

CF OPERATING PROCEDURE
NO. 75-2

STATE OF FLORIDA
DEPARTMENT OF
CHILDREN AND FAMILIES
TALLAHASSEE, September 2, 2015

Procurement and Contract Management

CONTRACT MANAGEMENT SYSTEM FOR CONTRACTUAL SERVICES

CFOP 75-2, which adopts the DCF Procurement and Contracting Playbook by reference, is a compilation of the Department's contractual services policies that govern the procurement of contractual services. Contract Managers should utilize the CFOP 75-2 and the Playbook as a reference. Contract Managers may consult with their direct supervisor and/or Contract Administrator (CA) if CFOP 75-2 or the Playbook does not provide the information or clarification they need. The Office of Contracted Client Services (OCCS) provides continual updates to the CA regarding the latest interpretation of the CFOP 75-2 and applicable Florida Statutes. OCCS may always be used as a resource in conjunction with the CFOP 75-2 and the Playbook.

BY DIRECTION OF THE SECRETARY:

(Signed original copy on file)

DENNISE G. PARKER
Assistant Secretary for
Administration

SUMMARY OF REVISED, DELETED OR ADDED MATERIAL

The operating procedure has been revised to adopt the DCF Procurement and Contracting Playbook by reference. Subject matter that is now found in the Playbook has been removed from the text of this operating procedure.

This operating procedure supersedes CFOP 75-2 dated May 1, 2011, and CFOP 75-10 dated March 15, 2006.

OPR: ASC

DISTRIBUTION: X: OSES; OSGC; OSIG; AS; ASG; ASFM; ASHR; ITS; PDAS; PDCD; PDDV; PDES; PDFS; PDHO; PDRS; PDMH; PDSA; Region/Circuit Contract Administrators; Contract Managers, as needed.

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Chapter 1

OVERVIEW OF PROCUREMENT AND METHOD OF PROCUREMENT DECISION

1-1. Purpose. This document provides the operating procedure to guide the Department through its contracting process, derive the best value for the Department and State of Florida, and ensure and maintain compliance with applicable state and federal laws, rules, and regulations governing contracts for services.

1-2. Scope. This operating procedure in conjunction with the Department's Procurement and Contracting Playbook (Playbook) and its associated Artifacts contains the Department's policies governing the procurement and management of contracts for services. The Playbook and its associated Artifacts provide detailed instructions on the planning, procurement and management of contracts for services. The Playbook and its associated Artifacts are incorporated into this operating procedure by reference. Contracts for the provision of data processing services are governed by Department of Children and Families Operating Procedure (CFOP) 50-2 (Security of Data and Information Technology Resources). This operating procedure interacts with or complements various other directives from the Department, but supersedes any extant provisions in conflict therewith.

1-3. Legislative Direction. Section 20.19, and Chapters 287 and 402, Florida Statutes (F.S.), require the Department, whenever possible in accordance with established program objectives and performance criteria, to contract for the provision of services by counties, municipalities, not-for-profit corporations, for-profit corporations, and other entities capable of providing needed services, if services so provided are more cost-efficient than those provided by the Department. The Department shall review the time period for which the Department executes contracts and shall execute multiyear contracts to make the most efficient use of the resources devoted to contract processing and execution. Whenever the Department chooses not to use a multiyear contract, a justification for that decision must be contained in the contract. Chapter 287, F.S., provides procurement procedures, specifies certain contract terms and conditions, and specifies legislative intent.

1-4. Legislative Intent. The legislative intent is that: a) fair and open competition be recognized as a basic tenet of public procurement; b) such competition reduces the appearance of, and opportunity for favoritism and inspires public confidence that contracts are awarded equitably and economically; and c) documentation of the acts taken and effective monitoring mechanisms are important means of curbing any improprieties and establishing public confidence in the process by which contractual services are procured.

1-5. Ethics. Effective and ethical procurement of contractual services requires a system of uniform procedures for state agencies to utilize in managing and procuring contractual services. Procurement of contractual services requires a detailed justification of agency decisions in the procurement process and an adherence by the agency and the contractor to specific ethical considerations.

1-6. Application. It is the intent of the Department that competitive procurement be used as a default to non-competitive methods such as Regulated Exemptions or Single Source. The Playbook is to be used as the primary source for procedure and policy for the procurement and contract management process. Information contained in this operating procedure serves as supplemental to the Playbook. In the event of a conflict, the Playbook takes precedence over this operating procedure. Good judgment requires that the Department utilize the resources allocated by the legislative process to the fullest extent possible to provide mandated and needed services to the constituency it serves. These resources are a balanced mixture of people, equipment, facilities, and money. It is the responsibility of the Department to ensure that the expenditure of these resources responds to legislative direction in a balanced fashion.

Chapter 2

SUPPLEMENTAL PROCUREMENT POLICIES TO PLAYBOOK

2-1. Purpose and Scope. This chapter describes policies common across multiple methods of procurement. Finally, it addresses topics of a general procurement and contracting nature that might not be otherwise covered in the Playbook or the ensuing chapters.

a. Rule 60A-1.030, F.A.C. Each vendor, with few exceptions, that would like to use the online procurement system to sell commodities or contractual services must be pre-qualified to do so and shall register in the MyFloridaMarketPlace (MFMP) system. Vendors can read about the registration process and complete their registration using the MFMP website at: <http://dms.myflorida.com/mfmp>. Vendors or persons without Internet access can request help from MFMP at 1-866-352-3776.

b. Agencies shall not enter into an agreement for the sale of commodities or contractual services with any vendor not registered in the MFMP system, unless the vendor is exempted under Rule 60A-1.030(3), F.A.C.

c. Exempt Vendor in Accordance With Rule 60A-1.030(3), F.A.C. The Department may enter into a contract with an unregistered vendor if one or more of the conditions exempting the vendor from registration under Rule 60A-1.030(3), F.A.C., are met. Before contracting, the Contract Manager must make sure that disbursements to this vendor can be completed in the Florida Accounting Information Resource (FLAIR) system.

d. Unregistered Vendor (willing). In certain time-critical situations, the Department may need to contract with a vendor who has not registered in the MFMP system. In these cases, the Assistant Secretary for Administration (if it is a Headquarters' contract) or Circuit Administrator must make the decision, in writing, that contracting with this vendor is needed to avoid any disruption in the Department's mission. The Procurement/Contract Manager shall file the written decision in the official file and continue with the procurement.

e. Unregistered Vendor (reluctant). If the Department must contract with a vendor who will not register in the MFMP system, the Procurement/Contract Manager shall explain the MFMP system to the vendor. The explanation shall include the benefits of the system and a request that the vendor register. If the vendor still will not register, the Assistant Secretary for Administration (if it is a Headquarters' contract) or Circuit Administrator must make the decision, in writing, that contracting with this vendor is needed to avoid any disruption in the Department's mission. Partially registered vendors are not required to pay the transaction fee.

2-2. Procurement. For purposes of this operating procedure, *procurement* is defined as the acquisition of goods or services by the State of Florida in exchange for money. The type of service, the type of vendor, and the estimated dollar value of the contract are some of the factors used in deciding which state procurement regulations apply. All documentation that is related to the procurement of services, regardless of the method used, is gathered, put together, and filed by the Procurement Manager. Upon award, the file is turned over to the Contract Manager. These files maintained by the Contract Manager are the files of record and must be kept for a period of six (6) years after the close out of the contract or longer if required by law.

2-3. Business Case to Outsource. Per s. 287.012(20), F.S., "Outsource" means the process of contracting with a vendor to provide a service as defined in s. 216.011 (1) (f), F.S., in whole or in part, or an activity as defined in s. 216.011(1)(rr), F.S., while a state agency retains the responsibility and accountability for the service or activity and there is a transfer of management responsibility for the delivery of resources and the performance of those resources. In accordance with s. 287.0571, F.S., the Department shall complete a business case for any outsourcing project that has an expected cost in

excess of \$10 million within a single fiscal year. When completing a business case, the following shall apply:

- a. A business case shall be submitted pursuant to s. 216.023, F.S.
- b. A business case shall be included as an attachment to the solicitation, where applicable, but is not subject to challenge.
- c. A business case is not required to outsource the services listed in s. 287.057(3) (d) and (e), and (21), F.S.
- d. The specific requirements for a business case are found in s. 287.0571(4) (a)-(o), F. S.

2-4. Public Meetings. Section 286.011, F.S., and Section 24(b) Article I of the Florida Constitution require that all State agency meetings be open to the public when official acts are to be taken or public business of such agency is to be transacted or discussed. The following general information is given on how to conduct meetings in light of the open meeting requirements:

- a. Public meetings involved with the procurement of a commodity or service shall be advertised in the Florida Administrative Register and electronically posted on the Department's web-site by emailing the following: web.services@myflfamilies.com. The date, time, and place of procurement-related public meetings must be reflected in the procurement document posted on the Vendor Bid System (VBS). Independent notices of these meetings may, but are not required to be posted on the VBS. These meetings include, but are not limited to, pre-solicitation planning meetings with the general public, solicitation conferences, public openings of bids, proposals and replies, briefings and debriefings of evaluators, as well as organizational meetings and final meetings of a negotiation team to develop a recommendation of award to the Secretary, or designee.
- b. Non-procurement related public meetings (such as public hearings associated with rule promulgation, etc.) shall be advertised in the Florida Administrative Register and electronically posted on the Department's website by emailing the following: web.services@myflfamilies.com .
- c. Regardless of whether a particular meeting is required by law to be held as a public meeting, once a decision is made to hold a public meeting and official acts are to be taken or public business of the Department is to be transacted or discussed, it must be advertised as provided in this Section.
- d. The notice shall be advertised and posted not less than seven (7) calendar days before the date of the meeting. An agenda for the meeting shall be produced and made available at least seven (7) calendar days before the meeting. The agenda and any meeting materials that are available in electronic format shall be posted on the Department's web-site. If the seven day notice period cannot be met due to an emergency or other unforeseen circumstance, notice should be given as quickly as possible by the most appropriate and effective means. For any meetings that were advertised less than (7) calendar days prior to the meeting, supporting documentation, including an explanation and the steps taken to prevent reoccurrence, must be kept in the Procurement or Contract Management file. If multiple meetings are anticipated, the advertisement must include any extended scheduling.
- e. Closed negotiation meetings, resulting from an Invitation to Negotiate (or a Request for Proposal), that are approved by the Secretary, are not open to the public and shall not be advertised or posted. Negotiation strategy sessions relating to an Invitation to Negotiate, where organizational issues or the merits of the final recommendation for award are not discussed, are also not open to the public and shall not be advertised or open to the public. All such meetings will be recorded (Court reporters are sometimes used for such purposes in larger procurements).

f. Emergency sessions should be given the most appropriate and effective notice under the situation. Special meetings, when possible, should have at least 24 hours reasonable notice to the public.

g. A record of each meeting shall be kept with the Procurement or Contract Management file. Such records shall be open to the public.

2-5. State and Federal Procurement Statutes and Regulations.

a. State. General procurement requirements for Florida's state agencies are found in Chapter 287, F.S., and in Chapter 60A-1, F.A.C.

b. Federal.

(1) Federal Common Rule. Volume 45 Code of Federal Regulations (C.F.R.) Part 92 allows states to follow their own regulations governing procurements involving federal moneys (e.g., 45 CFR Part 92.36 is for procurements paid in whole or part by moneys from the Department of Health and Human Services).

(2) Grant Specific Requirements. Whenever procurements involve federal moneys, it is advisable to identify any additional procurement requirements included as conditions of the grant award. To best accomplish this, Contract/Grant Managers are encouraged to work with the Grant Project Director/Manager regarding issues involving federal grant requirements. The Grant Project Director/Manager should in turn work with the Office of Revenue Management.

(3) Employee Ethics. Employee ethics, as related to contracting activities, are below

(a) Section 4.11. of the Standard Integrated Contract prohibits a Provider or subcontractor from offering or giving a gift to a Department employee.

(b) Employees are prohibited by Chapter 112, Part III, F.S., from soliciting or accepting anything of value that would cause them to be influenced in the discharge of their responsibilities. Examples of ethics violations include, but are not limited to, the following

1. Deliberately not disclosing a conflict of interest in the course of one's duties
2. Engaging in or carrying on a business enterprise with a client or person doing business with the Department
3. Accepting or requesting gifts or gratuities from contractors, vendors, or clients in violation of the Public Employees' Code of Ethics

(c) Employees are prohibited from revealing client names or other confidential information from Department or vendor records to unauthorized persons. Examples include, but are not limited to, the following:

1. Releasing HIV/AIDS client names
2. Releasing information from the Florida Abuse Hotline Information System or Florida Safe Families Network (FSFN) to the media

(d) Employees are expected to conduct themselves in a manner that favorably reflects upon the State, the Department, and themselves. The Department states that certain employee

conduct will not be tolerated. Examples of employee conduct the Department will not tolerate include, but are not limited to:

1. Conviction for a crime that relates to employees' ability to perform their job
2. Failing to report that one has been arrested or is the subject of any action that could result in criminal prosecution

(e) See the following publications for more information: Children and Families Pamphlet (CFP) 60-1, Employee Handbook; CFOP 60-5, Chapters 5 and 11 (Code of Ethics for Public Officers and Employees, and Employee Relationships with Regulated Entities); CFOP 60-30, Chapter 3, Additional Employment Outside State Government; CFOP 60-52, Prohibition of Employees To Serve as Guardians Ad Litem; and CFOP 60-55, Chapter 1, Standards of Conduct and Standards for Disciplinary Action for Department Employees

2-6. Prohibited Transactions and Procedures. The Department is prohibited from transacting business with anyone convicted of a public entity crime or debarred or suspended from receiving federal moneys.

a. Individuals Found Guilty of a Public Entity Crime.

