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Proposed Committee Substitute by the Policy and Steering  
Committee on Ways and Means

1                                   A bill to be entitled  
2           An act relating to state financial matters; amending  
3           s. 17.29, F.S.; authorizing the Chief Financial  
4           Officer to adopt rules requiring that payments made by  
5           the state for goods, services, or anything of value be  
6           made by electronic means; requiring that the rules  
7           include methods for accommodating persons who may not  
8           be able to receive payment by electronic means;  
9           authorizing the Chief Financial Officer to make  
10          payments by warrant if administratively necessary;  
11          amending s. 43.16, F.S.; conforming a cross-reference;  
12          amending s. 215.322, F.S.; conforming provisions to  
13          changes made by the act to authorize state agencies,  
14          local governments, and the judicial branch to accept  
15          payments by electronic funds transfers; providing for  
16          the adoption of rules to facilitate such payments and  
17          to accommodate persons who may not be able to make  
18          payments by electronic means; authorizing the Chief  
19          Financial Officer to adopt rules establishing uniform  
20          security safeguards for cardholder data; creating s.  
21          215.971, F.S.; requiring that the Chief Financial  
22          Officer adopt and disseminate uniform minimum  
23          procedures to state agencies for agreements that  
24          provide state or federal financial assistance to a  
25          recipient or subrecipient; amending s. 216.3475, F.S.;  
26          requiring an agency that is awarded funding on a  
27          noncompetitive basis for certain services as specified



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28 in the General Appropriations Act to maintain  
29 specified documentation supporting a cost analysis;  
30 amending s. 287.056, F.S.; specifying the provisions  
31 to be included in state agency purchasing agreements;  
32 amending s. 287.057, F.S.; removing certain types of  
33 services from an exception to the competitive bid  
34 requirements for the purchase of contractual services;  
35 requiring that an agency document compliance with s.  
36 216.3475, F.S., if the purchase of contractual  
37 services exceeds a certain amount and the services are  
38 not competitively procured; requiring that an agency's  
39 contract manager attend training regarding  
40 accountability in contracts and grant management;  
41 providing for uniform procedures that the Chief  
42 Financial Officer must establish and disseminate to  
43 state agencies; subjecting users of certain state term  
44 contracts to a transaction or user fee; amending s.  
45 287.0571, F.S.; conforming a cross-reference; amending  
46 s. 287.058, F.S.; revising provisions regarding  
47 contracts for services; specifying provisions to be  
48 included in such contracts; amending ss. 295.187,  
49 394.47865, 402.40, 402.7305, 408.045, 427.0135, and  
50 570.07, F.S.; conforming cross-references; requiring  
51 state agencies to provide specified information to the  
52 Department of Financial Services relating to the  
53 purchase of commodities or services; requiring state  
54 agencies to review and renegotiate contract renewals  
55 and reprocurments in an effort to reduce contract  
56 payments; requiring the Executive Office of the



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57 Governor to place savings from the renegotiation of  
58 contract renewals or reprocurements in reserve;  
59 restricting funding for travel by state employees;  
60 requiring that certain travel be approved in writing  
61 by the agency head; providing exceptions; requiring  
62 each state agency to review its contracts to ensure  
63 that contractors comply with applicable preferred-  
64 pricing clauses; requiring certain contracts  
65 containing a preferred-pricing clause to require that  
66 the contractor submit an affidavit attesting to the  
67 contractor's compliance with the clause; defining the  
68 term "preferred-pricing clause"; providing an  
69 appropriation to the Department of Financial Services  
70 and authorizing additional full-time equivalent  
71 positions; providing an effective date.

72

73 Be It Enacted by the Legislature of the State of Florida:

74

75 Section 1. Section 17.29, Florida Statutes, is amended to  
76 read:

77 17.29 Authority to prescribe rules.—The Chief Financial  
78 Officer may adopt rules pursuant to ss. 120.536(1) and 120.54 to  
79 implement this chapter and the duties assigned by statute or the  
80 State Constitution. Such rules may include, but are not limited  
81 to, the following:

82 (1) Procedures or policies relating to the processing of  
83 payments from salaries, other personal services, or any other  
84 applicable appropriation.

85 (2) Procedures for processing interagency and intraagency



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86 payments that ~~which~~ do not require the issuance of a state  
87 warrant.

88 (3) Procedures or policies requiring that payments made by  
89 the state for goods, services, or anything of value be made by  
90 electronic means, including, but not limited to, debit cards,  
91 credit cards, or electronic funds transfers.

92 (4) A method that reasonably accommodates persons who,  
93 because of technological, financial, or other hardship, may not  
94 be able to receive payments by electronic means. The Chief  
95 Financial Officer may make payments by state warrant if deemed  
96 administratively necessary.

97 Section 2. Subsection (1) of section 43.16, Florida  
98 Statutes, is amended to read:

99 43.16 Justice Administrative Commission; membership, powers  
100 and duties.—

101 (1) There is hereby created a Justice Administrative  
102 Commission, with headquarters located in the state capital. The  
103 necessary office space for use of the commission shall be  
104 furnished by the proper state agency in charge of state  
105 buildings. For purposes of the fees imposed on agencies pursuant  
106 to s. 287.057(24) ~~s. 287.057(23)~~, the Justice Administrative  
107 Commission shall be exempt from such fees.

