



## Office of Internal Audit

AUDIT OF MAJOR CONTRUCTION PROJECTS -  
SELECTION PROCESS OF ARCHITECTS/ENGINEERS  
AND CONSTRUCTION MANAGERS

Report No. 10/11-12

April 29, 2011

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OFFICE OF INTERNAL AUDIT

**Date:** April 29, 2011

**To:** Kenneth A. Jessell, Chief Financial Officer and Senior Vice President  
John Cal, Associate Vice President for Facilities Management

**From:** Allen Vann, Audit Director

A handwritten signature in blue ink that reads "Allen Vann".

**Subject:** **Audit of Major Construction Projects - Selection Process of Architects/Engineers and Construction Managers, Report No. 10/11-12**

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We have completed an audit of Major Construction Projects - Selection Process of Architects/Engineers (A/E) and Construction Managers (CM). The primary objective of our audit was to determine whether: internal controls over the A/E and CM selection process for major projects were adequate and effective; the selection process was fair and competitive and in accordance with applicable State laws and regulations, and University policies and procedures; and fee schedules for A/E and CM were fair and properly negotiated. For this audit we also examined how funds provided to the Facilities Management Department under the American Reinvestment and Recovery Act (ARRA) were spent with a view towards ensuring compliance with Federal ARRA specific criteria.

Overall, our audit disclosed that the Department's internal controls over the selection process of A/E and CM for major projects were functioning as designed. The selection process was fair and competitive and conducted in accordance with applicable State laws and regulations, and University policies and procedures. Also, fee schedules for A/E and CM were fair and properly negotiated. Nevertheless, during the period covered by our audit, we found areas where the selection process can be strengthened. The audit resulted in eight recommendations, which management agreed to implement.

C: Albert Maury, Chair, Board of Trustees & Finance and Audit Committee Members  
Mark B. Rosenberg, University President  
Javier I. Marques, Chief of Staff, Office of the President

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## **OBJECTIVES, SCOPE AND METHODOLOGY**

In accordance with the fiscal year 2010-2011 approved work plan, we conducted an audit of the University's selection process of Architects/Engineers (A/E) and Construction Managers (CM) for major construction projects. The primary objectives of our audit were to determine whether: Internal controls over the A/E and CM selection process for major projects<sup>1</sup> were adequate and effective; the selection process was fair and competitive and in accordance with applicable State laws and regulations, and University policies and procedures; and fee schedules for A/E and CM were fair and properly negotiated (established). For this audit we did not examine post award activities, except for how funds provided to the Facilities Management Department under the American Reinvestment and Recovery Act (ARRA) were spent with a view towards ensuring compliance with Federal ARRA specific criteria.

The scope of our audit included all major construction projects completed, substantially completed, or in progress for the period July 1, 2008 through November 30, 2010.<sup>2</sup>

Our audit was performed in accordance with the *International Standards for the Professional Practice of Internal Auditing*. Audit fieldwork was conducted from October 20, 2010 to January 31, 2011. The audit included tests of the selection process records and such other auditing procedures as we considered necessary. We reviewed University policies and procedures, applicable Florida Statutes and Florida Board of Governors' regulations, and interviewed responsible Facilities Management Department staff, select professional firm personnel and current and former selection committee members. We also attended the A/E shortlist and selection meetings.

As part of our audit, we reviewed internal and external audit reports issued during the last three years to determine whether there were any prior recommendations related to the scope and objectives of this audit and whether management had effectively addressed prior audit concerns. We followed up on prior internal audit recommendations related to the selection of contractors and the status of these previous recommendations.

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<sup>1</sup> A major project is a project whose construction cost is estimated to be \$2 million or more.

<sup>2</sup> The selection process for some of the projects reviewed took place prior to the audit period; for instance, one project's selection process was in 2005.

## **BACKGROUND**

The Facilities Management Department (FMD or Facilities) provides professional support for the construction, maintenance, and operation of all University properties necessary to accommodate all aspects of the Florida International University (FIU)'s master plan.

