

DEP CONTRACT NO. SP297
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
AGREEMENT FOR
RESTORATION OF THE QUICK POINT NATURE PRESERVE

CONTRACTOR

TOWN OF LONGBOAT KEY
501 Bay Isles Road
Longboat Key, Florida 34228

FEID NO. 59-6017152

The Florida Department of Environmental Protection (DEP) hereby retains the CONTRACTOR to restore approximately three and one half (3.5) acres of shallow water habitats (tidal lagoon, marshes) by excavating upland spoil areas and by removal of spoil and debris, in accordance with Attachment A, Scope of Services, attached hereto and made a part hereof. This is a demonstration project to increase the area of functional mangrove wetland and shallow water habitats; and to improve bay circulation and water quality. Public access will be provided by a boardwalk/trail to observe mangrove communities, beach strands and tidal streams/lagoons.

CONTRACTOR RESPONSIBILITIES

1. The CONTRACTOR is responsible for the professional quality, technical accuracy, timely completion and coordination of all designs, drawings, specifications, reports and other services furnished by the CONTRACTOR under this contract. The CONTRACTOR shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in its designs, drawings, specifications, reports and other services.
2. The CONTRACTOR shall be responsible for obtaining all applicable local and county approvals required.
3. The CONTRACTOR shall post signs in conspicuous locations at the project site, readable at a distance of up to 200 feet, indicating the DEP's participation in funding the project through the Pollution Recovery Trust Fund.
4. The CONTRACTOR shall submit the following to the DEP for review and approval:
 - Survey and Design drawings.
 - Project Manuals for boardwalks and earthwork.
 - Planting Plans.
5. The CONTRACTOR shall be responsible for maintaining water quality standards in adjacent waters during construction.

6. The CONTRACTOR shall coordinate with the DEP in the development of detailed construction plans and bid package(s) for excavation, grading, plantings, and boardwalk construction.
7. The CONTRACTOR shall be responsible for selecting a subcontractor(s) through a competitive process in accordance with Chapter 287, Florida Statutes. The CONTRACTOR shall provide the DEP with copies of all bid documents, including the solicitation package, bid tabulation sheet, award notice, and the resulting contract.

DEP RESPONSIBILITIES

The DEP shall be responsible for obtaining all necessary State and Federal approvals regarding dredge and fill permits, and shall coordinate permitting with the Southwest Florida Water Management District.

QUALITY ASSURANCE PLAN

Because sample collection and chemical and biological analyses are not part of the contract scope of work, a Quality Assurance Plan shall not be required for performance of services under the terms of this contract.

NON-EXPENDABLE EQUIPMENT AND PERSONAL PROPERTY

The CONTRACTOR is not authorized to purchase any non-expendable equipment or personal property costing \$500 or more under the terms of this contract.

REPORTS

In an effort to conserve and recycle natural resources, the CONTRACTOR shall submit all reports generated under this contract on recycled paper.

The CONTRACTOR shall submit quarterly progress reports indicating work performed during the report period, work scheduled for the next report period, problems encountered, and planned solutions. In addition, the CONTRACTOR shall submit summary reports of work completed in conjunction with monthly invoices.

A comprehensive final report of activity, including photographs documenting the work completed, and a copy of the Management Plan, must be submitted no later than thirty (30) days prior to the completion date of the contract.

The CONTRACTOR agrees to provide a copy of any draft report and/or final report to the DEP before making, or allowing to be made, a press release, publication, or other public announcement concerning the project. This condition shall not be construed to

be a limitation upon the operation and applicability of Chapter 119, Florida Statutes.

TERM OF AGREEMENT

This contract is effective on the date of execution and shall remain in effect for a period of seventeen (17) months, by which date all requirements shall have been completed.