108 Section 3. Section 215.322, Florida Statutes, is amended to  
109 read:

110 215.322 Acceptance of credit cards, charge cards, ~~or~~ debit  
111 cards, or electronic funds transfers by state agencies, units of  
112 local government, and the judicial branch.—

113 (1) It is the intent of the Legislature to encourage state  
114 agencies, the judicial branch, and units of local government to



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115 make their goods, services, and information more convenient to  
116 the public through the acceptance of payments by credit cards,  
117 charge cards, ~~and~~ debit cards, or other means of electronic  
118 funds transfers to the maximum extent practicable when the  
119 benefits to the participating agency and the public substantiate  
120 the cost of accepting these types of payments.

121 (2) A state agency as defined in s. 216.011, or the  
122 judicial branch, may accept credit cards, charge cards, ~~or~~ debit  
123 cards, or electronic funds transfers in payment for goods and  
124 services with the prior approval of the Chief Financial Officer.  
125 If the Internet or other related electronic methods are to be  
126 used as the collection medium, the Agency for Enterprise  
127 Information Technology shall review and recommend to the Chief  
128 Financial Officer whether to approve the request with regard to  
129 the process or procedure to be used.

130 (3) The Chief Financial Officer shall adopt rules governing  
131 the establishment and acceptance of credit cards, charge cards,  
132 ~~or~~ debit cards, or electronic funds transfers by state agencies  
133 or the judicial branch, including, but not limited to, the  
134 following:

135 (a) Use Utilization of a standardized contract between the  
136 financial institution or other appropriate intermediaries and  
137 the agency or judicial branch which shall be developed by the  
138 Chief Financial Officer or approval by the Chief Financial  
139 Officer of a substitute agreement.

140 (b) Procedures that ~~which~~ permit an agency or officer  
141 accepting payment by credit card, charge card, ~~or~~ debit card, or  
142 electronic funds transfer to impose a convenience fee upon the  
143 person making the payment. However, the total amount of such



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144 convenience fees may ~~shall~~ not exceed the total cost to the  
145 state agency. A convenience fee is not refundable to the payor.  
146 However ~~Notwithstanding the foregoing~~, this section does ~~shall~~  
147 not ~~be construed to~~ permit the imposition of surcharges on any  
148 other credit card purchase in violation of s. 501.0117.

149 (c) All service fees payable pursuant to this section ~~when~~  
150 ~~practicable~~ shall be invoiced and paid by state warrant or such  
151 other manner that is satisfactory to the Chief Financial Officer  
152 in accordance with the time periods specified in s. 215.422, if  
153 practicable.

154 (d) Submission of information to the Chief Financial  
155 Officer concerning the acceptance of credit cards, charge cards,  
156 ~~or~~ debit cards, or electronic funds transfers by all state  
157 agencies or the judicial branch.

158 (e) A methodology for agencies to use when completing the  
159 cost-benefit analysis referred to in subsection (1). The  
160 methodology must consider all quantifiable cost reductions,  
161 other benefits to the agency, and the potential impact on  
162 general revenue. The methodology must also consider  
163 nonquantifiable benefits such as the convenience to individuals  
164 and businesses that would benefit from the ability to pay for  
165 state goods and services through the use of credit cards, charge  
166 cards, ~~and~~ debit cards, or electronic funds transfers.

167 (4) The Chief Financial Officer may establish contracts  
168 with one or more financial institutions, credit card companies,  
169 or other entities that ~~which~~ may lawfully provide such services,  
170 in a manner consistent with chapter 287, for processing credit  
171 card, charge card, ~~or~~ debit card, or electronic funds transfer  
172 collections for deposit into the State Treasury or another



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173 qualified public depository. Any state agency, or the judicial  
174 branch, which accepts payment by credit card, charge card, ~~or~~  
175 debit card, or electronic funds transfer shall use at least one  
176 of the contractors established by the Chief Financial Officer,  
177 unless the state agency or judicial branch obtains authorization  
178 from the Chief Financial Officer to use another contractor that  
179 ~~which~~ is more advantageous to the ~~such~~ state agency or the  
180 judicial branch. The ~~Such~~ contracts may authorize a unit of  
181 local government to use the services upon the same terms and  
182 conditions for deposit of credit card, charge card, ~~or~~ debit  
183 card, or electronic funds transfer transactions into its  
184 qualified public depositories.

185 (5) A unit of local government, including ~~which term means~~  
186 a municipality, special district, or board of county  
187 commissioners or other governing body of a county, ~~however~~  
188 ~~styled, including that of~~ a consolidated or metropolitan  
189 government, and ~~means~~ any clerk of the circuit court, sheriff,  
190 property appraiser, tax collector, or supervisor of elections,  
191 is authorized to accept payment by use of credit cards, charge  
192 cards, ~~and~~ bank debit cards, and electronic funds transfers for  
193 financial obligations that are owing to such unit of local  
194 government and to surcharge the person who uses a credit card,  
195 charge card, ~~or~~ bank debit card, or electronic funds transfer in  
196 payment of taxes, license fees, tuition, fines, civil penalties,  
197 court-ordered payments, or court costs, or other statutorily  
198 prescribed revenues an amount sufficient to pay the service fee  
199 charges by the financial institution, vending service company,  
200 or credit card company for such services. A unit of local  
201 government shall verify both the validity of any credit card,



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202 charge card, ~~or~~ bank debit card, or electronic funds transfer  
203 used pursuant to this subsection and the existence of  
204 appropriate credit with respect to the person using the card or  
205 transfer. The unit of local government does not incur any  
206 liability as a result of such verification or any subsequent  
207 action taken.