(1) Sections 287.132 and 287.133, F.S., require DMS to keep a convicted vendor list, which includes persons and affiliates who can no longer participate in public contracting and purchasing processes because they have been found guilty of a public entity crime. Such a person or affiliate may not bid on a public contract or transact business in excess of the threshold amount for Category Two with any public entity for 36 months after being placed on the list. Any public entity which receives information that a person has been convicted of a public entity crime shall give that information to DMS in writing within 10 days of receipt.

(2) In order to comply with the requirements of s. 287.133, F.S., the Department has incorporated a Public Entity Crime clause in the Standard Integrated Contract. This clause must also be included in all departmental solicitations and contracts/purchases that do not use the Standard Integrated Contract. This prohibition also applies to subcontractors.

b. Debarred or Suspended Vendors.

(1) Federal regulations (45 CFR Part 74) prohibit the Department from contracting with a potential vendor for \$25,000 or more in federal moneys if that vendor is debarred, suspended, declared ineligible, or voluntarily excluded from receiving federal moneys. A vendor's status can be verified at the following location: www.sam.gov

This prohibition is also true of vendors who audit federal programs, regardless of the amount of federal moneys in their contracts.

(2) These potential vendors must sign a Certification Regarding Debarment and Suspension Form (CF 1125, which can be found in The Department Forms on the Intranet or Internet) whereby they attest that they are not debarred, suspended, or otherwise excluded from federal financial assistance programs and activities.

(3) This rule and certification requirement also applies to subcontractors.

2-7. Additional Procurement Requirements for Specific Services.

a. Legal Service Contracts. Notwithstanding their exclusion from competitive requirements, contracts for private legal services require Agency Head approval. Contracts and amendments to these contracts must also be approved by the State Attorney General's Office (AG) (s. 287.059 F.S.) prior to execution of the contract. In accordance with Rule 2-37.010, F.A.C., two forms shall be used for Legal Service Contracts. To request approval to use private legal services, the form *Request for Attorney General Approval of Private Attorney Services, OAG-001(12/93 [rev. 9/2001])* must be completed and submitted to the Office of the General Counsel for authorization and forwarded to the AG. All contracts for private attorney services shall contain an addendum entitled, "Office of the Attorney General Attachment A for Private Attorney Services," Form OAG-002, [rev. 4/2006]. These forms may be found in The Department Forms on the Intranet or Internet. After receiving the written response from the AG, the Office of the General Counsel will forward the response to the requesting party. The letter of approval from the AG must be included with the contract or amendment when submitting the first voucher for payment to the Chief Financial Officer. Attorney General approval is not required for the following services: legal services provided by legal services organizations to indigent clients, paralegal, expert witness, appraisal, or mediator services

b. Training Contracts. The Chief Financial Officer requires that all invoices for training services have an attached list of all persons who received training and their position titles. This includes all situations in which the Department has a contract (or other method of billing) specifically for training of Department staff, vendor staff, clients, etc.

c. Health Care Practitioners.

(1) The Secretary of the Department or designee may extend the Other Personal Services (OPS) employment of physicians, osteopaths, and health care practitioners licensed pursuant to Chapters 458, 459, 460, 461, 463, 464, 466, 468, 483, 486, or 490, F.S., beyond the 1,040 hour limit, and employ them on an hourly or other basis. In the event these health care practitioners choose employment on other-than-hourly basis, contact the Office of Human Resources for the appropriate procedures.

(2) Health care professionals, who choose to be paid as independent contractors under object code 13000, must provide their own liability risk coverage. Documentation of liability coverage must be provided to the Department. The State of Florida usually does not consider these professionals agents of the Department covered by the state's sovereign immunity.

Chapter 3

PROTESTS

3-1. Purpose and Scope. Chapter 3 provides a summary discussion of protests to procurement decisions for the benefit of Department personnel. The Department does not dispense legal advice to potential protestors. Properly posted VBS advertisements contain all of the information needed by potential protestors to understand their rights. Guidance on communication with potential protestors is provided later in this chapter. While protests are most often associated with competitive procurements, single source procurement decisions may also be protested.

3-2. Issues Causing Protest. Protests to a solicitation normally involve challenges to the terms and conditions of an Invitation to Bid (ITB), Request for Proposal (RFP) or Invitation to Negotiate (ITN) and can arise in response to the original posting or in response to a posted addendum, response to questions or other postings prior to the final award. Issues may include claims of favoritism, unfairness, or ambiguity. Protests to an award normally involve challenges to a notice of final award or notice of withdrawal of the solicitation. Typically, such protests claim that the Department erred in not awarding the contract to the protester and raise issues such as error in applying evaluation criteria, favoritism or bias, improper rejection of the protestor's submittal as nonresponsive or improper acceptance of a nonresponsive submittal from the winner.

3-3. Filing the Protest. The same procedures and time frames apply to a protest to a solicitation and a protest to an award.

a. Any person seeking to challenge a Department solicitation or award must file a written notice of protest within 72 hours after the posting of the challenged notice on the VBS. This 72-hour period starts upon the posting of a notice on the VBS, provided that the advertisement and/or posted document contains the following statement:

Failure to file a protest within the time prescribed in section 120.57(3), F. S., or failure to post the bond or other security required by law within the time allowed for filing a bond, shall constitute a waiver of proceedings under Chapter 120, F. S.

b. If a notice of protest is not timely received, any protest to the VBS posting is waived. Department solicitation documents typically provide that the notice of protest is to be submitted to the contact person listed in the solicitation. If a notice of protest is received, the contact person should immediately notify the Agency Clerk or other attorney at the Office of the General Counsel upon receipt of a notice of protest.

c. The computation of the 72-hour time limit for filing of a protest excludes Saturdays, Sundays and state-approved holidays. The Procurement or Contract Manager must ensure that the date and time of posting are documented in the Contract File. (Posting on a Monday or Tuesday eliminates the need for weekend exclusions.)

d. If a timely notice of protest is received, a formal written protest as well as a protest bond must be filed within ten days of the filing of the notice of protest. Again, Department solicitation documents typically provide that the formal protest is to be submitted to the contact person listed in the solicitation. If a formal protest is not received within that ten-day period, any protest to the VBS posting is waived. If a notice of protest is received, the contact person should immediately notify the Agency Clerk or other attorney at the Office of the General Counsel

e. Most importantly, late submittal of a protest bond or submittal of an incorrect or improper bond does not in itself result in a waiver of the protest, provided that the protestor submits a proper protest bond within the time provided by the Department in an order issued by the Agency Clerk.

f. Section 287.042(2)(c), F.S., governs the nature and amount of a protest bond and requires the bond to be equal to one percent (1%) of the estimated contract amount. The statute requires the Department to provide the estimated contract amount to the protestor within 72 hours (excluding Saturdays, Sundays, and state-approved holidays) after the filing of the notice of protest.

(1) If the protestor submitted a price for its services, the estimated contract amount will be based on that contract price. If no contract price was submitted, the Department will estimate the contract amount based on factors including, but not limited to, the following:

- (a) The price of previous or existing contracts for similar or contractual services
- (b) The amount appropriated by the Legislature for the contract
- (c) The fair market value of similar contractual services

(2) The contact person, in coordination with the Office of General Counsel, will provide the estimated contract amount to the protestor within the 72-hour period.

g. The bond must be conditioned upon the payment of all costs and charges that are adjudged against the protestor in the administrative hearing in which action is brought and in any subsequent appellate court proceeding.

h. In lieu of a bond, the Department may accept a cashier's check, official bank check, or money order in the amount of the bond.

i. Any bond or other security received by the Department will be secured by the Agency Clerk. In some cases, the protestor may elect to submit the bond or security directly with the Agency Clerk. If the contact person receives the bond or other security, it should be secured and arrangements made for secure transmittal to the Agency Clerk.

j. See Chapter 3, paragraph 6 (c) of this operating procedure for instructions for disposition of the bond after the completion of the administrative hearing process and any appellate court proceedings.

3-4. Content of Formal Written Notice of Protest. The formal written protest should be printed, typewritten, or otherwise duplicated in legible form. The Office of General Counsel will determine if the form of the formal protest meets minimum statutory and rule requirements.

3-5. Department's Response to Protest.

a. A formal protest initiates administrative litigation under the Administrative Procedures Act and all activities should be coordinated with the Office of General Counsel. Receipt of a notice of protest does not technically stop the solicitation or award process. However, receipt of a formal written notice of protest stops solicitation or award process and no further action may be taken by the Department until the protest is dissolved.

b. Secretary of the Department may decide to continue the solicitation or award process, based on a written determination of the need to do so in order to avoid immediate and serious danger to public health, safety, or welfare. Consideration of whether to make such a written determination will be coordinated with the Office of General Counsel.

3-6. Resolution of the Protest.

a. The Department must provide the protestor with an opportunity to resolve the protest upon mutual agreement within seven days of receipt of the formal protest (excluding Saturdays, Sundays, and state-approved holidays). This can be accomplished via informal discussions or a scheduled teleconference or face-to-face meeting. These types of communications should be treated as settlement discussions and coordinated with the Office of General Counsel. It is not unusual for this process to extend beyond the seven-day period, but Department counsel must coordinate the appropriate agreement with the protestor to allow the process to continue beyond that point.

b. If the protest is not resolved by mutual agreement within seven (7) days (or an agreed extension), the protest will be scheduled for an information hearing or a formal hearing, as provided in the Administrative Procedures Act. As with any litigation, the outcome will be governed by the facts of the case as applied to the law. The protest can still be settled or withdrawn at any time. Consult with the Office of General Counsel to discuss the possible outcomes.

c. The disposition of the protest bond will be addressed in a final order upon completion of the administrative hearing process and any appellate court proceedings. If the Department prevails, it will be entitled to recover all of its costs and charges. Upon payment of such costs and charges by the protestor, the bond shall be returned to the protestor. If the protestor prevails, the bond will be returned and the protestor will recover from the Department all of the protestor's costs and charges, excluding attorney's fees.

Chapter 4

CONTRACT DOCUMENTS

4-1. Purpose and Scope. Chapter 4 provides an overview of the Department's contract documents. Detailed instructions on developing contract documents are provided in the Playbook.

4-2. The Contract. As used in this operating procedure, the term *contract* means a properly-executed formal written agreement between the Department and an individual or organization for the purchase of contractual services. The contract (formal written agreement) must include all terms and conditions governing the nature and delivery of services, Provider performance specifications and performance evaluation methodology, record keeping and reporting requirements, payment methodology, penalties for the Provider's non-compliance, etc. All terms necessary to govern the relationship between the Department and the Provider must be set forth in the contract document. The contract shall ensure that the Provider is held to the highest possible standards for service quality, accountability, economic efficiency, and service effectiveness. All Department purchases of contractual services shall be evidenced by a written contract document, executed by both the Department and the Provider prior to the contract start date (s. 287.058, F.S.).

The complete contract document must include, at a minimum, the Standard Integrated Contract and the most recent version of the Finance Compliance Contract Attachment (Single Audit Attachment) CF 1120. Other attachments, such as line item budgets, may be added as needed.

a. Minimum Contract Document Requirements - s. 287.058, F.S. All contracts in excess of Category Two must contain, at a minimum, the provisions of s. 287.058, F.S. As these requirements have been incorporated into the Department's Standard Integrated Contract, they are not repeated here.

b. Federal and State Contract Document Requirements. In addition to the specific requirements of s. 287.058, F.S., mentioned above, there are numerous federal and state contract terms and conditions generally required to be included in the Department's contracts. Use of the Department's Standard Integrated Contract will ensure that these general requirements have been included.

c. Minimum Department Contract Document Requirements. In addition to the above minimum statutorily mandated requirements, there are two departmental requirements that must be addressed/included in each contract for services. These are:

(1) The Statement of Work;

(2) A payment schedule must be included in the Method of Payment section of the Standard Integrated Contract.

d. Technical Assistance with Contract Document Requirements: If there are questions regarding contract document provisions, contact the CA.

4-3. Standard Integrated Contract. The Standard Integrated Contract is the document that contains both the basic and service specific contract terms and clauses required in all Department services contracts. This includes administrative, financial, and non-programmatic terms and conditions usually mandated by federal or state statutes, regulations, rules, and policies of the Department and other applicable State agencies, such as the Office of the Chief Financial Officer. OCCS is the Office of

Primary Responsibility (OPR) for the Standard Integrated Contract. OPR responsibilities include distribution, maintenance, revisions, and approval of all modifications.

a. Purpose. The purpose of the Standard Integrated Contract is to:

- (1) Aid Contract Managers in the preparation of their contracts.
- (2) Ensure inclusion of uniform administrative requirements of contract Providers on a Department wide basis.
- (3) Ensure the minimum contract document requirements are included in all Department contractual services contracts.
- (4) Simplify the review of the contract document.

b. Use of the Standard Integrated Contract. Use is mandatory when purchasing contractual services, including those with private for-profit or non-profit organizations, other governmental agencies, or individuals.

(1) The PUR 1000 General Contract Conditions, contains standard terms or conditions that apply to all contracts. The PUR 1000 is incorporated into the Standard Integrated Contract by reference.