SUBLETTING

1. The CONTRACTOR shall not sublet, assign, or transfer any work under this contract without the prior written consent of the DEP. The DEP reserves the right to reject any subcontractor based upon prior experience.
2. The CONTRACTOR agrees to notify the DEP of all subcontracts no less than ten (10) days prior to the effective date of the subcontracts for the purpose of consent to their use by the DEP. The CONTRACTOR agrees to provide the DEP with an executed copy of all subcontracts within ten (10) days after the effective date of the agreement.
3. The CONTRACTOR agrees to be responsible for the fulfillment of all work elements included in the subcontracts and agrees to be responsible for the payment of all monies due under any subcontract and hold the DEP harmless from any liability or damages arising under, or from, any subcontract.

NOTICE

Any notice or other written communication, except invoices, between the parties shall be considered delivered when posted by Certified Mail, return receipt requested, or delivered in person to the Project Manager.

INSURANCE

The CONTRACTOR shall secure and maintain such insurance as will protect it from claims under Workers' Compensation Acts; comprehensive general liability coverage with limits of not less than \$100,000 per occurrence and \$300,000 annual aggregate for bodily injury, and not less than \$100,000 per occurrence and \$300,000 annual aggregate for property damage; and comprehensive automobile liability coverage with limits of not less than \$300,000 combined single limit. The CONTRACTOR's current certificate of insurance shall contain a provision that the insurance will not be canceled for any reason except after thirty (30) days written notice to the DEP Contracts Administrator.

COMPENSATION

For satisfactory performance, the DEP agrees to compensate the CONTRACTOR on a cost reimbursement basis in an amount not to

exceed \$100,000, toward the estimated total project cost of \$300,000. It is understood and agreed that the CONTRACTOR and the Southwest Florida Water Management District (SWFWMD) shall each contribute a minimum of \$100,000 toward the remaining project costs.

The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature and continuation of other funding presently anticipated, without liability for anticipated profits for unfinished work.

PAYMENTS

The CONTRACTOR shall submit monthly invoices in conjunction with progress reports required herein. A final invoice must be submitted to the DEP within thirty (30) days of the completion date of the project, to assure availability of funds for payment.

The DEP shall pay all satisfactory invoices in accordance with Section 215.422, Florida Statutes, attached hereto and made a part hereof as Attachment B. Each invoice submitted must be in detail sufficient for preaudit and postaudit review. Five copies of each invoice, including appropriate backup documentation, shall be submitted to:

Florida Department of Environmental Protection
Southwest District Office
Attn: Office Operations Manager
3804 Coconut Palm Drive
Tampa, Florida 33619-8218

The State Comptroller requires detailed supporting documentation of all costs under a cost reimbursement contract. In accordance with Comptroller's Memorandum No. 10, issued December 18, 1991 (attached hereto and made a part hereof as Attachment C), the CONTRACTOR shall comply with the minimum requirements set forth therein. Invoices shall be accompanied by supporting documentation and other requirements as follows:

1. Salaries/Wages - List personnel involved, salary rates and hours/time spent on project.
2. Overhead/Indirect/General and Administrative Costs - All multipliers used (i.e. fringe benefits, overhead, and/or general and administrative rates) shall be supported by audit. If the DEP determines that multipliers charged by the CONTRACTOR exceeded the rates supported by audit, the CONTRACTOR shall be required to reimburse such funds to the DEP within 30 days of written notification. Interest on the excessive charges shall be calculated based on the prevailing rate used by the State Board of Administration.
 - a. Fringe Benefits Rate: 40% of all full time salaries.

- b. Indirect and Overhead Rates: Indirect and Overhead charges shall not apply.
3. Contractual (Subcontractors) - Reimbursement requests for payments to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from the prime contractor. Subcontracts which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours/time spent on the project. All multipliers used (i.e. fringe benefits, overhead, and/or general and administrative rates) shall be supported by audit. If the DEP determines that multipliers charged by any subcontractor exceeded the rates supported by audit, the CONTRACTOR shall be required to reimburse such funds to the DEP within 30 days of written notification. Interest on the excessive charges shall be calculated based on the prevailing rate used by the State Board of Administration.
 4. Travel - Reimbursement of travel expenses is not authorized under this contract.
 5. Equipment - Reimbursement of non-expendable equipment or personal property costing \$500 or more is not authorized under this contract.
 6. Rental/Lease of Equipment - Include copies of invoices or receipts to document charges.
 7. Other Expenses - e.g., Materials, supplies, phone, reproduction, mailing, must be documented by itemizing and including copies of receipts or invoices.