208 (6) Any action required to be performed by a state officer  
209 or agency pursuant to this section shall be performed within 10  
210 working days after receipt of the request for approval or be  
211 deemed approved if not acted upon within that time.

212 (7) ~~Nothing contained in~~ This section does not shall be  
213 ~~construed to~~ prohibit a state agency or the judicial branch from  
214 continuing to accept charge cards, ~~or~~ debit cards, or electronic  
215 funds transfers pursuant to a contract that ~~which~~ was lawfully  
216 entered into before ~~prior to~~ the effective date of this act,  
217 unless specifically directed otherwise in the General  
218 Appropriations Act. However, such contract may ~~shall~~ not be  
219 extended or renewed after the effective date of this act unless  
220 such renewal and extension conforms to the requirements of this  
221 section.

222 (8) When deemed administratively necessary, a state agency,  
223 as defined in s. 216.011, or the judicial branch may adopt rules  
224 requiring that payments for goods, services, or anything of  
225 value be made by electronic means, including, but not limited  
226 to, credit cards, charge cards, debit cards, or electronic funds  
227 transfers. The rules must provide a method to reasonably  
228 accommodate persons who, because of technological, financial, or  
229 other hardship, may not be able to make payment by electronic  
230 means.





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231       (9) For payment programs in which credit cards, charge  
232 cards, or debit cards are accepted by state agencies, the  
233 judicial branch, or units of local government, the Chief  
234 Financial Officer, in consultation with the Agency for  
235 Enterprise Information Technology, may adopt rules to establish  
236 uniform security safeguards for cardholder data and to ensure  
237 compliance with the Payment Card Industry Data Security  
238 Standards.

239       Section 4. Section 215.971, Florida Statutes, is created to  
240 read:

241       215.971 Agreements funded by federal or state financial  
242 assistance.—The Chief Financial Officer shall adopt and  
243 disseminate uniform minimum procedures to state agencies  
244 pursuant to s. 17.03 for agreements that provide state or  
245 federal financial assistance to a recipient or subrecipient.

246       Section 5. Section 216.3475, Florida Statutes, is amended  
247 to read:

248       216.3475 Maximum rate of payment for services funded under  
249 General Appropriations Act or awarded on a noncompetitive  
250 basis.—A person or entity that is designated by the General  
251 Appropriations Act, or that is awarded funding on a  
252 noncompetitive basis, to provide services for which funds are  
253 appropriated by that act may not receive a rate of payment in  
254 excess of the competitive prevailing rate for those services  
255 unless expressly authorized in the General Appropriations Act.  
256 Each agency shall maintain documentation to support a cost  
257 analysis, which includes a detailed budget submitted by the  
258 person or entity awarded funding and the agency's documented  
259 review of individual cost elements from the submitted budget for



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260 allowability, reasonableness, and necessity.

261 Section 6. Subsection (1) of section 287.056, Florida  
262 Statutes, is amended to read:

263 287.056 Purchases from purchasing agreements and state term  
264 contracts.—

265 (1) Agencies shall, and eligible users may, purchase  
266 commodities and contractual services from purchasing agreements  
267 established and state term contracts procured, pursuant to s.  
268 287.057, by the department. Each agency agreement made under  
269 this subsection shall include:

270 (a) A provision specifying a scope of work that clearly  
271 establishes all tasks that the contractor is required to  
272 perform.

273 (b) A provision dividing the contract into quantifiable,  
274 measurable, and verifiable units of deliverables that must be  
275 received and accepted in writing by the contract manager before  
276 payment. Each deliverable must be directly related to the scope  
277 of work and specify the required minimum level of service to be  
278 performed and the criteria for evaluating the successful  
279 completion of each deliverable.

280 Section 7. Present subsections (6) through (24) of section  
281 287.057, Florida Statutes, are redesignated as subsections (7)  
282 through (25), respectively, a new subsection (6) is added to  
283 that section, and present subsections (5) and (15) of that  
284 section are amended, to read:

285 287.057 Procurement of commodities or contractual  
286 services.—

287 (5) When the purchase price of commodities or contractual  
288 services exceeds the threshold amount provided in s. 287.017 for



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289 CATEGORY TWO, no purchase of commodities or contractual services  
290 may be made without receiving competitive sealed bids,  
291 competitive sealed proposals, or competitive sealed replies  
292 unless:

