

Reference Guide For State Expenditures

Department of Financial Services
Division of Accounting and Auditing
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INTRODUCTION

Authority

Article IV, Section 4(c), of the Constitution of the State of Florida states, "The Chief Financial Officer shall serve as the Chief Fiscal Officer of the State, and shall settle and approve accounts against the state."

The powers and duties of the Chief Financial Officer*(CFO) are set forth in Chapter 17, Florida Statutes (F.S.). Section 17.03(1), F.S., requires that the CFO of this State, using generally accepted auditing procedures for testing or sampling shall examine, audit, and settle all accounts, claims, and demands against the State. Section 17.29, F.S., gives the CFO the authority to prescribe any rule he considers necessary to fulfill his constitutional and statutory duties, which include but are not limited to, procedures or policies related to the processing of payments from any applicable appropriation.

* Legislation will be submitted in the 2003 Legislative Session to conform these statutes to the Constitution.

Mission of the Bureau of Auditing

The primary responsibility of the Bureau of Auditing is to assist the CFO in performing his constitutional and statutory duties as the state's chief fiscal officer. This is accomplished by providing assurance to the taxpayers of Florida, through the effective and efficient pre-audit and post-audit of disbursements and other financial transactions, that funds are disbursed from the state treasury strictly in accordance with applicable laws, rules and administrative policies.

Purpose

The purpose of this manual is to provide staff of the Bureau of Auditing and state agencies guidance regarding the requirements applicable to the various categories of expenditures. The manual should provide the following benefits:

1. Provide a central source of research material that will help to ensure the consistency of the audit process.
2. Provide a vehicle for the dissemination of management policy and guidance.
3. Provide a document to assist in the training of new employees.

This reference guide cannot be expected to cover all situations that may be encountered. Some situations will have to be addressed on a case-by-case basis. The manual is intended to be a document that may be readily revised to meet changing conditions and requirements.

DEFINITIONS

Accountable Plan - an arrangement that reimburses an employee for business expenses.

Actual Point of Origin - the geographic location where the travel begins.

Agency Head - with respect to an agency headed by a collegial body, the executive director or chief administrative officer of the agency.

Appropriation - a legal authorization to make expenditures for specific purposes within the amounts authorized in the appropriations act.

Approved Operating Budget or Approved Budget - the plan of operations consisting of the original approved operating budget and statement of intent.

Artist - an individual or group of individuals who profess and practice a demonstrated creative talent and skill in the area of music, dance, drama, folk art, creative writing, painting, sculpture, photography, graphic arts, craft arts, industrial design, costume design, fashion design, motion pictures, television, radio, or tape and sound recording, or in any other related field.

Best Value - the highest overall value to the state based on objective factors that include, but are not limited to, price, quality, design, and workmanship.

Authorized Person:

- (1) A person other than a public officer or employee as defined herein, whether elected or commissioned or not, who is authorized by an agency head to incur travel expenses in the performance of official duties.
- (2) A person who is called upon by an agency to contribute time and services as consultant or adviser.
- (3) A person who is a candidate for an executive or professional position.

Bureau - the Bureau of Auditing.

Cardholder - an individual issued a State of Florida Purchasing Card pursuant to the State of Florida Purchasing Card Program.

Commodity - any of the various supplies, materials, goods, merchandise, food, equipment and other personal property, including a mobile home, trailer or other portable structure with floor space of less than 5,000 square feet, purchased, leased or otherwise contracted for by the state and its agencies. "Commodity" also includes interest on deferred-payment commodity contracts approved pursuant to s. 287.063, F.S., entered into by an agency for the purchase of other commodities. However, commodities purchased for resale are excluded from this definition. Further, a prescribed drug, medical supply or device required by a licensed health care provider as a part of providing health services involving examination, diagnosis, treatment, prevention, medical consultation or administration for clients at the time the service is provided is not considered to be a "commodity." Printing of publications shall be considered a commodity when let per contract pursuant to s. 283.33, F.S., whether purchased for resale or not.

Common Carrier - train, bus, commercial airline operating scheduled flights or rental car of an established rental car firm.

Compensation - the total amount paid for professional services.

Competitive Sealed Bids, Competitive Sealed Proposals, or Competitive Sealed Replies - the process of receiving two or more sealed bids, proposals or replies submitted by responsive vendors and includes bids, proposals or replies transmitted by electronic means in lieu of or in addition to written bids, proposals, or replies.

Competitive Solicitation or Solicitation - an invitation to bid (ITB), a request for proposals (RFP), or an invitation to negotiate (ITN).

Chief Financial Officer or Department - the State of Florida, Department of Financial Services or its head, the Chief Financial Officer, and the terms shall have the same meaning and be used interchangeably.

Conference - the coming together of persons with a common interest or interests for the purpose of deliberation, interchange of views or for the removal of differences or disputes and for discussion of their common problems and interests. The term also includes similar meetings such as seminars and workshops, which are large formal group meetings that are programmed and supervised to accomplish intensive research, study, discussion and work in some specific field or on a governmental problem or problems. A conference does not mean the coming together of agency or interagency personnel.

Continuing Appropriation - an appropriation automatically renewed without further legislative action, period after period, until altered or revoked by the Legislature.

Contractor - a person who contracts to sell commodities or contractual services.

Contractual Service - the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to: evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged there under; and professional, technical, and social services. "Contractual service" does not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification or demolition of any 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 there under.

Convention - an assembly of a group of persons representing persons and groups, coming together for the accomplishment of a purpose of interest to a larger group or groups. A convention does not mean the coming together of agency or interagency personnel.

Disbursement - the payment for an expenditure.

Emergency Notice - notification of less than twenty-four (24) hours prior to scheduled departure.

Emergency Situation - circumstances in which there is an immediate danger or a threat of immediate danger to the public health, safety or welfare or of other substantial loss to the state requiring emergency action.

Exceptional Purchase - any purchase of commodities or contractual services excepted by law or rule from the requirements for competitive solicitation including, but not limited to, purchases from a single source; purchases upon receipt of less than two responsive bids, proposals, or replies; purchases made by an agency, after receiving approval from the department, from a contract procured, pursuant to s. 287.057(1), (2), or (3), F.S., by another agency; and purchases made without advertisement in the manner required by s. 287.042(3)(b), F.S.

Expenditure - the creation or incurring of a legal obligation to disburse money.

Expense - the usual, ordinary and incidental expenditures by an agency or the judicial branch including, but not limited to, such items as contractual services, commodities and supplies of a consumable nature, current obligations and fixed charges and excluding expenditures classified as Operating Capital Outlay (OCO). Payments to other funds or local, state or federal agencies are included in this budget classification of expenditures.

Extension - an increase in the time allowed for a contract period due to circumstances which, without fault of either party, make performance impracticable or impossible, or which prevent a new contract from being executed, with or without a proportional increase in the total dollar amount, with any increase to be based on the method and rate previously established in the contract.

Firm - any individual, firm, partnership, corporation, association or other legal entity permitted by law to practice architecture, engineering or surveying and mapping in the state.

Fixed Capital Outlay (FCO) - an appropriation category for the purchase of real property (land, buildings, including appurtenances, fixtures and fixed equipment, structures, etc.), including additions, replacements, major repairs and renovations to real property which materially extend its useful life or materially improve or change its functional use and including furniture and equipment necessary to furnish and operate a new or improved facility, when appropriated by the Legislature in the fixed capital outlay appropriation category.

Foreign Travel - travel outside the United States.

Invitation to Bid (ITB) - a written solicitation for competitive sealed bids. The ITB is used when the agency is capable of specifically defining the scope of work for which a contractual service is required or when the agency is capable of establishing precise specifications defining the actual commodity or group of commodities required. A written solicitation includes a solicitation that is electronically posted.

Invitation to Negotiate (ITN) - a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or contractual service. The ITN is used when the agency determines that negotiations may be necessary for the state to receive the best value. A written solicitation includes a solicitation that is electronically posted.

Invoice - a written document delivered to a purchaser showing the quantity, price, terms, nature of delivery and other particulars of goods or services sold or services rendered.

Legislative Budget Request - a request to the Legislature, filed pursuant to s. 216.023, F.S., or supplemental detailed requests filed with the Legislature, for the amounts of money such agency or branch believes will be needed in the performance of the functions that it is authorized, or which it is requesting authorization by law, to perform.

Meal Allowance - the amount authorized by Section 112.061(6)(b), F.S., for each meal during the travel period.

Merchant - a vendor who accepts the State of Florida Purchasing Card.

Most Economical Class Of Transportation - the class having the lowest fare available.

Most Economical Method Of Travel - the mode of transportation (state owned vehicle, privately-owned vehicle, common carrier, etc.) designated by an agency head in accordance with criteria prescribed by Section 112.061(7), F.S..

Non-Business Day - for a public officer or employee, a weekend or an authorized state holiday; for an authorized person it means a day on which such person was not scheduled to be performing service or contributing time to an agency.

Officer or Public Officer - an individual who in the performance of his or her official duties is vested by law with sovereign powers of government and who is either elected by the people or commissioned by the Governor and has jurisdiction extending throughout the State, or any person lawfully serving instead of either of the foregoing two classes of individuals as initial designee or successor.

Official Headquarters - the geographic location specified by Section 112.061(4), F.S.

Operating Capital Outlay (OCO) - an appropriation category for the purchase of equipment, fixtures and other tangible personal property of a non-consumable and nonexpendable nature, the value or cost of which is \$1,000 or more and the normal expected life of which is one (1) year or more, and hardback bound books that are circulated to students or the general public, the value or cost of which is \$25 or more, and hardback-covered bound books, the value or cost of which is \$250 or more.

Pay And Charge - a transaction which is vouchered in favor of the vendor for payment and list the individual to whom the expenses are being attributed as the sub-vendor.

Per Diem Rate - the amount authorized by Section 112.061(6)(a), F.S.

Personal Time - the time outside the regular work hours of a business day, a non-business day or a day for which the officer or employee had prior approval for a leave of absence.

Person with Disabilities - any person diagnosed as having a physical disability, including but not limited to blindness, or the loss of one or more life functions leaving that person mobility-impaired (or sensory-impaired) requiring the use of trained animal companions or prosthetic equipment including, but not limited to, crutches, walkers, canes or wheelchairs.

Perquisites - those things, or the use thereof, or services that confer on the officers or employees receiving them a benefit that is in the nature of additional compensation, or that reduce to some extent the normal personal expenses of the officer or employee receiving the same. The term includes, but is not limited to, such things as quarters, subsistence, utilities, laundry services, medical service and the use of state-owned vehicles for other than state purposes.

Point of Origin - the geographic location of a traveler's official headquarters or the geographic location where travel begins, whichever is lesser distance from the destination. (Refer to Attorney General Opinion 75-275.)

Professional Services - pursuant to Section 287.055, F.S., those services within the scope of the practice of architecture, professional engineering, landscape architecture or registered surveying and mapping, as defined by the laws of the State, or those performed by any architect, professional engineer, landscape architect or registered surveyor and mapper in connection with his or her professional employment or practice.

Renewal - contracting with the same contractor for an additional contract period after the initial contract period, only if pursuant to contract terms specifically providing for such renewal.

Request for Information (RFI) - a written request made by an agency to vendors for information concerning commodities or contractual services. Responses to these requests are not offers and may not be accepted by the agency to form a bidding contract.

Request For Proposals (RFP) - a written solicitation for competitive sealed proposals. The request for proposals is used when it is not practicable for the agency to specifically define the scope of work for which the commodity, group of commodities or contractual service is required and when the agency is requesting that a responsible vendor propose a commodity, group of commodities or contractual service to meet the specifications of the solicitation document. A written solicitation includes a solicitation that is electronically posted.

Responsible Vendor - a vendor who has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good-faith performance.

Responsive Bid, Responsive Proposal or Responsive Reply - a bid, or proposal or reply submitted by a responsive and responsible vendor, which conforms in all material respects to the solicitation.

Responsive Vendor - a vendor that has submitted a bid, proposal or reply that conforms in all material respects to the solicitation.

State of Florida Purchasing Card or Purchasing Card - the purchasing card issued to an individual pursuant to the State of Florida's Purchasing Card Program.

State of Florida Purchasing Card Transaction, Purchasing Card Transaction or Charge - the acquisition of and/or payment for a commodity, group of commodities, contractual service or actual travel expenses otherwise reimbursable to the authorized person (traveler) pursuant to Section 112.061, F.S., using the State of Florida Purchasing Card. Also includes all purchasing card credits obtained for the return of items, refund of Florida sale and/or use taxes or any refund or rebate provided by a merchant/vendor.

State Term Contract - a term contract that is negotiated and executed by the Department of Management Services and that is used by agencies and eligible users pursuant to Section 287.056, F.S.

Term Contract - an indefinite quantity contract to furnish commodities or contractual services during a defined period.

Travel Day - a period of 24 hours consisting of four quarters of 6 hours each.

Travel Period - a period of time between the time of departure and time of return.

Voucher - a standard Florida Accounting Information Resource (FLAIR) voucher schedule as prescribed by the Chief Financial Officer complete with invoices and such other supporting documentation necessary to authenticate the recording of a transaction into the accounting records of an agency which will also serve as an official request by an agency to the Bureau of Auditing for a payment in satisfaction of an obligation incurred by an agency.

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ADVANCE PAYMENTS

Contractual Advance Payments Pursuant To Section 216.181(16), F.S. - (See “Contractual Services”)

Advances Pursuant To Section 215.422(14), F.S.

Advance payments may be made under Section 215.422(14), F.S., and Rule 3A-40.120(3), Florida Administrative Code (FAC), in accordance with the following:

1. Advance payment may be made for **maintenance agreements, software license agreements, and subscriptions** that meet one of the following criteria:
 - ◆ Advance payment will result in a savings to the State that is equal to or greater than the amount the State would earn by investing the funds and paying in arrears.
 - ◆ The goods or services are essential to the operation of a state agency and are available only if advance payment is made.

Prior approval of the Bureau of Auditing is not required for advance payments that are equal to or less than the threshold of Category Two as defined in Section 287.017, F.S., and meets one of the above criteria. The payment request must document that the payment meets one of the above criteria.

Prior approval of the Bureau of Auditing is required for advance payments that exceed the threshold of Category Two as defined by Section 287.017, F.S.

Requests for advance payment approval must include information indicating that the payment meets one of the above criteria and that the agency has complied with applicable procurement requirements.

2. Advance payment may be made for **other goods and services if approved in advance** by the Bureau of Auditing. Criteria for approval includes:
 - a. Advance payment will result in a savings to the State that is equal to or greater than the amount the State would earn by investing the funds and paying in arrears.
 - b. The goods or services are essential to the operation of a State agency and are available only if advance payment is made.

Requests for advance payment approval must include information indicating that the payment meets one of the above criteria and that the agency has complied with applicable procurement requirements.

ADVERTISING

Pursuant to Sections 50.031 and 50.041, F.S., legal advertisements shall have proof of such publication made by uniform affidavit.

AMERICANS WITH DISABILITIES ACT

When a payment, which would not otherwise be a lawfully authorized use of state funds, is requested pursuant to the American with Disabilities Act (ADA), the payment request shall include a signed statement from the agency head or designee certifying that:

1. An employee of the agency, an applicant for a position or other covered person has requested a "reasonable accommodation" pursuant to ADA to assist him/her in performing his/her duties, applying for a position or other covered activity.
2. The agency has determined that the individual is a "qualified individual with a disability" as defined in the ADA.
3. The agency has determined that the purchase of the item in question is a "reasonable accommodation" pursuant to ADA for that employee, applicant or person.
4. The agency will maintain all records related to this purchase for seven years and make those records available for review to those persons authorized to review such records.

The ADA provides that records related to an individual's disability must be kept confidential; therefore, payment information related to providing a "reasonable accommodation" shall contain a file number or other code by which the voucher can be readily traced to the confidential records maintained by the agency.

ARTWORK IN STATE BUILDINGS

Section 255.043, F.S., allows for the purchase of artwork for state buildings when included in the appropriation for the original construction of such building in an amount of 0.5 percent of the total appropriations not to exceed \$100,000. Evidence of notification by the agencies receiving original appropriations for construction to the Florida Arts Council must be included with invoices submitted for payment pursuant to this section.

ASSIGNMENT OF PAYMENTS

1. Pursuant to Section 215.965, F.S., payments due vendors or employees cannot be assigned by changing the payee's name from ultimate beneficiary to an assignee. However, subject to approval of each individual agency, state warrants may be issued in favor of an employee or a vendor and be delivered to the assignee. Authorization from the payee and agency should be on file prior to payment.
2. For the majority of vendor contracts the ultimate beneficiary is the vendor supplying the service, but on some contracts the ultimate beneficiary may be a third party that the vendor owes a legal monetary obligation. In these situations the contract may be amended to correctly state the party who is the ultimate beneficiary of state funds and the party who will be supplying the services to the State. These cases must be analyzed on a case-by-case basis. Such a contract would have all parties in agreement, especially between the vendor and the third party. The liability of the State should be addressed in the contract by the vendor supplying the service and the ultimate beneficiary. Nevertheless, the best way to handle these situations will be to have the vendor and the third party settle their financial matters between themselves and the State pay the vendor supplying the service.
3. Section 215.965, F.S., does not preclude payments being made jointly to an ultimate beneficiary and third party.

AWARDS

When requesting payment for individual awards, the employee's name and social security number must be provided.

Satisfactory Service Awards

Pursuant to Section 110.1245, F.S., each department head is authorized to incur expenditures for giving awards in the following situations:

1. Retiring state employees whose service has been satisfactory may be awarded suitable framed certificates, pins and other tokens of appreciation and recognition. Awards may not exceed \$100 each, plus applicable taxes.
2. Each department head is authorized to incur expenditures to award suitable framed certificates, pins, or other tokens of recognition to state employees who demonstrate satisfactory service in the agency or to the state, in appreciation and recognition of such service. Such awards may not cost in excess of \$100 each plus applicable taxes.
3. Any appointed member of a state board or commission, whose service to the State has been satisfactory, upon the expiration of the board or commission member's final term in the position may be awarded suitable framed certificates, plaques or other tokens of appreciation and recognition not to exceed \$100 each, plus applicable taxes.

Employee Gathering for Awards Presentation – State Owned Space

While there may be benefits in bringing employees together to witness the presentation of awards, in terms of improved employee motivation and morale, such benefits are often difficult to measure. Agencies are encouraged to consider the full costs of such events against the benefits derived from such costs, and reevaluate the decision to hold such events at taxpayer expense. The cost of such a gathering can be calculated in terms of the time involved in such an event and the salaries of the employees participating. This includes not only the time of those actually attending the event (time spent going to the location of the event, at the event and returning to their workstations), but also the time spent by employees in arranging such events and in notifying employees of the time and location of the event. In addition to the salary (including overtime and compensatory time), there may be costs associated with travel that must be included.

Rental Space and Travel Costs

The cost of renting space for the purpose of gathering employees together for the sole purpose of witnessing the presentation of awards or the travel costs incurred for the sole purpose of attending an awards presentation event are not allowable state expenditures. However, travel expenses for award winners to travel to an awards presentation event may be paid by state funds.

Volunteer Recognition

Pursuant to Section 110.503(5), F.S., each department or agency using the services of volunteers is authorized to incur expenditures not to exceed \$100 each, plus applicable taxes for suitable framed certificates, plaques or other tokens of recognition to honor, reward or encourage volunteers for their service.

Pursuant to Section 110.504(6), F.S., incidental recognition benefits or incidental non-monetary awards may be furnished to volunteers serving in state departments to award, recognize or encourage volunteers for their service. The awards may not cost in excess of \$100 each plus applicable tax.

Also see “Purchasing Card Transactions – Awards.”

BUILDING LEASES - PRIVATE SECTOR

Pursuant to Sections 255.25 and 255.254, F.S., any agency requiring lease space must obtain approval from the Department of Management Services (DMS).

Vouchers for the payment of building leases must include the approved lease number from DMS, if applicable. Leases may not be paid in advance, however; vouchers may be submitted for payment after the 20th of the month for which payment is required.

Prior to leasing buildings that require renovation at state expense, agencies should determine if it is in the best interest of the state to lease the building rather than leasing space that meets the agency's needs.

Justification must be maintained by the agency and furnished to the Bureau of Auditing upon request.

Also see "Purchasing Card Transactions – Leasing of Buildings and Equipment."

BUSINESS CARDS

State agencies should review the necessity of business cards for its employees and limit the purchase of business cards to those employees who actually need the cards to carry out their official duties and responsibilities. If there is a need to purchase business cards for employees, the purchases should be made within the following limitations. Gold sealed cards may be purchased for employees filling Selected Exempt, Senior Management and equivalent or higher positions. The more economical one-color cards may be purchased for other employees who need cards

Payment request for business cards other than the most economical one-color cards must include information showing that the employee for whom the cards are being purchased is filling a Selected Exempt, Senior Management or equivalent position.

CLAIMS AGAINST THE STATE

Claims Against The State – Statute of Limitations

Section 95.11(2)(b), F.S., places a **five-year** limitation on legal or equitable actions on a contract, obligation or liability **founded on a written instrument**. Section 95.11(3)(k), F.S., places a **four** year limitation on actions on a contract, obligation, or liability **not founded on a written instrument**, including an action for the sale and delivery of goods, wares, and merchandise. Any claim exceeding the time limits provided herein shall be considered past the statute of limitations for claims against the State.

Settlements – See “Settlement of Claims Against the State” section.

COMMUNICATIONS

General

Expenditures properly chargeable to communications include telephone, cellular telephone, beepers, pagers, telegraph and data processing communications. The purchase, lease and use of all communication services that exceeds Category Two, Section 287.017, F.S., shall have prior approval by the Division of Communications, pursuant to Rule 60C-2.008, F.A.C., unless such authority is delegated to the agencies. A copy of the approval shall be attached to the invoice submitted for payment.

Charges for Universal Service Support (also known as Universal Community Charges or Federal Universal Service Fees) may be paid from state funds. These are NOT taxes, therefore the State of Florida is not exempt.

The State of Florida and its political subdivisions are exempt from federal communication tax on communications services defined as local telephone services, toll telephone services and teletypewriter exchange services. Federal communication tax included on invoices for such services should be deleted from the invoices prior to processing of payment.

Cellular Telephones – State Owned

Cellular telephones should only be used for conducting official state business when a conventional telephone is not readily available. State agencies should have established internal controls over the use of state-owned or leased cellular telephones to ensure that payments from public funds relating to the cellular telephones serve a specific authorized public purpose. Billing options should be reviewed to determine that the most economical option is selected considering the specific usage requirements of the cellular telephone user.

Personal use of State-owned or leased cellular telephones should be discouraged. In the event that personal calls are made or received, there should be procedures in place to ensure that payment is received for the personal use prior to payment to the service provider while observing the requirements of Section 215.422 F.S. This may be accomplished by:

1. Having the employee provide a personal check or money order made payable to the service provider for the personal portion of the invoice. If the personal portion of the invoice is less than one dollar (\$1), agencies will not be required to obtain payment from the employee. The payment should be mailed to the service provider along with the state's portion.
2. If an agency elects to make payment in full to the service provider, the employee should provide a personal check or money order made payable to the state agency. The personal check or money order should be deposited in the appropriate state account prior to the mailing of the state warrant.