The DEP shall have fourteen (14) calendar days from receipt of a deliverable to review said deliverable to determine satisfactory performance. If said deliverable is acceptable to the DEP, the invoice shall be processed for payment with the invoice processing time beginning on the date the DEP approved the work product submitted by the CONTRACTOR.

A Vendor Ombudsman has been established within the Department of Banking and Finance. The duties of this individual include acting as an advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (904) 488-2924 or by calling the State Comptroller's Hotline 1-800-848-3792.

MANAGEMENT

The DEP's Project Manager is Mr. Allen Burdett, Phone 813/744-6100, Ext. 470. The CONTRACTOR's Project Manager is Mr. Leonard Smalley, Phone 813/383-3726. All matters shall be directed to the Project Managers for appropriate action or disposition.

The CONTRACTOR agrees to the following terms:

1. The DEP may terminate this contract for its convenience. In this event, the CONTRACTOR shall be compensated for work satisfactorily completed and for irrevocable commitments made.
2. All services shall be performed by the CONTRACTOR to the satisfaction of the Secretary of the DEP or her designated representative.
3. If the CONTRACTOR fails to perform in a timely and proper manner, in the judgment of the DEP, the DEP may terminate this contract by written notice, specifying the effective time/date. In this event, the CONTRACTOR shall be compensated for any work satisfactorily completed.
4. No person, on the grounds of race, creed, color, national origin, age, sex, or disability, shall be excluded from participation in; be denied the proceeds or benefits of; or otherwise be subjected to discrimination in performance of this contract.
5. The DEP may at any time, by written order designated to be a change order, make any change in the work within the general scope of the contract (e.g., specifications, time, method or manner of performance, requirements, etc.). All change orders are subject to the mutual agreement of both parties as evidenced in writing. Any change order which causes an increase or decrease in the CONTRACTOR's cost or time shall require an appropriate adjustment and modification (amendment) to this contract.
6. The CONTRACTOR shall maintain books, records and documents directly pertinent to performance under this contract in accordance with generally accepted accounting principles consistently applied. The DEP, the State, or their authorized representatives shall have access to such records for audit purposes during the term of the contract and for three years following contract completion.
7. The CONTRACTOR agrees to indemnify, defend, save and hold harmless the DEP from all claims, demands, liabilities and suits of any nature arising out of, because of, or due to any negligent act or failure to act by the CONTRACTOR, its agents or employees to the extent permitted by Florida law. The parties agree that one percent of the total compensation to the CONTRACTOR for performance of this agreement is the specific consideration from the DEP to the CONTRACTOR for the CONTRACTOR's indemnity agreement.
8. The CONTRACTOR covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

9. The CONTRACTOR warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the CONTRACTOR to solicit or secure this agreement and that he has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONTRACTOR any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this agreement. For the breach or violation of this provision, the DEP shall have the right to terminate this agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift, or consideration.
10. The DEP reserves the right to unilaterally cancel this contract for refusal by the CONTRACTOR to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the CONTRACTOR in conjunction with this contract.
11. Unless and to the extent indicated otherwise in the section titled SUBLETTING, this contract shall not be subject to transfer, assignment, sale or other disposition which would have the effect of substituting the CONTRACTOR's performance with that of another.

CHOICE OF LAW/FORUM

The parties hereby agree that any and all actions or disputes arising out of this contract shall be governed by the Laws of the State of Florida; and any such actions shall be brought in Leon County, Florida.

SEVERABILITY

In the event one or more provisions of this contract are declared invalid, the balance of this contract shall remain in full force and effect.

ENTIRE AGREEMENT

It is hereby understood and agreed that this contract states the entire agreement and that the parties are not bound by any stipulations, representations, agreements, or promises, oral or otherwise, not printed in this contract.