(2) In the event of any conflict between the PUR 1000 and any terms or conditions of any contract (including the Department's Standard Integrated Contract), the terms or conditions of the contract shall take precedence over the PUR 1000. However, if the conflicting term or condition in the PUR 1000 is required by any section of the F. S., the term or condition contained in the PUR 1000 shall take precedence.

c. Revision. The Standard Integrated Contract is reviewed and updated at least annually and posted on the OCCS website at: <http://ewww.dcf.state.fl.us/asc/forms.shtml>

d. Deviations from the Standard Integrated Contract. All changes to or deviations from the Standard Integrated Contract must be approved by OCCS, in writing. OCCS will review written deviation requests, related to a specific contract, from Region Contract Administrators which include the following:

- (1) Written request describing the circumstances which necessitate the deviation
- (2) Proposed text to be used in the deviation language. Normally a clause is added to the Special Provisions section of the Standard Integrated Contract affecting the change
- (3) Justification for the change

e. Review and Approval of Deviations from the Standard Integrated Contract. The Office of the General Counsel and other pertinent offices will review change requests and recommend approval/disapproval by OCCS.

f. Chief Financial Officer's Waiver of the Contract Document Requirements of s. 287.058, F.S. The authority to grant these waivers vests solely with the Chief Financial Officer pursuant to s. 287.058(5), F.S. These waivers have been limited and are very specific as to the services/situations to which they apply. (These waiver requests are initiated by the Headquarters Program Offices and coordinated through the OCCS and the Office of Financial Management.) The Standard Integrated

Contract is available electronically to all Department staff at the OCCS website at the following address:
<http://ewww.dcf.state.fl.us/asc/forms.shtml>

4-4. Duration of Contract.

a. Contract beginning and ending dates must fall within the period authorized by the funding source(s) involved.

b. For contracts requiring a Certification of Emergency for Retroactive Payment or for non-compliance situations, the beginning date in Section 1.3. of the Standard Integrated Contract should reflect the date on which services actually began.

Chapter 5

RATE CONTRACTS

5-1. Purpose and Scope. Chapter 5 provides a discussion of the Rate Contract that establishes a rate of payment for a specified unit of service.

5-2. Introduction. A contract that establishes a rate of payment for a specified unit of service is known as a Rate Contract. The Department's Standard Integrated Contract document shall be used for Rate Contracts. All contractual services purchased using a Rate Contract must be procured in accordance with Chapter 287, F.S.

5-3. Rate Contract Management Procedures. The client must be determined by the Department to be eligible for the service(s) and the service(s) must be authorized by the Department's program staff prior to any service(s) being rendered. The following procedures must be used for managing Rate Contracts:

a. Eligibility determination must be established per existing Department programmatic eligibility criteria. These criteria are to be part of the Services to be provided section of the Standard Integrated Contract.

b. Authorization of services is required to obligate the Department to make payment under an executed Rate Contract. It is preferable that the authorization be provided in writing, but in emergency circumstances authorization may be provided orally.

(1) Persons other than the designated Contract Manager signing authorizations for services or approving invoices for payment under a particular Rate Contract must have written delegated authority to do so.

(2) Appropriate staff, to be determined by the Circuit/Region or Headquarters staff, must verify that budget and cash are available to fund the service, prior to the service being authorized.

(3) Records must be maintained by staff that indicate total budget allocation, the number of services authorized, expenditures made to date, and the available balance.

(4) An ongoing spending plan analysis and projection of total annual expenditures must be made. The frequency of this report is to be determined by the Circuit/Region Administration and Headquarters.

5-4. Rate Contract Payment.

a. The Department is not obligated to make payment to a Provider under an executed Rate Contract for authorized services until the services have been delivered and the invoice is approved by the Contract Manager for the Rate Contract.

b. Invoices must be provided for each Rate Contract and should be standardized to the greatest extent possible. If no invoice is provided, the Contract Manager should use an appropriate Department standard invoice if applicable.

c. Prior to the development of the invoice, the Program Office must determine if the Provider will be permitted to charge the client, parent, or guardian additional fees for providing the service. Circuit/Region Program Office decisions regarding the permissibility of a Provider charging fees must be made within the framework of the respective Headquarters' policy.

5-5. Multi-Circuit Rate Contracts. A Multi-Circuit Rate Contract occurs when two or more circuits or circuit(s) and region, purchase the same or similar services from the same Provider under a Single Rate Contract. The Standard Integrated Contract document is used for Multi-Circuit Rate Contracts.

5-6. Multi-Circuit Rate Contract Processing Procedures. The following procedures are intended as guides to the negotiation, encumbrance, payment, monitoring, and amendment of Multi-Circuit Rate Contracts.

a. General Procedures for the Processing of Multi-Circuit Rate Contracts: It is the responsibility of any user Circuit/ Region Contract Manager to notify the appropriate home circuit/region (the circuit/region negotiating and executing the Rate Contract) Contract Manager of the intention to participate in that circuit's or region's contract.

b. Home circuit/region will negotiate Rate Contracts which have previously been used by other circuits/regions or are anticipated to be used by other circuits/regions using the Special Provisions section of the Standard Integrated Contract.

c. The Special Provisions section must include language clearly specifying that:

(1) The contract is a Multi-Circuit Rate Contract and may be used by any circuit/region.

(2) Each circuit/region is to be fully responsible for its portion of the services purchased and billed directly by the Provider for the cost of services to clients of that circuit/region.

d. Responsibilities for the Processing of Multi-Circuit Rate Contracts.

(1) Responsibilities of the Home Circuit/Region.

(a) To supply the Administrative Services Support Center (ASSC) with one fully executed copy of the Multi-Circuit Contract and Contract/Amendment Routing and Approval Form (CF 1121); and the Contract Manager in each user circuit/region with two fully executed copies of the Multi-Circuit Contract and CF 1121.

(b) To add user circuits/regions applicable organization codes and service area codes to the contract information file to indicate its intention to participate in the Multi-Circuit Rate Contract.

(c) To add the Multi-Circuit Rate Contract to the Contract Information File in order that user circuits/regions may encumber and allot their share of the Rate Contract. This must be accomplished immediately after execution.

(d) To supply the Contract Manager in each user circuits/regions any amendments to the contract that may be executed during the life of the contract.

(e) To conduct required monitoring per CFOP 75-8 and provide copies of resulting reports to the user circuits/regions unless other arrangements have been agreed upon by the Circuit/Region Contract Administrators involved.

(f) The home circuit/region is not required to amend its Rate Contracts to accommodate new user circuits/regions.

(2) Responsibilities of the User Circuit(s)/Region.

(a) To supply the user circuits/regions Fiscal unit one copy of the contract, the Contract/Amendment Routing and Approval Form (CF 1121), and any amendments.

(b) To forward these documents with the first invoice for payment to the appropriate Chief Financial Officer's office.

(c) The user circuits/regions may execute an individual Rate Contract with the Provider if the home circuit/region has not executed a Multi-Circuit Rate Contract.

(3) Responsibilities of Both the Home and User Circuit(s)/Region. Each circuit/region is responsible for the encumbrance and allotment of its share of the Rate Contract.

Chapter 6

CONTRACT CLAUSES

6-1. Purpose and Scope. Chapter 6 provides a compilation of contract clauses to be used to customize each contract, providing unique terms and conditions appropriate to the services being procured. This is accomplished through the inclusion of both Special Provisions and an appropriate Method of Payment.

6-2. Method of Payment. This section of the contract contains information describing: the method and frequency of payment to be used; match requirements, if any; instructions regarding the manner in which contract costs will be displayed on invoices; the documentation of contract costs which must be given by the Provider to the Department; and the enumeration of other special provisions pertaining to payment of contract invoices, such as a time limit for submission of final invoices. The Method of Payment section of the contract, in addition to the payment method, will address the payment timing i.e., reimbursement or advance. Contract Managers are cautioned to be aware of the current CFO memorandums when contract writing. The CFO memorandums may be viewed at:

<http://www.myfloridacfo.com/Division/AA/Memos/default.htm>.

a. **Specification of Time to Inspect Deliverables.** The Department has five (5) working days to inspect and approve the goods and services upon submission of an invoice unless the contract specifies otherwise. The Contract Manager may negotiate a period longer than five working days in order to inspect and approve deliverables per s. 215.422, F.S. Adequate review and inspection time should depend on the complexity of the deliverables.

b. **Required Match.** If the contract contains match requirements, specify such in the Method of Payment section of the Standard Integrated Contract.

c. **Payment Methods Used.** The Department uses two basic payment methods in contracting for services: Cost Reimbursement and Fixed Rate. The following paragraphs will provide a general discussion of these Methods of Payment and include sample payment clauses that are intended to serve as a guide in the Contract Manager's development of payment terms and conditions appropriate to each contract.

(1) **Cost Reimbursement – Discussion.** This payment method is used when the Department desires to exercise some degree of control or oversight over the Provider's costs incurred in delivering the contracted service(s). The Provider will be required to include a detailed line item budget in the contract. Ordinarily, this line item budget will include the following: only those line items identified/approved as allowable under the terms of the contract; the projected (budgeted) dollar amount for each line item; and a detailed budget narrative supporting the budget as to reasonableness and necessity. The Provider will be reimbursed for actual, allowable expenditures that are made within the limits of the approved budget. In order to be paid, the Provider will have to submit periodic invoices that clearly identify these expenditures in accordance with the line items in the approved budget. Additionally, the expenditures reported on the invoice must be supported with documentation that is required to accompany each invoice.

(2) **Fixed Rate – Discussion.** Documentation of the decision to use a fixed rate method of payment rather than reimbursing the Provider's actual costs must be maintained in the procurement file. This method of payment is used when the service provided can be broken down into unit costs (hours, days, etc.) or fixed fees (payment based on the delivery of a complete service).

(a) When proposing a fixed rate contract, the individuals involved for the Department, e.g., Contract Manager, Procurement Manager, should apply a *reasonable and necessary test* to the proposed costs. Basically this test determines whether the proposed costs are reasonable

and necessary by comparing them to the cost of comparable local services. One or both of the following analyses may be applied.

(b) If there are vendors of the service in the geographic area, the local competitive rate test is used. If there are no vendors of the service in the geographic area, the local comparable rate test may be used.

1. Local Competitive Rate Test. To meet the *reasonable and necessary test* competitive costs are determined through a local survey of the cost of the proposed service. The average competitive cost determined by the survey is used to verify that the rate is competitive. The Contract Manager must determine the degree of competition.
2. Local Comparable Rate Test. To meet the *reasonable and necessary test* the rate must be comparable with the going rate for comparable, similar services in the geographic area where the service is being provided. The Contract Manager must determine the degree of comparability.

(c) The Provider will be required to submit a detailed, line item budget.

Ordinarily, this line item budget will include: only those line items identified/approved as allowable under the terms of the contract; the projected (budgeted) dollar amount for each line item; and, a detailed budget narrative supporting the budget as to reasonableness and necessity.

(d) Contracts are exempted from the line-item budget submission requirement where the rate of payment is established by law, rule or regulation, e.g., community Substance Abuse and Mental Health (SAMH) programs unit cost contracts with rates negotiated pursuant to the provisions of Rule 65E-14.021, F.A.C. and Children's Mental Health Behavioral Health Network Contracts. Title XXI of the KidCare Program, with established capitated rates per enrolled client. Private Attorney services which utilize the standard fee schedule prescribed in Chapter 2-37, F.A.C., are also exempted from this requirement. Contracts awarded based on a State Term Contract are also exempted from this budget submission requirement. The Method of Payment used for a contract procured as a result of State Term Contract must have a direct relationship to the quoted prices in the State Term Contract.

(e) An explanation of the decision process used to determine line item allow-ability, reasonableness and necessity must be provided to the prospective Provider during the negotiation process. Any issues regarding the budget or supporting narrative must be discussed in the negotiation and documented in the Memorandum of Negotiation and maintained in the Procurement Management file.

1. Any indirect cost line item that proposes a percentage of allocated overhead in excess of 10% of the total cost of the contract must be supported by a contract-specific indirect cost proposal which includes a cost allocation plan that provides a narrative description specifically detailing how the proposed indirect costs provide a derived benefit to the contracted services.
2. The Contract Manager may not accept an approved indirect cost plan or an approved indirect cost rate that is not specific to the contractual services being delivered.

(f) The CA may make the determination that sufficient documentation exists to exempt certain professional service Providers from the requirement to submit detailed budgets. For unit

cost professional services, a price analysis must be conducted to establish that the services are like or similar to services for which rates have been established such as Medicaid or Medicare rates.

(3) Fixed Rate – Payment Methods. Department staff may use, if appropriate, either of the following fixed rate payment methods:

(a) Unit Cost. With a unit cost payment method, the Provider is paid a pre-determined price for each unit of service delivered. A unit of service may be based on time, tasks, activities, contacts, or any combination thereof.

(b) Fixed Fee. With a fixed fee payment method, the total contract price is determined up front and paid upon completion of the total service requirements of the contract. A fixed fee payment method would be most appropriate when contracting for an evaluation service, for example, where the deliverable may consist solely of an evaluation report.