FMD's Planning section is responsible for activities necessary to define requirements for capital improvements for all properties owned by the University. These activities include campus master planning, capital improvement planning, preparation of legislative budget requests, preparation of building programs and space inventory analysis. Facilities Planning also coordinates the selection of architects/engineers, construction managers, and continuing services contracts. It prepares and publishes the legal advertisement for architects or engineers and construction manager services; prepares project fact sheets that it makes available to interested firms. Facilities Planning also plays a key role in managing the selection process. Its staff conducts individual meetings with each newly appointed selection committee member to brief them about their responsibilities, how the process works, and requirements under Florida laws and regulations. Staff conducts a shortlist process in a public forum, notifies the University President of the selection committee's recommendations of the shortlisted firms and final selection results, and then posts a notice of the University President's approval. In collaboration with the Construction section of FMD and the Office of the General Counsel, Facilities Planning negotiates terms and prepares a contract for final execution.

FIU must follow F.S. 287.055 and Chapter 14 of the Florida Board of Governors (BOG)'s regulations which addresses the state university construction program. The regulations require state universities to comply with provisions that address public announcement, selection and negotiation for professional services, construction management services, and design-build services. Accordingly, FMD has established guidelines for the selection of architects or engineers and construction managers, which encompass Chapter 14 of BOG regulations.

During the audit period, there were eleven<sup>3</sup> major construction projects completed, substantially completed, or in progress at a total estimated cost of \$252 million as of March 31, 2011. Four of the projects were either completed or substantially completed and seven projects were in progress. The details of the projects are depicted in the following tables:

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<sup>3</sup> The construction cost for one of the projects was estimated to be under \$2 million; however, the same selection process was followed as a major project.

### Projects Completed or Substantially Completed as of March 31, 2011

| BT #        | Project Name   | Name of A/E            | Total A/E Fee    | Name of CM          | Total CM Fee (Construction Phase) | Total Construction Contract Cost |
|-------------|--|------------------------|------------------|---------------------|-----------------------------------|----------------------------------|
| 833         | College of Nursing & Health Sciences (Molecular Biology)                       | HOK                    | \$3,276,423      | Skanska             | \$1,817,371                       | \$34,684,271                     |
| 835         | Social Science/Int'l Studies (School of International and Public Affairs-SIPA) | Arquitectonica         | \$1,499,144      | Suffolk             | \$1,029,652                       | \$18,622,187 <sup>4</sup>        |
| 865/<br>875 | Parking Garage/ Retail/Public Safety (PG5)                                     | PGAL                   | \$2,825,058      | Turner Construction | \$2,277,203                       | \$40,823,316                     |
| 842/<br>843 | Football Stadium/ Field House  | Odebrecht Construction | N/A <sup>5</sup> | N/A <sup>5</sup>    | N/A <sup>5</sup>                  | \$43,128,274                     |

### Projects In-Progress as of March 31, 2011

| BT #        | Project Name  | Name of A/E              | Total A/E Fee          | Name of CM                      | Total CM Fee (Construction Phase) | Total Estimated Construction Contract Cost |
|-------------|---|--------------------------|------------------------|---------------------------------|-----------------------------------|--|
| 814         | Stocker Astrophysics Center   | Siddiq Khan & Associates | \$141,914              | Biltmore Pre-construct only     | \$15,000                          | \$1,821,069                                |
| 834         | Satellite Chiller Plant   | SGM Engineering          | \$416,562 <sup>6</sup> | Pool & Kent Pre-construct only  | \$53,123                          | \$11,796,730                               |
| 837         | US Century Bank Arena Expansion   | Gould Evans              | \$332,553              | Arellano Construction           | \$241,712                         | \$5,085,920                                |
| 870         | Ambulatory Care Center  | Spillis Candela (AECOM)  | \$499,137              | Klewin Const Pre-construct only | \$55,116                          | \$10,272,278                               |
| 876         | Science Classroom Complex (SCC)   | Perkins & Will           | \$3,294,791            | DPR Const Pre-construct only    | \$247,910                         | \$38,621,221                               |
| 877/<br>895 | Robert Stempel Coll. of Public Health and Social Work (Graduate Classroom Building) Int'l Hurricane Research Center | Perkins & Will           | \$1,621,458            | Skanska Pre-construct only      | \$202,906                         | \$24,392,791                               |
| 882         | Student Academic Support Center   | Gould Evans              | \$1,514,968            | Balfour Beatty                  | Pending <sup>7</sup>              | \$22,306,889                               |

<sup>4</sup> Total Construction Contract Cost includes \$1,882,515 for Chilled Water Line Extension.

<sup>5</sup> This project was executed as a Design-Built project whereby one single legal entity is responsible for design and construction services under one contract.

<sup>6</sup> SGM selected and contract execution pending as of 3/31/2011.

<sup>7</sup> CM selected and contract execution pending.