TOWN OF LONGBOAT KEY

FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

By: [Signature]
Title: Town Manager

[Signature]
Director, Division of
Administrative Services

Date: 12/7/93

Date: 10-12-93

ATTACHMENT A

SCOPE OF SERVICES

QUICK POINT NATURE PRESERVE HABITAT RESTORATION

Through cooperative restoration efforts between the Town of Longboat Key, Sarasota County Mosquito Control District, Southwest Florida Water Management District, Florida Department of Environmental Protection, Sarasota Bay National Estuary Program and others, the objectives of this project are:

- To enhance natural habitats of Quick Point Nature Preserve in Sarasota Bay which have been impacted by dredge spoil, exotics and mosquito ditching;
- To improve fisheries, mosquito control and wildlife habitats through the construction of tidal lagoons, tidal creeks, mangroves/tidal marsh and other shallow water habitats;
- To improve tidal circulation and water quality within natural embayments and mosquito ditches which have become stagnant or blocked by fill, sediment and eroded spoil banks. The project will feature a tidal creek/canoe trail extending from New Pass to Sarasota Bay along the alignment of existing mosquito ditches. A series of lagoons, tidal ponds and ditch connections are designed along the proposed waterways to improve and maintain tidal flushing and increase marine fisheries; and
- To provide a nature park, with public access, boardwalks and trails. (The more remote areas of the park will provide opportunities for additional restoration and enhancement activities.)

SCOPE SUMMARY:

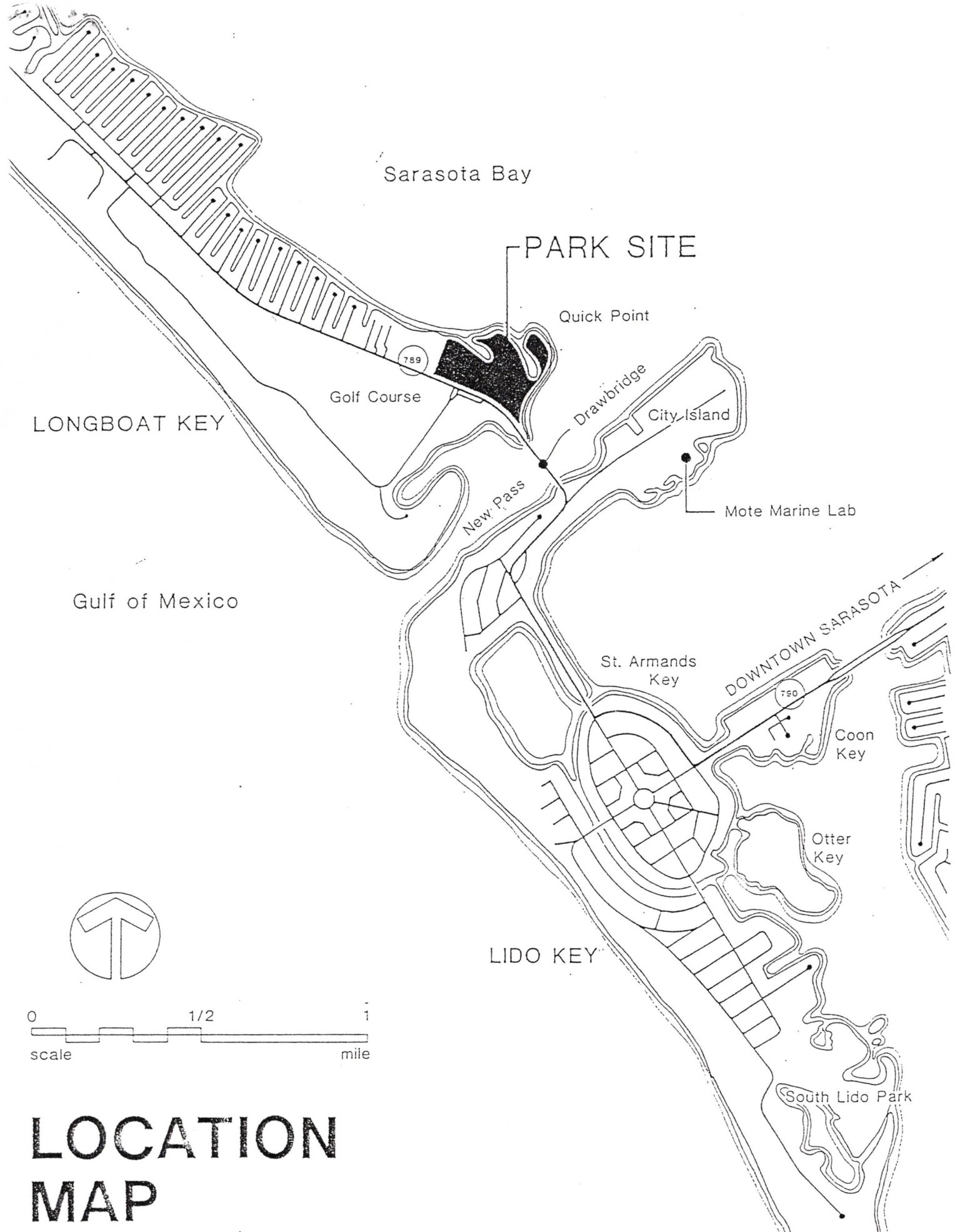
The CONTRACTOR and the DEP shall work closely together to finalize details on the restoration plan. The CONTRACTOR shall conduct surveys, develop engineering drawings, and prepare a project manual. Selective clearing and phased removal of exotics is planned to minimize impacts to the environment. The highest priority shall be given to the excavation of the proposed waterways. Cost effective strategies shall be employed i.e. such as the burial or chipping of vegetation on site rather than hauling such material to a landfill. The CONTRACTOR shall include language in subcontracts requiring subcontractors to notify the DEP of construction start up dates, and shall require subcontractors to comply with minor field adjustments which may be required by the DEP to implement the required tidal connections, slopes, depths etc. Cost savings should be carefully reviewed on the removal of fill. Adequate fill shall be reserved or utilized on-site for covering debris, for dune enhancement or for other useful purposes.