6-3. Advance Payments – Discussion. Under the payment methods above, payment to the Provider is made only after the expenditures have been made or services delivered. Under certain circumstances, it is possible, to make a portion of the contract funds available to a Provider prior to the delivery of services and/or expenditure of funds by the Provider. This manner of making payment may be used only when the specific funding source or program is authorized by the General Appropriations Act in a *grants-and-aids* category. Advances may be made only to not-for-profit corporations or governmental agencies. Advance payments are not limited to cost reimbursement contracts. The Contract Management file must contain the justification submitted by the Provider and the Contract Manager's reasons for supporting the need for an advance. Reconciliation and recoupment of advances made under a contract are to be completed by the time final payment is made.

a. Payment of Advances. The payment of any advances may be made on a monthly basis up to the first three months of the contract and may not exceed the expected cash needs of the Provider during the first three months. Requests to exceed the three month period may be submitted to the CFO through the Department's Office of Financial Management. Detailed documentation justifying cash needs for advances (e.g., certified statement/work papers from the Provider analyzing the timing of projected expenditures versus available operating capital and anticipated revenues) must be maintained in the Contract Management file.

b. Interest Earned. Per s. 216.181(16) (b), F.S., any interest earned by the Provider on such advances is to be returned to the Department or applied against the Department's obligation to pay the contract. Specific instructions for the return of interest earned by the Provider or its application against the amount of the contract must be developed by the Contract Manager and the Provider, and be included in the Method of Payment or Special Provisions section of the contract. Further instruction regarding actions to be taken by circuits/region to implement the requirements of s. 216.181(16)(b), F.S., includes the following:

(1) The preferred manner of financing contract operations is for Providers to maintain sufficient funds to meet operating expense requirements of the contract. Since typical invoicing procedures allow for invoicing monthly and the state is required to make payment within forty (40) days of receiving a properly payable invoice, new Providers should, therefore, have operating capital sufficient to cover at least the first sixty (60) days of operation. There are times the Provider is incapable of maintaining this funding level, and the Department authorizes an advance.

(2) Under normal circumstances, advance payments are made to Providers on a monthly basis in amounts sufficient to cover the Provider's estimated expenses for the month. Careful review of the amounts requested by the Provider and responsible management should result in no excess funds being paid. Occasionally, funds are paid to Providers resulting from estimating errors and cost avoidance in excess of the actual requirement. In such cases, statute allows that such funds may

be invested in an insured interest-bearing account. When this occurs, the repayment provisions take effect.

(3) The statute also establishes a requirement that the benefit/proceeds of the interest-bearing account flow to the Department. The Contract Manager may select one of two methods for collecting this interest. The first method is straightforward in that the Provider returns any interest earned on the excess advance to the Department by check. The second method employs an offsetting principle. If this method is chosen, the Contract Manager reviews and approves the invoices for work accomplished (fixed rate) or cost incurred (cost reimbursement) in the normal fashion. The final amount to be paid for a specified monthly invoice is reduced by the amount of interest earned, reported by the Provider. Accordingly, the offset occurs on a monthly basis.

(4) The effect of either method is that the Provider will deliver the same amount of services originally agreed to and will be paid precisely the same amount as agreed to at the award of the contract. Any value derived from these interest-bearing accounts conveys to the Department for use as it deems necessary.

NOTE ON ADVANCED PAYMENTS: Unless otherwise required by the contract, invoices requesting advances are not required to have supporting documentation attached.

6-4. Fee for Services. If the Provider will be permitted to charge fees for services in addition to receiving reimbursement from the Department, a provision to that effect must be included in the Special Provisions section of the Standard Integrated Contract. The disposition of client fees and other third party payments must also be addressed in the Special Provisions section and should be accommodated on the invoice form. If the Provider will not be allowed to charge fees to clients, this must be reflected in the Special Provisions section of the Standard Integrated Contract.

6-5. Subcontractors.

a. The contract must specify whether, and under what conditions, the Provider is permitted to use subcontractors and what approval or notification requirements are pertinent to the use of subcontractors.

b. The Department will not select subcontractors for the Provider or be responsible for subcontractors selected by any Provider. The Provider will be held responsible and accountable for all work covered under the contract including any work performed by subcontractors.

c. The Department may choose at the award of the contract to allow the Provider of services selected through competitive means to subcontract any or all of the services to be provided.

d. Provider may request approval to subcontract additional work at any time during the performance of the contract in accordance with the Standard Integrated Contract. The Contract Manager may approve such a request if it is in the best interest of the Department, i.e. it results in reduced cost or improved service delivery.

6-6. Medicaid Billing. The following language shall be included in all Department contracts for client services (if relevant) that are awarded, renewed or amended with a Provider that is also a "Medicaid Provider" as defined in s. 409.901(17), F.S.

a. The Department and the Provider specifically agree and acknowledge that when services are covered under the Florida Medicaid program for Medicaid recipients and the recipient has other third party coverage, services shall be billed to the third party and not Medicaid or the department;

b. However, when services are covered under the Florida Medicaid program for Medicaid recipients and the recipient does not have other third party coverage, the Department shall not be considered a liable third party for Mental Health and Substance Abuse Program payments funded through the department. Services shall then be billed to Medicaid and not the department;

c. In no event shall the Provider bill the Medicaid program for services or expenses for Medicaid recipients for which the Provider has already been paid by any other liable third party;

d. Authorized Provider services may only be billed to the Department if services are provided to non-Medicaid recipients, and/or for non-Medicaid covered services, and not other non-Medicaid first or third party payor;

e. The Provider shall identify and report Medicaid earnings separate from all other fees;

f. Medicaid earnings cannot be used as local match;

g. The Provider shall ensure that Medicaid payments are accounted for in compliance with federal regulations; and

h. In no event shall both Medicaid and the Department be billed for the same service.

6-7. Special Provisions. The Special Provisions section of the contract is used to further tailor the contract to meet any unique situations and/or provisions not addressed or in need of modification in the Standard Integrated Contract. This includes any additional requirements of the Department's organizational unit that will manage the contract and funding source (e.g., federal grants). The provisions of the Standard Integrated Contract may not be modified without authorization through the Contract Administrator (CA) from the Office of Contracted Client Services and the Office of the General Counsel.

Chapter 7

CONTRACT REVIEW AND APPROVAL PROCESS

7-1. Purpose and Scope. Chapter 7 provides insight into the contract review and approval processes as well as review and approval of contract renewals and retroactive payment situations. Procedural steps for contract review and approval processes can be found in the Playbook and its Artifacts. A discussion of subcontracting is also included in this chapter.

7-2. Transmittal. The Contract Manager is responsible for advanced coordination with the Office of General Counsel in preparation of all contract documents. Proper coordination requires consultation with the Office of General Counsel at the beginning stages of drafting, with adequate time for comment, review and re-review. A draft contract should not be transmitted for review until after such coordination has been completed. The Contract Manager must complete the Contract/Amendment Routing and Approval Form (CF 1121) pursuant to circuit/region specific procedures prior to submitting a contract to the CA. Transmittal of a contract from the Contract Manager to the CA must be in compliance with circuit/region specific procedures.

7-3. Preparation for Review. The CA will assign an appropriate contract number and enter that number on the Contract Amendment Routing and Approval Form (CF 1121). The reviews required by this operating procedure are to be done in accordance with circuit/region specific procedures. It is the responsibility of the Contract Manager with assistance of the CA to track the contract through the review process.

7-4. Initiator Review. The initiating office sign-off* certifies:

- a. To the need for the services under the terms of the contract;
- b. That the Statement of Work is clearly written and that expected results are quantifiable, measurable, and clearly defined in the contract and meet Department policy requirements for performance contracting;
- c. That contract negotiation, cost/price analysis, and justification of need for advances have been performed and that supporting documentation is in the Contract Management file;
- d. That the contract is in compliance with applicable program specific state, federal, Department, and/or other funding source requirements;
- e. That contracts containing federal funding of \$25,000 or more have a Certification Regarding Debarment and Suspension Form (CF 1125) signed by the Provider or that an acceptable written explanation has been attached to the unsigned form by the Provider. Contact the CA if assistance is needed;
- f. That contracts containing federal funding in excess of \$100,000, have a Certification Regarding Lobbying Form (CF 1123) completed by the Provider. When required, a completed Disclosure of Lobbying Activities Form (Standard Form LLL) is on file with the Contract Manager
- g. That each person who participated in the procurement process has completed the Conflict of Interest Questionnaire Form (CF 1124). The CF 1124 is either included with the contract or is on file with the Contract Manager.

*NOTE: This sign-off is to be, at a minimum, the Director/Administrator, unless the Director/Administrator is also the contract signer. In that case, the Contract Manager may sign as initiator.

7-5. Financial Review.

a. Financial sign-off and approval attests:

(1) To the presence of budget authority to expend moneys for the services specified in the contract;

(2) That correct accounting codes are used, including expansion options, categories, and organizational expenditure codes;

(3) That appropriate payment provisions are included and are in compliance with the method of payment section of the Department Standard Integrated Contract/Program Specific Model Standard Integrated Contract and the State's Chief Financial Officer's regulations.

b. CA sign-off and approval attests:

(1) That the contract is in compliance with applicable state and federal procurement rules and regulations;

(2) That the appropriate Department contract documents are being used.

NOTE: This review requires processing through the budget or fiscal office and the office of the CA to determine full compliance.

7-6. Legal Review. Legal sign-off and approval signifies that the vendor is properly bound by the contract, and that the Department is adequately protected. Legal review verifies that any modifications made to approved Department contract documents are appropriate and have the approvals required pursuant to Chapter 7 of this operating procedure. Providers shall submit a letter of authorization for the individual signing the contract on behalf of the Provider, which will be included in the contract review file when it is submitted for legal review. If the Chairman of the Board of Directors, Chief Executive Officer or Company President signs the contract on behalf of the Provider, a letter of authorization is not required.

7-7. Other Review. This section may be used for any additional review required by circuit/region specific procedures. The Contract Management Unit Supervisor may sign here (if applicable).

7-8. Contract Execution. The Provider's signature must be obtained prior to obtaining the appropriate Department signatures.

a. Providers. The signer of the contract for the Provider must have the authority to commit the vendor to the terms of the contract. Recent written proof of that authority should be maintained in the Contract File.

b. Department. Contracts must be signed in accordance with the most recent Delegations of Authority. NOTE: Only Senior Management or Select Exempt Employees may be delegated signature authority for contracts.

c. Circuit/Region Program Office. It is the responsibility of the appropriate circuit/region program office to provide copies of contracts to the respective Headquarters program office as needed.

NOTE: Only two copies of the contract require original signatures, one for the vendor and one for the Department. Circuit/Region specific procedures must specify the number of copies to be processed for signature.

7-9. Contract Revisions.

a. Contract revisions may be one of two types:

(1) Pen and Ink Changes. Minor, non-substantial changes (e.g., misspelled words, transposed numbers, word omissions, etc.) may be accomplished by pen and ink changes to the contract document at the time of signing. NOTE: Pen and ink changes require making the same changes on each copy of the contract and must be initialed and dated by the contract signers.

(2) Revisions Requiring a Written Amendment. Substantial changes (e.g., new clauses, budget modifications, etc.) must be done by preparing a separate document (amendment). The Contract Amendment Template (CF 1127) provides a format for use as a guide in preparing contract amendments.

b. All revisions to a contract must be clearly specified in the contract document either through a pen and ink change or a formal written amendment. Oral agreements to changes are not valid. All revisions to a contract of any type must be approved by the Office of the General Counsel. Revisions made to a contract after approval by the Office of the General Counsel voids the approval.

c. Requirements must be followed that are set out in s. 287.057(13), F.S., for amending/renewing contracts for the outsourcing of a service or activity that has an original term value exceeding the sum of \$10 million and will result in a longer contract term or increased payments. The Department may not renew or amend any contract for the outsourcing of a service or activity that has a value exceeding the sum of \$10 million before submitting a written report documenting satisfactory contract performance. This report is to be submitted through the Office of the Secretary with the normal approval route for the program area, to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

d. The Contract Manager must complete a Contract/Amendment Routing and Approval Form (CF 1121) prior to submitting an amendment to the CA. Transmittal of amendments from the Contract Manager to the CA must be in compliance with circuit/region specific procedures. The Contract Manager must provide sufficient copies of the executed amendment to allow the CA to retain one copy. See "Note" following Chapter 7, paragraph 7-8 of this operating procedure.

7-10. Retroactive Payment Situations.

a. Emergency Certification for Retroactive Payment. The Emergency Certification for Retroactive Payment is a certification by the Circuit/Region Administrator, or appropriate signer at Headquarters, which allows payment to be made for the period during which a Provider has rendered services without the benefit of an executed contract. Contract Managers who are contemplating an emergency procurement must obtain, and retain in the Contract File, pricing information from at least two (2) prospective Providers prior to conducting the emergency procurement. The pricing information can be obtained via telephone or other means of contact and must be documented in writing in the Contract File.

(1) Any determination that the time required to follow this procedure would increase the immediate danger to the public health, safety, or welfare or cause other substantial loss to the state, must be certified under oath and furnished along with any other documents relating to the emergency procurement to DMS.

(2) Procedures to follow for retroactive payment when no valid emergency existed (non-compliance) are described in Chapter 7, paragraph 7-10b below.

b. Non-Compliance. When there is no valid emergency and a contract fails to meet the criteria to qualify for an Emergency Certification for Retroactive Payment, the following action must be taken pursuant to s. 287.058(2), F.S.

(1) The appropriate signer is required, no later than thirty (30) days after the Provider began rendering the service, to certify to the State Purchasing Office, DMS, the specific conditions and circumstances which lead to the failure to have the contract signed prior to the rendering of services. The certification must also describe actions taken to prevent recurrence of such non-compliance. This certification must be submitted to the State Purchasing Office, DMS, on a PUR 1010, Notice of Non-Compliance.