293 (a) The agency head determines in writing that an immediate  
294 danger to the public health, safety, or welfare or other  
295 substantial loss to the state requires emergency action. After  
296 the agency head makes such a written determination, the agency  
297 may proceed with the procurement of commodities or contractual  
298 services necessitated by the immediate danger, without receiving  
299 competitive sealed bids, competitive sealed proposals, or  
300 competitive sealed replies. However, such emergency procurement  
301 shall be made by obtaining pricing information from at least two  
302 prospective vendors, which must be retained in the contract  
303 file, unless the agency determines in writing that the time  
304 required to obtain pricing information will increase the  
305 immediate danger to the public health, safety, or welfare or  
306 other substantial loss to the state. The agency shall furnish  
307 copies of all written determinations certified under oath and  
308 any other documents relating to the emergency action to the  
309 department. A copy of the statement shall be furnished to the  
310 Chief Financial Officer with the voucher authorizing payment.  
311 The individual purchase of personal clothing, shelter, or  
312 supplies which are needed on an emergency basis to avoid  
313 institutionalization or placement in a more restrictive setting  
314 is an emergency for the purposes of this paragraph, and the  
315 filing with the department of such statement is not required in  
316 such circumstances. In the case of the emergency purchase of  
317 insurance, the period of coverage of such insurance shall not



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318 exceed a period of 30 days, and all such emergency purchases  
319 shall be reported to the department.

320 (b) The purchase is made by an agency from a state term  
321 contract procured, pursuant to this section, by the department  
322 or by an agency, after receiving approval from the department,  
323 from a contract procured, pursuant to subsection (1), subsection  
324 (2), or subsection (3), by another agency.

325 (c) Commodities or contractual services available only from  
326 a single source may be excepted from the competitive-  
327 solicitation requirements. When an agency believes that  
328 commodities or contractual services are available only from a  
329 single source, the agency shall electronically post a  
330 description of the commodities or contractual services sought  
331 for a period of at least 7 business days. The description must  
332 include a request that prospective vendors provide information  
333 regarding their ability to supply the commodities or contractual  
334 services described. If it is determined in writing by the  
335 agency, after reviewing any information received from  
336 prospective vendors, that the commodities or contractual  
337 services are available only from a single source, the agency  
338 shall:

339 1. Provide notice of its intended decision to enter a  
340 single-source purchase contract in the manner specified in s.  
341 120.57(3), if the amount of the contract does not exceed the  
342 threshold amount provided in s. 287.017 for CATEGORY FOUR.

343 2. Request approval from the department for the single-  
344 source purchase, if the amount of the contract exceeds the  
345 threshold amount provided in s. 287.017 for CATEGORY FOUR. The  
346 agency shall initiate its request for approval in a form



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347 prescribed by the department, which request may be  
348 electronically transmitted. The failure of the department to  
349 approve or disapprove the agency's request for approval within  
350 21 days after receiving such request shall constitute prior  
351 approval of the department. If the department approves the  
352 agency's request, the agency shall provide notice of its  
353 intended decision to enter a single-source contract in the  
354 manner specified in s. 120.57(3).

355 (d) When it is in the best interest of the state, the  
356 secretary of the department or his or her designee may authorize  
357 the Support Program to purchase insurance by negotiation, but  
358 such purchase shall be made only under conditions most favorable  
359 to the public interest.

360 (e) Prescriptive assistive devices for the purpose of  
361 medical, developmental, or vocational rehabilitation of clients  
362 are excepted from competitive-solicitation requirements and  
363 shall be procured pursuant to an established fee schedule or by  
364 any other method which ensures the best price for the state,  
365 taking into consideration the needs of the client. Prescriptive  
366 assistive devices include, but are not limited to, prosthetics,  
367 orthotics, and wheelchairs. For purchases made pursuant to this  
368 paragraph, state agencies shall annually file with the  
369 department a description of the purchases and methods of  
370 procurement.

371 (f) The following contractual services and commodities are  
372 not subject to the competitive-solicitation requirements of this  
373 section:

374 1. Artistic services. For the purposes of this subsection,  
375 the term "artistic services" does not include advertising. As



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376 used in this subparagraph, the term "advertising" means the  
377 making of a representation in any form in connection with a  
378 trade, business, craft, or profession in order to promote the  
379 supply of commodities or services by the person promoting the  
380 commodities or contractual services.

381 ~~2. Academic program reviews.~~

382 ~~2.3. Lectures by individuals.~~

383 ~~4. Auditing services.~~

384 ~~4.5. Legal services, including attorney, paralegal, expert~~  
385 ~~witness, appraisal, or mediator services.~~

386 ~~6. Health services involving examination, diagnosis,~~  
387 ~~treatment, prevention, medical consultation, or administration.~~

388 ~~5.7. Services provided to persons with mental or physical~~  
389 ~~disabilities by not-for-profit corporations which have obtained~~  
390 ~~exemptions under the provisions of s. 501(c)(3) of the United~~  
391 ~~States Internal Revenue Code or when such services are governed~~  
392 ~~by the provisions of Office of Management and Budget Circular A-~~  
393 ~~122. However, in acquiring such services, the agency shall~~  
394 ~~consider the ability of the vendor, past performance,~~  
395 ~~willingness to meet time requirements, and price.~~

396 ~~8. Medicaid services delivered to an eligible Medicaid~~  
397 ~~recipient by a health care provider who has not previously~~  
398 ~~applied for and received a Medicaid provider number from the~~  
399 ~~Agency for Health Care Administration. However, this exception~~  
400 ~~shall be valid for a period not to exceed 90 days after the date~~  
401 ~~of delivery to the Medicaid recipient and shall not be renewed~~  
402 ~~by the agency.~~

403 ~~6.9. Family placement services.~~

404 ~~7.10. Prevention services related to mental health,~~



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405 including drug abuse prevention programs, child abuse prevention  
406 programs, and shelters for runaways, operated by not-for-profit  
407 corporations. However, in acquiring such services, the agency  
408 shall consider the ability of the vendor, past performance,  
409 willingness to meet time requirements, and price.