Following completion of earth work, boardwalk design specifications and similar facilities shall be reviewed and approved by the DEP. The design and cost of these facilities shall be balanced against the costs of revegetation. The DEP, and volunteers from the Sarasota Bay National Estuary Program, may provide assistance in revegetation efforts which should reduce planting costs. The scope and budget of exotic control will be based on available funds.

SCOPE DETAIL

1. Detailed survey and mapping will be performed by the CONTRACTOR to define the limits of clearing, excavating and exotic removal. The DEP will actively participate in the project design including grades, slopes, field marking trees for removal or preservation, and locating culvert and inlet sites. Boardwalks will be staked and surveyed in the field to minimize impacts on established vegetation and to provide interpretive opportunities. Professional services will be required to prepare the drawings and bid package.
2. Topo survey will be required to calculate the volume of material to be excavated and to delineate the limits for on-site disposal.
3. The CONTRACTOR will obtain the necessary approvals from DOT to provide the walk way under the bridge. The DEP will review plans to insure the design is cost effective and environmentally acceptable.
4. The CONTRACTOR will be responsible for hauling off solid waste and debris.
5. All excavation will be performed with land based equipment, and flagging along with continuous on-site management will be required to insure compliance with the restoration and construction details. The use of chain saws and other hand operated equipment are required to carefully separate exotic vegetation from mangroves as the need arises.
6. An osprey box shall be installed on the northeast shore of the proposed 3 acre lagoon. Details on pole length, location and installation requirements will need to be resolved before excavation takes place. DEP approvals are required. (This task is optional and dependent on budget constraints.)
7. The CONTRACTOR will be responsible for all local and county approvals required.
8. The DEP will coordinate with the Water Management District and obtain the necessary State and Federal approvals regarding dredge and fill permits.