If the plan is based on actual usage, the employee would pay the charge for the personal call plus any applicable taxes.

If the plan includes a specific number of minutes allowed for a specified fee, the following instructions are to be used to calculate the amount the employee would reimburse the state agency for personal calls. When the plan minutes allowed are **not exceeded**, the employee would pay the prorated per minute rate. Divide the number of plan minutes allowed by the monthly fee to determine the prorated per minute rate. For example, if a plan has a monthly fee of thirty dollars (\$30) for 200 minutes, the employee would pay 15 cents ($\$30/200$) for every minute of personal usage on the state cell telephone.

When the plan minutes allowed **are exceeded**, the employee would pay the excess per minute rate for every minute of personal usage on the state cell telephone.

Cellular Telephones - Personal

Reimbursement to employees for occasional use of personal cellular telephones to conduct official state business will be made only when substantiated by documentation showing that the call was necessarily made for the official state business of the agency. If the business call made on the employee's personal cellular telephone does not result in additional charges to the employee, reimbursement for the business call is disallowed. However, if the state business call results in additional charges, the employee may be reimbursed up to the per-minute rate charged, plus applicable taxes, for the excess minutes incurred as a result of usage for official state business. Employees will be required to provide a statement certifying that the calls were necessary and were for official state business. No payment will be made for any portion of the employee's personal monthly charges, taxes on the basic monthly fee, or charges related to obtaining documentation listing individual telephone calls.

If it is necessary for an employee to consistently use his or her personal telephone to conduct the duties and responsibilities of a state agency, then the agency should consider providing use of a state cellular telephone.

Also see "Purchasing Card Transactions – Cellular Phones/Pagers."

CONTRACTUAL SERVICES

General

Contractual service means the rendering of time and effort by the contractor rather than the furnishing of specific commodities. Expenditures classified as contractual services include, but are not limited to: professional services such as accounting, architectural, consulting, court reporting, engineering, legal and medical and general services such as custodial, employment, entertainment, examination and testing, investigative and research.

Advances Pursuant to Section 216.181(16), F.S.

Section 216.181(16), F.S., provides for advances for program startup or advances for contracted services to governmental entities and not-for-profit organizations. The amount that may be advanced shall not exceed the expected cash needs of the contractor or recipient within the initial three months. Thereafter, disbursements shall only be on a reimbursement basis. Advance payments may be made for cost-reimbursement and fixed-price contracts.

Agencies specifically authorized by the General Appropriations Act to make advance payments and wishing to advance beyond the initial three months expected cash needs must request a waiver from the Bureau of Auditing. The request for waiver must include:

1. The appropriation line item number.
2. Justification for advancing funds beyond the three months expected cash needs.

The waiver request should be sent to Bureau of Auditing, Department of Financial Services, 200 East Gaines Street, Tallahassee, Florida 32399-0355 for approval prior to submitting for payment. The waiver request will then be forwarded to the appropriations committees of both houses of the Legislature for consultation and comments. The Legislature has fourteen days to respond to the request. If there is no response within the fourteen day time period, then approval will be granted by the Bureau of Auditing, provided all other applicable requirements are met. The agency will be notified in writing of the approval or disapproval of the request. If approved, a copy of the approval must be submitted with the payment.

*Advance payments allowed under Section 215.422(14), F.S., may be found in the "Advance Payment" section.

Contracts for \$1,800 or Less

To reduce the time and cost required to process small routine monthly or quarterly payments on annual contracts, agencies are authorized to process annual advance payments on such contracts, the annual amount of which is \$1800 or less. Contracts \$1800 or less are not required to meet the specific documentation required by Rule 3A-40.120(3), F.A.C., for advance payments.

Contract Document Requirements

Pursuant to Section 287.058, F.S., every procurement of contractual services in excess of the Category Two threshold amount provided in Section 287.017, F.S., shall be evidenced by a written agreement embodying all provisions and conditions of the procurement of such services. Section 287.058 (1), F.S., allows the use of a purchase order in lieu of a written agreement. However, the purchase order must include an adequate description of the service, the contract period and the method of payment. Additionally, the purchase order or solicitation must include the provisions of Section 287.058 (1)(a)–(f), F.S.

Regardless of whether a purchase order or written agreement is used, the document must contain clear and specific language regarding services/deliverables that must be rendered and accepted prior to payments being received. Deliverables must be specifically related to the contract's scope of work and must be both quantifiable and measurable. The document must also contain sanctions for non-performance. Contracts which are paid on a reimbursement basis or at a fixed rate for a specific time period, e.g. monthly, quarterly, etc., should require written progress reports to be submitted detailing the activities accomplished for the invoice period.

To process payments for services using a purchase order, the purchase order should state that the terms may not be modified by the vendor. Any such attempt to modify a purchase order for services will not be accepted as the basis for additional compensation.

Contractual Services Exhibit 1, located at the end of this section, may be used as a reference for all of the requirements to be included in the contract document.

Exceptions to Provision Requirements of Section 287.058 F.S.

- a. Section 287.058(1)(b), F.S. - Provision for Travel - If no travel will be incurred in connection with the contract, then this is not applicable.
- b. Section 287.058(1)(f), F.S. - Provision for Renewal - This provision applies only to contracts that will be renewed.

Pursuant to Sections 287.057(5)(a) and (5)(c), F.S., contracts that are emergency procurements or single source procurements **may not** be renewed. However, contracts for which only one response to a bid or proposal was received **may** be renewed.

- c. Section 287.0582, F.S. - Contingency Provision - This provision is required for any contract that crosses fiscal years. If a contract is to be paid from a continuing appropriation (such as FCO), this provision is not applicable. However, it is the agency's responsibility to identify the payment as coming from a continuing appropriation.
- d. Contracts for agencies exempt from Chapter 287, F.S., are not required to meet the requirements of Section 287.058, F.S. Those agencies are the Legislature, the Auditor General, Ethics Commission, Public Service Commission, State Courts, Judicial, Department of the Lottery and State University System.

Contract Document Changes

- a. Purchase order contracts may be amended by a change order issued prior to the service completion date as stated in the purchase order contract. Formal two-party agreements may be amended by a two-party document executed by both parties prior to the expiration of the contract.
- b. Contract renewals must be entered into prior to the expiration date of the contract, and must have all the same terms and conditions of the original contract. Contracts may be renewed for a period that may not exceed three years or the term of the original contract, whichever is longer.

If the commodity or contractual service is purchased as the result of a competitive solicitation, the price of the commodity or contractual service to be renewed must be specified in the bid, proposal or reply.

Contracts procured as an emergency or single source may not be renewed.

- c. Contract extensions can be for up to six months with all the same terms and conditions of the original contract. The extension must be signed prior to the expiration date of the contract. There can be only one extension of a contract unless the failure to meet the criteria set forth in the contract for completion of the contract is due to events beyond the control of the contractor.

Contract Payment Requirements

Payments for contractual service must include at a minimum, the invoice, a description of the services provided (i.e., specific deliverables) and the date(s) of service. The following contracts require additional documentation or information.

Cost Reimbursement Contract

Pursuant to Comptroller's Memorandum #1 (1997/1998) detailed supporting documentation for cost-reimbursement contract payments is not required to be submitted to the Bureau of Auditing. However, each agency will be required to maintain detailed supporting documentation and to make it available for audit purposes. In lieu of submitting detailed supporting documentation to the Bureau of Auditing, agencies may submit an itemized invoice by expenditure category (salaries, travel, expenses, etc.). By submission of the payment requests, the agency will have certified that the detailed documentation to support each item on the itemized invoice is available for audit. The following supporting documentation shall be maintained in support of expenditure payment requests for cost reimbursement contracts as provided in Comptroller's Memorandum #04 (1996-97).

Supporting documentation for each amount for which reimbursement is being claimed must indicate that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved contract budget should be reimbursed.

Listed below are the types of documentation and examples of the minimum requirements.

- (1) Salaries: A payroll register or similar documentation should be maintained. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable.
- (2) Fringe Benefits: Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee, e.g., insurance premiums paid. If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefits amount must be shown.

Exception: Governmental entities are not required to provide check numbers or copies of checks for fringe benefits.

- (3) Travel: Reimbursement for travel must be in accordance with Section 112.061, F.S., which includes submission of the claim on the approved state travel voucher.
- (4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using state funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with DMS Rule 60A-1.017, F.A.C., regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, F.S., for subsequent transfer to the State.
- (5) In-house charges: Charges which may be of an internal nature (e.g., postage, copies, etc.) may be reimbursed based on a usage log which shows the units times the rate being charged. The rates must be reasonable.
- (6) Indirect costs: If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be shown.

Pursuant to Section 216.346, F.S., contracts between state agencies including any contract involving the State University System or the State Community College system, the agency receiving the contract or grant moneys shall charge no more than 5 percent of the total cost of the contract or grant for overhead or indirect cost or any other cost not required for the payment of direct costs.

Contracts between state agencies, and or contracts between universities may submit alternative documentation to substantiate the reimbursement request that may be in the form of FLAIR reports or other detailed reports.

Fixed Payment

Fixed-rate contract payment requests must include an invoice that shows units of service and applicable unit rates with extensions that equal the total invoice amount.

Contract Review Process

Comptroller's Memorandum #11 (2001-02) outlines the contractual services processing procedures. This process eliminates the requirement for agencies to submit a copy of the contract/purchase order contract and supporting documentation for contractual services contracts of \$250,000 or less. Only payments on contracts/purchase order contracts for contractual services for which the contract/purchase order amount is greater than \$75,000 will be processed through the Central Contract System with the use of an agency-assigned Statewide Contract number. This includes open-dollar amount contracts.

The contract review process requires agencies to complete a Contract Review Checklist if the contract exceeds \$75,000 and submit the checklist to the Bureau of Auditing. (See Exhibits 1 & 2 located at the end of this section). The Contract Review Checklist is available on the DFS website in Adobe Acrobat and Word formats. Agencies may use the long version (Contractual Services Exhibit 1) or the short version (Contractual Services Exhibit 2) of the Contract Review Checklist. Agencies may adapt the Contract Review Checklist to meet their agency needs with the approval of the Bureau of Auditing. Agencies already using an approved agency version of the Contract Review Checklist may continue to use their approved version of the checklist.

For contracts with amounts greater than \$75,000 and less than or equal to \$250,000, agencies must submit a Contract Review Checklist in lieu of the contract and supporting documentation. For contracts in excess of \$250,000 or with an open-dollar amount, the agencies must submit a Contract Review Checklist, the contract and supporting documentation. (See guidelines in this section.)

If the contract amount is \$75,000 or less or is a "one time" payment (for any dollar value), the agency is encouraged to send the Contract Summary Form in lieu of the contract/purchase order with **every** payment. (See Contractual Services Exhibit 3 located at the end of this section.)

When completing the Contract Review Checklist, please include all of the required contract information. In the event there is insufficient space on the checklist to include all deliverables/milestones or payment criteria, pages from the contract or exhibits containing this information should be attached to the checklist.

The Contract Review Checklist and/or contract/purchase order and supporting documentation should be submitted to the Bureau of Auditing in advance of the first payment. It is very important that the checklist and/or contracts be submitted prior to the payment request in order to avoid delays and allow for more efficient and timely processing of contractual services vouchers.

The Bureau of Auditing will review the Contract Review Checklist and/or contract/purchase order for compliance with statutory requirements, general contract requirements otherwise provided by law or rule and terms governing delivery of service and payment. Upon completion of this review and approval, the Bureau of Auditing will enter the contract information in the Central Contract System.

Service contracts (for any dollar amount) from State Term Contracts, SNAPS, PRIDE, RESPECT, construction and one time payments are not tracked on the Central Contract System and **DO NOT** require submission of the Contract Review Checklist.

Guidelines for the contract review process are as follows:

Contracts/purchase order for services \$75,000 or less:

- Contracts will not be tracked on the Central Contract System.
- Contract/purchase order summary form required with each payment. (See Contractual Services Exhibit 3)

Contracts/purchase order for services in excess of \$75,000 and less than or equal to \$250,000:

- Contracts will be tracked on the Central Contract System.
- Only Contract Review Checklist is required.
- Copy of the contract and any supporting documentation is **not** required.

Contracts/purchase order for services greater than \$250,000 or Open Dollar Amount:

- Contracts will be tracked on the Central Contract System.
- Contract Review Checklist required.
- Copy of the contract and any supporting documentation required (method of procurement, etc).

New Contracts:

- The contract review process guidelines listed above will apply.

Existing Contracts:

- If the contract/purchase order is currently tracked on the Central Contract System and the contract/purchase order amount is \$75,000 or less, the guidelines listed above for contracts for services of \$75,000 or less will apply.
- If the contract/purchase order is currently tracked on the Central Contract System and the contract amount is greater than \$75,000, the contract will continue to be tracked and a Contract Review Checklist will not be required until the contract is renewed or amended.

Contract Renewal: (No change in contract terms)

- If the contract/purchase order amount is \$75,000 or less, the guidelines listed above for contracts for services of \$75,000 or less will apply.
- If the contract/purchase order amount is greater than \$75,000 but less than or equal to \$250,000, a Contract Review Checklist marked as a renewal with the renewal number is required.
- If the contract/purchase order amount is greater than \$250,000 or an open-dollar amount, a Contract Review Checklist marked as a renewal and a copy of the renewal is required.

Contract Amendment:

- Contracts/purchase orders less than or equal to \$75,000. If an amendment causes the contract amount to exceed \$75,000, a Contract Review Checklist will be required. The contract will be tracked on the Central Contract System and a payment history will be required in order to record the previous contract payments on the system.
- If the contract/purchase order amount is greater than \$75,000 and less than or equal to \$250,000, a Contract Review Checklist marked as an amendment with the amended changes noted is required.
- If the contract amount is greater than \$250,000 or an open-dollar amount, a Contract Review Checklist marked as an amendment number with amended changes noted on a copy of the amendment is required.

Contracts Signed After Services Are Rendered

Section 287.058 (2), F.S., requires that both parties shall sign a written agreement or contract prior to the rendering of the services for contractual service agreements costing in excess of Category Two threshold except in the case of a valid emergency as certified by the agency head. The certification of an emergency must be prepared within thirty (30) days after the contractor begins rendering the service and must state the particular facts and circumstances which precluded the execution of the written agreement prior to the rendering of the service.

If the agency fails to have the contract signed by the agency head and the contractor prior to rendering the contractual service, and if an emergency does not exist, the agency head must, no later than 30 days after the contractor begins rendering the service, certify the specific conditions and circumstances to DMS as well as describe actions taken to prevent recurrence of such noncompliance.

Noncompliance with these requirements will necessitate that the agency and the contractor enter into a settlement agreement.

Court Reporter Services

Section 287.059(14), F.S., authorizes the Office of the Attorney General to contract with one or more court reporting services, on a circuit wide basis, on behalf of all state agencies. All agencies shall utilize the contracts for court reporting services entered into by the Office of the Attorney General. In the absence of a state contract for court reporting services, agencies contracting for court reporting services must abide by the standard fee schedule established in Rule 2-39.020, F.A.C. The standard fee schedule is established as a maximum amount allowable for court reporter services and is to be applied based on the location of the deposition or hearing. Agencies should negotiate fees below the maximum allowed whenever possible if no state court reporter contract is in effect.

Any agency wishing to exceed the standard fee schedule must demonstrate the necessity for such action to the Attorney General through a statement of waiver that must be signed by the appropriate agency head or designee prior to contracting for court reporting services. A copy of the waiver must be submitted to the Bureau of Auditing along with the payment. The waiver should be based on the following criteria:

1. The inability of the agency to obtain adequate court reporting services within the confines of the standard fee schedule.
2. The agency is unable to obtain court reporting services with the special expertise necessary to perform the particular reporting function needed.
3. The waiver is necessary in order to provide court-reporting services as a result of an emergency, or an immediate danger to public health, safety and welfare. The agency shall set forth in detail the emergency or danger that requires contracting in excess of the standard fee schedule.

Determination of Employee-Employer Relationship

When entering into agreements for personal services, agencies should determine if an employer-employee relationship exists. The IRS generally provides that the relationship of employer and employee exists when the person or persons for whom the services are performed have the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which that result is accomplished. If it is determined that such a relationship does exist, the employee should be paid through the payroll system and not as an independent contractor. It is incumbent on each agency to evaluate the circumstances of each contractual relationship. Any penalties that may be imposed by the IRS for failure to make the proper determination of the employment relationship will be borne by the agency making the initial determination.

Circumstances of an employment relationship may be submitted to the IRS for its determination using a Form SS-8.

As an aid to assist agencies in making a determination of the employee-employer relationship, the following twenty factors have been established. These factors have been developed only as guides for determining whether an individual is an employee. Special scrutiny is required in applying the twenty factors to assure that formalistic aspects of an arrangement designed to achieve a particular status do not obscure the substance of the arrangement. The twenty factors are as follows:

1. **Instructions.** A worker who is required to comply with other persons' instructions about when, where and how he or she is to work is ordinarily an employee. This control factor is present if the person or persons for whom the services are performed have the right to require compliance with instructions.
2. **Training.** Training a worker by requiring an experienced employee to work with the worker by corresponding with the worker, by requiring the worker to attend meetings or by using other methods, indicates that the person or persons for whom the services are performed want the services performed in a particular method or manner.
3. **Integration.** Integration of the worker's services into the business operations generally shows that the worker is subject to direction and control. When the success or continuation of a business depends to an appreciable degree upon the performance of certain services, the workers who perform those services must necessarily be subject to a certain amount of control by the owner of the business.

4. **Services Rendered Personally.** If the services must be rendered personally, presumably the person or persons for whom the services are performed are interested in the methods used to accomplish the work as well as in the results.
5. **Hiring, Supervising and Paying Assistants.** If the person or persons for whom the services are performed hire, supervise and pay assistants, that factor generally shows control over the workers on the job. However, if one worker hires, supervises, and pays the other assistants pursuant to a contract under which the worker agrees to provide materials and labor and under which the worker is responsible only for the attainment of a result, this factor indicates an independent contractor status.
6. **Continuing Relationship.** A continuing relationship between the worker and the person or persons for whom the services are performed indicates that an employer-employee relationship exists. A continuing relationship may exist where work is performed at frequently recurring although irregular intervals.
7. **Set Hours of Work.** The establishment of set hours of work by the person or persons for whom the services are performed is a factor indicating control.
8. **Full-Time Required.** If the worker must devote substantially full time to the business of the person or persons for whom the services are performed, such person or persons have control over the amount of time the worker spends working and impliedly restricts the worker from doing other gainful work. An independent contractor, on the other hand, is free to work when and for whom he or she chooses.
9. **Doing Work on Employer's Premises.** If the work is performed on the premises of the person or persons for whom the services are performed, that factor suggests control over the worker, especially if the work could be done elsewhere. Work done off the premises of the person or persons receiving the services, such as at the office of the worker, indicates some freedom from control. However, this fact by itself does not mean that the worker is not an employee. The importance of this factor depends on the nature of the service involved and the extent to which an employer generally would require that employees perform such services on the employer's premises. Control over the place of work is indicated when the person or persons for whom the services are performed have the right to compel the worker to travel a designated route, to canvass a territory within a certain time or to work at specific places as required.
10. **Order of Sequence Set.** If a worker must perform services in the order or sequence set by the person or persons for whom the services are performed, that factor shows that the worker is not free to follow the worker's own pattern of work but must follow the established routines and schedules of the person or persons for whom the services are performed. Often, because of the nature of an occupation, the person or persons for whom the services are performed do not set the order of the services or set the order infrequently. It is sufficient to show control, however, if such a person or persons retain the right to do so.
11. **Oral or Written Reports.** A requirement that the worker submit regular or written reports to the person or persons for whom the services are performed indicates a degree of control.

12. **Payment by Hour, Week, Month.** Payment by the hour, week or month generally points to an employer-employee relationship, provided that this method of payment is not just a convenient way of paying a lump sum agreed upon as the cost of a job. Payment made by the job or on a straight commission generally indicates that the worker is an independent contractor.
13. **Payment of Business and/or Traveling Expenses.** If the person or persons for whom the services are performed ordinarily pay the worker's business and/or traveling expenses, the worker is ordinarily an employee. An employer, to be able to control expenses, generally retains the right to regulate and direct the worker's business activities.
14. **Furnishing of Tools and Materials.** The fact that the person or persons for whom the services are performed furnish significant tools, materials and other equipment tends to show the existence of an employer-employee relationship.
15. **Significant Investment.** If the worker invests in facilities that are used by the worker in performing services and are not typically maintained by employees (such as the maintenance of an office rented at fair value from an unrelated party), that factor tends to indicate that the worker is an independent contractor. On the other hand, lack of investment in facilities indicates dependence on the person or persons for whom the services are performed for such facilities and, accordingly, the existence of an employer-employee relationship.
16. **Realization of Profit or Loss.** A worker who can realize a profit or suffer a loss as a result of the worker's services (in addition to the profit or loss ordinarily realized by employees) is generally an independent contractor, but the worker who cannot is an employee.
17. **Working for More Than One Firm at a Time.** If a worker performs more than the minimum service for a multiple of unrelated persons or firms at the same time, that factor generally indicates that the worker is an independent contractor.
18. **Making a Service Available to General Public.** The fact that a worker makes his or her services available to the general public on a regular and consistent basis indicates an independent contractor relationship.
19. **Right to Discharge.** The right to discharge a worker is a factor indicating that the worker is an employee and the person possessing the right is an employer. An employer exercises control through the threat of dismissal, which causes the worker to obey the employer's instructions. An independent contractor, on the other hand, cannot be fired so long as the independent contractor produces a result that meets the contract specifications.
20. **Right to Terminate.** If the worker has the right to end his or her relationship with the person for whom the services are performed at any time he or she wishes without incurring liability, that factor indicates an employer-employee relationship.

Extra Compensation

Pursuant to Section 215.425, F.S., additional compensation may not be granted after the contract has been made unless additional services will be provided. Contract amendments increasing the total contract amount are only valid if additional services are being provided and only if the ITB, ITN, or RFP provided for price increases, an expansion of the scope of services and/or future amendments to increase the total amount of the contract. If the total amount of a fixed unit rate contract is being increased and the unit rate remains the same, then it can be assumed that the contractor will be providing additional units of service. All other contracts must clearly show the additional services that will be provided. Method of procurement for additional services must be provided.

Federal And State Financial Assistance

Awards of federal and/or state financial assistance may be made in the form of grants, direct appropriations, loans, etc., and do not represent a purchase of service from a vendor.

Disbursements of state financial assistance must be made from 7500 object code and should bypass FLAIR's Central Accounting Contract System. Disbursement of other types of financial assistance may be made with 7100, 7200, 7300, 7400, and 7900 object codes and should also bypass FLAIR's Central Accounting Contract System.

Agencies are required to provide the authority for the disbursement of federal or state financial assistance. Information regarding state financial assistance and the Florida Single Audit Act can be found on the web pages of the Executive Office of the Governor, the Office of the Auditor General and the Department of Financial Services. The Governor's website also has links to information on federal financial assistance.