## **FINDINGS AND RECOMMENDATIONS**

Our audit disclosed that the Facilities Management Department's internal controls over the selection process of A/E and CM for major projects were generally adequate. The selection process was fair and competitive and conducted in accordance with applicable laws, rules and regulations, and University policies and procedures. Also, fee schedules for A/E and CM were fair and properly negotiated. Nevertheless, during the period covered by our audit, we found areas where the selection process can be strengthened.

Our review of past audit recommendations for the selection process for minor construction projects<sup>8</sup> suggests that those recommendations were partially implemented. In addition, two of the eight construction projects reviewed in this audit may not qualify for the ARRA federal funding based on our understanding of the U.S. Department of Education guidelines for the program.

Those issue areas identified in our audit are detailed below.

### **1. Appointment of Selection Committee Members**

In order to ensure that there is a fair selection process that creates a level playing field for all professional firms, BOG Regulation 14.005 (1), *Certification and Competitive Selection of Professionals*, requires the University President or his designee to appoint a selection committee to make recommendations for professional services, continuing contracts, construction management services or design-build services.

The BOG regulation requires that the selection committee consist of at least three members, two of which must have demonstrable experience in the selection of professional architectural or engineering services or education in construction, engineering, architecture or other related discipline. The regulation also requires at least one of the two professional selection committee members to be from "University Facility Office" and the second required facilities professional is not required to be a current University Facilities or Physical Plant employee.

These regulations were generally followed. Based on our observations, selection committees sufficiently vary in composition and expertise. All the eleven projects reviewed had three to five selection committee members. The members were made up of University staff from the user department, Facilities Management, and in some cases a professor from FIU's School of Architecture.

The President or his designee appointed all of the selection committee members for ten of the eleven construction projects reviewed. In one instance, BT 875 Parking Garage/Retail/Public Safety (PG5), there was inadequate documentation to confirm that the prescribed approval process was followed.

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<sup>8</sup> These are projects costing \$75,000 or less and are excluded from the competitive bidding process.

Although not required by BOG regulations, a process to document that selection committee members have no personal and/or financial interest in any of the applicant firms would be beneficial. We observed that in one instance a selection committee member voluntarily disclosed a working relationship with an engineer listed as a consultant by one of the applicant firms. Facilities Management consulted with the Office of the General Counsel and it was determined that the committee member had no conflict. Requiring committee members to confirm that they have no conflicts preventing them from serving on a selection committee would further ensure that objective evaluations are performed.

### **Recommendations**

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|--|--|
| The Facilities Management Department should: |  |
| 1.1  | Maintain all documentation for the selection committee appointment process in the prescribed manner.   |
| 1.2  | Require all selection committee members to certify on the selection evaluation shortlist form that they had no conflicts of interest with regard to the firms/vendors being evaluated. |

### **Management Responses/Action Plan:**

- 1.1 We concur with this recommendation. It is standard operating procedure for selection committees to be appointed by the President's designee. This is clearly reflected by the proper documentation found for 10 of the 11 projects reviewed. While we believe this process was followed for all projects, one appointment letter dating back to Summer 2007 could not be located. All records of selection committee appointments are now kept electronically in a secure central file server.

**Implementation date:** Immediately

- 1.2 We concur with this recommendation. FMD will add a statement to the signature page of the shortlist score sheet certifying that each committee member has no conflict of interest regarding the applicants under evaluation for selection. This action will become effective immediately.

**Implementation date:** Immediately



## **2. Architect/Engineer and Construction Manager Selection**

BOG Regulation 14.005 (3), *Certification and Competitive Selection of Professionals*, states in part:

The Selection Committee shall evaluate professional qualifications statements by all eligible professional firms applying. The Committee shall consider the experience of professional personnel; past performance; ability to meet time and budget requirements; location; and recent, current and projected workloads of the firms.

During the audit, we observed the selection of professional firms for two major projects and reviewed selection process documentation for the remaining nine major projects. All key requirements for selection were properly followed:

1. Each selection committee member was provided with a copy of proposals submitted by all professional firms for the particular project and asked to review the proposals individually.
2. Committee members were not allowed to communicate with each other or the firms that submitted proposals outside of the scheduled publicly held selection meetings.
3. Professional firms were instructed not to contact the committee members.
4. All questions from the professional firms were directed to the Facilities Planning Director, a non-voting selection committee chair.
5. Responses to questions from the professional firms were posted on the Facilities Management Department's website for the entire applicant pool to view and benefit from.