410 ~~8.11.~~ Training and education services provided to injured  
411 employees pursuant to s. 440.491(6).

412 ~~9.12.~~ Contracts entered into pursuant to s. 337.11.

413 ~~10.13.~~ Services or commodities provided by governmental  
414 agencies.

415 (g) Continuing education events or programs that are  
416 offered to the general public and for which fees have been  
417 collected that pay all expenses associated with the event or  
418 program are exempt from requirements for competitive  
419 solicitation.

420 (6) An agency must document its compliance with s. 216.3475  
421 if the purchase of contractual services exceeds the threshold  
422 amount provided in s. 287.017 for CATEGORY TWO and such services  
423 are not competitively procured.

424 ~~(16)-(15)~~ For each contractual services contract, the agency  
425 shall designate an employee to function as contract manager who  
426 shall be responsible for enforcing performance of the contract  
427 terms and conditions and serve as a liaison with the contractor.  
428 Each contract manager who is responsible for contracts in excess  
429 of the threshold amount for CATEGORY TWO must attend training  
430 conducted by the Chief Financial Officer for accountability in  
431 contracts and grant management. The Chief Financial Officer  
432 agency shall establish and disseminate uniform procedures  
433 pursuant to s. 17.03(3) to ensure that contractual services have



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434 been rendered in accordance with the contract terms before the  
435 agency processes prior to processing the invoice for payment.  
436 The procedures shall include, but need not be limited to,  
437 procedures for monitoring and documenting contractor  
438 performance, reviewing and documenting all deliverables for  
439 which payment is requested by vendors, and providing written  
440 certification by contract managers of the agency's receipt of  
441 goods and services.

442 Section 8. Contracts for academic program reviews, auditing  
443 services, health services, and Medicaid services are subject the  
444 transaction or user fees imposed under ss. 287.057(23) and  
445 287.1345, Florida Statutes, only to the extent that such  
446 contracts were subjected to such transaction or user fees before  
447 July 1, 2010.

448 Section 9. Paragraph (a) of subsection (4) of section  
449 287.0571, Florida Statutes, is amended to read:

450 287.0571 Applicability of ss. 287.0571-287.0574.-

451 (4) Sections 287.0571-287.0574 do not apply to:

452 (a) A procurement of commodities and contractual services  
453 listed in s. 287.057(5) (e), (f), and (g) and (23)(22).

454 Section 10. Subsection (1) of section 287.058, Florida  
455 Statutes, is amended to read:

456 287.058 Contract document.-

457 (1) Every procurement of contractual services in excess of  
458 the threshold amount provided in s. 287.017 for CATEGORY TWO,  
459 except for the providing of health and mental health services or  
460 drugs in the examination, diagnosis, or treatment of sick or  
461 injured state employees or the providing of other benefits as  
462 required by the provisions of chapter 440, shall be evidenced by





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463 a written agreement embodying all provisions and conditions of  
464 the procurement of such services, which ~~provisions and~~  
465 ~~conditions~~ shall, where applicable, include, but ~~shall~~ not be  
466 limited to, a provision:

467 (a) ~~A provision~~ That bills for fees or other compensation  
468 for services or expenses be submitted in detail sufficient for a  
469 proper preaudit and postaudit thereof.

470 (b) ~~A provision~~ That bills for any travel expenses be  
471 submitted in accordance with s. 112.061. A state agency may  
472 establish rates lower than the maximum provided in s. 112.061.

473 (c) ~~A provision~~ Allowing unilateral cancellation by the  
474 agency for refusal by the contractor to allow public access to  
475 all documents, papers, letters, or other material made or  
476 received by the contractor in conjunction with the contract,  
477 unless the records are exempt from s. 24(a) of Art. I of the  
478 State Constitution and s. 119.07(1).

479 (d) Specifying a scope of work that clearly establishes all  
480 tasks the contractor is required to perform.

481 (e)-(d) A provision Dividing the contract into quantifiable,  
482 measurable, and verifiable units of deliverables, ~~which shall~~  
483 ~~include, but not be limited to, reports, findings, and drafts,~~  
484 that must be received and accepted in writing by the contract  
485 manager before ~~prior to~~ payment. Each deliverable must be  
486 directly related to the scope of work and specify the required  
487 minimum level of service to be performed and criteria for  
488 evaluating the successful completion of each deliverable.

489 (f)-(e) A provision Specifying the criteria and the final  
490 date by which such criteria must be met for completion of the  
491 contract.



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492        (g) ~~(f)~~ A ~~provision~~ Specifying that the contract may be  
493 renewed for a period that may not exceed 3 years or the term of  
494 the original contract, whichever period is longer, specifying  
495 the renewal price for the contractual service as set forth in  
496 the bid, proposal, or reply, specifying that costs for the  
497 renewal may not be charged, and specifying that renewals shall  
498 be contingent upon satisfactory performance evaluations by the  
499 agency and subject to the availability of funds. Exceptional  
500 purchase contracts pursuant to s. 287.057(5) (a) and (c) may not  
501 be renewed.

