMPENSATION:

There is no Budgetary Ceiling. Funds will be encumbered for each cost center.

3.0.1 This is a Term Contract for an Indefinite Quantity 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 amount.

3.0.2 The Purchase Order/MFMP Contract (C-Contract) does not guarantee that the work will be authorized, nor is any minimum or maximum amount guarantee.

3.0.3 It is mutually agreed that the Vendor shall not provide services which would result in exceeding the funding established, nor will the Department make payments to the Vendor which would result in exceeding said amount.

3.0.4 Funds will be provided by Purchase Order/MFMP Contract (C-Contract) Encumbrance by each location services are to be provided to.

3.0.5 For work issued by a Purchase Order/MFMP Contract (C-Contract) the Vendor shall be compensated for each work authorized under this Agreement set forth in **Exhibit "A" – Scope of Services** and based on the agreed upon amount in the Purchase Order/MFMP Contract (C-Contract) upon satisfactory completion by the Vendor of all work required to be performed under the terms of this Agreement and acceptance of the work by the Department and/or the Department's Project Manager (and/or his/her designee).

3.0.6 The Vendor shall be compensated based on the prices specified and submitted in the **Exhibit "C" – Bid Sheet** which is hereby attached and made a part of this Agreement.

NOTE:

The Department and/or the Department's Project Manager (and/or his/her designee) shall ensure the following wording is included on the Purchase Card Payment Transaction / Purchase Order/MFMP Contract (C-Contract) "In accordance with MFMP Contract – C_____".

4.0 ESTABLISHMENT OF PURCHASE ORDER /MFMP CONTRACT (C-CONTRACT)

For each assignment the Vendor, following the Scope of Services as set forth in **Exhibit "A" – Scope of Services and Specifications**, shall prepare an estimate of work and price based on the rates established in **Exhibit "C" – Bid Sheet**. **Once an acceptable Maximum Amount has been agreed upon by the Vendor and the Department a request for services shall be issued by the Department's Project Manager (or his/her designee).**

All requested services shall be completed within the term of this Agreement.

5.0 PROGRESS PAYMENTS:

5.0.1 The Vendor shall submit monthly invoices (3 copies) in a format acceptable to the Department. For the satisfactory **performance** of the services detailed in the **Exhibit "A" – Scope of Services and Specifications** as specified per each locations request for services".

5.0.2 Invoicing each LOCATION for rental and cleaning services shall show a "Total Weekly Cost Per Item" per 4-day week or a per 5-day week unit price", whichever is applicable for services actually performed.

5.0.3 When invoicing each location for jackets, the VENDOR will show a "Per Unit Price for goods actually delivered to the location." At all times, invoicing must include dates of service and the location.

5.0.4 The billing for uniforms rented or sold to the DEPARTMENT will be done for each LOCATION. The Vendor will bill once weekly. Payment will be made for the exact number of uniforms and mats provided and used each week, at the rates specified in **Exhibit "C" – Bid Sheet**.

5.0.5 The billing for uniforms/services, rented or sold to the Department will be submitted to each using location after such services are performed by the Vendor. A list of these locations, with addresses and contact persons is included in the invitation to bid.

5.0.6 Invoices shall be submitted on a weekly basis, and contain both uniforms on the same invoice, but in no event prior to the last day of the monthly service period.

5.0.7 The Vendor shall not apply weekly service charges for any employees who are absent due to Medical or Workman's Compensation leave, for up to and including Four (4) weeks per occurrence, upon notification to the Vendor by the Department and/or the Department's Project Manager (or his/her designee).

- 5.0.8 If an employee changes/transfers work locations within the District Four area, his/her assigned uniforms will go with him/her and be serviced at his new work location.
- 5.0.9 Failure of the VENDOR to perform services and/or deliver goods meeting delivery times, will result in Reduction of Compensation as described in section entitled, "Liquidated Damages", below.
- 5.0.10 The Reduced Compensation clause, as stated above, will be put into effect either at the time the invoice is presented, if applicable, or on the next delivery of goods as applicable.
- 5.0.11 The Department and/or the Department's Project Manager (or his/her designee) shall render approval or disapproval of services within Five (5) working days of receipt of an invoice.

6.0 **LIQUIDATED DAMAGES:**

- 6.0.1 Failure of the VENDOR to perform services and/or deliver goods, meeting the delivery times established pursuant to this Contract, shall constitute a "Performance Deficiency" on the VENDOR'S part.