NOTE: The Secretary or Deputy Secretary of the Department shall sign the PUR 1010.

(2) A copy of the PUR 1010, Notice of Non-compliance, must be submitted to the State's Chief Financial Officer with the voucher authorizing payment.

(3) Repeated instances of non-compliance must be reported by the State Purchasing Office to the Auditor General.

(4) Provisions set forth in s. 287.058(2), F.S., shall not be deemed to authorize additional compensation prohibited by s. 215.425, F.S.

7-11. Settlement Agreements.

a. In those situations above where the Department fails to meet the thirty (30) day time frames for certification, the Chief Financial Officer has advised the Department that a Settlement Agreement is the only legal basis for making payment for the services rendered prior to execution of the contract by both parties. A Settlement Agreement may be required when: 1) the agency head has not certified a valid emergency within 30 days after the contractor began rendering services, or 2) in the absence of a valid emergency, the agency head has not certified the conditions and circumstances which caused the non-compliance.

b. Settlement Agreements are to be negotiated between the Department and the Provider, signed by both parties, and forwarded, through the Administrative Services Support Center (ASSC), to the Bureau of Auditing, Department of Financial Services (DFS) for approval. The Settlement Agreement is contingent upon approval by the Chief Financial Officer. The Settlement Agreement binds both parties to the amount negotiated. (Refer to s. 17.03, F.S., which gives the authority to examine, audit, and settle claims against the State to the Chief Financial Officer.)

Chapter 8

CONTRACT MANAGEMENT

8-1. Purpose and Scope. Chapter 8 provides a summary of the contract management activities within the Department. This discussion covers the duties of a Contract Manager, various documentation requirements, contract monitoring responsibilities of the Contract Manager, and other contract-related duties.

8-2. Introduction. Only Department staff may be designated as Contract Managers. The Department should make every best effort to assign contract management responsibilities to career service employees. This responsibility shall not be assigned to independent contractors or to Department staff when supervised by independent contractors.

8-3. Contract Manager Assignment/Requirements. Section 287.057(14), and s.402.7305, F.S., require the Department, for each contractual services contract, to designate a Department employee to be responsible for enforcing performance of the contract terms and conditions and serve as a liaison with the contractor. A member of the Department's Senior Management or Select Exempt Service must assign, in writing, the responsibility of a contract to a trained Contract Manager. This individual is responsible for day-to-day contract management, including approval of contract deliverables and invoices. The Contract Manager is the primary point of contact through which all contracting information flows between the Department and the Provider. All actions related to the contract shall be initiated by or coordinated with the Contract Manager. The Contract Manager shall receive Department Contract Manager training before being assigned responsibility for any contract. In addition to Contract Manager Training, Contract Managers are required to attend Accountability and Monitoring Training and beginning December 1, 2014, in accordance with Chapter 287 F.S, those Contract Managers responsible for contracts in excess of \$100,000 annually, must become a Florida Certified Contract Manager (FCCM) provided by the (DFS).

a. DFS Chief Financial Officer Memorandum No. 04 (14-15) requires the Department to:

- (1) Ensure that Contract Managers meet the DFS training attendance requirement;
- (2) Ensure Contract Managers attend DFS Accountability and Monitoring Training at least once every four years;
- (3) Become certified as a Florida Certified Contract Manager for those contracts in excess of \$100,000;
- (4) Maintain records to support the Department's compliance in meeting the Contract Manager's DFS training attendance requirements.

b. Contract Manager responsibilities include:

- (1) Carrying out the preparations for contracting including the verification of funds, preparation of the contract document, preparation of the necessary CF and PUR forms and conducting cost or price analysis.
- (2) Attending mandatory Contract Manager training(s).
- (3) Acting as the primary point of contact between the Department and the Provider.
- (4) Collecting evidence of registration in MyFloridaMarketPlace or proof of exemption by Rule from registration. Determine if the Transaction Fee applies; if not, document exemption.

(5) Objectively soliciting and analyzing bids (CFOP 60-5, Chapter 5, Code of Ethics for Public Officers and Employees).

(6) Ensuring that the appropriate audit requirements are conveyed to the Provider.

(7) Facilitating the advertising and negotiation of the contract.

(8) Ensuring that the individual signing the Standard Integrated Contract on behalf of the Provider is legally authorized to bind the Provider to the contract. Prior to contract execution, the Contract Manager must obtain a letter from the Provider (signed by the President, Chairman of the Board of Directors, or Chief Executive Officer) authorizing the individual who will be signing the Standard Integrated Contract on behalf of the Provider to legally bind the Provider to the contract terms and conditions. If the Chairman of the Board of Directors, Chief Executive Officer or company President signs the Standard Integrated Contract on behalf of the Provider, a letter of authorization is not required. The Contract Manager will include the Provider's letter of authorization in the contract review file when it is submitted for review. The Contract Manager will retain the letter as part of the Contract File documentation.

(9) Recouping all overpayments to Providers. The Contract Manager shall first seek immediate repayment in all instances. In the event the Provider cannot make immediate repayment in full to the Department, upon discovery by the Provider or the Department of an overpayment, the Provider may propose a repayment plan. A repayment may only be approved by the Department of Financial Services. The written details of the intended payback plan shall be submitted by the Contract Manager to the local legal office and CA for approval. After approval by the CA, the repayment plan will be sent through the Administrative Services Support Center (ASSC) for review and transmittal to Budget Services. Budget Services will review the plan and, if approved, forward it to the Department of Financial Services, Bureau of Auditing, for final approval.

(10) Securing a signed Certification Regarding Debarment and Suspension Form (CF 1125) from the Provider for any contract containing federal funding of \$25,000 or more. If the Provider refuses to sign the form, a written explanation must be attached to the unsigned form. Contact the CA or the Office of Contracted Client Services if assistance is needed.

NOTE: The Provider agrees by signing this certification that it will require each subcontractor of the contract, whose payment will equal or exceed \$25,000 in federal moneys, to also sign a copy of this certification. Subcontractors' certifications must be kept at the Provider's business location.

(11) Securing from the vendor, prior to contract execution and for any contract that contains federal funding in excess of \$100,000, a signed Certification Regarding Lobbying Form (CF 1123) and, if required, a Disclosure of Lobbying Activities Form regarding lobbying under federal grants and contracts.

(12) Securing a signed Conflict of Interest Questionnaire (CF 1124) from the individuals taking part in the development or selection of criteria for evaluation, the evaluation process, negotiation process, award process, and the Contract Manager.

(13) Completing a determination of Provider's status of Recipient/Subrecipient vs. Vendor.

(14) Completing the Post Award Notice of Federal Awards and State Financial Assistance (CF 1126), and ensuring that copies are posted to the file. The notice must be distributed to the vendor within 90 days of contract execution. The Notice is completed using the current fiscal information from the Contract/Amendment Routing and Approval Form (CF 1121) and the Post Award

Notice Wizard found on the Office of Contracted Client Services website. A new Notice must be completed whenever the dollar amount of the contract is amended.

(a) The Notice can be produced electronically when information is loaded into the at Post Award Notice Wizard the following location:

http://ewas.dcf.state.fl.us/asc/Contract_Information/default.asp

(b) To complete the form you will need the following information from the Contract/Amendment Routing and Approval Form (CF 1121).

1. Budget Entity or Entities, the eight digit code(s) which identifies the program(s).
2. The dollar amount for each Budget Entity (BE), Other Cost Accumulator (OCA) code, and category combination.

(15) Conducting oversight of Provider performance as provided in Chapter 9, paragraph 9-4.

(16) Securing the Emergency Preparedness Plan from the Provider and responding in writing, accepting, rejecting, or requesting modifications within 30 days of contract execution when applicable.

(17) Approving subcontracts and assignments — Section 4.2.3 of the Standard Integrated Contract (Independent Contractor, Subcontracting and Assignments) states: The Provider shall not assign its responsibilities under this Contract to another party, in whole or part, without prior written approval of the Department, upon the Department's sole determination that such assignment will not adversely affect the public interest. No payment shall be made under this Contract to any factor or other person who has been assigned or transferred the right to receive payment in lieu of or on behalf of the Provider except upon full and faithful performance of the Provider's duties hereunder. Any assignment or transfer occurring without prior approval of the Department shall be null and void. The Provider shall not subcontract for any of the work contemplated under this Contract without prior written approval of the Department, which shall not be unreasonably withheld.

(18) Having vendor complete and sign the Federal Funding Accountability and Transparency Act (FFATA) Certification of Executive Compensation Reporting (CF 1111), and submit to the Contract Administrator as part of the contract execution review and maintain all completed pages of the original form in the Contract File.

(a) Continually monitor contracts/grants initially containing less than \$25,000 of federal funds and advise CAs if/when amendments to the contract result in amended amounts exceeding the \$25,000 threshold.

1. Contract Managers will then have the vendor complete and sign the CF 1111, Certification of Executive Compensation Reporting Requirements (see T060-1415).
2. If the vendor or recipient is subject to executive compensation reporting, CAs will report the information contained on page two of the form to the FFATA Coordinator.
3. Maintain the completed original form in the Contract File.

4. The Contract Manager must report any obligation of \$25,000 or more of federal funds through the FFATA Sub-award Reporting System (www.fsrs.gov) no later than the end of the month following the month the obligation occurred.
5. If an incremental increase results in the total value of federal funds in the contract (all years) exceeding \$25,000, then the obligations must be reported through the FFATA Sub-award Reporting System (www.fsrs.gov) no later than the end of the month following the month the obligation occurred. Once the obligation becomes subject to the FFATA requirements, it remains so even if subsequent contract or grant actions reduce the federal funds awarded to less than \$25,000.
6. Contract Manager must report such obligations regardless of whether the funding mechanism is a procurement contract or grant.
7. Contract Manager must also report the “total compensation” of the five highest paid executives employed by the vendor or recipient if:
 - a. The vendor or recipient received in excess of \$25,000,000 of federal funds in its most recently completed fiscal year.
 - b. For purposes of determining whether the vendor or recipient is subject to the \$25,000,000 threshold, the term “federal funds” refers to all federal funding received regardless of whether the funds come from federal contracts, subcontracts, federal grants, sub-grants, or cooperative agreements.
 - c. The vendor or recipient received in excess of 80% of its annual gross revenues from federal funds.

(b) If a vendor or recipient is required to report executive compensation the term “total compensation” includes:

1. Salaries and bonuses;
2. Awards of stock, stock options, and stock appreciation rights;
3. Earnings for services under non-equity incentive plans;
4. Changes in the present value of defined benefit and actuarial pension plans Above market earnings on deferred compensation not tax-qualified; and,
5. Other forms of compensation, e.g. severance, value of life insurance, etc., if the aggregate value exceeds \$10,000.

(c) The Department is required to report FFATA related information only for those entities it directly contracts with or it awards financial assistance (grants).

(d) To report FFATA information, the Department must use a Data Universal Numbering System (DUNS) number. Vendors or recipients without a DUNS number may obtain one from the following website: <http://www.dandb.com/duns-file/>.

(19) Processing, inspecting, reviewing, and approving the Provider's invoices for payment. Quarterly reconciling of the contract payment records with the state's official accounting records.

(20) Reviewing the Provider's documentation of contract-related expenditures.

(21) Ensuring that Providers complete the Civil Rights Compliance Checklist (CF 0946). [45 CFR, Part 80; CFOP 60-16];

(22) Maintaining the Contract File.

(23) Conducting periodic (not less than annual) visits with clients at the Provider's physical location where services are delivered (refer to Chapter 8, paragraph 8-4 b. of this operating procedure for file documentation requirements).

(24) Conducting direct meetings with the Provider's representative. "Direct" is defined as face-to-face meetings, conference calls, or other electronic mediums. In situations where face-to-face meetings are not practical, the Contract Management Supervisor may authorize alternate forms of contact that meet the intent and frequency of the statutory requirements of s. 402.7305(3)(e), F.S.

(25) Reporting, in the event of discovering or being made aware of a Provider HIPAA violation, the Contract Manager must report the violation to the Department of Health and Human Services, Office of Civil rights at <http://www.hhs.gov/ocr/privacy/hipaa/complaints/index.html> (for privacy issues only) or Centers for Medicare and Medicaid Services <http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/ComplianceandEnforcement/HowtoFileaComplaint.html>. The Office of Civil Rights is responsible for responding to complaints pertaining to Privacy issues only. The remaining HIPAA rules, including the Security Rule, are the responsibility of the Centers for Medicare and Medicaid Services.

(26) Requesting, reviewing and approving corrective action plans, preparing status reports on the plans (as required) and overseeing their implementation.

(27) Performing contract closeout activities.

(28) Performing a cost analysis in accordance with s. 216.3475, F.S., and CFO Memo No. 2 (2012-2013), where applicable.

(29) Sending a letter, upon entering into a new contract, to Providers advising of the Coordinated Contract Services requirements found in s. 287.0575, F.S. Providers shall be afforded a thirty (30) day response time.