The agreement awarding state/federal financial assistance must contain clear and specific language regarding services/deliverables that must be rendered and accepted prior to payments being issued by the state. Deliverables must be specifically related to the agreement's scope of work and must be both quantifiable and measurable. The document must also contain sanctions for non-performance. Agreements which are paid on a reimbursement basis or at a fixed rate for a specific time period, e.g. monthly, quarterly, etc., should require written progress reports to be submitted detailing the activities accomplished for the invoice period.

FCO Grants And Aids Appropriations

Where applicable, FCO grants to non-profit entities must comply with the requirements of Section 216.348, F.S.

Interchange Of Personnel Among State Agencies

Section 112.24, F.S., authorizes employee interchange agreements among State of Florida Agencies in order to encourage economical and effective use of public employees. Interchange agreements are exempt from the provision requirements of Section 287.058, F.S., and should be executed in accordance with the requirements set forth in Section 112.24, F.S.

Legal Services

Contracts for private attorney services must be in accordance with Section 287.059, F.S. Prior approval of the Attorney General must be obtained, where applicable, and shall include a statement that the private attorney services requested cannot be provided by the Office of the Attorney General or that such private attorney services are cost effective in the opinion of the Attorney General. Where applicable, evidence of approval by the Office of the Attorney General to contract for private attorney services must be included with the first payment submitted to the Bureau of Auditing for contracts tracked through the system. Contracts not tracked through the system must include evidence of approval with each payment.

Limitation On Indirect Costs

Pursuant to Section 216.346, F.S., any contract or grant between state agencies, including any contract involving the State University System or the State Community College System, the agency receiving the contract or grant shall charge no more than 5 percent for overhead or indirect costs or any cost not required for the payment of direct costs. This restriction applies to both state and federally funded contracts.

Professional Services

Section 287.055, F.S., specifically relates to the acquisition of professional architectural, engineering, landscape architecture, or land surveying or mapping.

Section 287.055(3)(a), F.S., requires each agency to publicly announce, in a uniform and consistent manner each occasion when architectural, engineering or surveying and mapping services are required to be purchased for a project, the basic construction cost of which is estimated by the agency to exceed the threshold amount provided in Section 287.017, F.S., for Category Five or for a planning or study activity when the fee for such services exceeds the threshold amount provided in Section 287.017, F.S., for Category Two.

Exception: When the agency head certifies there exists a valid emergency.

The public notice shall include a general description of the project and shall indicate how interested consultants may apply for consideration. Agencies are required to submit evidence of compliance with the Consultants Competitive Negotiation Act (CCNA) along with the first payment.

Section 287.055(4), F.S., provides for competitive selection of firms to provide professional services. The competitive selection process includes an evaluation of the qualifications and performance data of the firms submitting proposals and a selection of at least three firms in order of preference. Evidence of compliance with competitive selection requirements must be submitted with the first voucher requesting payments.

Section 287.055, F.S., provides for the competitive negotiation of contracts for professional services. The agency must first attempt to negotiate a contract with the firm determined to be the most qualified. If the agency is unable to negotiate a contract with the firm determined to be most qualified at a price the agency determines to be fair, competitive and reasonable, negotiations shall be formally

terminated. The agency should then undertake negotiations with the second most qualified firm. If negotiations fail with the second most qualified firm, then the agency must terminate negotiations. The process should be repeated in the order of the competence and qualification of the firms until an agreement is reached. Evidence must be submitted to document that the agency has negotiated a contract that provides for compensation that is fair, competitive and reasonable.

Payment criteria for professional services contracts includes, but are not limited to:

1. Cost reimbursements – See “Cost Reimbursement Contracts” of this section for cost reimbursement contract payments.
2. Percentage of Completion - Payment request must include an invoice which shows the total lump sum amount times the percentage of work completed, less the amount paid to date to arrive at the current amount due.
3. Fixed Payment - This payment type may be fixed rate or fixed fee. The fixed-rate payment request must include an invoice that shows unit of deliverables and applicable unit rates to arrive at the total invoice amount. The fixed-fee payment request must provide the deliverable along with the scheduled fixed amount authorized in the contract.
4. Cost Plus Fixed - This payment type may be a combination of items 1 and 2 or items 1 and 3 above.

Also see “Purchasing Card Transactions – Contractual Services”

CONTRACTUAL SERVICES EXHIBIT 1

CSFA No. (if applicable): _____

If CSFA No. is given, please complete section below:

Based on our completion of the Checklist for Non-State Organizations Recipient/Subrecipient vs. Vendor Determination, we have identified the non-state organization for this contract to be: **(check one)**:

Recipient Vendor

NOTE: IF THIS NON-STATE ORGANIZATION HAS BEEN IDENTIFIED AS A RECIPIENT, THEN THIS FORM DOES NOT NEED TO BE COMPLETED.

Agency Use	
Agency Name	_____
Agency Contact	_____
Telephone #	_____

Bureau of Auditing's Office Use	
Date Received	_____
Date Approved for Input	_____
Date Input & Initials	_____
Date Verified & Initials	_____

Contract Review Checklist

New Contract Renewal Amendment Amendment # _____

- | | |
|------------------------------------|---------------------------------|
| 1. OLO _____ | Site/District _____ |
| 2. Contract Number _____ | Type of Service _____ |
| 3. DMS # _____ | (i.e., janitorial, legal, etc.) |
| 4. Contractor Name _____ | FEID # / SSN _____ |
| 5. Contract Start Date _____ | Contract End Date _____ |
| 6. Contract Last Signed Date _____ | |

7. If the contract last signed date is after the contract services start date, you must submit emergency certification or certificate of non-compliance [s. 287.058, FS (2)] or settlement document [CM 4 (87-88) or CM 1 (02-03)].

8. Total Contract Amount \$ _____

9. Deliverables/Milestones – Must be clear, detailed, concise, specific, measurable and quantifiable (i.e., tasks, % complete, time frame or milestones, goods, services).

10. Mandatory Statutory Contractual Provisions (insert page number from contract in the space provided) s. 287.058 Contract Document:

(1) Every procurement of contractual services in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO, except for the providing of health and mental health services or drugs in the examination, diagnosis or treatment of sick or injured state employees or the providing of other benefits as required by the provisions of chapter 440, shall be evidenced by a written agreement embodying all provisions and conditions of the procurement of such services, which provisions and conditions shall, where applicable, include but shall not be limited to:

- _____ (a) A provision that bills for fees or other compensation for services or expenses be submitted in detail sufficient for a proper pre-audit and post-audit thereof.
- _____ (b) A provision that bills for any travel expenses be submitted in accordance with s. 112.061. A state agency may establish rates lower than the maximum provided in s. 112.061.
- _____ (c) A provision allowing unilateral cancellation by the agency for refusal by the contractor to allow public access to all documents, papers, letters or other material subject to the provisions of chapter 119 and made or received by the contractor in conjunction with the contract.
- _____ (d) A provision dividing the contract into units of deliverables, which shall include but not be limited to, reports, findings and drafts that must be received and accepted in writing by the contract manager prior to payment.
- _____ (e) A provision specifying the criteria and the final date when that criteria must be met for completion of the contract.
- _____ (f) A provision specifying that the contract may be renewed for a period not to exceed 3 years or original contract, whichever period is longer, specifying the renewal price for the contractual service is set forth in the bid proposal or reply, specifying that costs for the renewal may not be changed, and specifying that renewals shall be contingent upon satisfactory performance evaluations by the agency and subject to the availability of funds. Exceptional purchase contracts pursuant to s. 287.057(5)(a) and (c), FS, may not be renewed.

In lieu of a written agreement, the division may authorize the use of a purchase order for classes of contractual services if the provisions of paragraphs (a) – (f) are included in the purchase order, or solicitation. The purchase order must include, but need not be limited to, an adequate description of services, the contract period and the method of payment. In lieu of printing the provisions of paragraphs (a) – (f) in the contract document or purchase order, agencies may incorporate the requirements of paragraphs (a) – (f) by reference.

_____ (2) The written agreement shall be signed by the agency head and the contractor prior to the rendering of any contractual service the value of which is in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO, except in the case of a valid emergency as certified by the agency head. The certification of emergency shall be prepared within 30 days after the contractor begins rendering the services and shall state the particular facts and circumstances that precluded the execution of the written agreement prior to the rendering of the service. If the agency fails to have the contract signed by the agency head and the contractor prior to rendering the

contractual service, and if an emergency does not exist, the agency head shall, no later than 30 days after the contractor begins rendering the service, certify the specific conditions and circumstances to the division as well as describe the actions taken to prevent recurrence of such noncompliance. The agency head may delegate the certification only to other senior management agency personnel. A copy of the certification shall be furnished to the Chief Financial Officer with the voucher authorizing payment. The division shall report repeated instances of noncompliance by an agency to the Auditor General. Nothing in this subsection shall be deemed to authorize additional compensation prohibited by s. 215.425. The procurement of contractual services shall not be divided so as to avoid the provisions of this section.

- _____ (3) Notwithstanding the provisions of subsections (1) and (2), in those cases in which state agencies are unable to procure a written agreement for the providing of health and mental health services or drugs in the examination, diagnosis or treatment of sick and injured persons in the care or custody of a state agency, those services or drugs may be obtained by purchase order. The purchase order shall contain sufficient detail for a proper audit and shall be signed by purchasing or contracting personnel acting on behalf of the agency.
- _____ (4) Every procurement of contractual services of the value of the threshold provided in s. 287.017 for CATEGORY TWO or less, except for providing for health and mental health services or drugs in the examination, diagnosis or treatment of sick or injured state employees or the providing of other benefits as required by provisions of chapter 440, shall be evidenced by a written agreement or purchase order. The written agreement or purchase order must contain sufficient detail for a proper audit, must be signed by the purchasing or contracting personnel acting on behalf of the agency, and may contain the provisions and conditions provided in subsection (1).
- _____ (5) Unless otherwise provided in the General Appropriations Act (GAA) or the substantive bill implementing the GAA, the Chief Financial Officer may waive the requirements of this section for services that are included in s. 287.057(5)(f).

287.0582 Contracts that require annual appropriation; contingency statement:

_____ No executive branch public officer or employee shall enter into any contract on behalf of the State, which contract binds the State or its executive agencies for the purchase of services or tangible personal property for a period in excess of one (1) fiscal year, unless the following statement is included in the contract: "The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature."

215.422(5)

PROMPT PAYMENT LAW

_____ All purchasing agreements between a state agency or the judicial branch and a vendor, applicable to this section, shall include a statement of the vendor's rights and the state's responsibilities under this section. The vendor's rights shall include being provided the name and telephone number of the vendor ombudsman with the Department of Financial Services, which information shall also be placed on all agency and judicial branch purchase orders.

216.347

LOBBYING PROVISION

A state agency, a water management district or the judicial branch may not authorize or make any disbursement of grant and aid appropriations pursuant to a contract or grant to any person or organization unless the terms of the grant or contract prohibit the expenditure of funds for the purpose of lobbying the Legislature, the judicial branch or a state agency.

287.133(2)(a)

PUBLIC ENTITY CRIME

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity; may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with a public entity; and may not transact business with any public entity in excess of CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

60A-1.017

ACQUISITION OF COMMODITIES THROUGH CONSTRUCTION OR SERVICE CONTRACTS

Construction contracts or contracts which include services that provide for a vendor to purchase tangible personal property, as defined in s. 273.02, FS, for subsequent transfer to the State, may be entered into by an agency only under the following circumstances:

- _____ (a) When the agency has determined in writing that there is an absolute and demonstrated need to acquire the property through the vendor, as opposed to direct acquisition by the agency;
- _____ (b) The agency has provided a means to identify the specific property, including line-item costs, acquired by the vendor for subsequent transfer to and control by the agency; and
- _____ (c) The agency has, when necessary, specified the quality level of the commodity to be acquired and made provisions for warranty terms, service and transfer of ownership.

11. Method of Procurement _____ (Provide documentation as applicable)

12. Method of Payment _____ (FR, LS, CR, CP, AD)

A. Fixed Rate (FR) – specify unit and rates (may be multiple units and rates).

- B. Lump Sum (LS) – specify partial payment criteria and identify what constitutes completion and acceptance.

- C. Cost Reimbursement (CS) (must comply with 216.346, FS) – Provide budget.

- D. Cost Plus (CP) (any combination of these).

- E. Advance Funded (AD) – Y / N.

If yes, compliance with 216.181(16)(b) or 215.422(14) must be documented

- 13. Amendments/renewals/extensions must be executed prior to the end of the contract and must be in compliance with 215.425, FS

Contracts for contractual services may be renewed for a period not to exceed 3 years or the term of the original contract, whichever is longer.

Renewal shall be subject to same terms as original contract (s. 287.057(14), FS).

Cost of renewal must be in the ITB or RFP or ITN (s. 287.057(14)).

Neither single source nor emergency contracts may be renewed (s. 287.057(14)).

Contract Extensions:

The extension represents an increase in the time allowed for the contract period due to circumstances which, without fault of either party, make performance impracticable or impossible, or which prevent a new contract from being executed, with or without a proportional increase in the total dollar amount, with any increase to be based on the method and rate previously established in the contract [s. 287.012(14)].

Extension of a contract for services shall be in writing for a period not to exceed six (6) months and shall be subject to the same terms and conditions set forth in the initial contract. There shall be only one extension unless the failure to meet the criteria set forth in the contract for completion of the contract is due to events beyond the control of the contractor [s. 287.057(13)].

Extension shall be executed prior to the expiration of current contract.

- 14. Amendments/renewals/extensions are effective on the last date signed.

- 15. Method of Procurement will be required if additional services are added to existing contract.

16. OTHER:

Contracts for private attorney services require the prior written approval of the Attorney General, with certain exceptions provided in s. 287.059. The Attorney General will adopt a standard fee schedule, a standard contract addendum and guidelines for use by agencies. Contracts are limited to one year, but may be multi-year if subject to annual appropriations and annual approval of the Attorney General.

Court reporter services must comply with the fee schedule in Attorney General Rule 2-39, FAC.

The following contracts require the approval of the Governor and Cabinet:

Highway Safety and Motor Vehicles: Contracts for consultant and professional services of \$100,000 or more. Rule 15-1.012.

Law Enforcement: Contracts for consultant and professional services of \$100,000 or more. Rule 11-1.0041.

Revenue: Contracts for consultant and professional services of \$100,000 or more. Rule 12-3.007.

The rules also require that other purchases above specified thresholds be reported to the Governor and Cabinet quarterly by the respective agencies.

17. Purchase of communication equipment or services in excess of Threshold CATEGORY TWO requires approval of the DMS Division of Communications. Rule 60C.

18. Management Controls:

_____ (a) All the foregoing statements are true and correct; the undersigned management represents that controls are in place to insure that goods/services are received and payments are made in accordance with contract terms.

_____ (b) All completed work will be verified in a certified statement signed by the contract manager or higher authority prior to payment. The undersigned understands that the State Chief Financial Officer's Office reserves the right to either appoint special contract monitors on contracts or to conduct periodic site post-audits of any contracts.

19. Management Name (please print)

20. Management Approval Signature

21. Management Approval Date

CONTRACTUAL SERVICES EXHIBIT 2

CSFA No. (if _____ applicable):
If CSFA No. is given, please complete section below:
 Based on our completion of the Checklist for Non-State Organizations Recipient/Subrecipient vs. Vendor Determination, we have identified the non-state organization for this contract to be:
 (check one):
 Recipient Vendor
NOTE: IF THIS NON-STATE ORGANIZATION HAS BEEN IDENTIFIED AS A RECIPIENT, THEN THIS FORM DOES NOT NEED TO BE COMPLETED.

Agency Use	
Agency Name	_____
Agency Contact	_____
Telephone #	_____

Bureau of Auditing's Office Use	
Date Received	_____
Date Approved for Input	_____
Date Input & Initials	_____
Date Verified & Initials	_____

Contract Review Checklist

New Contract Renewal Amendment Amendment # _____

1. OLO _____ Site/District _____
2. Contract Number _____ Type of Service _____
3. DMS # _____ (i.e., janitorial, legal, etc.)
4. Contractor Name _____ FEID # / SSN _____
5. Contract Start Date _____ Contract End Date _____
6. Contract Last Signed Date _____
7. If the contract last signed date is after the contract services start date, you must submit emergency certification or certificate of non-compliance [s. 287.058, FS (2)] or settlement document [CM 4 (87-88) or CM 1 02-03].
8. Total Contract Amount \$ _____
9. Deliverables/Milestones – Must be clear, detailed, concise, specific, measurable and quantifiable (i.e., tasks, % complete, time frame or milestones, goods, services).

10. Contract Document—Mandatory Provisions (insert page number from contract in the space provided if applicable).

_____ s. 215.422(5)	_____ s. 287.058(1)(d)	_____ s. 287.058(4)
_____ s. 216.347	_____ s. 287.058(1)(e)	_____ s. 287.058(5)
_____ s. 287.058(1)(a)	_____ s. 287.058(1)(f)	_____ s. 287.0582
_____ s. 287.058(1)(b)	_____ s. 287.058(2)	_____ s. 287.133(2)(a)
_____ s. 287.058(1)(c)	_____ s. 287.058(3)	_____ Rule 60A- 1.017(1)(a)(b)(c)

** Complete only applicable portions of checklist.

11. Method of Procurement _____ (Provide documentation as applicable)

12. Method of Payment _____ (FR, LS, CR, CP, AD)

A. Fixed Rate (FR) – specify unit and rates (may be multiple units and rates).

B. Lump Sum (LS) – specify partial payment criteria and identify what constitutes completion and acceptance.

C. Cost Reimbursement (CS) (must comply with s. 216.346, FS) – Provide budget.

D. Cost Plus (CP) (any combination of these).

E. Advance Funded (AD) – Y / N.

If yes, compliance with s. 216.181(16)(b) or s. 215.422(14) must be documented

13. Amendments/renewals/extensions:

Must be executed prior to the end of the contract and in compliance with s. 215.425, FS.

Renewals must be in compliance with s. 287.057(14).

Extensions must be in compliance with s. 287.012(14) and s. 287.057(13).

14. Amendments/renewals/extensions are effective on the last date signed.

15. Method of Procurement will be required if additional services are added to existing contract.

16. OTHER SERVICES REQUIRING SPECIAL APPROVALS (attach if applicable):

Private attorney services

Consultant and professional services contracts entered into by agencies under the Governor and Cabinet.

17. Purchase of communication equipment or services in excess of Threshold CATEGORY TWO requires approval of the DMS Division of Communications. Rule 60C.
18. Management Controls:
- _____ (a) All the foregoing statements are true and correct; the undersigned management represents that controls are in place to insure that goods/services are received and payments are made in accordance with contract terms.
 - _____ (b) All completed work will be verified in a certified statement signed by the contract manager or higher authority prior to payment. The undersigned understands that the State Chief Financial Officer's Office reserves the right to either appoint special contract monitors on contracts or to conduct periodic site post-audits of any contracts.
19. Management Name (please print) _____
20. Management Approval Signature _____
21. Management Approval Date _____

CONTRACTUAL SERVICES EXHIBIT 3

SUMMARY OF CONTRACT/PURCHASE ORDER

LESS THAN OR EQUAL TO \$75,000.00

DEPARTMENT: _____ CONTRACT/PO#: _____

CONTRACTOR/VENDOR/PAYEE: _____

CONTRACT PERIOD: _____

AMOUNT OF CONTRACT: _____

TYPE OF SERVICES: _____

PAYMENT CRITERIA: _____

METHOD OF PROCUREMENT: BID _____ BID REFERENCE NO. _____

SINGLE/SOLE SOURCE _____

EMERGENCY CERTIFICATION _____

OTHER (Specify) _____

Agency contact:

Name

Telephone Number

COUNTY HEALTH UNIT TRUST FUND

Pursuant to Section 216.341, F.S., monies of a county health unit trust fund may be expended by the Department of Health for the respective county health departments in accordance with budgets and plans agreed upon by the county authorities of each health unit and the Department of Health. County health units are subject to Section 287.057, F.S., for procurement requirements unless the payment information includes a written certification from the agency stating that county purchasing procedures were followed. The certification must contain a cross reference to the specific sections of the county purchasing procedures being applied.

Also see “Purchasing Card Transactions – County Health Unit Trust Fund.”

CREDIT CARD FEES

Agencies are not to contract with any credit card company that requires annual fees. Agencies should use the State of Florida Purchasing Card Program. (See “Purchasing Card Transactions” section.)

DEFERRED-PAYMENT COMMODITY CONTRACTS

These purchases must be made in accordance with Section 287.063, F.S. An agency entering into any commodity contract requiring deferred payments in excess of \$30,000 and payment of interest, must be sent to the Bureau of Accounting for prior approval and pre-audit.

This program is the "Consolidated Equipment Financing Program" (CEFP). Information on this program may be found on the DFS website, <http://dbf.state.fl.us/aadir/cefp-web/index.htm>.

Examples of equipment this program has financed are computers, copiers, communication systems, laboratory equipment, medical equipment and printers.

Payments for CEFP should be object coded 6100 (interest), and 6200 (principal).

Universities are exempt from this requirement, but can go through CEFP in order to take advantage of the normally lower contracted interest rate than that which is on the open market.

EDUCATIONAL COURSES

General

State agencies may pay for educational training and courses that are designed to improve the efficiency of a qualified employee when the courses are directly related to the employee's current job duties. Educational courses intended to prepare an employee for a job primarily of benefit to the employee and only indirectly beneficial to the agency, do not constitute a proper expenditure of public funds absent a specific legislative authorization. All required books associated with the course may also be expended from state funds as long as the State is only paying for courses for employees which primarily benefit the State rather than the employee. Any books purchased with state funds must become the property of the State. Cost for courses that will primarily benefit the employee rather than the State will not be paid. The invoice for payment must include the improved efficiency or the benefit to the State derived from the training or course and the position title of the employee.

Community Leadership Courses

Various chambers of commerce throughout the State offer training courses. The courses are entitled "Leadership (city or area)." The stated purpose of these courses is to improve the quality, quantity and effectiveness of leadership in the city or area by:

1. Identifying and selecting current and potential leaders from diverse backgrounds.
2. Exposing the participants to social, economic and political issues facing the city or area in order to stimulate their interest in seeking leadership positions within the community.
3. Providing the participants with factual information about the city or area.
4. Building and maintaining networks of community leaders who know and respect each other.

Generally, meeting these objectives do not appear to fall within the statutory duties and responsibilities of state agencies. Therefore, payment by a state agency for an employee to attend such a course would generally not be a proper expenditure of state funds.

Agencies with specific statutory authority to provide this training to employees and wishing to send an employee to community leadership courses should request prior approval from the:

**Department of Financial Services
Bureau of Auditing
200 East Gaines Street
Tallahassee, FL. 32399-0355**

Requests must cite the specific statutory authority for the agency to send employees to the classes or cite the specific statutory duty or responsibility, which necessitates the agency sending an employee to such a class. Any payment request, which does not include prior approval may be denied.