502        (h) Specifying the financial consequences that the agency  
503 must apply if the contractor fails to perform in accordance with  
504 the contract.

505        (i) Addressing the property rights of any intellectual  
506 property related to the contract and the specific rights of the  
507 state regarding the intellectual property if the contractor  
508 fails to provide the services or is no longer providing  
509 services.

510  
511 In lieu of a written agreement, the department may authorize the  
512 use of a purchase order for classes of contractual services, if  
513 the provisions of paragraphs (a)-(i) ~~(a)-(f)~~ are included in the  
514 purchase order or solicitation. The purchase order must include,  
515 but need not be limited to, an adequate description of the  
516 services, the contract period, and the method of payment. In  
517 lieu of printing the provisions of paragraphs (a)-(i) ~~(a)-(f)~~ in  
518 the contract document or purchase order, agencies may  
519 incorporate the requirements of paragraphs (a)-(i) ~~(a)-(f)~~ by  
520 reference.



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521 Section 11. Paragraph (b) of subsection (4) of section  
522 295.187, Florida Statutes, is amended to read:

523 295.187 Florida Service-Disabled Veteran Business  
524 Enterprise Opportunity Act.—

525 (4) VENDOR PREFERENCE.—

526 (b) Notwithstanding s. 287.057(13) ~~s. 287.057(12)~~, if a  
527 service-disabled veteran business enterprise entitled to the  
528 vendor preference under this section and one or more businesses  
529 entitled to this preference or another vendor preference  
530 provided by law submit bids, proposals, or replies for  
531 procurement of commodities or contractual services that are  
532 equal with respect to all relevant considerations, including  
533 price, quality, and service, then the state agency shall award  
534 the procurement or contract to the business having the smallest  
535 net worth.

536 Section 12. Paragraph (a) of subsection (1) of section  
537 394.47865, Florida Statutes, is amended to read:

538 394.47865 South Florida State Hospital; privatization.—

539 (1) The Department of Children and Family Services shall,  
540 through a request for proposals, privatize South Florida State  
541 Hospital. The department shall plan to begin implementation of  
542 this privatization initiative by July 1, 1998.

543 (a) Notwithstanding s. 287.057(15) ~~s. 287.057(14)~~, the  
544 department may enter into agreements, not to exceed 20 years,  
545 with a private provider, a coalition of providers, or another  
546 agency to finance, design, and construct a treatment facility  
547 having up to 350 beds and to operate all aspects of daily  
548 operations within the facility. The department may subcontract  
549 any or all components of this procurement to a statutorily



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550 established state governmental entity that has successfully  
551 contracted with private companies for designing, financing,  
552 acquiring, leasing, constructing, and operating major privatized  
553 state facilities.

554 Section 13. Paragraph (c) of subsection (5) and subsection  
555 (8) of section 402.40, Florida Statutes, are amended to read:

556 402.40 Child welfare training.—

557 (5) CORE COMPETENCIES.—

558 (c) Notwithstanding s. 287.057(5) and ~~(23)~~(22), the  
559 department shall competitively solicit and contract for the  
560 development, validation, and periodic evaluation of the training  
561 curricula for the established single integrated curriculum. No  
562 more than one training curriculum may be developed for each  
563 specific subset of the core competencies.

564 (8) ESTABLISHMENT OF TRAINING ACADEMIES.—The department  
565 shall establish child welfare training academies as part of a  
566 comprehensive system of child welfare training. In establishing  
567 a program of training, the department may contract for the  
568 operation of one or more training academies to perform one or  
569 more of the following: to offer one or more of the training  
570 curricula developed under subsection (5); to administer the  
571 certification process; to develop, validate, and periodically  
572 evaluate additional training curricula determined to be  
573 necessary, including advanced training that is specific to a  
574 region or contractor, or that meets a particular training need;  
575 or to offer the additional training curricula. The number,  
576 location, and timeframe for establishment of training academies  
577 shall be approved by the Secretary of Children and Family  
578 Services who shall ensure that the goals for the core



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579 competencies and the single integrated curriculum, the  
580 certification process, the trainer qualifications, and the  
581 additional training needs are addressed. Notwithstanding s.  
582 287.057(5) and ~~(23)(22)~~, the department shall competitively  
583 solicit all training academy contracts.

584 Section 14. Subsections (2) and (3) of section 402.7305,  
585 Florida Statutes, are amended to read:

586 402.7305 Department of Children and Family Services;  
587 procurement of contractual services; contract management.—

588 (2) PROCUREMENT OF COMMODITIES AND CONTRACTUAL SERVICES.—

589 (a) Notwithstanding s. 287.057(5)(f)10. ~~s.~~

590 ~~287.057(5)(f)13.~~, whenever the department intends to contract  
591 with a public postsecondary institution to provide a service,  
592 the department must allow all public postsecondary institutions  
593 in this state which ~~that~~ are accredited by the Southern  
594 Association of Colleges and Schools to bid on the contract.  
595 Thereafter, notwithstanding any other provision to the contrary,  
596 if a public postsecondary institution intends to subcontract for  
597 any service awarded in the contract, the subcontracted service  
598 must be procured by competitive procedures.