(30) Section 216.0111, F.S. requires that contracts, including direct orders and purchase orders, which exceed the Category II threshold (\$35,000.00) established in s. 287.017, F.S., and which were not awarded by competitive solicitation or purchased from a purchasing agreement or state term contract, be reported to the DFS within three (3) working days after executing the contract. For the purpose of this reporting requirement, contracts that do not specify a total contract amount must be reported. Additionally, a contract that is less than Category II that is amended to exceed Category II must also be reported. Amendments to contracts must also be reported within three (3) working days after executing the amendment. State agencies, as defined in s. 216.011, F.S., which enter into contracts for the purchase of commodities or contractual services, executed on or after July 1, 2010, will be required to comply with the reporting requirements:

(a) The Florida Accountability Contract Tracking System (FACTS) through the Contract Accountability Reporting System (CARS) located on the Department's Intranet or at address <http://ewas.dcf.state.fl.us/asc/CARS/>.

(b) The following data fields shall be provided:

- Agency site;
- Agency contract name;
- Contract/DO/agreement number;
- Contract Manager name and phone number;
- Vendor name;
- Date of contract execution;
- Original contract amount;
- Amended contract amount and amendment date;
- Description of commodities or services procured;
- Summary of any time constraints that applied to the procurement;
- Justification for not using competitive solicitation;
- The statutory exemption or exception claimed;
- The contract's payment method;
- The Catalog of Federal Domestic Assistance number (if applicable);
- The Catalog of State Financial Assistance number (if applicable).

8-4. Contract Management File. For each contract, the Contract Management file consists of two sub files: the Procurement File and a Contract File. The Contract Management file is the official record for the Department and must be maintained for a period of six (6) years following contract closeout or resolution of pending action (e.g., legal, audit, etc.) whichever is later. Reviews of the Contract Management file are to be conducted on a routine basis by the CA to ensure necessary documentation is being properly maintained.

a. Procurement File. The Procurement File, containing all documentation and information regarding the vendor selection process regardless of the procurement method, becomes part of the Contract Management file upon contract award. The entire procurement process should be documented in a Historical Documentation Log and include all documentation regarding the following:

- (1) Planning Documents;
- (2) Procurement Documents;
- (3) Evaluation Documents;
- (4) Negotiation Documents;
- (5) Selection Documents;
- (6) Contract Award Documentation;

(7) For competitive procurements, documentation listing the names of all individuals taking part in the development or selection of criteria for evaluation, the evaluation process, and the award process;

(8) A signed and completed Conflict of Interest Questionnaire (CF 1124) from all individuals taking part in the selection process, etc.;

- (9) Documentation required by small purchase procedures;

(10) Documentation required by non-competitive procurement procedures.

b. Contract File. A chronological file prepared to hold pertinent information related to a contract from the time it is awarded until contract closeout. The Procurement File is contained within the Contract File. This is the official file for such information and must include, if applicable, *but is not limited to*:

(1) Copy of Business Case, where applicable.

(2) Documentation of the written assignment of contract management duties by a member of the Department's Senior Management or Select Exempt Service.

(3) Copy of the contract and Contract/Amendment Routing and Approval Form (CF 1121).

(4) Copy of the applicable Contract Renewal Form or Letter.

(5) Correspondence regarding the contract.

(6) Amendments, if any.

(7) Civil Rights Compliance Check-list (CF 0946), as appropriate.

(8) Memorandum of Negotiation.

(9) Recordings of Negotiation (ITN Only).

(10) Documentation evidencing cost or price analysis.

(11) Provider's justification of need for advances.

(12) Documentation supporting Provider compliance with insurance requirements in contract.

(13) Certification Regarding Debarment and Suspension Form (CF 1125) for all contracts containing federal funding of \$25,000 or more.

(14) Certification Regarding Lobbying Form (CF 1123) for all contracts containing federal funding in excess of \$100,000.

(15) Contract Manager's Budget Record and Authorizing Documents (e.g., Appropriations Act proviso, budget amendments, etc.).

(16) Post Award Notice.

(17) Approvals/Disapproval of Subcontracts.

(18) Recipient/Subrecipient Vs. Vendor Checklist.

(19) Emergency Preparedness Plan.

(20) Chronological activity record, including, but not limited to:

(a) Documentation of periodic (not less than annually) client visits at the Provider's physical location where services are delivered, including evidence that the Contract Manager spoke directly to clients receiving services and Provider staff responsible for delivering the services.

(b) Documentation of Contract Manager's direct meetings with the Provider's representative.

(21) Documentation of Contract Review Plan Development.

(22) Relevant monitoring and evaluation reports including documentation of Provider performance reviews.

(23) Corrective Action documentation, including Approved Plans, Status Reports (as required), and Completion of the Corrective Action Plan (CAP).

(24) Copies of invoices with a copy of the Summary of Contractual Agreement/Purchase Order Form and supporting documentation.

(25) Schedule of contract payments and total amount disbursed.

(26) Documentation of periodic (not less than quarterly) reconciliation of contract payment records with the State's official accounting records.

(27) Compliance Reports that document support to the Deaf or Hard-of-Hearing; the Compliance Reports shall be submitted to the respective Region Americans with Disabilities Act (ADA) Coordinators by the 7th business day of each month.

(28) Single Audit or certification of non-applicability. Recipients are required to conduct an independent audit when expending a cumulative of \$500,000 in State Financial Assistance or \$750,000 Federal Awards during their fiscal year. The Financial Compliance Audit Attachment (Single Audit Attachment CF 1120 requires the Provider to certify, at the end of their fiscal year, that the cumulative total of State Financial Assistance does not exceed \$500,000 or Federal Awards does not exceed \$750,000, and a single audit is not required.

(29) PUR 3777, Request for Exemption for Transaction Fee (if applicable).

c. Contract File Reviews. The CA will perform a review of the Contract Managers File. The system involves a two-step review of selected criteria designated by the Headquarters Contract Operations and Quality Assurance Unit. For the initial review, the CA determines whether the specified criteria are in compliance or non-compliance. The Contract Manager has thirty (30) days to take action to bring the criteria into compliance before the CA performs their final review. In the event that one or more criteria remain uncorrected following the final review, the Contract Management Unit Supervisor may receive an e-mail notification from their CA indicating the criteria of continued non-compliance. The Contract Management Unit Supervisor is responsible after the CA's final review; for ensuring the criteria is corrected within thirty (30) days. The Contract Management Unit Supervisor will document the compliance status in the Contract File Review Database.

8-5. Invoice Processing, Inspection, Review, and Approval. The Contract Manager must receive invoices or requests for payment directly from the Provider and process them for payment which includes providing a copy of the Summary of Contractual Services Agreement/Purchase Order Form.

a. Invoice Processing, Inspection, and Review. Upon receipt of each invoice, the Contract Manager must determine the following:

(1) Were invoiced goods and services satisfactorily provided according to the terms and conditions of the contract?

(2) Is the invoice or request for payment in the proper format, mathematically correct, and does it contain the necessary information as required?

(3) Is supporting documentation included?

(4) Does supporting documentation support invoice or request for payment?

(5) Are expenditures allowable according to the contract budget and/or other contract terms?

b. Invoice Approval. The Contract Manager's signature on an invoice or request for payment attests that the goods or services have been satisfactorily provided, and that the expenditures are allowable and in compliance with the terms of the contract. The Contract Manager may negotiate a period longer than five (5) working days during the procurement process in order to inspect and approve deliverables per s. 215.422, F.S. Adequate review and inspection time should depend on the complexity of the deliverables. If the invoice or request for payment is approved, the Contract Manager should transmit it to the appropriate fiscal office for payment. If the invoice or request for payment is disapproved, the Contract Manager should return it to the Provider with an explanation and corrective actions to be taken.

c. Summary of Contractual Services Agreement/Purchase Order Form. A Summary of Contractual Services Agreement/Purchase Order Form shall be completed in its entirety, signed and dated by the appropriate departmental staff and submitted with all contractual services payment requests.

(1) Contract Managers shall provide a written certification, with an original signature, that the information on the form is true and correct, the goods and services have been satisfactorily received and payment is due. The Office of the State Chief Financial Officer reserves the right to require additional documentation and/or to conduct periodic post-audits of any agreements.

(2) If the Contract Manager identified in the executed contract is unable to provide a written certification, then a Delegation of Authority must be provided.

(3) Agency Management shall provide, when applicable, a written certification that the information on the form is true and correct; and accurately reflects the terms and conditions of the executed contract document on file. The Office of the State Chief Financial Officer reserves the right to require additional documentation and/or to conduct periodic post-audits of any agreements. Contract Management Supervisors shall serve as Agency Management, for this purpose only, and shall provide the written certification.

d. Contract and Grant Reviews and Related Payment Processing Requirements. Contract Managers/Contract Administrators must ensure that all executed contracts, with any required documentation, are submitted to the Administrative Services Support Center (ASSC) upon receipt of the executed contract. Contract Managers shall submit a Summary of Contractual Services Agreement/Purchase Order Form, to ASSC, with each payment request.

8-6. Contract Review Activities. CFOP 75-8, Policies and Procedures of Contract Oversight, contains information regarding the Department's operating procedures for monitoring Department contracts. The CFOP 75-8 establishes uniform policies and procedures for contract review and oversight. Based on direction from Department contract managers, Contract Oversight assesses the Department's external

service Providers for contractual compliance in limited areas, and reports the results to contract managers and program management.

Chapter 9

CONTRACT ADMINISTRATION

9-1. Purpose and Scope. This chapter provides an overview of Contract Administration activities within the Department. It is intended to aid CAs and Contract Managers. It does not restrict contract administration responsibilities or processes but intends to provide a minimum set of tasks that are required to be accomplished.

9-2. Introduction. The CA is the primary contact/liaison between the Contract Manager and senior management within the region/circuit and the Department's Headquarters.

9-3. Authority. Section 287.057(15), F.S., requires the agency to designate at least one employee who shall serve as a CA responsible for maintaining a Contract File and financial information on all contractual services contracts. The CA serves as a liaison with the Contract Managers and the Department. Section 402.7305 (3)(a), F.S., requires that the official file be maintained by the Contract Manager.

9-4. Responsibilities.

a. Direct Responsibilities.

(1) Distribution of New and/or Revised Departmental Policies and Procedures.

Distributes new and revised procedures or clarifications issued by the (OCCS). Provides interpretations, clarifications and instructions for the application of these changes and ensures policy implementation.

(2) Quality Assurance. Ensures the contract, contract amendment or solicitation under review is in compliance with federal and state laws, rules and Department contracting procedures. Quality Assurance may also include, but is not limited to the following:

(a) Reviewing solicitations, contracts and contract amendments;

(b) Reviewing all documents to ensure they are the most current version available consistent with approved Department format;

(c) Identifying internal conflicts and inconsistencies;

(d) Ensuring compliance with s. 287.058, F.S.;

(e) Identifying issues regarding clarity, spelling, punctuation, and grammar;

(f) Assigning solicitation and contract numbers to new documents.

(3) CF1121 Reviews. Reviews the Contract/Amendment Routing and Approval Form (CF1121) for completeness and accuracy and signs the attestation.

(4) Training. The CA facilitates contract/procurement related training necessary for contract personnel to perform their assignments. This training requires the CA to:

(a) Coordinate training with Department staff and any other entity which has an interest in the contracting process to ensure consistency in the training presentation;

(b) Evaluate the training needs of Department staff;

(c) Ensure that Contract Managers receive ongoing procedural updates.

(5) Technical Assistance. The CA is responsible for providing assistance to contract personnel with:

(a) Questions regarding the drafting of new contracts, amendments, and solicitations;

(b) Questions regarding contracting and Provider requirements;

(c) Guidance in resolving issues and problems.

(6) Contract Management File Reviews. The CA is required to ensure the Contract Manager is maintaining the Department's official Contract File, in accordance with this operating procedure. The Contract File Review System has been developed to assist the CA in performing this function. Upon the completion of the file review, an email is sent identifying any deficiencies found to the Contract Manager Supervisor.

(7) Data Input/Updates. The CA ensures that contract data information and updates are accurately entered into all relevant systems and that any discrepancies are found and reported. The CA maintains and updates contract asset information provided by headquarters and region/circuit contracting staff on the OCCS website.

(8) Waivers. When it is deemed necessary to change a Standard Integrated Contract clause, the request to make that change is submitted to the CA. The CA submits the request, with proposed language, justification and recommendation, to the Director of OCCS for review.

b. Oversight Responsibilities.

(1) Competitive Solicitations. CA will assist the individual assigned to develop a procurement using an Invitation to Bid (ITB), Request for Proposal (RFP) and/or an Invitation to Negotiate (ITN). CA may assist in the writing of these documents by providing or recommending language to use in the solicitation. Upon completion of the solicitation by the Procurement Manager, the CA will perform a review of the document and if acceptable, submit it to legal for review.

(2) Non-Competitive Procurements. CA may assist in the development of the following documents which have specific requirements that are detailed in this operating procedure.

(a) Single Source Procurement. Documents required for a single source procurement are the PUR 7776 and 7778. The CA reviews these documents prior to submission for approval. Once approved the CA will post the required forms on the VBS.

(b) Emergency Procurements. The Notice of Emergency Purchase (PUR 7800) must be signed by the Secretary or designee and notarized. Upon completion, the CA submits the signed document to the Department of Management Services.

(c) Regulated Exemptions. Exemptions to the competitive process are provided for in recognition of the special characteristics present when purchasing certain services. The CA must ensure that these procurements are used appropriately.

(d) Contract Reporting Requirements Pursuant to s. 216.0111, F.S. The CA ensures required information is properly contained in all applicable contracts.

(3) Settlement Agreements/Non-Compliance. On occasion it may be necessary to pay the Provider through a Settlement Agreement or through the use of the non-compliance form PUR 1010. The CA may assist the Contract Manager in these situations.