We also observed that for each project the Facilities Management Department received from 3 to 30 proposals. All of the proposals were provided to the selection committee members for their evaluation of such factors as:

1. The professional firms' related project experience,
2. Ability to provide service,
3. Work in progress and on hold,
4. Number of professional and technical employees,
5. Volume of FIU work, and
6. Office location.

In an effort to reduce the volume of work of the selection committee members, the Facilities Planning Director, a non-voting selection committee chair completed the "objective evaluation" for each firm; such as determining location of firm, imputing the number of professional and technical employees provided in the application, and volume of FIU work. Selection committee members generally relied on the Facilities Planning Director's evaluation and his scoring of the professional firms.

During the audit, we interviewed the Facilities Management Department's project managers who were in charge of the eleven projects reviewed and a select number of current and former selection committee members to obtain their opinion of the selection process. Most of the interviewed individuals confirmed that the process was fair and transparent and they were able to review the proposals without pressure to vote in favor of a particular firm. We also contacted a sample of professional (A/E or CM) firms and asked them to give us their assessment of the selection process. Most of the interviewed firms also indicated that FIU's selection process was fair and transparent. Based on our observation of the selection committee meetings for the selection of professional firms and review of related documents, the selection process appeared to be open and transparent and in compliance with BOG regulations. However, we observed that it is not uncommon for senior University staff to attend selection committee meetings and participate in the deliberations of the committee. Aside from providing answers to necessary technical questions posed by the committee, staff needs to be provided with guidance requiring them to avoid making any remarks which may be construed as trying to influence the committee's deliberations or favoring a particular vendor.

### **Recommendation**

|    |   |
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| 2. | At each selection committee meeting, the Facilities Management Department's non-voting chair should provide non-committee staff members with guidance regarding their participation in the discussions and deliberations. |
|----|---|

### **Management Responses/Action Plan:**

2. We agree with the recommendation. The non-voting chair will augment the guidance already being provided to non-committee members regarding participation in the discussions and deliberations of the committee.

**Implementation date:** Immediately

### **3. Record Keeping**

It is important that the Facilities Management Department maintain accurate and complete and readily available records of its selection activities. These are required under public records laws and are invaluable in cases of claim and disputes and for purposes of post award audits.

During the audit, we noted that A/E and CM selection process folders contained insufficient supporting documents. Folders were sometimes not immediately available and for those folders that were available, important selection related documents were not always present, including: selection committee appointment, proposal submittal by professional firms, and selection committee meeting minutes. Subsequent to our audit field work, the Facilities Management Department provided all missing documents except for one selection committee appointment letter and proposals submittal by A/E firms for one project.

Proposal submittals were kept in a box in a storeroom of the Facilities Management Department but there was no documentation readily available to identify how many submittals were received for each project. Eventually, Facilities Management staff provided most of the missing documents after collecting them from University project managers or other Facilities Management administrators. This process consumed a large amount of audit and Facilities Management staff time, which was costly and otherwise avoidable.

### **Recommendation**

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| 3. | The Facilities Management Department should establish a centralized filing system for the maintenance and availability of professional firm selection documents. |
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### **Management Responses/Action Plan:**

3. We concur with this recommendation. FMD has successfully converted to paperless filing of all documentation related to the selection process.

Firms are required to submit qualifications and presentations in hard copy as well as electronic files in "pdf" format. All documentation and correspondence is prepared in electronic file format and transmitted via email. Email files and delivery receipts are stored in the Director's computer with external file backup. Documents requiring signatures are scanned and saved in a central filing system residing on the "O Drive" of the FMD file server. One set of each original applicant submittal is also physically stored in the FMD storage room.

**Implementation date:** Immediately

#### **4. Follow-up on Prior Audit Recommendations - Contractor Selection Process for Minor Construction Projects**

As part of our audit, we followed up on prior recommendations for Minor Construction Projects<sup>8</sup> (Report No. 2007/08-06, dated May 16, 2008) as it relates to the contractor selection process to determine whether management had effectively implemented our recommendations. These prior recommendations are:

##### **Recommendation No. 1 – Contractor Selection Process**

- 1.1 We recommend that the Department implement written procedures for administration of minor construction projects that include selecting contractors, requesting and receiving proposals, and maintaining documentation.
- 1.2 We recommend that the Department, Purchasing Services and Risk Management collaborate to develop, update, and maintain a master list of qualified contractors by trade or other criteria, so that the University project managers have access to a large pool of contractors to send requests for proposals and thereby encourage competition.