EQUIPMENT LEASES

Equipment leases that have an annual cost anticipated to exceed the purchasing Category Two threshold established in Section 287.017, F.S., requires prior approval from the Bureau of Accounting. If the monthly lease cost for equipment is greater than one-twelfth of the Category Two threshold, but the annual cost will be less than the Category Two threshold, each voucher submitted for payment should include documentation indicating that the annual cost will not exceed the Category Two threshold.

In computing the total lease cost for determination as to whether the annual lease cost exceeds the Category Two threshold, maintenance and other periodic costs to be incurred by the lessee for the equipment must be added to the lease payments. Equipment is defined as a functional unit and not as an individual component. For example, an agency may not acquire, by lease, equipment costing less than Category Two threshold annually, avoiding Bureau of Accounting approval, and then add other components to the equipment which increases the total annual cost above the threshold.

Requests for Bureau of Accounting approval to lease equipment above the Category Two threshold should be submitted with the Lease Checklist (<http://dbf.state.fl.us/aadir/cefp-web/index.htm>) and addressed to:

**Department of Financial Services
Bureau of Accounting
200 East Gaines Street
Tallahassee, Florida 32399-0354**

Vouchers submitted for payment of leases requiring prior approval of the Bureau of Accounting must show the lease approval number assigned by the Bureau of Accounting.

Regardless of the annual cost of the lease or the acquisition method, it shall be the responsibility of the procuring agency to evaluate and maintain documentation to support that a lease is economically prudent and cost-effective.

Agencies with special needs for leasing equipment, such as short-term needs for surveying, monitoring and research connected with wildlife studies or preservation are exempt from the requirement to obtain prior approval. A certification from the agency head or designee supporting the decision to lease must be attached to the voucher submitted for payment.

The Bureau of Accounting will gladly review leases less than or equal to Category Two, upon agency request.

Also see "Purchasing Card Transactions – Leases of Buildings and Equipment."

EXECUTIVE ORDERS

The Governor has the authority to sign executive orders under Section 252.36, F.S. All executive orders have the full force and effect of law. Most executive orders are for emergencies dealing with hurricanes, tropical storms, wildfires, floods, tornadoes, citrus canker and other states of emergency. An executive order may suspend the purchasing rules and regulations.

FURNITURE

While state agencies may purchase office and public area furniture in accordance with the State term contract in effect at the time of purchase, price limits have been established for purchasing the following furniture:

1. Chairs (ergonomic)	\$ 675
2. Sofas 3 seat	\$ 1,400
3. Love Seats 2 seat	\$ 1,100
4. Wing Back (or similar chair)	\$ 800
5. End Tables	\$ 400
6. Coffee or 48" Conf. Table	\$ 600
7. Task Lighting	\$ 175 each

*Note: Item Nos. 2, 3, 4, 5, and 6 listed above may only be purchased for reception or other public areas.

The price limits stated above also apply to furniture purchased under contracts entered into by an agency or university and to PRIDE furniture.

If an agency needs to purchase a chair that exceeds the established limit in order to provide a reasonable accommodation under the ADA, the agency must process the invoice in accordance with the instructions in Americans with Disabilities Act section.

All other exceptions must be fully justified by the agency and approved in advance by the Bureau of Auditing. Requests for exceptions should be addressed to:

**Department of Financial Services
Bureau of Auditing
200 East Gaines Street
Tallahassee, Fl. 32399-0355.**

INSURANCE

For agencies subject to the provisions of Section 287.022, F.S., payments for the purchase of insurance, with the exception of title insurance for land purchases, must have proof of approval by DMS or a certification of emergency.

INVOICES

General

Invoices to be submitted to the Bureau of Auditing for payment must be scheduled by the agency wishing to make payment using a standard format prescribed by the Department of Financial Services (DFS). Payments submitted to the Bureau of Auditing for disbursement or transfer of funds shall only be those payments authorized by law. If such authority is not evident by the nature of the payment, the agency must cite the law which has expressly authorized the agency to expend funds for the purpose under consideration or, must be considered to have been given such authority by necessary implication in order to carry out a duty or function expressly imposed or authorized by law. The information listed in this section provides general guidelines that are common to all expenditures.

Invoice Requirements

The following requirements apply to all invoices submitted for payment.

1. An invoice submitted for payment of an expenditure must be a legible copy. The original invoice is maintained by the agency. If an agency is filing a copy of the invoice as its original, it must contain the statement "original invoice not available, agency records show that this obligation has not been previously paid" with the signature of the person certifying the statement. Thermofax copies, because of their temporary nature, shall not be filed as the original at the agency. It should be copied on a standard photocopy machine.
2. Invoices for commodities must clearly reflect a description of the item or items, number of units and cost per unit. Numerical code descriptions alone will not be accepted.

Invoices for contractual services must also clearly reflect the services/deliverables that were provided. Invoices for fixed unit rate contracts must show the number of units and cost per unit. Invoices for contracts paid out on a reimbursement basis or a fixed rate for a specific time period, e.g. quarterly, monthly, etc., must be supported by documentation (such as a progress report) that clearly reflects the services/deliverables provided during the invoice period.

3. No balances for prior purchases will be paid unless supported by an invoice.
4. A statement will not be paid unless it can be clearly shown that the vendor intended it to be used as an invoice.

5. All invoices shall be in accordance with Section 215.422, F.S., and the rules set forth in Rule 3A-24, F.A.C.
6. Invoices that are split payments require information showing the distribution of charges between funds for such invoice and a cross-reference of the statewide document numbers for all related vouchers.
7. Invoices and other supporting documentation included in a voucher must be grouped by vendor and arranged in the same order as the vendors listed on the voucher schedule. If the voucher includes multiple invoices from the same vendor, the voucher must include a calculator tape or other evidence showing that the total of the invoices is equal to the amount shown on the voucher schedule.
8. Acronyms and non-standard abbreviations for programs or organizational units within an agency should not be used in the supporting documentation unless an explanation is also included.

INVOICE SAMPLING

A selected sample of invoices for disbursement requests equal to or less than the established dollar threshold for an agency must be submitted to the Bureau of Auditing for pre-audit review. Sampling thresholds may vary by agency and/or voucher processing site, and could be changed at any point in time. Invoices equal to or less than the established dollar threshold for an agency, and not included in the sample, will be systematically posted and should not be submitted to the Bureau of Auditing.

Invoices less than or equal to the threshold and included in the sample, invoices greater than the threshold, and invoices submitted to this office by specific request will be pre-audited by Bureau of Auditing staff. Flags are set in the Voucher Audit System for certain vendors, object codes and other criteria. Payment requests for these items generally require special review or handling by Bureau of Auditing staff. Vouchers and copies of supporting documentation for flagged items will continue to be submitted to this office, regardless of the dollar amount.

JOURNAL TRANSFERS

Journal transfers (JTs) are vouchers (transactions) that allow state agencies to make payments to other state agencies in lieu of issuing a state warrant, correct disbursements made in error, allocate costs within an agency, make transfers or distributions that are required by law and restore current year expenditure refunds to their original disbursement accounts. Pursuant to Rule 3A-40.002(24), F.A.C., all payments to state agencies shall be made by journal transfer unless the necessity for making payment by warrant is documented by the agency and approved by the CFO.

There are three types of journal transfers: JT-1, JT-2 and JT-3. A JT-1 is referred to as a journal redistribution. A JT-2 can be one of three different voucher types: a journal advice, a non-operating transfer or an expenditure refund. A JT-3 involves the transfer of budget release between accounts with different Internal Budget Indicators (IBI). The JT-3 will not be discussed in this reference manual as it is a function of the Bureau of Accounting.

Journal Transfer One (JT-1)

I. Journal Redistribution

The journal redistribution (JT-1) is used to make corrections of disbursements made in error and to allocate costs within an agency. JT-1s should not be used to correct non-operating transfers or service charge journal transfers. Allocating costs within an agency usually occurs when an agency wants to issue one warrant to a vendor and then charge individual sections or other units for their pro rata share of the total cost. See JT Exhibit 1 located at the end of this section, for an example of a JT-1. Transaction codes 20 and 21 are used to update the accounting system as follows:

Transaction Code 20 - INCREASE (disbursing/initiating side of a JT-1):

Increase journal disbursement (and disbursements year-to-date)
Decrease unexpended release balance (budget)
Decrease cash balance

Transaction Code 21 - DECREASE (receiving/benefiting side of a JT-1):

Decrease journal disbursements (and disbursements year-to-date)
Increase unexpended release balance (budget)
Increase cash balance

II. Auto-posting of JT-1s

JT-1s input into Departmental FLAIR are automatically posted to the Central Accounting System during the overnight update. Those JT-1s will include the following statement--**SYSTEM POSTED JT1 - RETAIN ALL DOCUMENTATION.**

JT-1s between state agencies are not auto-posted and must be submitted to the Bureau of Auditing. Supporting information must be provided as to why it is necessary to process the transaction between state agencies as a JT-1 rather than a JT-2.

Other information required to support JT-1s include a reference to the original transaction or a copy of the original transaction being corrected or reallocated.

JT-1s that contain negative balances (cash, budget or other atypical balances) will not be auto-posted. The system will attempt to post all negative JT-1s for five consecutive nights. JT-1s not posted in five nights will be automatically deleted by the system.

III. JT-1 Focus System

There exists within FLAIR a Focus system that allows the Bureau of Auditing to view auto-posted JT-1 transactions with certain predetermined criteria. The current criteria and parameters set in the FOCUS system are:

Transaction amounts exceeding a specified dollar amount. Auditors will review transactions in amounts specified by the Bureau of Auditing. This is done to provide a review process for large dollar amount JT-1s. Selected JT-1s will be requested for further review based upon judgment of the reviewing auditor.

Transactions between categories within a state agency (OLO). These transactions will be reviewed to determine if expenditures that were previously paid from one category are appropriate to be transferred to another category. For example, if an agency pays for an item using OCO funds and then determines that the payment should have been paid using expense funds, then a transaction transferring the expenditure to the appropriate category would be acceptable. Upon request for the selected sample, the agency will be required to provide a copy of the original transaction along with necessary supporting documentation to substantiate the transfer of funds between categories.

Transactions with negative amounts. The Bureau of Auditing will review such transactions to determine if it appears that an agency is utilizing this option frequently. Since the JT-1 allows an agency to utilize transaction codes to increase or decrease amounts in an account code, agencies may be contacted to determine why it is necessary to use negative transactions on a JT-1.

Transfers of expenditures from trust fund to the General Revenue Fund. The review process is conducted to determine if the transaction originally paid from a trust fund and is now being charged to a general revenue fund is appropriate.

Since all JT-1s with the exception of those crossing OLOs, are auto posted, the Bureau of Auditing will routinely review these transactions. The Bureau of Auditing may request supporting documentation for selected auto-posted JT-1s to determine if the transaction is valid. If documentation does not support the transaction, the agency will be asked to reverse the entry. If the agency does not reverse the entry, the Bureau of Auditing will reverse the entry and notify the agency.

Journal Transfer Two (JT-2)

As stated earlier, the JT-2 can be one of four different voucher types: journal advice, operating disbursement, non-operating transfer and expenditure refund.

I. Journal Advice

The journal advice, JT Exhibit 2 is primarily used to make payments to other state agencies for goods and services received. Supporting information for payments to other state agencies should include at a minimum the invoice that provides a description of the goods or services, the benefiting agency's account code, the quantity and unit price, if applicable, and the amount being charged. Any additional information necessary to substantiate the payment based on the type of purchase being made must also be included.

Agencies will also use the journal advice to make payments of the service charge to general revenue, to invest funds with the DFS, Division of Treasury, and to process payments to the Division of State Group Insurance (DSGI). Transaction codes 25 and 45 are used, with the journal advice, to update the Central Accounting System as follows:

Transaction Code 25 - INCREASE (disbursing/initiating side of a journal advice):

Increase journal disbursements (and year-to-date disbursements)
Decrease unexpended release balance (budget)
Decrease cash balance

Transaction Code 45 - INCREASE (receiving/benefiting side of a journal advice):

Increase journal receipts
Increase cash balance

Investments

The purpose of the investment journal advice is to allow agencies to invest funds with the Division of Treasury. Investment JT-2s will have an object code of 8300XX. Investment JT-2s received in the Bureau of Auditing by 2:00 pm will be processed on that date. Investments received after 2:00 p.m. will be processed the following day. JT Exhibit 3 is an example of an investment JT-2.

Service Charges to General Revenue Fund

Pursuant to Section 215.20, F.S., a service charge shall be deducted from income of a revenue nature deposited in certain trust funds. This service charge is transferred to the General Revenue Fund via a JT-2 submitted to the Bureau of Auditing. Service charge JT-2s will have an object code of 880XXX. JT-2s containing negative cash or budget will not be returned to the agency or deleted without consulting with the Bureau of Accounting. JT Exhibit 4 is an example of a service charge JT-2.

Employer/Employee Contributions

Payments to employer/employee contributions (JT Exhibit 5) must have approval from the DSGI prior to being submitted to the Bureau of Auditing. The approval must be stamped on the face of the voucher schedule. JT Exhibit 5 is an example of this JT with the approval from DSGI.

II. Category 10XXXX- Operating Disbursements

This type of transaction is used when the agency receives the appropriation in a special category (10XXXX) through the General Appropriations Act and is required to “transfer” the funds to another state entity; the journal entry will normally be an operating disbursement. If the 10XXXX category used has been identified as “H” in the Itemization of Expenditures (IOE) records in LAS/PBS, the receipt category must be 001000, state grants. These are operating receipts and disbursements, though nothing is being purchased and no benefit is received by the paying agency. Object code 7600XX and transaction codes of 25/45 should be used with these operating disbursements.

III. Non-Operating Transfer

This type of cash transfer is intended only for purposes not directly related to operations of the agency and does not serve to change or redistribute the operating budget in any manner. These are non-operating receipts and disbursements. The non-operating transfer has three unique characteristics. (See JT Exhibit 6.)

1. The disbursement category is usually 180000(or 18XXXX), although categories 170000 or 31XXXX (Special categories non-operating) may occasionally be used.
2. The receipt category must be 0015XX or 0016XX, transfers required by law.
3. The disbursement object code must be 8100XX.

Transfers between Governmental Accounting, Auditing and Financial Reporting (GAAFR) funds constitute a unique type of non-operating transfer. There are two separate cash control accounts identical in all respects except for the GAAFR fund code. Since GAAFR funds exist only in FLAIR, and are a separate classification from the state funds, the transfer of cash between GAAFR funds is a bookkeeping entry only and requires no budget approval. The disbursing category is 310400 and the benefiting category is 003100 (See JT Exhibit 7). If these JTs have insufficient budget, the Bureau of Auditing will override them since budget is checked only at the FID level. The Bureau of Accounting will periodically post budget and release to category 310400 accounts to clear negative balances. GAAFR fund JTs are not overridden for insufficient cash.

Journal transfer vouchers submitted to the Bureau of Auditing for non-operating transfers must contain an explanation of the transfer or a reference to the statutory requirement for the transfers. Transaction codes 29 and 49 are used to update the Central Accounting System as follows:

Transaction Code 29 - INCREASE (disbursing/initiating side of a transfer):

Increase transfer disbursements (and disbursements year-to-date)
Decrease unexpended release balance (budget)
Decrease cash balance

Transaction Code 49 - INCREASE (receiving/benefiting side of a transfer):

Increase transfer receipts
Increase cash balance

IV. Expenditure Refund

The current year expenditure refund (JT Exhibit 8) is used to restore cash and budget to the current year disbursement account, which generated the payment on which the refund is based. Current year refunds may only be processed for refunds received and deposited during the same fiscal year that the warrant was issued for the disbursement. A cash deposit is made to a receipt account and is then transferred by JT from the receipt account to the disbursing account. Vouchers submitted to the Bureau of Auditing must contain a form CBA-22 (JT Exhibit 9). The CBA-22 form includes the 29-digit FLAIR codes where the original disbursement occurred, the original warrant number and date, the original object code and signatures of the preparer and the authorized personnel. A Letter of Authorization may be substituted for the information requirements of the CBA-22 (see JT Exhibit 10). The Letter of Authorization number is valid for the types of cash refunds being processed without reference to the original warrant number and date. The Letter of Authorization may be used for refunds upon which obtaining the original warrant number and date is not feasible. The Letter of Authorization is only valid for items that are listed on the Authorization as approved. Transaction codes 39 and 38 are used with the expenditure refunds to update the central accounting system as follows:

Transaction Code 39 – DECREASE(disbursement/initiating side of a cash refund):

Decrease journal disbursements (and year-to-date disbursements)
Increase unexpended release balance (budget)

Transaction Code 38 - DECREASE (receiving/benefiting side a cash refund):

Decrease journal receipts

When an expenditure refund is deleted from the system, it does not affect the original cash deposit made into the receipt account. It does, however, remove the transaction created to restore the cash and budget back to agencies current year disbursement account. Auditors will make every effort not to delete a line item or an entire voucher of a cash refund unless it has been absolutely determined that the transaction is incorrect and should be deleted. In the event an expenditure refund is deleted, agencies should contact the FLAIR Help Desk to make any necessary corrections to the receipt account.

Negative Journal Transfers

The general purpose of a negative journal transfer is to correct a previous JT processed in error. These transactions may occur on a JT-1 or a JT-2. Negative JT-1 (see JT Exhibit 11) and JT-2 (JT Exhibit 12) transactions that are correcting an entry that affects only the initiating agency's accounts (within OLO) is a proper transaction. However, a negative JT-1 or JT-2 that crosses OLOs should not be processed without additional justification of the circumstances since it will allow one agency to debit the account of another agency. Be aware that a negative transaction will provide an opposite effect of what the transaction is normally designed.


Interagency Contract Payments

Interagency contract payments are contracts that are executed between two state agencies or between a state agency and a university. These contracts are not subject to the provisions of Section 287.057, F.S., however, they must comply with the contract document requirements of Section 287.058, F.S. Supporting information for interagency contract payments should include the invoice, which provides a description of the goods or services being provided, the quantity and unit price, if applicable, and the amount being charged. Pursuant to Section 216.346, F.S., contracts between state agencies, including the State University System or the State Community College System, may charge no more than 5 percent of the total cost of the contract or grant for overhead or indirect cost.

Also see, "Purchasing Card Transactions – Interagency Contract Payments."

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

PAGE NO 1

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE 09/10/2002		S-W Agency Voucher No.	
OLO 450000 SYSTEM POSTED JT-1 - RETAIN ALL DOCUMENTATION						D30-0012-6447	
DEPARTMENT DEPARTMENT OF STATE						001370	
SITE DEPARTMENT OF STATE						&	
DFS	ACCOUNT NUMBER	CF	ACCOUNT NAME	OBJECT CODE	TRANS CODE 20	TRANS CODE 21	
	DFS						
	INVOICE		INVOICE AMOUNT		INCREASE AMOUNT	DECREASE AMOUNT	
	45202542001-4540010000-03000000		PUBLIC ACCESS DATA SYSTEMS TRUS OTHER PERSONAL SERVICES INV: VPR278 1192.00	1210	1192.00		
	45202450001-4540010000-03000000		LIBRARY SERVICES TRUST FUND DOS OTHER PERSONAL SERVICES	1210		1192.00	
	45202542001-4540010000-03000000		PUBLIC ACCESS DATA SYSTEMS TRUS OTHER PERSONAL SERVICES INV: VPR278 91.19	1510	91.19		
	45202450001-4540010000-03000000		LIBRARY SERVICES TRUST FUND DOS OTHER PERSONAL SERVICES	1510		91.19	
JT EXHIBIT 1							
TRANSACTION TYPE: JOURNAL REDISTRIBUTION					TOTAL	TOTAL	
					1283.19	1283.19	
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.				For DFS Use Only			
APPROVED:  _____ TITLE DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES				Time In			
						Audited By	

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

PAGE NO. 1

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	12/24/2002	S-W/Agency Voucher No.	
OLO 550000		JT-2				D30-0033-4246	
DEPARTMENT DEPARTMENT OF TRANSPORTATION						008950	
SITE DEPARTMENT OF TRANSPORTATION						R	
ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	25	TRANS CODE	45	
	ACCOUNT NAME						
INVOICE	INVOICE AMOUNT				INCREASE AMOUNT		INCREASE AMOUNT
55102540001-5510010000-04000000		2210			292.48		
	STATE TRANSPORTATION (PRIMARY)T						
	EXPENSES						
	INV: 025777				62.40		
	INV: 1L4658				19.77		
	INV: 2G7073				70.12		
	INV: 3E9673				61.38		
	INV: 3W3719				19.74		
	INV: 5K1878				59.07		
55102540001-5518010000-04000000		2210			1017.69		
	STATE TRANSPORTATION (PRIMARY)T						
	EXPENSES						
	INV: 2A9270				19.77		
	INV: 2A9273				407.94		
	INV: 2A9274				589.98		
72602105001-7290010000-00190300							1310.17
	COMMUNICATIONS WORKING CAPITAL						
	SALES OF GOODS/SERVICES TO STAT						

JT EXHIBIT 2

TRANSACTION TYPE: JOURNAL ADVICE	TOTAL	TOTAL
	1310.17	1310.17

I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.

For DFS Use Only

Time In

APPROVED:

Audited By

TITLE

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	10/22/2001	S-W/Agency Voucher No.	
OLO 550000						X90040	
DEPARTMENT DEPARTMENT OF TRANSPORTATION							
SITE DEPARTMENT OF TRANSPORTATION							
DFS Account Code	CF	OBJECT CODE	TRANS CODE 25	TRANS CODE 45			
DFS Account Name	INVOICE	INVOICE AMOUNT	INCREASE AMOUNT		INCREASE AMOUNT		
55 20 2 586001	55150500 00	190000 00	8300	10,180,000.00			
46 71 2 728001-46100200	00	004000 00			10,180,000.00		
TRANSACTION TYPE: JOURNAL ADVICE			TOTAL	10180000.00	TOTAL	10180000.00	

JT Exhibit 3

INVESTMENTS

I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.