(4) Contract Evaluation and Reporting System (CERS). CA is responsible for guiding Contract Managers in the proper use of the CERS.

(5) Multi-Region/Circuit Rate Contracts. CA ensures policies regarding the use of a contract by two or more regions/circuits are met as listed in Chapter 5, paragraphs 5-5 and 5-6.

(6) Postings and/or Processing. CA is responsible for reviewing and posting/processing the following documents:

- (a) Competitive Solicitation Documents;
- (b) Single Source Documents (PUR 7776 and 7778);
- (c) Notice of Emergency Purchase (PUR 7800);
- (d) Notice of Non-Compliance (PUR 1010);
- (e) Post notices of procurement related public meetings.

GLOSSARY

ADDENDUM

A document used to amend the terms of a Solicitation, incorporated as part of the original Solicitation Document.

ADVANCE PAYMENT

A form of payment whereby, when certain criteria are met, contract funds may be available to a Provider prior to delivery of the services or expenditure of funds by the Provider

AMENDMENT

A document by which changes are made to the terms of an executed contract. Changes requiring amendment include, but are not limited to, adjustments in cost, services, time period, and method of payment. An amendment must be mutually agreed upon and executed by both parties.

BEST VALUE

The highest overall value to the Department or state based on objective factors that include, but are not limited to price, quality, design, and workmanship.

BOND

Financial obligation required by party seeking to file a protest to a Department decision or intended decision with respect to administering a contract or conducting a procurement. Section 287.042, F.S., requires the bond to be equal to one percent (1%) of the estimated contract amount and accompany the formal written protest presented to the Department. The statute further requires the Department to provide the estimated contract amount to the protestor within seventy-two (72) hours after filing of the Notice of Protest.

BUDGET

A financial plan presenting proposed use of revenues and expenditures for purposes described in the accompanying narrative.

BUSINESS DAY

A day other than a Saturday, Sunday, or State-approved holiday

BUSINESS CASE

The report of the facts and analysis regarding the feasibility, cost-effectiveness, and efficiency of the proposed project, which is a part of the Contracting Plan required by the Contracting Playbook. Section 287.0571, F.S., requires a business case for any outsourcing project that has an expected cost in excess of \$10 million within a single fiscal year. The term may also be used to refer to any presentation of facts and analysis that adequately captures the economic, public policy, management, and commercial characteristics of a proposed procurement or purchasing action. The business case is part of the Contracting Plan.

CALENDAR DAY

Every day in a calendar year, starting and ending at midnight.

CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA)

A statewide compendium of state projects that provide financial assistance to non-state entities

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

Certification Regarding Debarment ensures that the Provider has not been debarred, suspended, declared ineligible or excluded from receiving federal funds.

CLIENT

An individual or group receiving services.

CLIENT SERVICES

All contractual services with the exception of general services, legal services, administrative consulting, and information technology resource contracts.

COMMODITY

A tangible, specific item or product, such as: desk, toothbrushes, beds, etc. s. 287.012(5) F.S.

COMPETITIVE PROCUREMENT

A method of solicitation that involves the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by vendors in accordance with the terms of a competitive Solicitation. The State of Florida commonly uses three forms of competitive procurement: Invitation to Bid (ITB), Request for Proposals (RFP), and Invitation to Negotiate (ITN).

COMPLIANCE

The fulfillment of the terms and conditions of the contract in accordance with the Department's policies, rules and regulations.

CONFIDENTIAL INFORMATION

Public records or portions thereof that are expressly exempted by F. S., Federal law or Federal regulation from the public inspection and copying requirements of Chapter 119, F.S., and which also shall not be disclosed except upon specified conditions.

CONFLICT OF INTEREST QUESTIONNAIRE

A questionnaire to be completed by those individuals taking part in any procurement which attests that none of the participants in the evaluation have a conflict of interest in the project. Note that Department policy and statute require completion of this questionnaire for all procurements made without competition 287.057(19), F.S.

CONTRACT

A formal written agreement between the Department and an individual or organization obligating the seller to furnish services and the buyer to pay for them. It includes all types of commitments that obligate the Department to an expenditure of appropriated funds, and that, except as otherwise authorized in writing, are in writing. In addition to bilateral instruments, contracts include, but are not limited to, letter agreements, orders or task letters issued under basic ordering agreements, orders such as purchase orders, under which the contract becomes effective by written acceptance or performance, and bilateral contract modifications. Contracts do not include grants or cooperative agreements. A contract must be signed by both parties prior to services being performed.

CONTRACT ACCOUNTABILITY REPORTING SYSTEM (CARS)

CARS contain data on all Department contracts, grants, and amendments. After execution of the contract, grant, or amendment, the Contract File Administrator reviews the information and uses CARS to enter it into the Florida Accountability Contract Tracking System (FACTS). The data in CARS includes all identifiable information about the action including: (i) start and end dates; (ii) original and amended total dollar amounts and the amount for the current fiscal year; (iii) vendor identification; (iv) method of procurement; and (v) Department program area.

CONTRACT ADMINISTRATOR

The Contract Administrator performs the functions described in s. 287.057(15), F.S. as well as providing training and technical assistance to Department and Contract Managers, overseeing the procurement and contracting processes, and reviewing procurement and contracting documents for

compliance with state and federal statutes, regulations, and Department policies. A Contract Administrator is located in each of the Department Regions and in the Headquarters Office.

CONTRACT CLAUSE

A provision or condition which is part of the contract.

CONTRACT CLOSEOUT

The final process or steps to be taken upon completion or termination of a contract. This may include, but is not limited to, (i) processing the final payment; (ii) recovering any overpayment; (iii) recovering all equipment purchased for provision of the services; and (iv) completing the final performance evaluation of the vendor.

CONTRACT FILE

The Contract File is the Department's official record that contains all pertinent information related to the contract from the time the procurement begins until contract closeout. The Contract File is subject to the public records laws, including those pertaining to record retention periods.

CONTRACT MANAGER

See the term as defined in s. 402.7305, F. S.

CONTRACT MONITOR

See the term as defined in s. 402.7305, F. S.

CONTRACT MONITORING

The acquisition, review, and reporting of information about the vendors' compliance with the terms and conditions of the contract.

CONTRACT NUMBER

A unique (five) 5 character alpha-numeric code assigned to each contract by the Department for the purpose of tracking actions, documents, records, and payments related to the contract.

CONTRACT RENEWALS

A document which extends the performance period of a contract for commodities or contractual services for a term that may not exceed 3 years or the term of the original contract, whichever period is longer.

CONTRACT REVIEW FORM

A form, also called CF Form 1122 that accompanies contracts, rate contracts, and amendments during the approval process.

CONTRACT SIGNER

The position authorized to sign contracts, Certifications of Emergency for Retroactive Payment, Certifications of Emergency Procurement, and Single Source Requests for the department. The appropriate signer is designated pursuant to the delegations of authority.

CONTRACT TERMS

Conditions, obligations, rights, price, etc., as specified in a contract or instrument. Term is a word or phrase; an expression; a fixed and definite period of time.

CONTRACTING

Contracting is the purchasing, renting, leasing, or otherwise obtaining of goods or services. Contracting includes description (but not determination) of services required, Solicitation, negotiation, and selection of sources, preparation, and award of contracts and all phases of contract administration.

CONTRACTING PLAN

A plan developed within the Department to guide the contract award process. At a minimum, the contracting plan must contain a description of the need for the contract, the applicable budgetary and financial attributes of the proposed acquisition, the Business Case, results from market research, a description of the proposed procurement process including the method of procurement, security considerations, and a milestone schedule. After completion, the Plan is reviewed by Executive Leadership which provides the approval to proceed with the procurement

CONTRACTOR

A person who contracts to sell commodities or contractual services to an agency, s. 287.012(7), F.S. The Department generally uses Provider in its contract documents.

CONTRACTUAL SERVICES

The rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term does not include a contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of a facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Chapter 255, F. S., and rules adopted thereunder.

CONVICTED VENDOR LIST

A list maintained by the Florida Department of Management Services pursuant to s. 287.133(3)(d), F. S., identifying persons or affiliates who are disqualified from the public contracting and purchasing process as the result of a judgment or conviction by any court of competent jurisdiction, whether entered by verdict or plea.

CORRECTIVE ACTION

Action taken by a vendor that will remediate past and present deficiencies in performance and ensure that future performance complies with contract terms.

CORRECTIVE ACTION PLAN

A Department-approved plan submitted to the Department by a Provider that describes the specific acts and timing the Provider proposes to ensure that future performance complies with contract terms.

COST PRINCIPLES

Binding guidance issued by a competent cognizant entity that provides funds to support public services or render financial assistance about what expenditures are permissible in the employment of the funds. Examples of Federal Cost Principles are found in Title 2, Code of Federal Regulations, Parts 215 and 230 and Uniform Grant Guidance, 2 CFR s. 200.400-200.745. Examples of State Cost Principles are found in the Department of Financial Services' Reference Guide for State Expenditures.

COST REIMBURSEMENT

Method of payment used when the Department reimburses the Provider for documented and reported expenditures incurred by the Provider in performing services in compliance with the contract and in accordance with cost principles.

DATA UNIVERSAL NUMBERING SYSTEM (DUNS)

The Data Universal Numbering System or D-U-N-S® Number is D&B's copyrighted, proprietary means of identifying business entities on a location-specific basis is an assigned unique nine-digit identification number maintained solely by D&B. The D-U-N-S® Number "unlocks" a wealth of value-added data associated with the assigned business, including the business name, physical and mailing addresses, trade styles ("doing business as"), principal names, financial, payment experiences, industry classifications (SICs and NAICS), socio-economic status, government data and more.

DAY

A calendar day unless clearly stated otherwise.

DELEGATIONS OF AUTHORITY

Authority vested in the Secretary by Chapter 20, F.S., to make decisions and commit the Department's resources. This authority is re-delegated in writing by the Secretary to another Department employee to exercise the authorized action.

DEPARTMENT

The Florida Department of Children and Families (THE DEPARTMENT)

DIRECT COST

Any cost that is identified specifically with a particular category of cost or a final cost objective.

DIRECT ORDER (PURCHASE ORDER)

A purchase (or direct) order obtaining services indicating types, quantities and agreed prices for products or services.

DUNS NUMBER

A nine digit number that allows a vendor to bid on government proposals. The number is provided from Dun & Bradstreet. It is a unique nine-digit identification number for each physical location of your business. D-U-N-S Number assignment is free for all businesses required to register with the federal government for contracts or grants.

EVALUATION CRITERIA

A list of questions used in a competitive Solicitation to determine which potential Providers are responsible in accordance with s. 287.012(25), F.S. This criterion includes Qualitative and Quantitative criteria.

EVALUATORS

The group of Department staff members assigned to review and score proposals and replies submitted in response to a competitive Solicitation. Section 287.057(16)(a)1., F.S., requires that an Evaluation Team be comprised of individuals who collectively have experience and knowledge in evaluation process and in the program areas and service requirements for which contractual services are sought.

EXECUTED CONTRACT

A contract that has been signed and dated by authorized representatives of the Department and the Provider.

EXECUTIVE LEADERSHIP

Executive Leadership consists of the Secretary, Deputy Secretary, Assistant Secretaries, Chief of Staff, and General Counsel.

FACE TO FACE

Personal contact. In contract monitoring, face-to-face interviews are to be conducted with Provider staff, board members (where appropriate), clients and client families or guardians.

FEDERAL FUNDS

Contract funds originating from Federal sources, which may prescribe conditions for expenditure and reporting.

FISCAL YEAR

A Provider's annual accounting period for which books are balanced and financial statements prepared.

FIXED FEE

This is a term traditionally used by the Department to refer to a pre-determined price normally paid in equal sums over a fixed period (such as a month or quarter). The term "fixed fee" is no longer used and the term "fixed rate" is the proper term for this payment method.

FIXED RATE

The price paid for a specified unit of service under a unit price contract, where the "unit" is other than a fixed period of time, such as a month. The terms "unit cost" and "unit price" are synonymous with the term "fixed rate," as is the term "fixed-rate-per-unit" as used in s. 215.97(8)(o)2., F.S.

FLORIDA ACCOUNTABILITY CONTRACT TRACKING SYSTEM (FACTS)

The Florida Department of Financial Services (DFS) implemented FACTS to comply with the requirements of s. 215.985(14), F.S. State agencies are required to input all contracts, grants, and amendments into the FACTS system. DFS anticipates that upon completion of the project, the system will contain images, financial information, and audit findings of all grant and contract documents, with a user-friendly query tool to provide users and the public with access to the information. The Department does not directly enter information into FACTS but the information entered into CARS automatically uploads via a daily batch.

FLORIDA ACCOUNTING INFORMATION RESOURCE (FLAIR)

FLAIR is a general ledger accounting system, utilized to perform the state's accounting and financial management functions. FLAIR ensures that state financial transactions are accurately and timely recorded. FLAIR processes expenses, payroll, retirement, unemployment compensation, and public assistance payments for all state agencies. In accordance with generally accepted accounting principles, FLAIR provides: (i) counting control over assets, liabilities, revenues, and expenditures; (ii) DFS management with budgetary control, while allowing divisions and lower levels of management maximum autonomy; and (iii) adequate records for research, auditing requirements, and claim settlements against the state. The DFS updates FLAIR on a daily basis, providing THE Department users with current on-line information.