The result of our follow-up review is as follows:

- The Facilities Management Department agreed to implement written procedures for administration of minor construction projects that include selecting contractors, requesting and receiving proposals, and maintaining documentation. They stated that a qualified independent firm was contracted to assist FMD in developing an overall action plan for the construction group that would include drafting a single procedural manual. The scope of work with the consultant included development of a comprehensive “field guide” for minor construction projects.

The Director of Construction at Facilities Management provided a copy of written procedures called “Facilities Management Department Minor Capital Project Field Guide.” We reviewed the project field guide and noted that it had various minor capital project related information. However, it did not completely address the prior audit finding and recommendation since there was no guidance on selecting contractors, requesting and receiving proposals, and maintaining selection related documentation for projects under \$75,000.

The lack of adequate written procedures makes it difficult to determine if the contractor selection process for minor projects under \$75,000 is objective and competitive and the project managers follow departmental procedures in selecting contractors, requesting and receiving proposals, and maintaining selection related documentation.

- We observed that the Facilities Management Department maintains a construction database (master list), which includes a list of all contractors/vendors by trade or other criteria on its project administration system, so that the University project managers have access to a large pool of contractors to send requests for proposals and thereby encourage competition. However, our

interview of three project managers disclosed that they do not use the construction database; instead they use their own list of preferred contractors. They indicated that the preferred contractors are those contractors who are familiar with FIU buildings and utilities as a result of prior projects. The intent of the prior audit recommendation was to give the University project managers access to a large pool of contractors, which allows more competition and avoids using the same contractor repeatedly.

### **Recommendations**

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|--|--|
| The Facilities Management Department should: |  |
| 4.1  | Enhance the minor project “field guide” to include procedures on selecting contractor, requesting and receiving proposals, and maintaining documentation for project under \$75,000. |
| 4.2  | Require University project managers to use the Department’s contractor master list rather than their own preferred list.   |

### **Management Responses/Action Plan:**

- 4.1 We concur with this recommendation. FMD will expand and amplify the field guide to provide added clarity for projects under the \$75,000 threshold. The update to the field guide will be made no later than June 1, 2011. We note that this category of work under \$75,000 applies to a 20 per cent subset of all minor construction projects performed at FIU.

**Implementation date:** June 1, 2011

- 4.2 We concur with this recommendation. FMD maintains an open master list of contractors for work under \$75,000. FMD will provide training to all project managers no later than June 1, 2011 on the use of the construction database, specifically on the pool of vendors/contractors. Selection of contractors will also include consultation with FMD leadership.

We have found that an open master list is the best way to encourage competition by keeping a large pool of contractors available for FIU work and by enabling new contractors to compete immediately. As suggested in the previous audit report, FMD built a construction database which includes a listing of all contractors/vendors that have been used and are currently used by FMD. This open master list shows that in practice FMD has established a large and varied pool of contractors. It further demonstrates that new contractors have the opportunity to compete for work immediately at the University. Today, a new vendor can compete for work under the \$75,000 threshold according to the RFQ (Request for Quotation) guidelines set by the BOT.

**Implementation date:** June 1, 2011

## **5. American Recovery and Reinvestment Act (ARRA) Fund**

The University was awarded approximately \$15 million in Education Stabilization funds through Florida Department of Education State Fiscal Stabilization Fund Program; an ARRA funded program. During the fiscal year 2009-2010, the Facilities Management Department administered eight construction projects partially funded with \$2.2 million of ARRA funds. A University committee, including staff from the offices of the Provost, Finance and Administration, and Research, selected ARRA funded construction related projects based on input provided by the Facilities Management Department.

### **ARRA Project Eligibility**

According to the U.S. Department of Education guidance on the use of ARRA funds, Section 14004(a) of the ARRA authorizes a public Institute of Higher Education (IHE) to use Education Stabilization funds for:

- Education and general expenditures, in such a way as to mitigate the need to raise tuition and fees for in-State residents; or
- Modernization, renovation, or repair of IHE facilities that are primarily used for instruction, research, or student housing, including modernization, renovation, and repairs that are consistent with a recognized green-building rating system.

The guidance also outlined prohibited use of Education Stabilization funds by IHE for the following activities or purposes:

- To increase its endowment;
- Maintenance of systems, equipment, or facilities;
- Modernization, renovation, or repair of stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public;
- Modernization, renovation, or repair of facilities-
  - (a) Used for sectarian instruction or religious worship; or
  - (b) In which a substantial portion of the functions of the facilities are subsumed in a religious mission.
- New construction; or
- Restoring or supplementing a “rainy day” fund.