For DFS Use Only

APPROVED:


Time In

Audited By

TITLE:

7

PAGE NO. 1

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE 12/11/2002		S-W/Agency Voucher No.	
OLO 730000		JT-2				D30-0030-9098	
DEPARTMENT DEPARTMENT OF REVENUE						004627	
SITE DEPARTMENT OF REVENUE						B	
DPS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	25	TRANS CODE	45	
	DPS ACCOUNT NAME						
	INVOICE				INCREASE AMOUNT	INCREASE AMOUNT	
73202021019-7301010000-31032200	ADMINISTRATIVE TRUST FUND DOR-	8807			247.99		
	SERVICE CHARGE TO GEN REV						
	INV: 12102002 247.99						
73741000405-7340050000-00130000	GENERAL REVENUE-DEPT OF REVENUE						247.99
	SECTION 215.20(1) AND (2) GR SE						
<p style="text-align: center; font-size: 2em; font-weight: bold;">JT EXHIBIT 4</p>				TOTAL		TOTAL	
					247.99		247.99
TRANSACTION TYPE: JOURNAL ADVICE				FOR DPS USE ONLY			
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.				Time In			
APPROVED: 						Audited By	
TITLE							

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	S-W/Agency Voucher No.	
OLO	600000	JT-2		10/12/2001	H20-0005-6799	
DEPARTMENT	DCF -	CENTRAL OFFICE			003953	
SITE	DCF -	CENTRAL OFFICE			I	
DPS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	25	TRANS CODE	45
INVOICE	INVOICE AMOUNT		INCREASE AMOUNT		INCREASE AMOUNT	
60602792014-6090020230-01000000		1620		14.84		
WORKING CAPITAL TRUST FUND-DEPT						
SALARIES AND BENEFITS						
INV: 11/01	14.84					
72732667002-7275020000-00060000						14.84
STATE EMPLOYEES LIFE INSURANCE						
EMPLOYER-EMPLOYEE CONTRIBUT						
60602792014-6090020230-01000000		1610		507.80		
WORKING CAPITAL TRUST FUND-DEPT						
SALARIES AND BENEFITS						
INV: 11/01	507.80					
72732668003-7275020000-00060000						507.80
STATE EMPLOYEES LIFE INSURANCE						
EMPLOYER-EMPLOYEE CONTRIBUT						
60602792014-6090020230-01000000		1630		21.96		
WORKING CAPITAL TRUST FUND-DEPT						
SALARIES AND BENEFITS						
INV: 11/01	21.96					
72732671002-7275020000-00060000						21.96
STATE EMPLOYEES LIFE INSURANCE						
EMPLOYER-EMPLOYEE CONTRIBUT						
TRANSACTION TYPE: JOURNAL ADVICE			TOTAL	544.60	TOTAL	544.60
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DPS USE ONLY			
			Time In			
APPROVED:			Audited By			
TITLE:						

JT EXHIBIT 5

APPROVED BY
DSGI
SMP 10/15/01

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	S-W/Agency Voucher No.	
OLO 720000		JT-2		10/09/2001	D20-0019-6982	
DEPARTMENT DEPARTMENT OF MANAGEMENT SERVICES					GH8012	
SITE DEPARTMENT OF MANAGEMENT SERVICES						
DFS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	TRANS CODE		
			29	49		
DFS ACCOUNT NAME	INVOICE	INVOICE AMOUNT	INCREASE AMOUNT		INCREASE AMOUNT	
72202339111-7294010000-18508000	GRANTS AND DONATIONS TF TRAN TO ADMINISTRATIVE TF INV: 2 ND QTR	5445.75	8100	5445.75		
72202021027-7201010000-00150000	ADMINISTRATIVE TRUST FUND TRANSFERS				5445.75	
TRANSACTION TYPE: NON-OPERATING TRANSFER			TOTAL	5445.75	TOTAL	5445.75
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DFS USE ONLY			
APPROVED:			Time In		Audited By	
TITLE:						

JT EXHIBIT 6

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	10/01/2001	S-W/Agency Voucher No.
OLD	640000	JT-2				D20-0020-4179
DEPARTMENT DEPARTMENT OF HEALTH						009190
SITE HQ, ACCOUNTING - CINDY xxxxxx						G
DPS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	29	TRANS CODE	49
DPS ACCOUNT NAME	INVOICE	INVOICE AMOUNT	INCREASE AMOUNT		INCREASE AMOUNT	
64302168001-6430010000-31040000	DONATIONS TF GAAFR/GAAFR T'FER W/IN FID INV: MAR/APRIL	150000.00	8101	150000.00		
64202168001-6430010000-00310000	DONATIONS TRUST FUND DOHD TRANS BETWEEN GAAFR FUNDS W/I FID					150000.00
TRANSACTION TYPE: NON-OPERATING TRANSFER			TOTAL	150000.00	TOTAL	150000.00
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DPS USE ONLY			
			Time In		Audited By	
APPROVED:						
TITLE:						

JT EXHIBIT 7

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE	DATE 10/10/2001	S-W/Agency Voucher No.	
OLO 600000	JT-2			H20-0005-5101	
DEPARTMENT DISTRICT FIFTEEN				001313	
SITE DCF- DISTRICT 15					
DFS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE 39	TRANS CODE 38	
	DFS ACCOUNT NAME				
	INVOICE	INVOICE AMOUNT	DECREASE AMOUNT	DECREASE AMOUNT	
60202021060-6091070215-04000000	ADMINISTRATIVE TRUST FUND-DEPT EXPENSES	2210	742.95		
	INV: COS9455				742.95
60202021060-6091070215-00180000	ADMINISTRATIVE TRUST FUND-DEPT REFUNDS				
TRANSACTION TYPE: EXPENDITURE REFUND JOURNAL ADVISE			TOTAL 742.95	TOTAL 742.95	
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DFS USE ONLY		
APPROVED:			Time In		
TITLE:				Audited By	

JT EXHIBIT 8

STATE ATTORNEY'S OFFICE
ELEVENTH JUDICIAL CIRCUIT
E. R. GRAHAM BUILDING
1350 NORTHWEST 12TH AVENUE
MIAMI, FLORIDA 33136

ATTENTION: CASHIER

CASH REFUND REQUIRED
Restoration to current year appropriation

Transmittal of: 113.17

NOTICE OF REFUND REQUIRED ON ACCOUNT OF:

Disbursement made during the current fiscal year in the amount of \$113.17 for restoration to:

SAMAS ACCOUNT CODE

2 1 1 0 1 0 0 0 0 3 2 2 1 5 0 1 1 0 0 0 xxxxxxxxxxxx

ACCOUNT NAME: STATE ATTORNEY 11TH JUDICIAL CIRCUIT
Originally disbursed by warrant number 110369 dated September 4, 2001.
Original Object Classification Code 269000* or refer to
Letter of Authorization # _____ dated _____

- (if object code 26XX or 1100)
- Name of Employee: **David XXXXXX**
- Social Security Number: **XX-XXX-XXXX**

I hereby certify that to the best of my knowledge and belief the request for restoration to the above named account (s) is true and correct and complies with all provisions of the Florida Statutes applicable opinions of the Attorney General and rules and regulation of the Chief Financial Officer.



Authorized Signature

Prepared by: XXXXXXXXXXXXX

Telephone Number: (XXX)XXX-XXXX

CBA-22(REV 7/91)

JT EXHIBIT 9

DEPARTMENT OF FINANCIAL SERVICES
STATE OF FLORIDA
TALLAHASSEE
32399-0350

September 10, XXXX

LETTER OF AUTHORIZATION NO. 98-440000
RESTORATION OF FUNDS

Mr. [REDACTED], Chief
Bureau of Budget, Fiscal and Office Services
DEPARTMENT OF FINANCIAL SERVICES
121 Fletcher Building
Tallahassee, FL 32399-0350

Dear [REDACTED]:

You are hereby authorized to process refunds as indicated below during the 1997-98 fiscal year without reference to the number and date of the warrant by which the funds were originally disbursed.

1. Reimbursement for telephone (Suncom, Centrex, AT&T, and Cellular).
2. Reimbursement for postage.

Please use this Letter of Authorization Number as a reference on all such deposits in lieu of a warrant.

Sincerely,

[REDACTED]
[REDACTED], Chief
Bureau of Auditing

JT EXHIBIT 10

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	04/10/97	S-W/Agency Voucher No.	
OLO	600000	JT-1				H70-0022-5660	
DEPARTMENT FSH/MENTAL RETARDED DEFENDANT PROGRAM				(II)			
SITE HRS - FLORIDA STATE HOSPITAL				000294			
DFS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	20	TRANS CODE	21	
	DFS ACCOUNT NAME		INCREASE AMOUNT		DECREASE AMOUNT		
	INVOICE	INVOICE AMOUNT					
60101000313-6080030061-04000000	EXPENSES	2710	<5472.40>				
	INV: APRIL 97	<5472.40>					
60101000309-6080020053-04000000	EXPENSES	2710			<5472.40>		
JT EXHIBIT 11							
TRANSACTION TYPE: JOURNAL REDISTRIBUTION			TOTAL	<5472.40>	TOTAL	<5472.40>	
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DFS USE ONLY				
			Time In				
APPROVED:					Audited By		
TITLE:							

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

STATE OF FLORIDA		VOUCHER SCHEDULE		DATE	10/09/2001	S-W/Agency Voucher No.	
OLO	480000	JT-2				D20-0019-7521	
DEPARTMENT DEPARTMENT OF EDUCATION						003782	
SITE DEPARTMENT OF EDUCATION		2					
DPS ACCOUNT NUMBER	CF	OBJECT CODE	TRANS CODE	25	TRANS CODE	45	
	DPS ACCOUNT NAME:		INCREASE AMOUNT		INCREASE AMOUNT		
	INVOICE	INVOICE AMOUNT					
48101000188-4825020000-04000000	PUBLIC SCHOOLS DIVISION EXPENSES		3800	<16.35>			
	INV: VERICKER	<16.35>					
48101000188-4825020000-00180000	PUBLIC SCHOOLS DIVISION REFUNDS					<16.35>	
JT EXHIBIT 12							
TRANSACTION TYPE: NON-OPERATING TRANSFER			TOTAL	<16.35>	TOTAL	<16.35>	
I hereby certify that the above transactions are in accordance with the Florida Statutes and all applicable laws and rules of the State of Florida.			FOR DPS USE ONLY				
APPROVED:			Time In				
TITLE:					Audited By		

LAND PURCHASES

Pursuant to Rule 3A-40.051 F.A.C., vouchers submitted for payment of purchase of land must include:

1. An Opinion of Clear Title stating that upon closing on this purchase, the fee simple title will vest in the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida and the title insurance policy insuring marketability of title to the said parcel shall be delivered to the State;
2. Evidence of Governor and Cabinet approval;
3. The sales contract;
4. The legal description of the property.

LEVIES

Department of Revenue

The Department of Revenue will periodically provide DFS with a file of vendors with delinquent state taxes pursuant to Section 213.67, F.S. Upon receiving a request for payment to one of these delinquent vendors, Bureau of Auditing will deny payment based upon the notification and return the voucher to the agency with Reason Code 6A, DOR claim against payee, indicated. Vendors should be directed to contact the Department of Revenue if they have any questions concerning the tax delinquency.

Once the delinquent tax liability has been resolved with the Department of Revenue, the payment request can be resubmitted for processing. The receipt for resolution of the delinquent taxes provided from the Department of Revenue must be included with the resubmitted payment request. Additionally, the Department of Revenue will remove the vendor from the file of delinquent taxpayers. Agencies should not pay the Department of Revenue directly via a Journal Transfer, as there will be no record in FLAIR of the payment to the vendor.

Internal Revenue Service

Levies are received by DFS from the Internal Revenue Service (IRS) notifying the State that federal taxes are owed by a particular vendor. Upon receipt of the levies, a flag is placed on the Federal Employer Identification Number (FEIN) and the vendor name to ensure that any payment made to that vendor is scheduled to the U.S. Treasury on behalf of the vendor. If a payment request is received for a vendor that has an IRS levy and is not scheduled to the U.S. Treasury, the payment will be deleted and returned to the agency, along with a copy of the levy, requesting that the agency reschedule appropriately.

If an agency receives an IRS levy or a release of levy, it should be forwarded to DFS, Bureau of Auditing, 200 East Gaines Street, Tallahassee, Florida 32399-0355, so that appropriate action may be taken.

When a release of levy is received from the IRS indicating that a vendor has satisfied the levy requirements, the flag will be removed from the FEIN and vendor name.

LOBBYIST

Section 11.062(1), Florida Statutes, prohibits the use of state funds by the executive or judicial branch to pay a person that is not an employee, for the purpose of lobbying the Florida Legislature. Funds for salaries, travel expenses, and per diem may be used for lobbying purposes of full time employees of an agency, but funds may not be used to retain, by contract, an outside lobbyist.

Section 11.062(2)(a), Florida Statutes, states, "a department of the executive branch, a state university, a community college, or a water management district may not use public funds to retain a lobbyist to represent it before the legislative or executive branch."

Full-time employees of a department of the executive branch, a state university, a community college, or a water management district may register as lobbyist to represent their respective employers before the legislative or executive branch. Except as full time employees, they may not accept any public funds from a department of the executive branch, a state university, a community college, or a water management district for lobbying.

This does not prohibit a department of the executive branch, a state university, a community college, or a water management district from retaining a lobbyist for purposes of representing the entity before the executive or legislative branch of the Federal Government.

MEMBERSHIP DUES/LICENSE FEES

Pursuant to Section 216.345, F.S., public funds may be expended for the purpose of paying professional and/or organizational membership dues upon approval by the agency head or designee, provided that the membership is essential to the statutory duties and responsibilities of the state agency.

Payment of individual membership dues may be paid from state funds when it has been certified by the professional or other organization that it does not accept institutional memberships and the membership is essential to the statutory duties of the organization. Payment of membership dues shall not be paid for maintenance of an individual's professional or trade status except in cases where agency or branch membership is necessary and more economical.

Unless specifically authorized by law, the following items related to professional and occupational items will not be paid:

1. Florida or other Bar dues
2. Professional license fees
3. Occupational license fees
4. Driver license fees
5. Other fees for licenses required for an individual to perform his or her official duties
6. Tuition for fees designed to help an individual pass the examination for any of the above licenses, unless the training is directly related to the person's current official duties
7. Tuition or fees for continuing education classes for the sole purpose of maintaining any of the above licenses
8. Examination fees for professional, occupational or other licenses required for a person to perform his or her official duties.

Payment information maintained at the agency pertaining to the payment of membership dues must contain a statement that the records of the organization, as they pertain to the public agency from which or on whose behalf the payments are made, shall be public records pursuant to Section 119.012, F.S.

MOTOR VEHICLES

Procurement of Motor Vehicles

Pursuant to Chapter 287, Part II, F.S., payment for purchase and continuous lease of motor vehicles must include:

1. Documentation showing that funds were appropriated by the Legislature or were approved by the Executive Office of the Governor. Examples of such documentation include the legislative budget form D3-A, the budget amendment from the Governor's Office or the appropriation line item;

2. Evidence of approval from DMS, Division of Motor Pool;
3. A copy of the purchase order.

Motor Vehicles purchased by the following entities need only provide evidence of approval by DMS:

- ◆ Institutions managed by the Department of Corrections.
- ◆ Institutions managed by the Department of Children and Families.
- ◆ Institutions managed by the Department of Health.
- ◆ Residential facilities managed or contracted by the Department of Juvenile Justice.

Repairs or Maintenance

Invoices submitted for payment for the repair or maintenance of State owned vehicles must include the State property number or the license tag number of the vehicle. If repairs are the result of an accident, a copy of the accident report must be provided.

Personal Vehicle Damage - Department of Corrections

Pursuant to Section 944.0611, F.S., employees of the Department of Corrections required to use their personal vehicles in the performance of their duty may file claims for damages made to their personal vehicles while on official state business. Such claims shall be filed in accordance with Rule 33-208.401, F.A.C., and shall be limited to an amount for repairs at the insurance deductible amount.

Vehicle Purchases from Surplus Property - See "OCO VS Expense" section of this reference guide.

MOVING EXPENSES/EMPLOYEE

Expenditures properly chargeable to employee moving expenses include the cost of moving of household goods or the moving of an employee's privately-owned mobile home. Payments of moving expenses may include moving of household goods by common carrier, a state-owned vehicle or a rental truck or trailer. The payment of employee moving expenses is a perquisite and requires the approval of the agency head or agency head designee and may only be paid when it is in the best interest of the State due to the exceptional or unique requirements of the position. The approval for the employee moving expense **must** be obtained before the move of the household goods.

Pursuant to Attorney General Opinion 081-34, an agency head or designee may approve the payment of travel expenses per Section 112.061, F.S., to an agency employee who is reassigned and required to relocate to new official headquarters within the agency in order to carry out the duties and functions of the agency. Under these circumstances moving expenses do not have to be paid in order for an employee to receive reimbursement of travel expense.

Vouchers submitted to the Bureau of Auditing for the payment of employee moving expenses should include the following documentation: Invoice, purchase order and agency head or agency head designee approval including a statement as to why the payment of employee moving expenses is in the best interest of the State. Vouchers reimbursing the employee for moving expenses, paid by the employee, require the same documentation listed above with paid receipts in lieu of the invoice, all attached to a Reimbursement Other Than Travel Form (see Exhibit 1).

The payment must also contain sufficient information to permit a determination of the proper taxation and reporting of the payment, including the locations of former and new principal places of work and residence, and the distance between them.

Payment of extra charges for picking up household goods from more than one location may be paid for an employee's approved move if the second location is in the same immediate geographic area as the primary residence.

For information regarding the determination of the taxation and reporting requirements for employee moving expense, see Comptroller's Memorandum No. 1 (1998-99) and Agency Addressed No. 2 (2000-01).

Also see "Purchasing Card Transactions – Employee Moving Expenses."

Exhibit 1

STATE OF FLORIDA
REIMBURSEMENT VOUCHER
FOR EXPENSES OTHER THAN TRAVEL

Department _____ Appropriation _____

Pay to _____

_____ Date _____

Receipts for all items \$1.00 and over must accompany this Voucher

Date	Item	Purpose	Amount		

I do solemnly swear (or affirm that the amounts, scheduled above are just and true in all respects and were expended by the Department, Agency of Individual named for State purposes and that payment therefor has not been received.

Approved for \$ _____

_____ (signature)

By _____

_____ (Title)

Title _____

_____ (Date)

reimbvch

NOTARY

Reimbursement for the cost of notary commission and seal may be made, if it can be shown that such is for the benefit of the state agency.

OCO VS EXPENSE

Determination of whether a purchase should be made from expense appropriations or OCO appropriations or FCO is based on a functional unit. For example, a *functional unit for the purchase of computer equipment would include the central processing unit (CPU) which includes minimum RAM, monitor, keyboard, boot floppy drive, mouse and hard drive. Total system upgrades or the adding of new components should be paid from OCO appropriations. However, upgrades, repairs or replacements of individual components may be made from expense appropriations if the cost of the item is less than \$1,000. Additionally, actual cost to restore a functional unit to its original condition may be paid from expense appropriations.

Another example is the purchase of modular furniture that must be purchased from OCO appropriations or FCO appropriations, when applicable, if the cost of each functional unit exceeds \$1,000. If wall panels are to be used as part of a modular work station, the cost of the entire functional work station unit would determine whether the payment should be made from expense appropriations or from OCO or FCO appropriations. Reconfigurations should be paid from expense appropriations.

The replacement of a functional unit originally purchased from an OCO appropriation must be replaced using OCO funds, unless the original purchase was from FCO appropriation.

***A functional unit may vary depending upon the type of equipment purchased. This will be considered on a case-by-case basis.**

Note: The payment of the transfer fee for the purchase of a surplus property vehicle may be made from an expense appropriation.

PERQUISITES

Per Section 216.262(1)(f), F.S., the term “perquisites” means those things, or the use thereof, or services that confer on the officers or employees receiving them a benefit that is in the nature of additional compensation, or that reduce to some extent the normal personal expenses of the officer or employee receiving them. The term includes, but is not limited to, such things as quarters, subsistence, utilities, laundry services, medical service and the use of state-owned vehicles for other than state purposes.

Perquisites may not be furnished by a state agency, or by the judicial branch, unless approved by DMS or otherwise delegated to the agency head or by the Chief Justice, respectively, during each fiscal year. Whenever a state agency or the judicial branch is to furnish perquisites, DMS or the agency head to which the approval has been delegated, or the Chief Justice, respectively, must approve the kind and monetary value of such perquisites before they may be furnished. Perquisites may be furnished only when in the best interest of the State due to the exceptional or unique requirements of the position. All payment requests of perquisites submitted to the Bureau of Auditing must include the above referenced approval.

Some perquisites are taxable fringe benefits and must be processed through the Bureau of State Payrolls in accordance with the Payroll Preparation Manual (<http://www.dbf.state.fl.us/bosp/BOSP-MANUAL.pdf>).

Items that are required by the employer for safety, security or health purposes, such as uniforms, safety equipment, special footwear, protective clothing, etc., and are issued or purchased by the agency are considered non-reportable/nontaxable events for federal tax purposes and may be processed by the Bureau of Auditing. However, providing allowances, advances or reimbursements for the original purchase, maintenance or replacement of such items are reportable and taxable events unless the employer maintains an accountable plan in accordance with the Payroll Preparation Manual (<http://www.dbf.state.fl.us/bosp/BOSP-MANUAL.pdf>).

Payments for such items for which an accountable plan is maintained may also be processed by the Bureau of Auditing and must include evidence of approval of the accountable plan by the Bureau of State Payrolls.

Additional information regarding perquisites may be found in Rule 60L-32.004, F.A.C.

PHOTOGRAPHS OF PUBLIC OFFICIALS - MAKING AND DISSEMINATING

Unless an agency has legislative authority and funds properly appropriated or budgeted for the purpose of making and disseminating photographs of a public official to his or her employees or private citizens, public funds may not be used for this purpose.

Expending small sums for the purpose of taking photographs of department leaders so that they will be available should there be press inquiries is considered an appropriate expense from funds that are connected to the public affairs efforts of the department.

Any reimbursements submitted for payment of expenditures for this purpose shall specifically include the statutory authority for the purchase. If such authority is implied, then why such expenditures are necessary in order to carry out legislative duties or responsibilities of the agency should be included in the payment request. (Attorney General Opinion 75-299)

POSTAGE

Documentation supporting the purchase of postage for postage meters should include the number of the postage meter. Stamp purchases must show quantity and denomination. If payment is for bulk mail permit, the permit number must be provided.

METHOD OF PROCUREMENT - PURSUANT TO CHAPTER 287, F.S.

Agencies shall include the method of procurement with supporting documentation for purchases of commodities and contractual services exceeding the threshold amount provided in Section 287.017, F.S., for Category Two. Documentation should be as follows:

1. Competitive Solicitations
 - a. **Invitation to Bid (ITB)** - a copy of the bid tab
 - b. **Request for Proposal (RFP)** – a copy of the evaluation criteria and the rankings of the responsive vendor. A copy of the RFP must be furnished upon request.
 - c. **Invitation to Negotiate (ITN)** – a copy of documentation specifying reasons why the ITN was necessary, copy of rankings of responsive vendors and statement explaining basis for vendor selection, including vendor's deliverables and price.

2. Exceptional Purchases
 - a. **Emergency Purchase** – a copy of pricing information from two prospective vendors or the agency head’s written determination, certified under oath, that to obtain pricing information would increase the immediate danger to public health, safety, welfare or other substantial loss to the state; and a copy of the agency’s head written determination, certified under oath, that details the conditions and circumstances requiring an emergency purchase of commodities or contractual services.
 - b. **Purchases from state term contract** – Agencies must provide state contract number.
 - c. **Purchases from another agency’s contract** – Agencies must provide a copy of Department of Management Services’ (DMS) approval.
 - d. **Single Source Purchase** – a copy of the agency’s written determination documenting the circumstances and conditions that make the commodities or contractual services available only from a single source. Approval must be obtained from DMS for purchases in excess of Category Four.
3. State Negotiated Agreement Price Schedules (SNAPS) – Annual purchases cannot exceed Category Four. Individual purchases from SNAPS cannot exceed \$25,000.
4. Other - Agencies claiming an exemption from competitive procurement requirements must cite the state or federal law that provides for the exemption.
5. Agencies will not be required to routinely submit, with the voucher, documentation applicable to quotes and informal bids for purchases equal to or less than the threshold amount provided in Section 287.017, F.S., for Category Two. Such documentation shall be maintained by the agency and furnished upon request.

