
**CLERK OF THE CIRCUIT COURT / COMPTROLLER
HILLSBOROUGH COUNTY
TAMPA, FLORIDA 33602**

Subject: VENDOR PAYMENT DISPUTE RESOLUTION PROCEDURE

Effective Date: OCTOBER 1, 2010

Supersedes: NEW

AUTHORITY

Section 218.76, Florida Statutes (2010) requires every local government entity to establish a dispute resolution procedure to be effective by October 1, 2010.

PURPOSE

To require the prompt review and payment of all vendor invoices and if a dispute arises regarding a vendor invoice, a procedure for the prompt resolution of the dispute.

DIRECTIVE

PRE DISPUTE PROCESS

1. Receipt of invoices.

Any invoice or request for payment (“invoice”) received by a department other than Clerk’s Accounting, shall immediately forward the invoice to Clerk’s Accounting. Clerk’s Accounting shall immediately date stamp the invoice on the first page to show the date of receipt. Clerk’s Accounting shall immediately forward a copy of the invoice to the department that utilizes the vendor to review the invoice and determine if it is in proper form for payment.

2. Prompt review of invoices.

Within five (5) calendar days from date of receipt, each invoice must be reviewed to determine that the information contained in the invoice is in compliance with the terms of payment or other material terms of the contract or purchase order that governs the vendor’s right to be paid.

3. Payment of invoices that are not in dispute.

If the invoice reviewed is determined to be in compliance with the terms of the contract or purchase order that governs payment, the invoice shall be noted as “proper” and forwarded to the Accounting Department for payment.

4. Determination that an invoice is not proper and corrective action required.

If a department determines that a vendor’s invoice is not in compliance with the terms of payment or other material terms of the contract or purchase order that governs the vendor’s right of payment, each part of the invoice that is not in compliance with the terms of the appropriate contract or purchase order shall be noted along with the corrective action required to bring the invoice into compliance with the terms of the appropriate contract or purchase order. This information shall be immediately sent to the Contract Administrator of Clerk Administration. If the disputed amount of the invoice is less than two hundred and fifty (\$250.00) dollars, the department may resolve the dispute directly with the vendor and give written notice of the resolution to the Contract Administrator of Clerk Administration. In such cases this Vendor Payment Dispute Resolution Procedure shall be suspended.

5. Notice to vendor of determination that an invoice is not proper and corrective action needed.

On or before ten (10) calendar days following the date of receipt of the invoice (including the date of receipt), the Contract Administrator of Clerk Administration shall provide notice to the vendor identifying each part of the invoice that is not in compliance with the contract or purchase order and the corrective action that is required to bring the invoice into compliance with the contract or purchase order. Notice shall be sent to the vendor by United States mail and by e-mail, if available. The notice shall require the vendor to respond in writing within ten (10) calendar days either acknowledging or disputing the corrective action needed.

6. Partial payment of an invoice that is not proper and corrective action needed.

If any part of an invoice amount is determined to be proper and the corrective action that is required does not affect payment of the proper part of the invoice, then within ten (10) days of

receipt of the invoice, the invoice should be forwarded to the Accounting Department for partial payment of that amount in the invoice that is determined to be proper.

7. Receipt of notice from vendor acknowledging corrective action will be taken.

Notice from a vendor acknowledging that corrective action will be taken shall be date stamped. When a corrected invoice is received, the pre dispute process in paragraphs 1 through 6 above shall be followed.

8. Receipt of notice from vendor disputing the Clerk's determination that the invoice is not proper.

When a vendor sends notice that the vendor disputes the Clerk's determination that the invoice is not proper and requires corrective action, that notice shall be date stamped on the first page of the document to show the date of receipt and forwarded to the Contract Administrator of Clerk Administration and the dispute resolution procedure shall commence.