Said Performance Deficiency will subject the VENDOR to a Reduction in Compensation at the following terms:

1. Should the Performance Deficiency equal five (5) percent or more of a total delivery for a one (1) month period per delivery location, the VENDOR shall deduct an equal percent (in total) from the weekly invoice for that delivery location regardless if the deficiencies are corrected.
2. Should the VENDOR achieve Performance Deficiencies for two (2) consecutive months or three (3) in a twelve (12) month period, in addition to the invoice reductions as noted above, the VENDOR will submit a detailed plan to the DEPARTMENT on how to ensure Performance Deficiencies will be corrected and prevented from recurring. This plan shall be submitted within thirty (30) days from the second (2nd) or third (3rd) deficiency as noted above. Failure to submit a plan will result in withholding of VENDORS' payment (s), for that specific location, until the DEPARTMENT receives a plan.
3. Continued Performance Deficiencies or failure to follow the improvement plan by the VENDOR will be grounds for the DEPARTMENT to terminate this Contract in accordance with the terms and conditions established herein.
4. Compensation Reductions relating to jackets will be calculated in the same manner as described above.

5. The Vendor understands that failure to comply with timely performance is of the essence. Should the Vendor fail to provide the services specified in this Agreement and cause the Department to intervene to provide the services as specified; all costs incurred by the Department shall be charged to the Vendor and shall result in the immediate suspension of work, Vendor placement in non-compliance status and/or Agreement termination. Reference is made to Paragraph 6 of the MFMP Contract Terms and Conditions.
- 6.0.5 If the Department and/or the Department's Project Manager (or his/her designee) determines that the performance of the Vendor is not satisfactory, the Department may terminate this Agreement. Any necessary default action will be processed in accordance with the Department of Management Services Rule 60A-1.006(3).
- 6.0.7 If the Vendor fails to comply with the provisions of the section entitled **VENDOR RESPONSIBILITES** in this Agreement and it is not immediately corrected, the Department shall construe that the Vendor is in non-compliance and shall result in the immediate suspension of work, Vendor placement in non-compliance status and/or Agreement termination.

The Vendor has certified that ____% MBE 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.

7.0 **INVOICING**

- 7.0.1 Invoicing each LOCATION for rental and cleaning services shall show a "Total Weekly Cost Per Item" per 4-day week or a per 5-day week unit price", whichever is applicable for services actually performed.
- 7.0.2 When invoicing each location for jackets, the VENDOR will show a "Per Unit Price for goods actually delivered to the location." At all times, invoicing must include dates of service and the location.
- 7.0.3 The billing for uniforms rented or sold to the DEPARTMENT will be done for each LOCATION. The Vendor will bill once weekly.
- 7.0.4 The billing for uniforms/services, rented or sold to the Department will be submitted to each using location after such services are performed by the Vendor. A list of these locations, with addresses and contact persons is included in the invitation to bid.
- 7.0.5 Invoices shall be submitted on a weekly basis, and contain cost of cleaning uniforms and when applicable cost of new employee uniforms on the same invoice, but in no event prior to the last day of the monthly service period.

- 7.0.6 The Vendor shall not apply weekly service charges for any employees who are absent due to Medical or Workman's Compensation leave, for up to and including Four (4) weeks per occurrence, upon notification to the Vendor by the Department and/or the Department's Project Manager (or his/her designee).
- 7.0.7 If an employee changes/transfers work locations within the District Four area, his/her assigned uniforms will go with him/her and be serviced at his new work location.
- 7.0.8 Failure of the VENDOR to perform services and/or deliver goods meeting delivery times, will result in Reduction of Compensation as described in Section 6.0 entitled, "Liquidated Damages", above.
- 7.0.9 The Reduced Compensation clause, as stated above, will be put into effect either at the time the invoice is presented, if applicable, or on the next delivery of goods as applicable.

8.0 DETAILS OF UNIT RATES:

Details of Unit Rates for the performance of the Vendor's services set forth in **Exhibit "A"-Scope of Services and Specifications** are attached as **Exhibit "C"-Bid Sheet**, attached hereto and made a part hereof.

9.0 TANGIBLE PERSONAL PROPERTY:

This contract does not involve the purchase of Tangible Personal Property, as defined in Chapter 273, F.S.