PROHIBITED EXPENDITURES

Per Rule 3A-40.103, F.A.C., expenditures from state funds for items listed below are prohibited unless “**expressly provided by law**”:

- (a) Congratulatory telegrams.
- (b) Flowers and/or telegraphic condolences.
- (c) Presentment of plaques for outstanding service.
- (d) Entertainment for visiting dignitaries.
- (e) Refreshments such as coffee and doughnuts.
- (f) Decorative items (globe, statues, potted plants, picture frames, etc).

Greeting Cards: Per Section 286.27, F.S., use of state funds for greeting cards is prohibited.

An expenditure of state funds must be authorized by law and the expenditure must meet the intent and spirit of the law authorizing the payment. The payment of items used generally for the personal convenience of employees, (example: portable heaters, fans, refrigerators, microwaves, clocks for private offices, coffee pots and supplies, etc.), and which are not apparently necessary in order for a state agency to carry out its statutory duties must provide justification for the purchase of these items or perquisite approval. State funds cannot be expended to satisfy the personal preference of

employees (example: an agency may not purchase more expensive office furniture or equipment than is necessary to perform its official duties because the employee prefers a more expensive item).

Each voucher must contain documentation which shows the legal authority for the requested payment if the authority is not obvious from the face of the voucher.

PROMOTIONAL ITEMS

Payment requests for the purchase of promotional and/or advertising expenses must cite the statutory authority and/or document that the expenditure is included in the approved budget from which the payment is being made.

PURCHASING CARD TRANSACTIONS

General Information

State of Florida Purchasing Cards are restricted use non-revolving credit cards issued to individuals for official state business only pursuant to the State of Florida Purchasing Card Program State Guidelines. The Department of Financial Services (DFS) and the Department of Management Services (DMS) jointly administers the State of Florida Purchasing Card Program. Before an agency can use purchasing cards, a Purchasing Card Agency Plan (Model Agency Plan) must be submitted to DFS and DMS for review. The Model Agency Plan was developed as a tool to help agencies determine the structure and planning of their overall program. The basic Model Agency Plan contains the minimum key internal controls that must exist in an agency program. Model Agency Plans provide information such as: goals, responsibilities, objectives, activity monitoring and transaction approval, card restrictions and limits, card issuance and cancellations and reconciliation information.

The purchasing card can be used for the acquisition of and/or payment for commodities, contractual services that do not exceed \$75,000 in a state fiscal year and/or actual travel expenses otherwise 100 percent reimbursable to the traveler pursuant to Section 112.061, F.S. Unless otherwise stated herein, purchasing card transactions are subject to the same purchasing and disbursement rules and regulations as any other agency purchase and disbursement.

Purchasing card transactions must be supported by itemized merchant/vendor sales receipts (i.e., purchase documentation that identifies items purchased and amount paid for each item). Receipts must be signed and dated by the cardholder to indicate delivery, inspection and acceptance of the goods or services. A cardholder's signature and date shall be sufficient for statutory and administrative compliance with Chapter 215, F.S.

Purchasing card invoices or statements are not vouchered and submitted to the Bureau of Auditing for pre-audit. Rather, individual purchasing card invoices (transactions) are received, reviewed, coded and approved by authorized agency personnel on-line using the FLAIR Purchasing Card Module. All appropriate transactions must be processed for reimbursement to the card-issuing bank within ten calendar days of receipt in the Purchasing Card Module. Approved transactions create the appropriate FLAIR Departmental Accounting transactions that updates the agency's accounting

records, bypasses the Bureau of Auditing Voucher Audit Subsystem, updates FLAIR Central Accounting records and accumulates funds from appropriate accounts to create a single electronic funds transfer (EFT) per-day/per OLO to reimburse the purchasing card issuing bank. The bank has previously paid the merchant/vendor for the goods or services. Purchasing card transactions are post-audited by the Bureau of Auditing for compliance with the agency's plans (includes Model Agency Plan) and applicable purchasing and disbursement rules and regulations on a sample basis.

Since purchasing card vouchers are not submitted to the Bureau of Auditing, agencies may elect to not have the voucher schedules printed. The most efficient way to file purchasing card transaction receipts and supporting documents is by attaching the documents to either the monthly "Purchasing Card Paid Charges Aging Report" or "Purchasing Card Reconciliation Report". Each report has a separate section or page for each cardholder. The "Purchasing Card Paid Charges Aging Report" lists the month's transactions reimbursed to the card-issuing bank. While the "Purchasing Card Reconciliation Report" lists the monthly transactions added to the FLAIR Purchasing Card Module. These reports are then filed by cardholder by month. Auditors will be requesting to see the supporting documents for a selected cardholder's transaction, not the supporting documents for a selected voucher schedule.

Advances Pursuant To Section 215.422(14), F.S.

Advance payments may be made under Section 215.422(14), F.S., and Rule 3A-40.120(3), Florida Administrative Code (FAC), in accordance with the following:

Advance payment may be made for **maintenance agreements, software license agreements, and subscriptions** that meet one of the following criteria:

- ◆ Advance payment will result in a savings to the State that is equal to or greater than the amount the State would earn by investing the funds and paying in arrears.
- ◆ The goods or services are essential to the operation of a state agency and are available only if advance payment is made.

Prior approval of the Bureau of Auditing is not required for advance payments that are equal to or less than the threshold of Category Two as defined in Section 287.017, F.S., and meets one of the above criteria. The transaction's supporting documentation must document that the payment meets one of the above criteria.

Prior approval of the Bureau of Auditing is required for advance payments that exceed the threshold of Category Two as defined by Section 287.017, F.S.

Requests for advance payment approval must include information indicating that the payment meets one of the above criteria and that the agency has complied with applicable procurement requirements.

Purchasing cards may not be used for advance payments for **other goods and services**.

Purchasing cards may not be used to make advance payments allowed under Section 216.181(16)(b), F.S.

Airline Tickets

Agencies are allowed to process purchasing card transactions for an airline ticket in advance of a traveler completing a trip.

Americans With Disabilities Act (ADA)

When a transaction, which would not otherwise be a lawfully authorized use of state funds, is made pursuant to the ADA, the transaction's supporting documents shall include a signed statement from the agency head or designee certifying that:

1. An employee of the agency, an applicant for a position or other covered person has requested a "reasonable accommodation" pursuant to ADA to assist him/her in performing his/her duties, applying for a position or other covered activity.
2. The agency has determined that the individual is a "qualified individual with a disability" as defined in the ADA.
3. The agency has determined that the purchase of the item in question is a "reasonable accommodation" pursuant to ADA, for that employee, applicant or person.
4. The agency will maintain all records related to this purchase for seven years and make those records available for review to those persons authorized to review such records.

The ADA provides that records related to an individual's disability must be kept confidential; therefore, transaction information related to providing a "reasonable accommodation" shall contain a file number or other code by which the transaction can be readily traced to the confidential records maintained by the agency.

Awards

In order to ensure compliance with the Internal Revenue Code (IRC), a state purchasing card can be used only in accordance with the policies set forth in Comptroller's Memorandum No. 02 (2001-02). The Agency's Model Plan should be updated and provide accountability controls for award transactions.

Cellular Telephones

Agencies are allowed to use the purchasing card to pay the monthly usage and airtime fees for state-owned or leased cellular telephones and pagers. (Agencies should use the Purchasing Card Program – Contractual Billings – Addendum to Plan form or may develop a similar form. Agency Purchasing Card Administrators should maintain the completed forms.)

Cellular telephones should only be used for conducting official state business when a conventional telephone is not readily available. State agencies should have established internal controls over the use of state-owned or leased cellular telephones to ensure that payments from public funds relating to the cellular telephones serve a specific authorized public purpose. Billing options should be reviewed to determine that the most economical option is selected considering the specific usage requirements of the cellular telephone user.

Personal use of state-owned or leased cellular telephones should be discouraged. In the event that personal calls are made or received, there should be procedures in place to ensure that payment is received from the employee for the personal usage. The employee's personal check or money order made payable to the state agency, should be deposited in the appropriate state account. Document the personal reimbursement on the transaction in the purchasing card module or on the paper documentation (i.e., the receipt, reconciliation report, etc). If the personal portion of the transaction is less than one dollar (\$1) agencies will not be required to obtain payment from the employee. The agency must process the transaction to the card-issuing bank in full.

If the cellular telephone plan is based on actual usage, the employee would pay the charge for the personal call plus any applicable taxes.

If the cellular telephone plan includes a specific number of minutes allowed for a specified fee, the following instructions are to be used to calculate the amount the employee would reimburse the state agency for personal calls. When the plan minutes allowed are **not exceeded**, the employee would pay the prorated per minute rate. Divide the number of plan minutes allowed by the monthly fee to determine the prorated per minute rate. For example, if a plan has a monthly fee of thirty dollars (\$30) for 200 minutes, the employee would pay 15 cents (\$30/200) for every minute of personal usage on the state cell telephone.

When the plan minutes allowed **are exceeded**, the employee would pay the excess per minute rate for every minute of personal usage on the state cellular telephone.

Co-Traveler's Travel Costs

This applies to all participating purchasing card agencies using individually assigned purchasing cards to pay for traveler's airfare and/or lodging. It does not apply to those purchasing cards used as central billing cards for in-house or external travel agencies since specific accountability procedures have been established for those types of cards. Nor does the policy apply to Emergency Cards, since these cards can be issued with or without cardholder names and are to be used during the Governor's declared state of emergency when most purchasing and disbursement rules are waived in order to expedite purchases to safeguard citizen's life and property.

As a general rule to ensure the integrity and accountability of the purchasing card program, a cardholder should not use their purchasing card to pay for any travel expenses incurred by someone other than themselves, or allow another individual to use their purchasing card to pay for such expenses. (Example: A cardholder should not use their purchasing card to pay for travel expenses or make airline/hotel/car rental reservations for another employee.) However, there are occasions when a cardholder is traveling with a co-traveler who has forgotten his purchasing card or has not been issued a purchasing card because of timing. In these instances, the cardholder may pay for the co-traveler's cost. The cardholder or reviewer/approver needs to properly record the appropriate information in the purchasing card module so that travel cost can be associated with the traveler and co-traveler. The cardholder or reviewer/approver must not change the cardholder's social security number appearing in the "sub-vendor" field. The cardholder or reviewer/approver must distribute the transaction by entering the cardholder and co-traveler's travel cost in individual "amount" fields, record the social security numbers in the associated "description" fields and record the names and purpose of the trip in the associated "commodity description" fields. Even though the entire transaction appears in the State's accounting records for the cardholder, the detail of the trip is contained in the information warehouse.

Contractual Services/Section 287.058(4), F.S. Requirements

Agencies are allowed to use the purchasing card for contractual service direct billings that do not exceed \$75,000 in a State fiscal year. The provisions of Sections 287.057 and 287.058, F.S., must be documented in the agency's files. (Agencies should also use the Purchasing Card Program – Contractual Billings – Addendum to Plan form or may develop a similar form. Agency Purchasing Card Administrators should maintain the completed forms.)

Section 287.058(4), F.S., provides that every procurement of contractual services of the value of the threshold amount provided for in Section 287.017, F.S., for Category Two or less shall be evidenced by a written agreement or purchase order. For purposes of this requirement, the signed and dated purchasing card receipt is sufficient for purchases of contractual services for Category Two amounts or less. Purchases exceeding Category Two amounts must be preceded by a contract document, whether by written agreement or purchase order.

County Health Unit Trust Fund

Pursuant to Section 216.341, F.S., monies of a county health unit trust fund may be expended by the Department of Health for the respective county health departments in accordance with budgets and plans agreed upon by the county authorities of each health unit and the Department of Health. County health units are subject to Section 287.057, F.S., for procurement requirements unless the transaction information includes a written certification from the agency stating that county purchasing procedures were followed. The certification must contain a cross reference to the specific sections of the county purchasing procedures being applied.

Employee Moving Expenses

In order to ensure compliance with Section 132, IRC, a cardholder should not use his/her purchasing card to pay for any moving expenses incurred by them or someone else.

Department Of Revenue Levies

Purchasing card transactions are not subject to Department of Revenue (DOR) levy flags. However, agencies should not knowingly use the purchasing card to make a purchase from a merchant/vendor who has a DOR levy flag.

Interagency Payments

The use of the purchasing card to make payments to state agencies for goods or services received is allowable, if the receiving agency has made the determination that this method is the most effective method for processing the payments.

Internal Revenue Service Levies

Purchasing card transactions are not subject to IRS levy flags. However, agencies should not knowingly use the purchasing card to make a purchase from a merchant/vendor who has an IRS levy. The Bureau of Auditing will periodically notify agencies if they have used the purchasing card with a merchant/vendor who has an IRS levy and request that the agencies stop using the purchasing card with that merchant/vendor until notified that the levy has been satisfied.

Receipt Requirements

The following requirements apply to all receipts supporting purchasing card transactions.

1. Original receipts supporting transactions are maintained by the agency. Thermofax documents, because of their temporary nature, shall not be filed as the original at the agency. They should be copied on a standard photocopy machine and the copies should contain the statement "original receipt was a thermofax document; agency records show that this obligation has not been previously paid".
2. Receipts must clearly reflect a description of the goods or services acquired, number of units and cost per unit. The combination of several documents to provide the description, number of units and cost per unit may be used (i.e., quote sheets, packing slips, web page screen-prints, cash register receipts, charge slips). Numerical code descriptions alone will not be acceptable.
3. A statement or invoice will not be acceptable unless it can be clearly shown that it's intended to be used as a receipt by the merchant/vendor. It must provide the same information as a receipt and must clearly indicate a "0" balance with reference to the VISA payment. No prior unpaid balance on a statement should be paid using the purchasing card.
4. All receipts shall be signed and dated by the cardholder to indicate the receipt, inspection and acceptance of the goods or services. The date the transaction is added to the FLAIR Purchasing Card Module is the date the agency receives the (electronic) invoice from the purchasing card issuing bank. The cardholder's signature and date on the original receipt shall be sufficient for compliance with Section 215.422, F.S., and the rules set forth in Rule 3A-24, F.A.C.
5. Acronyms and non-standard abbreviations for programs or organizational units within an agency should not be used in the supporting documentation unless an explanation is also included.

Leases Of Buildings And Equipment

Agencies are allowed to use the purchasing card for leasing buildings and equipment. Applicable provisions of Chapters 255 and 287, F.S., Rules 60H-1, 60B-1 and 3A-24, F.A.C., and Comptroller Memorandums must be documented in the agency's files. (Agencies should use the Purchasing Card Program – Contractual Billings – Addendum to Plan form or may develop a similar form.) Agency Purchasing Card Administrators should maintain the completed forms.

Multiple Registration Fees

To ensure the integrity of the state's accounting records, there should be a transaction for each attendee's registration even if the registrations are paid for using the same purchasing card. However, if a merchant/vendor should place all the registrations on the same transaction, the cardholder or reviewer/approver should, for proper accountability, separate/distribute the transaction in the purchasing card module. The attendee's social security number should be entered in the "description" field, the attendee's name and the conference, convention, or external training's name should be entered in the "commodity description" field so that the details can be obtained from the information warehouse. In addition, if there are more than 20 co-attendees, a journal entry should be made in the state's accounting records to appropriately associate the registrations with the attendees.

Perquisites

Perquisites means those things, or the use thereof, or services of a kind which confer on the officers or employees receiving some benefit that is in the nature of additional compensation, or which reduces to some extent the normal personal expenses of the officer or employee receiving the same, and shall include, but not be limited to, such things as quarters, subsistence, utilities, laundry services, medical service, use of state-owned vehicles for other than state purposes. **Agencies should adhere to Section 216.262 (1) (f), F.S., regarding perquisites.**

Perquisites may not be furnished by a state agency, or by the judicial branch, unless approved by DMS or otherwise delegated to the agency head or by the Chief Justice, respectively, during each fiscal year. Whenever a state agency or the judicial branch is to furnish perquisites, DMS or the agency head to which the approval has been delegated, or the Chief Justice, respectively, must approve the kind and monetary value of such perquisites before they may be furnished. Perquisites may be furnished only when in the best interest of the State due to the exceptional or unique requirements of the position. All payment requests of perquisites submitted to the Bureau of Auditing must include the above referenced approval.

Some perquisites are taxable fringe benefits and must be processed through the Bureau of State Payrolls in accordance with the Payroll Preparation Manual (<http://www.dbf.state.fl.us/bosp/BOSP-MANUAL.pdf>). Perquisites that are taxable fringe benefits **may not** be purchased using the purchasing card.

Items that are required by the employer for safety, security or health purposes such as uniforms, safety equipment, special footwear, protective clothing etc., and are issued or purchased by the agency are considered non-reportable/non-taxable items for federal tax purposes and may be purchased using the state's purchasing card.

All perquisite purchases must have agency head or designee approval.

Retention Schedule For Original Receipts And Supporting Documentation

The agencies are required to maintain the original transaction's receipts and all supporting documentation for a period of five fiscal years, provided all applicable audits have been completed.

Sales And Use Tax

Pursuant to Section 212.08(6), F.S., state agency purchases made from Florida vendors are exempt from State of Florida Sales and Use Tax. In addition, the Department of Revenue has issued a Consumer's Certificate of Exemption, Number 47-04-039143-52C for the purchasing card program. The exemption number is imprinted on the face of the purchasing card and should be sufficient for the vendor/merchant. However, a copy of the consumer's certificate of exemption may be obtained from:

**Purchasing Card Section
Bureau of Auditing
Department of Financial Services
200 East Gaines Street
Tallahassee, Florida 32399-0355
(850) 410-9308, Sun-Com 210-9308
Fax (850) 410-9337 Sun-Com 210-9337**

It is the responsibility of the cardholder to make the Florida vendor/merchant aware of the tax exemption. In the event that a Florida vendor/merchant refuses to grant the tax exemption when the purchasing card is presented, the cardholder is authorized to allow the tax to be charged on his/her purchasing card.

DFS does not believe it is cost effective for an agency to seek a credit from the vendor/merchant for the Florida Sales and Use Tax charged when the amount is \$100 or less. However, an agency may elect to establish a lower dollar amount for seeking a credit for erroneous sales and use tax.

Travel

Traveler transportation (airline tickets and car rentals) costs and lodging (hotel or motel) costs paid by the use of the State of Florida Purchasing Card shall be an authorized direct payment to vendors pursuant to Section 112.061(13), F.S. Such payments shall be considered adequately documented for the purposes of Section 112.061(13), F.S., when recorded in the "State of Florida Purchasing Card Charges" section of the traveler's "Voucher for Reimbursement of Travel Expenses" (Form DFS-AA-15, see Travel Exhibit #4) or the Bureau of Auditing approved agency alternative travel voucher form.

Travel Voucher Filing

If a traveler performs official travel and utilizes the purchasing card, such that no reimbursement is due to the traveler, a travel voucher does not have to be prepared and filed by the traveler. Use of the purchasing card in this instance will be considered a direct payment to the vendors pursuant to Section 112.061(13), F.S. Each agency is responsible for implementing procedures to document that the purchasing card is used only for approved travel for authorized public purposes. This documentation may be in the form of the "Authorization to Incur Travel Expenses" (Form DFS-AA-13, see Travel Exhibit #3) or other approved form, including electronic form, which meets the requirements of Section 112.061(3)(a), F.S. Use of the "Authorization to Incur Travel Expenses" form is mandatory for conferences and convention travel, pursuant to Section 112.061(11), F.S.

Vendor IDs/Federal Employer Identification Number (FEID)

This only applies when a participating Purchasing Card agency does not have an established methodology for assigning and controlling vendor numbers.

To expedite processing of purchasing card transactions and to encourage use of the purchasing card for small dollar purchases, when a cardholder or reviewer/approver has made a due diligent effort to provide the FEID and is unable, the Agency Purchasing Card Administrator (Administrator) must be notified. The steps taken by the cardholder or review/approver to obtain the FEID must be documented and kept with the applicable transaction's receipt.

For a commodity transaction, the Administrator must verify that the proper expense object code was used and is not a 1099-reportable transaction. The Administrator must insert the Purchasing Card - NationsBank FEID (obtain FEID from the Purchasing Card Administrator's Manual) on the transaction in the Purchasing Card Module. The cardholder or reviewer/approver should complete the transaction's processing.

For contractual service transactions, the Administrator must determine if the purchase is a 1099-reportable transaction. If yes, the Administrator must assist the cardholder or reviewer/approver in locating the merchant's FEID. If the contractual service is not a 1099-reportable transaction, the Administrator must insert the Purchasing Card - NationsBank FEID on the transaction in the Purchasing Card Module and have the cardholder or reviewer/approver complete the transaction's processing.

RECYCLING PROCEEDS

The following are the guidelines for use of proceeds from the sale of recyclable materials under Section 403.7145, F.S.:

1. Recyclable materials mean those materials that are capable of being recycled and which would otherwise be processed or disposed of by an agency as solid waste.
2. As provided for in Section 403.7145(2), F.S., the proceeds from the sale of recyclable materials may be expended by an agency for employee benefits and other purposes in order to provide incentives for its employees to participate in the recycling program. This includes, but is not limited to, the following items if the agency can demonstrate that the use of the funds for these purposes will provide incentives to employees to participate in the recycling program: promotional or acknowledgment items, such as gift certificates, pens, mugs, T-shirts, paperweights, letter openers, lapel pens, posters and plaques; agency picnics, luncheons, breakfasts, refreshments; paper, supplies and maintenance for copiers; and rental of facilities for agency meetings. Promotional items, such as mugs and T-shirts, do not have to contain references to recycling. Acknowledgments may be made to individuals or to groups of individuals. In summary, the proceeds may be expended for any purpose designated by the agency to provide incentives to employees to participate in the recycling program, unless the expenditure is prohibited by law. Upon request, the agency must provide information to demonstrate that the expenditure provides incentives to employees to participate in the recycling program.
3. Proceeds from the sale of recyclable materials may be treated as Current Year Refunds. The accounting information required on Form CBA-22 will be waived when the transaction is identified as proceeds from the sale of recyclable materials. Agencies will be responsible for maintaining accurate records of receipts, disbursements and a running balance of proceeds available, subject to review by the Bureau of Auditing. The proceeds must be deposited in the General Revenue Fund or any appropriate trust fund within the state treasury, unless the agency has authority to deposit the funds outside the state treasury.
4. Inasmuch as expenditures authorized under this program may represent items that are not normally allowable, payment requests should clearly indicate that the proposed expenditures are being made from proceeds from the sale of recyclable materials.

SETTLEMENT OF CLAIMS AGAINST THE STATE

Pursuant to Section 17.03, F.S., the CFO is charged with the responsibility to settle all accounts, claims and demands, whatsoever, against the State, and issue a warrant in an amount allowed by the CFO thereon. For purposes of this manual, a settlement is defined as an agreement obligating the State or agency to expend state funds to discharge a debt due a person, entity or group of persons when the amount owed pursuant to a contract, purchase order or other form of indebtedness is in dispute.