599 (b) When it is in the best interest of a defined segment of  
600 its consumer population, the department may competitively  
601 procure and contract for systems of treatment or service that  
602 involve multiple providers, rather than procuring and  
603 contracting for treatment or services separately from each  
604 participating provider. The department must ensure that all  
605 providers that participate in the treatment or service system  
606 meet all applicable statutory, regulatory, service quality, and  
607 cost control requirements. If other governmental entities or



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608 units of special purpose government contribute matching funds to  
609 the support of a given system of treatment or service, the  
610 department shall formally request information from those funding  
611 entities in the procurement process and may take the information  
612 received into account in the selection process. If a local  
613 government contributes matching funds to support the system of  
614 treatment or contracted service and if the match constitutes at  
615 least 25 percent of the value of the contract, the department  
616 shall afford the governmental match contributor an opportunity  
617 to name an employee as one of the persons required by s.  
618 287.057(18) ~~s. 287.057(17)~~ to evaluate or negotiate certain  
619 contracts, unless the department sets forth in writing the  
620 reason why the inclusion would be contrary to the best interest  
621 of the state. Any employee so named by the governmental match  
622 contributor shall qualify as one of the persons required by s.  
623 287.057(18) ~~s. 287.057(17)~~. A governmental entity or unit of  
624 special purpose government may not name an employee as one of  
625 the persons required by s. 287.057(18) ~~s. 287.057(17)~~ if it, or  
626 any of its political subdivisions, executive agencies, or  
627 special districts, intends to compete for the contract to be  
628 awarded. The governmental funding entity or contributor of  
629 matching funds must comply with all procurement procedures set  
630 forth in s. 287.057 when appropriate and required.

631 (c) The department may procure and contract for or provide  
632 assessment and case management services independently from  
633 treatment services.

634 (3) CONTRACT MANAGEMENT REQUIREMENTS AND PROCESS.—The  
635 Department of Children and Family Services shall review the time  
636 period for which the department executes contracts and shall



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637 execute multiyear contracts to make the most efficient use of  
638 the resources devoted to contract processing and execution.  
639 Whenever the department chooses not to use a multiyear contract,  
640 a justification for that decision must be contained in the  
641 contract. Notwithstanding s. 287.057(16) ~~s. 287.057(15)~~, the  
642 department is responsible for establishing a contract management  
643 process that requires a member of the department's Senior  
644 Management or Selected Exempt Service to assign in writing the  
645 responsibility of a contract to a contract manager. The  
646 department shall maintain a set of procedures describing its  
647 contract management process which must minimally include the  
648 following requirements:

649 (a) The contract manager shall maintain the official  
650 contract file throughout the duration of the contract and for a  
651 period not less than 6 years after the termination of the  
652 contract.

653 (b) The contract manager shall review all invoices for  
654 compliance with the criteria and payment schedule provided for  
655 in the contract and shall approve payment of all invoices before  
656 their transmission to the Department of Financial Services for  
657 payment.

658 (c) The contract manager shall maintain a schedule of  
659 payments and total amounts disbursed and shall periodically  
660 reconcile the records with the state's official accounting  
661 records.

662 (d) For contracts involving the provision of direct client  
663 services, the contract manager shall periodically visit the  
664 physical location where the services are delivered and speak  
665 directly to clients receiving the services and the staff



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666 responsible for delivering the services.

667 (e) The contract manager shall meet at least once a month  
668 directly with the contractor's representative and maintain  
669 records of such meetings.

670 (f) The contract manager shall periodically document any  
671 differences between the required performance measures and the  
672 actual performance measures. If a contractor fails to meet and  
673 comply with the performance measures established in the  
674 contract, the department may allow a reasonable period for the  
675 contractor to correct performance deficiencies. If performance  
676 deficiencies are not resolved to the satisfaction of the  
677 department within the prescribed time, and if no extenuating  
678 circumstances can be documented by the contractor to the  
679 department's satisfaction, the department must terminate the  
680 contract. The department may not enter into a new contract with  
681 that same contractor for the services for which the contract was  
682 previously terminated for a period of at least 24 months after  
683 the date of termination. The contract manager shall obtain and  
684 enforce corrective action plans, if appropriate, and maintain  
685 records regarding the completion or failure to complete  
686 corrective action items.

687 (g) The contract manager shall document any contract  
688 modifications, which shall include recording any contract  
689 amendments as provided for in this section.

690 (h) The contract manager shall be properly trained before  
691 being assigned responsibility for any contract.

692 Section 15. Subsection (2) of section 408.045, Florida  
693 Statutes, is amended to read:

694 408.045 Certificate of need; competitive sealed proposals.-





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695 (2) The agency shall make a decision regarding the issuance  
696 of the certificate of need in accordance with the provisions of  
697 s. 287.057(18) ~~s. 287.057(17)~~, rules adopted by the agency  
698 relating to intermediate care facilities for the developmentally  
699 disabled, and the criteria in s. 408.035, as further defined by  
700 rule.