9. The DEP will review and/or select native vegetation appropriate for the site within the budget constraints following all contractual arrangements for earthwork and other physical improvements.
10. The DEP will review and approve the revegetation plan, and will directly participate in and help coordinate revegetation activities.
11. Plans for control of exotic vegetation outside the immediate construction areas will be finalized and approved by the DEP after earthwork has been completed.
12. Garlon 4 and Garlon 3A will be used to control exotic vegetation. A carrier such as JLB Plus (mineral oil) will be required for Garlon 4, and the use of diesel or kerosene shall be prohibited. Nest trees shall be protected.
13. The CONTRACTOR shall provide quarterly progress reports and a final report along with photographs documenting the work completed. The final report shall provide an overview of the restoration and construction activity. Management plans for the site shall be clearly stated.



LOCATION MAP

PREPARED FOR:
**THE TOWN OF
 LONGBOAT KEY**

**QUICK POINT
 NATURE PRESERVE**

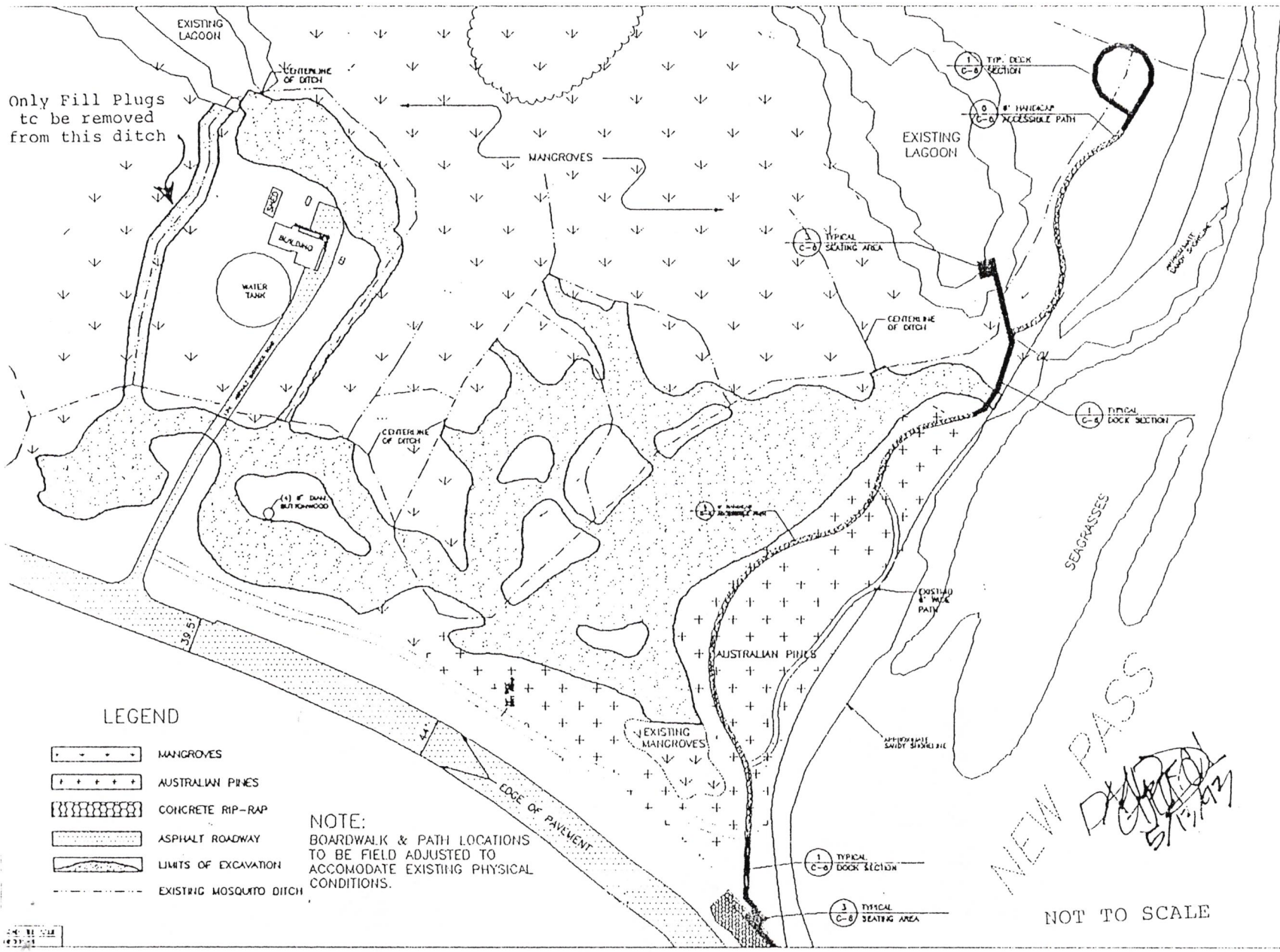
SHEET TITLE:
**EXCAVATION
 PLAN**

DSW
 DESIGN STUDIOS WEST, INC.
 1200 N. W. 12th Ave., Suite 100
 Fort Lauderdale, Florida 33304
 Phone: (305) 555-1200
 Fax: (305) 555-1201
 Website: www.dswdesign.com

COASTAL DUNES
 1000 N.W. 12th Ave., Suite 100
 Fort Lauderdale, Florida 33304
 Phone: (305) 555-1200
 Fax: (305) 555-1201
 Website: www.coastaldunes.com

FALSBY & ASSOCIATES, P.A.
 PROFESSIONAL LAND SURVEYORS
 1000 N.W. 12th Ave., Suite 100
 Fort Lauderdale, Florida 33304
 Phone: (305) 555-1200
 Fax: (305) 555-1201
 Website: www.falsby.com

Sheet #		1	
Date	4/2/93	Scale	1" = 100'
Drawn by	FFX	Job #	0217.00
Checked by		Drawn by	FFX



Only Fill Plugs
 to be removed
 from this ditch

LEGEND

- MANGROVES
- AUSTRALIAN PINES
- CONCRETE RIP-RAP
- ASPHALT ROADWAY
- LIMITS OF EXCAVATION
- EXISTING MOSQUITO DITCH

NOTE:
 BOARDWALK & PATH LOCATIONS
 TO BE FIELD ADJUSTED TO
 ACCOMMODATE EXISTING PHYSICAL
 CONDITIONS.

NOT TO SCALE

ATTACHMENT B

CHAPTER 215.422 FLORIDA STATUTES
FINANCIAL MATTERS: GENERAL PROVISIONS