In submitting settlement agreement payment requests, an agency must also submit the following information:

1. A description, with appropriate supporting documentation, of the transactions or events that created the claim against the agency as well as a brief description of why the settlement is in the State's best interest under the circumstances;
2. An executed settlement agreement signed by someone in the agency that has the authority to sign settlement agreements. The proper authorization should be provided in the form of a delegation of authority. The settlement agreement should contain the proper release language and the settlement is contingent upon the DFS approval language;
3. Copies of the notices required to be given the President of the Senate, the Speaker of the House of Representatives, the Senate and House minority leaders, and the Attorney General as well as a certification from the agency that the proposed expenditure is provided for by an existing appropriation or program established by law as required by Section 45.062, F.S., are needed if the settlement is the result of a lawsuit.
4. Any other information that the Bureau of Auditing may request in order to properly perform its duties pursuant to Section 17.03, F.S.

If a settlement voucher is submitted for payment without the required information, it may result in a delay in payment.

Note - If the settlement involves a current or former state employee, the settlement must be sent to the Bureau of State Payrolls (BOSP) for processing. (See Volume IV, Section 13, BOSP Payroll Preparation Manual)

SPORTS EQUIPMENT; PURCHASE AND REPAIR OF, DEPARTMENT OF CORRECTIONS

Requests for payment to purchase or repair sports equipment using General Revenue appropriations to provide athletic, recreational and leisure activities to youthful offenders pursuant to Section 958.12, F.S., will be approved upon the Department of Corrections providing evidence that the Legislature has appropriated funds for these specific purposes.

Also, payment requests to provide sports equipment purchased from general revenue appropriations for death row inmates pursuant to the court order entered in Dougan. et al. V. Singletary, et al., will be approved for the purchase of the items specified in the order. A letter from the general counsel of the Department of Corrections affirming that the order is still effective must be included as supporting documentation.

TAXES

Sales and Use Tax - See "Purchasing Card Transactions" Section.

Sales Taxes On Purchases By State Agencies

Pursuant to Section 212.08(6), F.S., state agencies are not liable for the payment of State of Florida sales tax. Exemption certificates may be obtained from the Department of Revenue.

However, the sales tax exemption does not apply when a state employee pays for a purchase on behalf of the State, even though that employee is subsequently reimbursed by the state agency.

Also, state agencies are liable for sales taxes on purchases made out of state for use out of state.

Also see "Payments – Payments to Vendors Who Owe Delinquent Taxes"

TRAVEL

General Information

Expenditures properly chargeable to travel include registration payments, reimbursements of mileage for use of a privately-owned vehicle, per diem and subsistence allowance, common carrier transportation and other expenses incidental to travel which are authorized by law. Section 112.061, F.S., and Rule 3A-42, F.A.C, Rules of the Bureau of Auditing, govern travel expenses.

Requests for travel reimbursement payments must include:

1. The travel voucher;
2. Itemized hotel receipts, if applicable;
3. Applicable transportation receipts for common carrier travel;
4. Applicable incidental receipts;
5. In the case of a conference or convention, the benefits to the State must be provided along with the pages of the agenda that itemizes the registration cost.

Automated Travel

AGENCIES DESIRING TO IMPLEMENT AN AUTOMATED TRAVEL SYSTEM MUST MEET THE SYSTEMS-RELATED FISCAL AND INTERNAL CONTROL REQUIREMENTS LISTED BELOW:

1. Effective June 18, 1996, the policy of the Bureau of Auditing is to limit the number of travel applications system platforms deployed in state agencies and certified by the Bureau of Auditing. However, to the extent that this directive cannot be met, each agency developing or purchasing an automated travel system must notify the Bureau of Auditing of their plans.

2. All DFS system and audit edits must be programmed into the travel application and specific agency internal controls established by agency management to ensure compliance with all Florida Statutes, rules and regulations. (A copy of the system and audit edit requirements may be requested from the Department of Financial Services, Bureau of Auditing, 200 East Gaines Street, Tallahassee Florida 32399-0355.
3. As an enhancement, each agency should plan to program the Federal Travel Per Diem rates into their travel application as soon as possible.
4. All agency-specific exception processes programmed into the travel application must be documented. These exceptions must be provided in writing to the Bureau of Auditing.
5. System documentation of the travel application should be available for review by the Bureau of Auditing.
6. A user manual must be provided to the Bureau of Auditing.
7. A tentative implementation schedule for the travel application must be provided to the Bureau of Auditing.
8. The travel application and any subsequent modifications must be reviewed and approved in advance by the Bureau of Auditing to ensure all edits are in place.
9. The travel application must be piloted with DFS prior to certification and submission of electronic vouchers to FLAIR.

Conferences And Conventions

Registration fees

If the agency engages an instructor to perform training sessions for its employees, the fee will be a contractual service. However, if an employee enrolls in a workshop/seminar, etc., which is routinely offered to the public, the fee will be a registration fee.

Registration fees will not be paid for intra-agency or interagency meetings, seminars and workshops. All expenses related to such gatherings must be processed as a regular expenditure of the appropriate agency. However, registration fees may be paid to universities, DMS or other agencies for routine training classes conducted for employees of other agencies.

Reimbursement for registration fees and travel expenses in connection with attendance at conferences or conventions will not be paid unless:

1. The main purpose of the convention or conference is directly related to the statutory duties and responsibilities of the agency.
2. The duties and responsibilities of the traveler is related to the objectives of the convention or conference.
3. The activity provides a direct benefit supporting the work and public purpose of the person attending.

Vouchers submitted for payment of the registration fee or for a conference or convention must include a statement of the benefits to the state, a copy of those pages of the agenda that itemizes the registration fee and a copy of the travel voucher or a statement that no travel costs were incurred, if applicable. These vouchers should be scheduled as “pay and charge”.

Meals Included in Registration Fee or Provided by Hotel or Airline

When a meal is included in a registration fee, the meal allowance must be deducted from the reimbursement claim, even if the traveler decides for personal reasons not to eat the meal. As provided in Attorney General Opinion 081-53, a continental breakfast is considered a meal and must be deducted if included in a registration fee for a convention or conference. Pursuant to Section 112.061(8)(a) 5, F.S., actual expenses for banquets and other meal functions that are not a part of a basic registration fee may be reimbursed if participation in such event will directly enhance the public purpose of the agency.

In the case where a meal is provided by a hotel or airline, the traveler will be allowed to claim the meal allowance provided by law.

Food Purchases Related Conference/Convention/Workshops

Food purchases for a conference or convention or in connection with the rental of a meeting room for agency workshops or meetings are **prohibited** unless expressly provided by law. Also, the negotiated price for the rental of a room should not include food and beverages.

Direct Billing Travel Cards

Prior approval by the Chief, Bureau of Auditing, DFS, 200 East Gaines Street, Tallahassee Florida 32399-0355 shall be obtained by agencies desiring to use direct billing travel cards. The approval request must be in writing and accompanied by a copy of the proposed contract. The proposed contract for the direct-billing travel card must include a clause stating that the state is not liable for payment.

Direct Payment

Direct payment of travel expenses may be made in situations that result in a cost savings to the State pursuant to Section 112.061(13), F.S. Avoidance of sales tax shall not be considered a cost savings to the State. Evidence of prior approval granted by the agency head or his designee detailing the cost savings shall be included with the payment information. The payment shall be vouchered and processed in the same manner as common carrier payments. Examples of criteria for cost savings include discount for earlier payment, documented savings in processing costs or free use of a hotel meeting room if the agency has a need for such room. These vouchers should be scheduled as “pay and charge”.

Direct payment to vendors for the meals and lodging of an employee required to travel on emergency notice must be vouchered in favor of the vendor with the traveler as sub-vendor listing the traveler's name, social security number and cost. Any required receipts along with a copy of the travel voucher must be included with the original voucher maintained at the agency. The payment information should clearly state that payments to vendors are requested due to the employee being required to travel on emergency notice.

Emergency Situations

When a public officer, employee or authorized person away from his or her official headquarters on personal time is required to travel because of an emergency situation, the following shall apply.

1. The traveler may be reimbursed for travel expenses incurred by him/her in traveling from their actual point of origin to their point of destination, which may be their official headquarters.
2. If personal circumstances necessitate the traveler to return to their actual point of origin after the emergency situation has ended rather than returning to or staying at their official headquarters, the traveler may be reimbursed their travel expenses to return.

For example, an individual on personal time in California whose official headquarters is Tallahassee is required to travel back to Tallahassee because of an emergency situation. If due to personal circumstances the individual is required to travel back to California after the emergency situation has ended instead of remaining in Tallahassee, the individual may be reimbursed their travel expenses to return to California.

3. If the traveler is able to return to or remain at their official headquarters, they may only be reimbursed the excess of their necessary travel expenses for the emergency situation over what they would have incurred for their own personal convenience. Detail of the cost shall be provided showing the net cost of what the traveler would have incurred against their actual cost of returning.
4. The traveler's reimbursement request of travel expenses claimed from an actual point of origin rather than their official headquarters shall contain an explanation of the emergency situation that necessitated their travel from such point.
5. If an authorized traveler has incurred certain unrecoverable costs associated with personal plans and is unable to carry out such plans due to an emergency situation, such costs that are not recoverable may be reimbursed by the agency. Requests for reimbursement must provide the circumstances of the emergency situation.

Requests for reimbursement of the emergency situations stated above must be presented in writing to the Chief, Bureau of Auditing, DFS, 200 East Gaines Street, Tallahassee, Florida 32399-0355 prior to being vouchered for payment.

Foreign Travel

Travel costs of authorized travelers for foreign travel should be reimbursed at the current rates as specified in the U.S. Department of State, Office of Allowances' federal publication "Per Diem Allowances for Travel in Foreign Areas" and must comply to Office of Allowances' "Standardized Regulations (DSSR)" and GSA's Office of Government-wide Policy "Federal Travel Regulations". The current website is: <http://www.state.gov/m/a/als/prdm>.

Rates for foreign travel shall not begin until the date and time of arrival in the foreign country from the United States and shall terminate on the date and time of departure from the foreign country to the United States.

Reimbursement allowances for lodging and meals while traveling in foreign areas are listed in the monthly publication "Maximum Travel Per Diem Allowances for Foreign Areas" (See Travel Exhibit 1

located at the end of this section.) Note: Please refer to the above reference website for current rates. The amounts listed in the column labeled "Maximum Lodging Amount" are the maximum amounts that may be claimed for lodging. Receipts are required for reimbursement of lodging costs. If the actual lodging expense of the traveler is less than the maximum amount listed, the lesser amount will be reimbursed.

Incidental expenses must be claimed and supported as provided in Section 112.061(8), F.S., and Rule 3A-42.010, F.A.C.

Meal allowance amounts are found in the column labeled "M&IE Rate" (See Travel Exhibit 2 located at the end of this section.) Note: Please refer to the above referenced website for current rates. An adjustment must be made to the amount listed in this column because this amount includes an allowance for incidental expenses. Since incidental expenses are reimbursed as stated in the above paragraph, the amount allowed for incidental expenses must be deducted from the total amount shown in the M&IE column. Receipts are not required for meal expense reimbursement. The meals and incidentals expense breakdown is located in Chapter 301-Federal Travel Regulation, Appendix B.

Example: Rome, Italy

Maximum Lodging Amount (lodging receipts required)	\$232
Meals and Incidental Expense (M&IE)	\$134

M&IE Rate Breakdown:

◆ Breakfast	\$ 20
◆ Lunch	34
◆ Dinner	<u>53</u>
	107
◆ Incidentals	<u>27</u>
Total	\$134

The total daily allowance for meals would be: \$134 less \$27 for incidentals = \$107

When a traveler goes from one foreign location to another, reimbursement for meals and lodging shall be based on the allowance listed for the referenced location during the meal or lodging period. For example: If the traveler departed Rome at 3:00 p.m. for Paris, the Rome allowance for breakfast and lunch would be used and the Paris allowance for dinner and lodging would be used.

The State of Florida per diem rate (currently \$80), may not be combined with reimbursement of foreign travel costs pursuant to the allowances under the federal guidelines for the same travel day. The two methods of reimbursement, state per diem and foreign allowances, cannot be claimed on the same travel day.

Hotel And Auto Rental Receipts

Itemized receipts for hotel expenses must be included as supporting documentation to the Voucher for Reimbursement of Travel Expenses when reimbursement for such expenses is being claimed for **both foreign and domestic travel**. While justification will not be required by the Bureau of Auditing in all cases where hotel expenses for in-state travel exceeds \$150 per night (room rate only), authorized travelers are reminded that the most economical use of hotel is required in all situations (in-state and out-of-state travel). Travelers should be prepared to justify situations where hotel costs appear excessive for the areas in which the traveler is staying.

In the event a hotel receipt is lost and the hotel cannot provide a duplicate, the traveler shall provide a certification that the receipt was lost. The certification must include detailed hotel charges, the dates and location of travel, the name of the hotel and the city in which the traveler stayed.

Receipts for auto rental are also required when such expenses are being claimed.

Hotel Costs Shared By Multiple Travelers

When multiple travelers share the hotel room and the hotel bill is paid by one of the travelers, the traveler paying the bill shall request reimbursement for the total amount of the bill. When multiple travelers have separate rooms and one traveler pays the hotel bill for all, the traveler paying the hotel bill shall request reimbursement for the total amount on his or her travel reimbursement request. The voucher should be scheduled as a "pay and charge." The traveler whose hotel bill is being paid must file a travel voucher with the authorizing agency and state on his travel voucher "hotel room compliments of John Doe".

If two travelers share a hotel room and split the bill, each traveler may claim one-half of the hotel bill on his/her travel reimbursement request.

In each of the above situations, each traveler shall provide an explanation of the circumstances and submit his/her travel reimbursement request to the Bureau of Auditing together or provide copies of the approved travel reimbursement requests of the other travelers. The travelers shall be on the same method of travel for reimbursement purposes.

Incidental Travel Expenses

The following information shall be required with the traveler's reimbursement request when claiming reimbursement for incidental expenses pursuant to Rule 3A-42.010 F.A.C.

1. Receipts for taxi fares in excess of \$25 on a per-fare basis.
2. Receipts for storage, parking fees or tolls in excess of \$25 on a per transaction basis. Such fees are not allowed on a weekly or monthly basis unless it can be established that such method results in a savings to the State.
3. A statement that communication expenses were business related. This includes fax charges. Please note: personal telephone calls made to a traveler's family are not a reimbursable communication expense (Attorney General Opinion 75-7).

4. Receipts for dry-cleaning, laundry and pressing expenses when official travel extends beyond seven days and such expenses are necessarily incurred to complete the official business portion of the trip.
5. Receipts for passport and visa fees required for official travel.
6. Receipts for necessary fees charged to purchase traveler's checks for official travel expenses.
7. Receipts for fee charged to exchange currency necessary to pay official travel expenses.
8. Receipts for costs of maps necessary for conducting official state business.
9. Receipts or canceled checks for registration fees paid by the traveler.
10. Other travel expenses may be reimbursed if deemed to be in the best interest of the State and have approval of the Bureau of Auditing.

The following do not require a receipt.

1. Tips paid to taxi drivers that do not exceed fifteen percent of the taxi fare.
2. Tips paid for mandatory valet parking not to exceed \$1 per incident.
3. Portage paid shall not exceed \$1 per bag not to exceed \$5 per incident. Portage charges exceeding \$5 per incident will require additional justification. Examples of an incident will be if the traveler's bags are taken into the airport from the vehicle, then are carried from the airport to the vehicle upon reaching the destination, etc. The number of bags must be included on the travel reimbursement request.
4. Photocopy charges that are business related.

Hotel safe charges are reimbursable by state funds only if the charges are mandatory by the hotel.

Expenses related to lost keys or keys locked in a vehicle due to employee negligence are not reimbursable from public funds. Also, limousine services should not be used instead of taxi service unless it can be shown that it is the most economical method.

**Meals, Food, Beverages And Travel Expenses For Emergency Operation And Relief Staff
During Times Of Disaster/Emergency Assistance**

The standardized language in the Governor's Executive Order provides the State Coordinating Officer with the discretion to approve the suspension of Section 112.061, F.S., to the extent that the suspension is related to the delivery of disaster/emergency assistance. Under the suspension, the State Coordinating Officer is provided with the discretion to purchase meals, food, and beverages for the staff operating the Emergency Operation Center on a 24- hour basis during an emergency. The State Coordinating Officer's decision to approve the suspension of Section 112.061, F.S., must be made only after consultation with the Governor or his authorized staff.

Following the suspension of Section 112.061, F.S., each agency should adhere to the following guidelines:

1. The food service should not exceed the per diem amounts and the service should be carefully controlled.
2. Each agency head should be allowed to determine when food should be made available to the agency's workers.

3. Each agency is responsible for the payment of its bills and seeking federal reimbursement.
4. In order to insure the workers' health, all catered food should be from a licensed establishment meeting health inspection standards.

These guidelines are flexible depending upon the facts of each emergency. The agency head must approve any departure from the guidelines.

Per Diem And Subsistence Allowances

Computation of Travel Time for Reimbursement

For purposes of calculating the per diem and subsistence allowances provided in Section 112.061(6), F.S., the following guidelines are prescribed:

1. Class A travel is continuous travel of 24 hours or more away from official headquarters. The travel day for Class A is based on a calendar day (midnight to midnight).
2. Class B travel is continuous travel of less than 24 hours which involves overnight absence away from official headquarters. The travel day for Class B travel begins at the same time as the travel period.
3. Class C travel is short or day trips in which the traveler is not away from his/her official headquarters overnight.

Class C allowances have been reviewed by the State Legislature, and are currently NOT to be reimbursed to travelers.

Subsistence Allowance is as follows:

1. Breakfast - \$6.00 (When travel begins before 6 a.m. and extends beyond 8 a.m.)
2. Lunch - \$11.00 (When travel begins before 12 noon and extends beyond 2 p.m.)
3. Dinner - \$19.00 (When travel begins before 6 p.m. and extends beyond 8 p.m. or when travel occurs during nighttime hours due to special assignment.)

Class C Allowances – Taxable Income

Class C travel meal allowance is defined as taxable income and must be shown as a separate item on the travel voucher. Employee Class C travel should be deducted from the total claimed and processed through the Bureau of State Payrolls via the employee travel function of the State Payroll System.

Currently, a state traveler shall not be reimbursed or receive subsistence for Class C travel.

Calculation of Per Diem and Subsistence Allowances

Allowable rates for per diem are provided for in Section 112.061(6), F.S. All claims for per diem and subsistence must be within the limitations set forth in this section of the statutes. All travelers are allowed the authorized per diem for each day of travel or if actual expenses exceed the allowable per diem, the amount allowed for meals as provided in Section 112.061(6) (b), F.S., plus actual expenses for lodging at a single occupancy rate. Per diem shall be calculated using four six-hour periods (quarters) beginning at midnight for Class A or when travel begins for Class B travel. Travelers may only switch from actual to per diem while on Class A travel on a midnight to midnight basis. A traveler on Class A or B travel who elects to be reimbursed on a per diem basis is allowed \$20.00 for each quarter from the time of departure until the time of return.

Volunteer Travel Allowances

Meals and lodging may be provided to regular service volunteers in accordance with Section 112.061, F.S. Pursuant to Section 110.504(3), F.S., transportation reimbursement (including reimbursement for travel from home to the office) may also be made for those volunteers whose presence is determined to be necessary to the agency. Volunteers may use state vehicles in the performance of agency-related duties. When meals are paid in bulk by the agency for volunteers, reimbursement may be made as other than travel. The names and number of volunteers attending must be provided with calculations showing that the allowance amount per volunteer is in accordance with the amounts provided in Section 112.061(6)(b), F.S.

Per Diem Or Subsistence Allowance - Mileage Limits

A traveler may not claim per diem or lodging reimbursement for overnight travel within 50 miles (one-way) of his or her headquarters or residence unless the circumstances necessitating the overnight stay are fully explained by the traveler and approved by the agency head.

Reimbursement Of Travel Expenditures By Individuals With Disabilities

When a payment reimbursement request is made for travel expenses in excess of those ordinarily authorized pursuant to Section 112.061, F.S., and Rule 3A-42, F.A.C., and such excess travel expenses were incurred to permit the safe travel of an individual with disabilities, those excess expenses will be paid to the extent that the expenses were reasonable and necessary to the safe travel of the individual. All claims for reimbursement shall be submitted in accordance with the instructions in the "Americans with Disabilities Act" section of this reference guide.

State Of Florida Purchasing Card - Travel

Traveler transportation costs and lodging costs paid by the use of the State of Florida Purchasing Card (see "Purchasing Card Transactions") shall be an authorized direct payment to vendors pursuant to Section 112.061(13), F.S. Such payments shall be considered adequately documented for the purposes of Section 112.061(13), F.S., when recorded in the "Travel Performed by Common Carrier or State Vehicle" section of the traveler's "Voucher for Reimbursement of Travel Expenses" form.

Transportation

General

Transportation expenses incurred in connection with the performance of an activity, which serves a public purpose authorized by law to be performed by the agency, may be paid directly to common carriers or to individual travelers. The traveler must use the most direct route. If the traveler uses an indirect route for his/her convenience, any extra cost must be borne by the traveler. The agency head should designate the most economical method of travel for each trip, keeping in mind the following conditions:

1. The nature of the business.
2. The most efficient and economical means of travel (considering time of the traveler, cost of transportation and per diem or subsistence required).
3. The number of persons making the trip and the amount of equipment being transported.

Pursuant to Comptroller's Memorandum #2(1999-00) if the class of travel is other than the most economical method of travel, the agency head must authorize the expense in writing and describe the circumstances requiring such travel. This documentation shall be attached to the travel voucher.

Common Carrier

Travelers whose transportation is by common carrier shall make use of any state term aircraft or auto rental contract which may be in effect at the time. Failure to use state term contracts will require justification to be provided with the reimbursement information. Justification must be as allowed by the state term contracts.

Aircraft travel for which a state term contract does not exist must be the most economical rate and class available. Exceptions will be allowed only when fully justified. Any cost in excess of state term contracts that is not fully justified will be borne by the traveler. Travelers will not be reimbursed for use of a car larger than the B-car class on the rental car contract because of the size or stature of the individual unless the requirements of the ADA are met.

Direct Billing - Common Carrier

Common carrier charges may be billed directly to the agency pursuant to Rule 3A-42.007(6), F.A.C., or the traveler may pay his or her common carrier charges and request reimbursement. Request for reimbursement of common carrier charges billed directly to the agency shall be vouchered separately by the agency in favor of the vendor with the traveler as sub-vendor (pay and charge voucher). The traveler's social security number, name and cost of common carrier transportation shall be listed separately and properly object coded. Sufficient information must be included with the original voucher maintained by the agency, which relates to the common carrier charges. Common carrier charges paid by the traveler shall be included on the traveler's reimbursement request. Also, agencies may purchase airline tickets using a local purchase order and pay the vendor direct.