701 Section 16. Subsection (3) of section 427.0135, Florida  
702 Statutes, is amended to read:

703 427.0135 Purchasing agencies; duties and responsibilities.—  
704 Each purchasing agency, in carrying out the policies and  
705 procedures of the commission, shall:

706 (3) Not procure transportation disadvantaged services  
707 without initially negotiating with the commission, as provided  
708 in s. 287.057(5)(f)10. ~~s. 287.057(5)(f)13.~~, or unless otherwise  
709 authorized by statute. If the purchasing agency, after  
710 consultation with the commission, determines that it cannot  
711 reach mutually acceptable contract terms with the commission,  
712 the purchasing agency may contract for the same transportation  
713 services provided in a more cost-effective manner and of  
714 comparable or higher quality and standards. The Medicaid agency  
715 shall implement this subsection in a manner consistent with s.  
716 409.908(18) and as otherwise limited or directed by the General  
717 Appropriations Act.

718 Section 17. Subsection (41) of section 570.07, Florida  
719 Statutes, is amended to read:

720 570.07 Department of Agriculture and Consumer Services;  
721 functions, powers, and duties.—The department shall have and  
722 exercise the following functions, powers, and duties:

723 (41) Notwithstanding the provisions of s. 287.057(24) which



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724 ~~s. 287.057(23)~~ that require all agencies to use the online  
725 procurement system developed by the Department of Management  
726 Services, the department may continue to use its own online  
727 system. However, vendors using ~~utilizing~~ such system must ~~shall~~  
728 be prequalified as meeting mandatory requirements and  
729 qualifications and shall remit fees pursuant to s. 287.057(24)  
730 ~~s. 287.057(23)~~, and any rules implementing s. 287.057.

731 Section 18. (1) Each state agency, as defined in s.  
732 216.011, Florida Statutes, shall provide the following  
733 information to the Department of Financial Services regarding  
734 the agency's contracted activities:

735 (a) The nature of the commodities or services purchased.

736 (b) The term of the contract.

737 (c) The final obligation made by the agency.

738 (d) A summary of any time constraints that apply to the  
739 procurement.

740 (e) The justification for not using the competitive sealed  
741 bid process, including any statutory exemption or exception.

742 (f) Other information regarding the contract or the  
743 procurement which may be required by the Department of Financial  
744 Services.

745 (2) This section applies to any contract executed on or  
746 after July 1, 2010, for the purchase of commodities or  
747 contractual services in excess of the CATEGORY TWO threshold  
748 amount provided in s. 287.017, Florida Statutes, which is not:

749 (a) Awarded by competitive sealed bid pursuant to s.  
750 287.057(1), (2), or (3), Florida Statutes; or

751 (b) Purchased from a purchasing agreement or state term  
752 contract pursuant to s. 287.056, Florida Statutes.



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753       (3) An agency must submit the required information to the  
754 Department of Financial Services within 3 calendar days after  
755 executing the contract.

756       Section 19. Each state agency, as defined in s. 216.011,  
757 Florida Statutes, shall review existing contract renewals and  
758 reprocurements with private providers and public-private  
759 providers in an effort to reduce contract payments by 3 percent.  
760 It is the statewide goal to achieve substantial savings;  
761 however, it is the intent of the Legislature that the level and  
762 quality of services not be affected. Each agency shall  
763 renegotiate and reprocure contracts consistent with this  
764 section. Any savings that accrue through renegotiating the  
765 renewal or reprocurement of an existing contract shall be placed  
766 in reserve by the Executive Office of the Governor.

767       Section 20. It is the policy of the state that funds  
768 appropriated to each state agency, as defined in s. 216.011,  
769 Florida Statutes, which may be used for travel by state  
770 employees be limited to travel for activities that are critical  
771 to the state agency's mission. Funds may not be used to pay for  
772 travel by state employees to foreign countries, other states,  
773 conferences, staff-training activities, or other administrative  
774 functions unless the agency head approves in writing that such  
775 activities are critical to the agency's mission. The agency head  
776 must consider the use of teleconferencing and other forms of  
777 electronic communication to meet the needs of the proposed  
778 activity before approving mission-critical travel. This section  
779 does not apply to travel for law enforcement purposes, military  
780 purposes, emergency management activities, and public health  
781 activities.



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782           Section 21. (1) Each state agency, as defined in s.  
783 216.011, Florida Statutes, shall review its contracts to ensure  
784 that each contractor complies with any applicable preferred-  
785 pricing clause.

786           (2) Each contract executed, renewed, extended, or modified  
787 on or after July 1, 2010, which includes a preferred-pricing  
788 clause, must require an affidavit from an authorized  
789 representative of the contractor attesting under penalty of  
790 perjury that the contract is in compliance with the preferred-  
791 pricing clause. Such affidavit must be submitted at least  
792 annually. A contractor's failure to comply with a preferred-  
793 pricing clause is grounds for terminating the contract at the  
794 state agency's sole discretion.

795           (3) As used in this section, the term "preferred-pricing  
796 clause" means a contractual provision under which the state is  
797 offered the most favorable price that the contractor offers any  
798 client.

799           Section 22. The sum of \$311,915 from the General Revenue  
800 Fund is appropriated and five full-time equivalent positions and  
801 associated salary rate are authorized to the Department of  
802 Financial Services to implement the provisions of this act.

803           Section 23. This act shall take effect July 1, 2010.