FLORIDA ADMINISTRATIVE REGISTER (FAR)

The Florida Department of State (DOS) publishes the FAR to provide the public with daily information regarding the status of agency rules, notices of public meetings, workshops and hearings, and miscellaneous actions that require publication by statute. In 2012, DOS renamed the Florida Administrative Weekly (FAW) to FAR to reflect changes made to Chapter 120, F.S. To assist state agencies, DOS staff members provide training and consultation regarding the requirements for filing and publishing rules, meetings, and other notices. FAR commonly includes information regarding public procurement including notices of available Solicitations as well as other official notices such as the status of rulemaking (changes in Florida regulations) and notices of rule changes, corrections, and withdrawals.

GENERAL APPROPRIATIONS ACT (GAA)

The resulting legislation passed annually by the Legislature and signed into law by the Governor. The GAA provides the authority for Agencies to make expenditures for specific purposes within the appropriations authorized.

GRANT

An award of state or federal financial assistance pursuant to statutory authority to issue grants as opposed to a statutory authority to enter into contracts.

GRANTEE

A Provider.

HISTORICAL DOCUMENTATION LOG

The Procurement Manager must maintain a Historical Documentation Log for all competitive procurements. The first document required to be in the log is the Solicitation Document. Every document that the Department receives or posts regarding the procurement, subsequent to the posted Solicitation Document, must be included in the log. In addition, any alteration or amendment to the Solicitation Document must be included in the log. The Historical Documentation Log ends at the Contract Award.

HOLIDAY

Any of the holidays observed by Florida State agencies pursuant to s.110.117(1), F.S.

INDIRECT COST

Any cost that is not directly identified with a single cost category or final cost objective, but is identified with two or more cost categories or final cost objectives or with at least one intermediate cost objective.

INVITATION TO BID (ITB)

The ITB is a written Solicitation for competitive sealed bids and which uses the prices bid to determine the winning Provider. The Department most commonly uses ITBs for the purchase of commodities or general services such as janitorial, lawn maintenance, couriers, etc.

INVITATION TO NEGOTIATE (ITN)

The ITN is a competitive Solicitation for competitive sealed replies and which uses both written submissions and subsequent competitive negotiations to determine the best value for the state and the successful Provider. The ITN provides an alternative to both the RFP and ITB. As part of the ITN process, the Department evaluates the prices and services offered, as well as the qualifications and capabilities of the Providers to satisfactorily meet the need for services.

LICENSE

A document issued by a regulatory entity enabling the licensee to perform some service or operation some activity.

MATCH

Refers to a specified percentage of program or project costs, cash or in-kind, that must be contributed by a grantee in order to be eligible for funding. This requirement may either be stated as a specified minimum percentage of total allowable costs or a maximum percentage of participation in such costs.

MEMORANDUM OF NEGOTIATION

A document signed and dated by both parties to the negotiation and prepared to list all points discussed and agreed to during the negotiations. It serves as a precursor to the development of the final contract by preserving the results of the negotiations on such matters as services, tasks, and activities, compensation and pricing, performance measures and standards, and contract coordination and governance.

METHOD OF PAYMENT

The manner described in a contract by which a Provider will receive compensation in exchange for commodities delivered or services rendered.

MYFLORIDAMARKETPLACE (MFMP)

MFMP is the State of Florida's online exchange for buyers and vendors, operated by the DMS. The system provides state entities and vendors a centralized source of procurement information and the ability to communicate to a broader buying audience. MFMP provides the DMS with a central database for all purchasing data and the benefit of a one-stop shop for accessing online catalogs and information about vendors that provide services to the state. State users of the system receive: (i) faster order processing time; (ii) more choice: reduction in paperwork; (iii) reduction in the cost services; and (iv) reduced overhead and processing costs. Key benefits for vendors include: (i) Single point of registration; (ii) State of the art tools; (iii) Increased access to buying entities; and (iv) Enhanced economic development opportunities for small businesses.

NEGOTIATION

An integrated decision making and problem solving process that involves strategies, tactics and dispute resolution skills. It is a process involving verbal and non-verbal communication skills to reach a mutually satisfactory agreement representing resolving different points of view and producing an end result that meets the requirements of the Solicitation and provides a contract in the best interest of the state.

NEGOTIATION STRATEGY SESSION

Meetings called by a Lead Negotiator before and during negotiations at which a Negotiating Team discusses its strategies and tactics and reviews unresolved negotiation issues and points. Such sessions are exempt from public meeting and records requirements as provided in s. 286.0113(2)(b) and (c), F.S.

NON COMPETITIVE PROCUREMENT

A method of selecting a vendor for contract award that does not involve requesting two or more sealed bids, proposals, or replies. Examples of non-competitive methods of procurement include Emergency Procurement, Single Source awards, regulated exemptions, and alternative contract sources.

NOTICE OF PROTEST

A legal notice sent to the Department by a vendor or person who believes that they have been adversely affected by a procurement or contracting decision or intended decision made by the Department. For the Notice of Protest to be timely filed and for the person to preserve their appeal rights, the person has no longer than seventy-two (72) hours (excluding Saturdays, Sundays, and holidays) to file the notice after the Department posts its notice of decision or intended decision.

OFFICE OF CONTRACTED CLIENT SERVICES (OCCS)

OCCS is primarily located at the Department's Tallahassee Headquarters. OCCS Contract File Administrators are located at each Regional headquarters throughout the State. OCCS is the office in the Department that oversees the policies and procedures used when acquiring services by contract. It also oversees and monitors compliance with those policies and procedures and makes regular reports to Department leadership.

OFFICE OF GENERAL COUNSEL (OGC)

The Office of the General Counsel reports directly to the Secretary of THE Department and is the Department's authority on all legal matters. While the primary OGC is located in the Tallahassee Headquarters, there are legal resources assigned by OGC located in each Region.

OPEN (PUBLIC) MEETINGS REQUIREMENTS

The enumerated legal obligations that require the Department, and other government entities, within Florida to provide notice to the public and permit attendance by the public at meetings of boards or commissions that will make decisions or transact other official business. The open meeting requirements and exceptions are described in sections 286.0111 and 286.0113, F.S. The notice

requirements for public meetings are described in s. 120.525, F.S., which requires that the notice must contain a statement of the general subject matter to be considered. The Department must provide an agenda at least seven (7) days before the event and may charge a reasonable cost for each copy.

OUTSOURCE

See s. 287.012(20), F. S.

PROCUREMENT

The acquiring by contract with appropriated funds of services (including construction) by and for the use of the Department through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Procurement consists of five (5) Stages and begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, Solicitation and selection of sources, development, execution, and award of contracts, contract administration, contract performance, contract closeout, and those technical and management functions directly related to the process of fulfilling Department needs by contract.

PROCUREMENT MANAGER

The term Procurement Manager refers to the individual assigned to conduct the procurement activities and oversee the procurement phase of the Contracting process. A member of the Senior Management or Select Exempt Service must appoint the Procurement Manager in writing, ensure that the Procurement Manager is properly qualified to perform his or her duties, and is properly supervised and supported. The Procurement Manager's written appointment document is stored in the Contract File.

PROCUREMENT METHODS

There are three (3) broad types of procurement: (i) Competitive, (ii) Non-Competitive; and (iii) Small Purchases. Competitive procurements involve fair and open competition between two or more vendors. The methods of procurement providing competition are Invitation to Bid (ITB), Request for Proposal (RFP), Request for Quote (RFQ) and Invitation to Negotiate (ITN). Non-competitive procurements do not provide for any competition but focus on only a single vendor. The methods of non-competitive procurement are Single Source (SS), Emergency Procurements (EP), and Alternative Contract Sources (ACS).

PROGRAM OFFICE (ORIGINATING OFFICE)

The Program Office is responsible for the purchase of contracted services and providing support to everyone involved throughout the procurement process. The Program Office includes any office that originates the need for services.

PROTEST

An objection by any person or firm who has, or considers they have, been adversely affected by a decision or intended decision concerning a bid solicitation, or by a notice of contract award. An official protest must be raised in writing within the timeframe prescribed by Chapter 120, F.S. At the time of filing the formal written protest, the official protest must be accompanied by a bond payable to the department.

PROVIDER

An organization or individual under contract with the Department to provide services in accordance with the terms of a contract. A Provider may be a "Vendor" or a "Recipient." The term "Provider" is a term of convenience used in the standard integrated contract that also serves as the basis for a grant agreement and, in such case, is intended to refer to the Grantee.

PUBLIC ENTITY CRIME

See the definition of this term in s. 287.133, F. S.

PUBLIC MEETING

The Department must hold all meeting as public meetings and give notice of the meeting, hearing, or workshop by publication in the Florida Administrative Register and on the Department's website not less than 7 days before the event. The notice must include a statement of the general subject matter to be considered.

PUBLIC RECORDS

See the definition of this term in s. 119.011, F. S.

PURCHASE

An acquisition for commodities or services made by the Department or another state agency.

PURCHASE ORDER

See this term as defined in Rule 60A-1.001, Florida Administrative Code.

RATE CONTRACT

A contract between the Department and an individual or an organization that establishes a rate of payment for a specified unit of service.

REGION

The Department of Children and Families divides the State of Florida into six (6) regions. The regions include: Central, Northwest, Northeast, Southern, Southeast, and Suncoast.

REGULATED EXEMPTION

A term used by the Department to describe the exemptions from competition specified in s. 287.057(3) (a) – (f), F.S.

RENEWAL

Contracting with the same Provider for an additional contract period after the initial contract period, only pursuant to contract terms specifically providing for such renewal and subject to the limitations of s. 287.057(13), F. S. See sections 287.012(21) and 287.057(13), F. S.

REQUEST FOR PROPOSAL (RFP)

A written Solicitation for competitive sealed proposals. It is used when the Department determines that it is necessary to consider factors other than price when awarding the contract or it is difficult to accurately define the contract specifications. See s. 287.012(23), F.S.

REQUIRED MATCH

A contract provision used when the contract's funding source requires a vendor or funds recipient make a monetary or other contribution as a condition for receiving a contract or state funds.

SECRETARY

The Secretary of the Florida Department of Children and Families

SETTLEMENT AGREEMENT

A document used by the Department to resolve a potential payment dispute when a vendor has delivered services to the Department without the prior execution of a properly approved contract or purchase order and the Department has determined that the vendor has a colorable claim under equity or law.

SINGLE SOURCE

The method of procurement described in s. 287.057(3)(c), F.S., that is employed when there is only source for commodities or services that will satisfy the public need.

SMALL PURCHASE

The purchasing of contractual services which will cost less than or equal to the threshold amount for Category Two.

SOLICITATION

Any request to submit offers or quotations to the Department.

SOLICITATION CONFERENCE

A public meeting held during the conduct of a procurement process at which the Department representative(s) will discuss the content of a Solicitation, receive and answer questions from interested vendors, and attempt to ensure that interested parties clearly understand the Department and public need and the procurement process being used to satisfy it.

STANDARD CONTRACT

The portion of the contract that is comprised of the currently approved Department model contract. The document contains universal administrative, financial, and non-programmatic terms and conditions. Often these terms and conditions are mandated by federal and state law, rules or regulations, and/or departmental policy. No modifications are allowed to the Standard Contract without the specific approval of OCCS and OGC. (Pre-2014)

STANDARD INTEGRATED CONTRACT

The portion of the contract that is comprised of the currently approved Department model contract. The document contains universal administrative, financial, and non-programmatic terms and conditions. Often these terms and conditions are mandated by federal and state law, rules or regulations, and/or departmental policy. No modifications are allowed to the Standard Contract without the specific approval of OCCS and OGC. (POST-2014)

STATEMENT OF WORK

A narrative describing the work to be performed containing descriptions, which include, but are not limited to: (i) what services are to be provided; (ii) how the services are to be provided; (iii) measureable objectives; (iv) products to be delivered; and (v) schedules of performance.

STATE TERM CONTRACT

Statewide purchasing agreements for commodities or services awarded by the DMS pursuant to s. 287.056, F.S. State agencies must purchase commodities and contractual services from purchasing agreements and state term contracts established by the DMS when the available agreement can supply commodities or services that satisfy the public need.

SUBCONTRACT

Written contracts between the Provider and a subcontractor, or subgrantee, by or through whom any portion of the services described in the Department's contract with the Provider are performed.

SUBCONTRACTOR

Any organization or person, other than Provider's direct employees, by or through whom any portion of the services described in a Contract are performed in exchange for consideration, whether by subcontract, subgrant, or other written arrangement with the Provider or a subcontractor, but does not include a supplier or a person providing services in the open market that are entirely incidental to the services performed hereunder.

TERMS AND CONDITIONS

Administrative and programmatic requirements that are mandated for the signers of a mutual agreement.

TIME

Time as measured in the Time Zone designated in the contract in accordance with the Uniform Time Act of 1966, as amended.

UNIT COST

A term synonymous with Fixed Rate.

UNIT PRICE

A term synonymous with Fixed Rate.

VENDOR

See "Provider." However, the term is also used to describe a Provider that has been determined to be "vendor" and not a recipient or subrecipient as those terms are defined in s. 215.97, F. S, in accordance with Rule 69I-5.006, Florida Administrative Code.

VENDOR BID SYSTEM (VBS)

VBS is the official online repository for all state bids. The Procurement Manager posts most actions and announcements during the Procurement Phase (Solicitations, decisions, notifications, etc.) on the VBS website.

WITHDRAWAL OR CANCELLATION OF SOLICITATION

The determination made by the Department that it will no longer pursue a particular competitive procurement process.