Discounted Airline Ticket and Ticket Cancellation and Exchange Penalty Tickets

Penalties for cancellation of discounted airline tickets may be paid from state funds only if the cause for cancellation is in the best interest of the State. The cost of unused nonrefundable tickets or cancellation penalties incurred are allowable for the convenience of the State and if the traveler has to cancel a trip due to illness of the traveler or death of a member of the traveler's immediate family, for which an employee is authorized to use sick or administrative leave. For non-employees, the cost of non-refundable tickets or cancellation penalties may be paid in circumstances which the traveler would have been authorized to use sick or administrative leave if they had been a state employee. If a ticket is canceled for the convenience of the traveler, the cancellation penalty may not be reimbursed from state funds. Agencies and travelers should carefully evaluate the circumstances and risk of cancellation prior to purchase of discounted tickets.

Vouchers submitted for payment of unused nonrefundable tickets, cancellation penalties or exchange penalties must include documentation indicating that the costs were necessarily incurred in conducting state business or the costs were incurred because of the illness of the traveler or the illness or death of a member of the traveler's immediate family. Documentation verifying that the unused ticket has been submitted to the agency must also be included in the voucher requesting payment.

Lost Airline Tickets

Charges related to lost airline tickets are only allowable if the agency provides justification as to why the expenditure is necessary in order for the agency to carry out its statutory responsibilities. Tickets lost because of employee negligence are not considered allowable charges against the State.

Overbooking or Other Action by a Common Carrier

If additional costs are incurred by a traveler due to overbooking or any other action of an airline or other common carrier and the traveler chooses to have such cost paid directly or indirectly by the State, then any compensation, in whatever form, received by the traveler from the common carrier for his inconvenience, shall accrue to the benefit of the State. In such instances, if the traveler is allowed to elect the form of compensation, the decision shall be based on the best interest of the State. In determining if additional costs are incurred in such situations, the compensation to the traveler (overtime pay, etc.), if applicable, as well as travel costs (additional per diem, meals, lodging, etc.) must be taken into consideration. If no additional costs are incurred or the additional costs are borne by the traveler, then any compensation from the common carrier for the traveler's inconvenience shall accrue to the traveler.

Transportation-Privately-Owned Vehicles

Agency heads may authorize the use of privately-owned vehicles for official travel in lieu of publicly-owned vehicles or common carriers. The traveler is entitled to a mileage allowance at a fixed rate of 44.5 cents per mile effective July 1, 2006. Reimbursement for expenditures relating to the operation, maintenance and ownership of a vehicle shall not be allowed when privately-owned vehicles are used on public business.

Travelers shall not be paid a mileage allowance for travel between their residence and their headquarters or regular work location (See AGO 082-34). If travel begins more than one hour before or one hour after the traveler's regular work hours, the point of origin may be the traveler's residence, provided that miles claimed may not exceed the miles actually driven.

Mileage Allowances

- I. Travelers Gratuitously Transported

Mileage or transportation expenses allowed or allowable are intended to reimburse travelers for expenses incurred in conducting official state business. Therefore, no traveler who is entitled to mileage or transportation expense shall be allowed either mileage or transportation expense when he/she is gratuitously transported by another traveler. The traveler's payment information shall indicate complimentary travel. However, a traveler on a private aircraft shall be reimbursed the actual amount charged and paid for the fare for such transportation up to the cost of the lesser of the state contract fare and the most economical direct commercial airline ticket for the same flight, even though the owner or pilot of such aircraft is also entitled to transportation expense for the same flight. If there is no state contract fare and no direct commercial flight, then reimbursement may be up to the most economical commercial flight closest to the point of origin and the point of destination.

II. Travelers Piloting Personal or Rented Aircraft

If a traveler is piloting his/her own aircraft, he/she may claim either the mileage rate specified in Section 112.061(7), F.S., or the lesser of the state contract fare and the most economical commercial direct airfare available for the same trip.

If a rented aircraft is used, and additional travelers are passengers on the aircraft, the pilot may be reimbursed for the lesser of the actual cost to rent the aircraft or the total of the airfare that would have been paid by the pilot and the passengers for the most economical commercial direct airfare for the same trip.

In both situations, if there is no state contract fare and no direct commercial airfare available between the points of travel, reimbursement is limited to the mileage rate specified in Section 112.061(7), F.S., or the most economical commercial airfare closest to the point of origin and the point of destination.

III. Passengers on Private Aircraft

A passenger on a private aircraft may be reimbursed for the actual amount charged and paid up to:

The mileage rate specified in Section 112.061(7), F.S., or the lesser of the state contract fare or the cost of the most economical direct commercial airfare available for the trip. If no direct commercial flight is available the most economical commercial airfare closest to the point of origin and the point of destination may be used.

IV. Rented Aircraft

If a rented aircraft is used, the reimbursement claimed by any traveler on the aircraft may not exceed a pro rata share of the actual cost of renting the aircraft and the reimbursement is subject to the limitations provided in subsections (II) and (III) of this section.

The most economical direct airfare means a commercial flight between the same points of travel as a private flight. For example, if a private aircraft is traveling from Miami to Tampa, then the traveler would be entitled to reimbursement up to the amount of the most economical commercial flight from Miami to Tampa.

Monthly Mileage Allowances

Agency heads may grant monthly allowances in fixed amounts for use of privately owned vehicles on official business in lieu of individual trips. Such allowance may be changed at any time and shall be made on the basis of a signed statement of the traveler filed before the allowance is granted or changed, or at least annually

thereafter. The statement must show the places and distances for an average typical month's travel on official business, and the amounts that would be allowed under the approval rate per mile for the travel shown on the statements, if payment had been made based upon 44.5 cents per mile. A copy of the average typical months travel must be submitted with each request for payment of the monthly allowance. These payments must be directed to the Bureau of State Payrolls.

Travel Advance Requests

Advances may be made or authorized by an agency head or his designee to cover anticipated cost of travel to travelers. Such advancements may include the costs of subsistence and travel of any person transported in the care or custody of the traveler in the performance of his/her duties. A travel advance may not exceed 80 percent of the estimated travel expense payable to the traveler. An exception may be made to take advantage of a substantially discounted common carrier ticket. The travel advance may be an amount equal to 100 percent of the cost of the substantially discounted ticket plus 80 percent of the remaining estimated travel expenses. Other exceptions to the 80 percent restriction may be made if approved by the Bureau of Auditing. Requests for such approval must be in writing and must clearly demonstrate that the increased travel advance is in the best interest of the State. Approval will be in writing and must be included as documentation in the travel advance request for payment.

Travel advances shall not be requested earlier than 10 workdays before the travel period begins unless the traveler can provide justification of circumstances that may make this necessary. It is the responsibility of the authorizing agency to ensure that the traveler does not have more than one outstanding advance at any time. Some exceptions to having more than one outstanding advance include discounted airline tickets and multiple advances for extended trips.

Travel Advance Settlement

The traveler must complete a travel reimbursement voucher form when the travel period has ended and submit it to the authorizing agency within ten workdays of the traveler's return to headquarters. The travel reimbursement request shall reference the statewide document number of the original advance. The travel expenses payable to the traveler shall be reconciled to the travel advance. If the travel advance exceeds the actual amount payable, then the traveler shall reimburse the agency within ten workdays of their return to headquarters. If the amount payable to the traveler exceeds the travel advance, the traveler shall receive the net amount owed in the form of a warrant from the agency.

Travel advances made from an approved revolving fund must be settled through the revolving fund. The revolving fund shall not be reimbursed for the advance until the advance has been settled pursuant to Rule 3A-23.005(4)(e), F.A.C.

Travel Forms

Section 112.061(11), F.S., requires DFS to provide uniform Travel Authorization and Voucher Reimbursement forms. Rule 3A-42.003(3), F.A.C., provides for the use of the Application for Advance on Travel Expenses. All officers, employees and authorized persons must use the forms authorized or furnished by DFS or DFS approved automated systems when requesting authorization to attend a conference or convention, an advance for travel, or reimbursement of travel expenses. Agencies desiring to use an alternative form or automated system to meet the unique needs of the agency shall first obtain the approval of the Bureau of Auditing. However, forms or systems must comply with the requirements of Section 112.061(11), F.S. Requests shall be submitted to:

Department of Financial Services
Bureau of Auditing
200 East Gaines Street
Tallahassee, Florida 32399-0355

The Authorization to Incur Travel Expense

Travel authorization shall be completed for each person requesting approval for the performance of travel to a conference or convention on the approved Form DFS-AA-13 (see Travel Exhibit #3) or other approved form or means. It is not necessary to submit the travel authorization to the Bureau of Auditing. A statement disclosing the benefits to the State must be included with the information submitted to the Bureau of Auditing for reimbursement of expenses incurred in connection with a conference or convention. All travel authorization requests shall contain evidence of approval by the agency head or his or her designee.

The Voucher for Reimbursement of Travel Expenses

The request for reimbursement of travel expenses must be made on the approved form DFS-AA-15 (see Travel Exhibit #4) or other approved means (i.e., computer file). All travel reimbursement requests submitted for reimbursement shall include evidence of approval by the official authorizing the travel. The traveler and the official authorizing the travel must sign the travel voucher either manually or by electronic means. Travel vouchers on file at the agency must contain original signatures in written or electronic form.

Application for Advance on Travel Expenses

The Application for Advance on Travel, Form DFS-AA-25 (see Travel Exhibit #5), or other approved form shall be used by all state officers, employees and authorized persons when requesting an advance for travel expenses to be incurred.

Also see “Purchasing Card Transactions – Travel.”

Travel Exhibit 1

Maximum Travel Per Diem Allowances for Foreign Areas

Locality	Max. Lodging Amount (A)	+	M&IE Rate (B)	=	Max. PD Rate (C)	Eff. Date
Italy						
Bari	167		68		235	8-1-02
Bologna	128		93		221	11-1-01
Catan	158		72		230	8-1-02
Ferrara	113		85		198	11-1-01
Florence	144		105		249	11-1-01
Gaeta						
(09/01 - 06/30)	62		57		119	11-1-01
(07/01 - 08/31)	86		59		145	11-1-01
Genoa	135		64		199	11-1-01
La Spezia	85		97		182	11-1-01
Milan	228		125		353	8-1-02
Modena	104		79		183	11-1-01
Naples	175		83		258	8-1-02
Palermo	140		70		210	8-1-02
Pisa	104		86		190	11-1-01
Ravenna	107		89		196	11-1-01
Reggio Emilia	112		93		205	11-1-01
Rimini	113		85		198	11-1-01
Rome	232		134		366	8-1-02
Siena	95		91		186	11-1-01
Taormina	158		72		230	8-1-02
Trieste	125		73		198	11-1-01
Turin	121		57		178	11-1-01
Venice	159		79		238	11-1-01
Verona	107		64		171	11-1-01
Vicenza	59		40		99	11-1-01
Other	84		75		159	11-1-01

Note: Please refer to the referenced website for the complete listing of allowances for foreign areas.

Travel Exhibit 2

Meal Deductions for Federal Foreign Per Diem

Appendix B to Chapter 301 - Allocation of M&IE Rates to be used in making deductions from the M&IE Allowance

Note: Please refer to the referenced website for the complete table.

M&IE

Rate	Brkfst	Lunch	Dinner	Incidentals
123	18	31	49	25
124	19	31	49	25
125	19	31	50	25
126	19	32	50	25
127	19	32	51	25
128	19	32	51	26
129	19	32	52	26
130	20	32	52	26
131	20	33	52	26
132	20	33	53	26
133	20	33	53	27
134	20	34	53	27
135	20	34	54	27
136	20	34	55	27
137	21	34	55	27
138	21	35	55	27
139	21	35	56	27
140	21	35	56	28
141	21	35	57	28
142	21	36	57	28
143	21	36	57	29

**REFERENCE GUIDE FOR
STATE EXPENDITURES**

Travel Exhibit 3

State of Florida Authorization to Incur Travel Expenses	Name	Official Headquarters			Date
	Department	Division			
Purpose of Trip:					
Destination:					
Departure Date				Return Date	Total Days
Conference or convention travel: Explanation of benefits accruing to the State of Florida				Departure Time	Return Time
				Trip Number	
Total Estimated Per Diem:					
Registration Fee:					
Car					
Motel	Confirm	Rate	Nights	Cost	
<u>Airline</u>	Dep. Flight	Time	Ret. Flight	Time	Cost
TOTAL ESTIMATED COST FOR TRIP					
<u>Comments:</u>					
I hereby certify that travel as shown above is to be incurred in connection with official business of the State					
<u>Signed:</u>	Approved by Supervisor:			<u>DATE</u>	<u>APPROVED- AGENCY HEAD</u>
					<u>DATE</u>

Form DFS-AA-13

REFERENCE GUIDE FOR STATE EXPENDITURES

Travel Exhibit 4

STATE OF FLORIDA
VOUCHER FOR REIMBURSEMENT
OF TRAVEL EXPENSES

TRAVELER
SOCIAL SECURITY NO.
CHECK ONE: OFFICER/EMPLOYEE
NONEMPLOYEE IND. CONTRACTOR OPS

AGENCY
HEADQUARTERS
RESIDENCE (CITY)

DATE Year 20	Travel Performed From Point of Origin To Destination	Purpose or Reason (Name of Conference)	Hour of Departure And Hour of Return	Meals for Class A&B Travel	Per Diem or Actual Lodging Expenses	Class C Meals	Map Mileage Claimed	Vicinity Mileage Claimed	Other Expenses	
									Amount	Type
			M	\$	\$	\$			\$	
			M							
			M							
			M							
			M							
			M							
			M							
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			M							
Statement of Benefits to the State: (Conference or Convention)				Column Total	Column Total	Column Total	Mi. @ 44.5/ Mi.	Column Total	Summar y Total	
							\$		\$	
Revolving Fund: Check No. _____ Check Date _____ Agency Voucher No. _____				Advance: Warrant No. _____ Warrant Date _____ Statewide Doc. No. _____ Agency Voucher No. _____	LESS ADVANCE RECEIVED					\$()
				LESS CLASS C MEALS (Officers/Employees Only)					\$()	
				LESS NON-REIMBURSABLE ITEMS INCLUDED ON PURCHASING CARD					\$()	
				NET AMOUNT DUE TRAVELER					\$	
				NET AMOUNT DUE THE STATE					\$()	
I hereby certify or affirm and declare that this claim for reimbursement is true and correct in every material matter; that the travel expenses were actually incurred by me as necessary in the performance of official duties; that per diem claimed has been appropriately reduced by any meals or lodging included in the convention or conference registration fees claimed by me, and that this voucher conforms in every respect with the requirements of Section 112.061, Florida Statutes TRAVELER'S SIGNATURE: _____ SIGNATURE DATE _____				Pursuant to Section 112.061 (3) (a), Florida Statutes, I hereby certify or affirm that to the best of my knowledge the travel was on official business of the State of Florida and was for the purpose(s) stated above. SUPERVISOR'S SIGNATURE: _____ SUPERVISOR'S TITLE: _____ SIGNATURE DATE: _____						
FOR AGENCY USE: ORG: ____-____-____-000				EO: ____		OBJECT: 26____			Form DFS- AA-15 (Rev. 06/97)	

REFERENCE GUIDE FOR STATE EXPENDITURES

TRAVEL PERFORMED BY COMMON CARRIER OR STATE VEHICLE <i>THIS SECTION REQUIRED TO BE COMPLETED ONLY WHEN COMMON CARRIER IS BILLED DIRECTLY TO THE STATE AGENCY</i>					
DATE	Ticket Number or State Vehicle Number	From	To	Amount	Name of Common Carrier or State Agency Owning Vehicle

STATE OF FLORIDA PURCHASING CARD CHARGES <i>THIS SECTION REQUIRED TO BE COMPLETED ONLY WHEN TRAVEL RELATED EXPENSES ARE PAID BY USING THE STATE OF FLORIDA PURCHASING CARD</i>			
DATE	Merchant/Vendor	Description of Item Acquired	Amount of Charge

<i>THIS SECTION REQUIRED TO BE COMPLETED ONLY WHEN NON-REIMBURSABLE ITEMS WERE PURCHASED USING THE STATE OF FLORIDA PURCHASING CARD</i>			
DATE	Merchant/Vendor	Description of Item Acquired	Amount of Charge

Total (This amount must appear on the line "Less Non-Reimbursable items Included on Purchasing Card" on the reverse side of this form.)

GENERAL INSTRUCTIONS

Class A travel – Continuous travel of 24 hours or more away from official headquarters
 Class B travel – Continuous travel of less than 24 hours which involves overnight absences from official headquarters.
 Class C travel – Travel for short or day trips where the traveler is not away from his official headquarters overnight.

Breakfast --- when travel begins before 6 a.m. and extends beyond 8 a.m.
 Lunch ----- when travel begins before 12 Noon and extends beyond 2 p.m.
 Dinner ----- when travel begins before 6 p.m. and extends beyond 8 p.m. or when travel occurs during night-time hours due to special assignment.

NOTE: No allowance shall be made for meals when travel is confined to the city or town of official headquarters or immediate vicinity except assignments of official business outside the traveler's regular place of employment if travel expenses are approved and such special approval is noted on the travel voucher. Rate of Per Diem and Meals shall be those prescribed by Section 112.061, Florida Statutes.

Non-reimbursable items may not be charged on the State of Florida Purchasing Card. Inadvertent non-reimbursable charges are to be deducted from the travel reimbursement claimed on the reverse side of this form on the line "Less Non-reimbursable Items Included on Purchasing Card" and the above "Non-reimbursable Items" section of "State of Florida Purchasing Card Charges" section above must be completed. Per diem shall be completed at one-fourth of authorized rate for each quarter or fraction thereof. Travel over a period of 24 hours or more will be calculated on the basis of 6-hour cycles, beginning at midnight; less than 24-hours travel will be calculated on the basis of 6-hour cycles, beginning at the hour of departure from official headquarters. Hour of departure and hour of return should be shown for all travel. When claiming per diem, the meal allowance columns should not be used. Claims for actual lodging at single occupancy rate plus meal allowances should be put in the "Per Diem or Actual Lodging Expense" column and include the appropriate meal allowances in the "Meals for Class A&B Travel" column. Claims for meals allowance involving travel that did not require the traveler to be away from headquarters overnight should be included in the "Class C Meals" column. Vicinity travel must appear in the separate column. When travel is by common carrier and billed directly to the traveler, the amount and description should be included in the "Other Expenses" column. A copy of the ticket or invoice should be attached to this form. If travel is by common carrier and billed directly to the State agency, then the "Travel Performed by Common Carrier or State Vehicle" section above should be completed. If travel is by common carrier and the carrier is paid by the use of the State of Florida Purchasing Card, then the "State of Florida Purchasing Card Charges" section above should be completed. The name of the common carrier should be inserted in the "Map Mileage Claimed" column in these instances. Justification must be provided for use of a noncontract airline (or one offering equal or lesser rates than the contract airline) or rental car (or one having lower net rate) when contract carriers are available. Additionally, justification must be provided for use of a rental car larger than a Class "B" car. If travel is performed by the use of a State-owned vehicle, the word "State" should be inserted in the "Map Mileage Claimed" column on the reverse side of this form, and the above section designated as "Travel Performed by Common Carrier or State Vehicle" should be completed. If lodging is paid by the use of the State of Florida Purchasing Card, the words "Purchasing Card" should be inserted in the "Per Diem or Actual Lodging Expenses" Column on the reverse side of this form, and the above section designated as "State of Florida Purchasing Card Charges" should be completed. Incidental travel expenses which may be reimbursed include: (a) reasonable taxi fare; (b) ferry fares and bridge, road and tunnel tolls; (c) storage and parking fees; (d) telephone and telegraph expenses; (e) convention or conference registration fee. If meals are included in the registration fee, per diem should be reduced accordingly. Receipts should be obtained when required. The official Department of Transportation map should be used in computing mileage from point of origin to destination whenever possible. When any State employee is stationed in any city or town for over 30 days continuous work days, such city or town shall be deemed to be his official headquarters and he shall not be allowed per diem or subsistence after the period of 30 continuous work days has elapsed, unless extended by the approval of the agency head. If travel is to a conference or convention, the "Statement of Benefits to the State" section must be completed or a copy of the Authorization to incur Travel Expense, Form DFS-AA-13, must be attached. Additionally, a copy of an agenda and registration receipt must be attached. Any fraudulent claim for mileage, per diem or other travel expense is subject to prosecution as a misdemeanor.

Travel Exhibit 5

DEPARTMENT OF FINANCIAL SERVICES

STATE OF FLORIDA

APPLICATION FOR ADVANCE ON TRAVEL EXPENSES

Payee: _____ Social Security No. _____

Headquarters: _____ Department: _____

Travel Period: _____ through _____ Destination: _____

Purpose of Travel: _____

Justification: _____

Estimated Cost of Travel:

(meals + 1 day per diem)

* \$ _____ per day x _____ days - \$ _____

** Transportation

Incidental Expenses:

Type: _____

Type: _____

Total Incidental Expenses \$ _____

Total Estimated Expenses \$ _____ x 80%

Advance Travel Allowed \$ _____

* If the per day allowance exceeds \$50, an explanation must be furnished.

** Estimated cost for common carrier and rental charges billed directly to the State shall not be included in the travel advance calculation.

I hereby certify that the above estimated expenses are anticipated to be incurred by me as necessary traveling expenses in the performance of my official duties; attendance at the conference or convention directly relates to the official duties of the agency; any meals or lodging included in the registration fee have been deducted from this travel advance request. If the travel advance exceeds actual travel expense incurred, I will refund to the State of Florida the remaining unexpended funds within five (5) workdays after completion of the travel period.

Traveler's Signature: _____

Title: _____ Date Prepared: _____

Pursuant to Section 112.061, Florida Statutes, I hereby certify or affirm that the above anticipated travel will be on official business of the State of Florida.

Supervisor Signature: _____

Title: _____ Date Prepared: _____

DFS -AA-25

REVISED 12/02

VOLUNTEERS

A volunteer is a person who, of his or her own free will, provides goods or services to any state agency or nonprofit organization with no monetary or material compensation. Every state agency, through the agency head, is authorized to recruit, train, and accept, the services of volunteers to assist in programs administered by the agency.

The following sections in the Florida Statutes provide specific information regarding volunteers.

Section 110.501, F.S. - Definitions of volunteer types.

Section 110.502, F.S. - Information on the status of volunteers.

Section 110.503, F.S. - Responsibilities of agencies using the services of volunteers.

Section 110.504, F.S. - Volunteer benefits.

VOUCHERS

Retention Schedule for Original Vouchers

The originating agencies are required to maintain the original vouchers and all supporting documentation for a period of five fiscal years, provided all applicable audits have been completed. The Bureau of Auditing is only required to retain copies of the voucher and supporting documentation for a period of time required to assure that all administrative requirements have been satisfied.

Payments submitted to the Bureau of Auditing for disbursement or transfer of funds shall only be those payments authorized by law. If such authority is not evident by the nature of the payment:

- The agency must cite the law which has expressly authorized the agency to expend funds for the purpose under consideration: or,
- The agency must be considered to have been given such authority by necessary implication in order to carry out a duty or function expressly imposed or authorized by law.

The information listed in this section provides general guidelines that are common to all expenditures.