DISPUTE RESOLUTION PROCEDURE

9.1. Notice to vendor that the Dispute Resolution Procedure has commenced.

The Contract Administrator of Clerk Administration shall acknowledge receipt of the vendor's notice of dispute and provide the vendor with a copy of the Clerk's dispute resolution procedure by United States mail and by e-mail, if available.

9.2. Convening an independent panel to investigate the disputed invoice or request for payment.

The Clerk or the Chief Deputy Clerk shall appoint a panel of two or more members of the senior management staff to investigate the disputed invoice, which panel shall act independently and consider the respective positions of Clerk's staff and the vendor, and make a finding and recommendation to the Clerk for resolution of the dispute. The panel shall select one member to act as moderator. The Contract Administrator of Clerk Administration shall provide any clerical support needed by the panel.

9.3. Investigation of disputed invoice or request for payment by independent panel.

The panel shall initially consider the information provided by Clerk staff in the notice to vendor and the vendor's response together with the terms of the contract or purchase order. As part of the investigation, the panel may request the Clerk's legal counsel for advice regarding any legal interpretation of the contract or purchase order. The panel may also interview any member of Clerk staff that participated in the determination that the invoice was improper.

9.4. Vendor's right to present information to the investigation panel.

The notice to the vendor regarding the Clerk's dispute resolution process shall inform the vendor of the vendor's right to present additional information to the panel within thirty (30) calendar days from the receipt date of the invoice that is disputed. Any additional written information provided by the vendor must be received by the panel within thirty-five (35) days after the receipt date of the invoice that is disputed if the vendor does not appear before the panel as provided below. The panel has no obligation to consider any written information from the vendor that is not received timely.

9.5. Vendor's right to appear before the investigation panel in person or by phone conference.

The notice to the vendor regarding the Clerk's dispute resolution process shall inform the vendor of the vendor's right to appear before the panel in person or by phone conference at a date and time to be determined by the panel, which is within forty (40) days after the date the Clerk received the invoice that is disputed. If the vendor exercises its right to appeal before the panel, the Clerk's staff that determined non-compliance of the invoice may also appear before the panel. The presentation of each side shall not exceed thirty (30) minutes. Either side has the right to transcribe the entire proceeding, using a certified court reporter. The cost of the transcription shall be paid by the party seeking the transcription. If the proceeding is transcribed by either party, the other party is entitled to obtain a copy of the transcript upon payment of the cost of the copy to the certified court reporter.

9.6. Vendor's right to propose compromise to resolve the disputed invoice or request for payment.

It is the policy of the Clerk to consider a resolution of any conflict by compromise. Therefore, there is nothing in this dispute resolution procedure that prohibits the vendor or Clerk staff from negotiations that lead to a proposed compromise of the disputed invoice. However, any such proposed compromise must be presented to the Clerk for approval before the fiftieth (50th) day after the date the Clerk received the disputed invoice.

9.7. Investigation panel to make written findings and recommendations to the Clerk regarding payment or withholding payment of the disputed amount.

After the panel has completed its investigation, the panel shall provide written findings and recommendations to the Clerk regarding the payment or withholding of some or the entire disputed amount of the invoice, including any conditions that the panel deems appropriate. The written findings and recommendations shall be delivered to the Clerk no later than the fifty-fifth (55th) day after the date the disputed invoice was received.

9.8. Clerk's written resolution of the disputed invoice and notice of rights to appeal.

On or before the sixtieth (60th) day after the date the disputed invoice was received, the Clerk shall notify the vendor in writing of the Clerk's decision regarding the disputed invoice and that the decision is a final action. If the Clerk decides in favor of Clerk's staff, then the written decision shall inform the vendor of its right to appeal pursuant to section 218.76, Florida Statutes (2010). If the Clerk's decision is in favor of the vendor, the disputed amount of the invoice shall be paid to the vendor within fifteen (15) days after the Clerk's decision is rendered.

9.9. Written notice to vendor of Clerk's final determination of the disputed invoice.

The Clerk's decision shall be sent to the vendor by United States mail and e-mail, if available.