We reviewed the eight projects’ scope for compliance with ARRA requirements. Six of the eight projects were in full compliance with the ARRA requirements. However, for two projects we were unable to satisfy ourselves that the scope of the projects was fully aligned with the cited ARRA criteria.

### **ARRA Project Administrative Procedures**

The University developed and prepared a package of documents to be used by contractors to certify their compliance with ARRA requirements. As part of procedures, the contractors were to certify each payment request as meeting the ARRA

requirements and such certifications were to be kept in University construction project files. Our review of construction project files for the five selected ARRA funded projects indicated that the Facilities Management Department processed payment requests but did not obtain and maintain all the required certifications. For example, we reviewed 102 payment applications on file for the five projects and determined that 46 (45%) lacked the required certification by the contractors. Subsequent to our inquiry, the Facilities Management Department obtained the certification from applicable contractors and provided all the 46 missing ARRA certifications.

We also noted that some contractors charged an additional fee for compliance with ARRA requirements by providing a certification. However, they did not provide adequate documentation supporting their incurrence of additional costs in order to comply with the ARRA requirements that resulted in an extra charge to University. In one instance, a contractor charged \$11,440 for 50% of an Administrative Assistant's salary for the duration of the project to collect ARRA compliance related documents from sub-contractors at the work site. Our review of the construction file indicated that this same contractor did not submit all the required certification for the project; they submitted two out of the six certifications they were required to submit. Upon audit inquiry, the contractor provided the remaining four certifications.

In our prior audit, Review of the Administration of American Reinvestment and Recovery Act Funds Program (Report 2009/10-03, dated March 9, 2010), we had a similar finding and recommendation that for all ARRA funded construction projects the Facilities Management Department did not have the required ARRA compliance documentation on file, and the Department agreed to implement the recommendation by June 30, 2010.

### **Recommendation**

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| 5. | The Facilities Management Department should maintain all documentation required to support compliance with ARRA requirements. |
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### **Management Responses/Action Plan:**

5. We concur with this recommendation. The following procedures are now in place for ARRA projects as of April 25, 2011.
- No payment will be processed for any currently designated ARRA project without the proper certifications in place.
  - No payment for any potential ARRA project will be processed without the proper certifications in place.

**Implementation date:** Immediately

## **6. Other Observations**

The Facilities Management Department does not have a formal outreach program for potential contractors. The Director of Construction provided us with a "Vendor Information" memorandum. The memorandum provides guidance to prospective contractors on how to compete for FIU construction work. This information memo is only provided to companies that call with questions about how to do business with FIU. The Director of Construction stated that she prefers to provide the "Vendor Information" memo only after speaking to the prospective vendors and that she in fact encourages a prospective contractor to meet with University project managers prior to applying to become an FIU vendor.

We contacted select professional firms (A/E and CM) and asked them for their assessment of the selection process. Two of the professional firms that responded to our inquiry stated that the selection process appears fair on the surface, but despite a number of proposal submissions for different projects over the years their company has never been shortlisted or invited for interviews.

## **Recommendation**

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| 6. | The Facilities Management Department should consider developing a vendor outreach program, which might include active participation at trade fairs and leveraging the University's website to provide more information to prospective vendors, including local companies, on how to compete for FIU projects. |
|----|---|

## **Management Responses/Action Plan:**

6. We concur with this recommendation. FMD will augment the information currently available on the website with additional detail no later than August 1, 2011.

FMD maintains an open door policy for meeting with any vendor who requests a meeting. In FY10-11 alone, FMD management has held approximately 104 meetings with 79 construction related vendors. During those sessions, FMD personnel in Planning, Construction and Operations have been open about discussing projects, workloads, and how a vendor can compete for work at FIU. FMD is not currently staffed to manage a vendor outreach program, but will work toward designing, launching, managing and sustaining such an outreach program as funding materializes.

With respect to the competitive selection process, F.S. 287.055 permits the consideration of many factors, including location, *"with the object of effecting an equitable distribution of contracts among qualified firms, provided such distribution does not violate the principle of selection of the most highly qualified firms."* We note that the ultimate criterion established by statute is the selection



of the most highly qualified firms, not the geographic location of the firms, though location can be a consideration.

**Implementation date:** August 1, 2011