215.422 Warrants, vouchers, and invoices; processing time limits; dispute resolution; agency compliance.

- (1) The voucher authorizing payment of an invoice submitted to an agency of the state, required by law to be filed with the Comptroller, shall be filed with the Comptroller not later than 20 days after receipt of the invoice and receipt, inspection, and approval of the goods or services, except that in the case of a bona fide dispute the voucher shall contain a statement of the dispute and authorize payment only in the amount not disputed. Approval and inspection of goods or services shall take no longer than 5 working days unless the bid specifications, purchase order, or contract specifies otherwise. If a voucher filed within the 20-day period is returned by the department of banking and finance because of an error, it shall nevertheless be deemed timely filed. The 20-day filing requirement may be waived in whole or in part by the Department of Banking and Finance on a showing of exceptional circumstances in accordance with rules and regulations of the department. For the purposes of determining the receipt of invoice date, the agency is deemed to receive an invoice on the date on which a proper invoice is first received at the place designated by the agency. The agency is deemed to receive an invoice on the date of the invoice if the agency has failed to annotate the invoice with the date of receipt at the time the agency actually received the invoice or failed at the time the order is placed or contract made to designate a specific location to which the invoice must be delivered.
- (2) The warrant in payment of an invoice submitted to an agency of the state shall be issued not later than 10 days after filing of the voucher authorizing payment. However, this requirement may be waived in whole or in part by the Department of Banking and Finance on a showing of exceptional circumstances in accordance with rules and regulations of the department. If the 10-day period contains fewer than 6 working days, the Department of Banking and Finance shall be deemed in compliance with this subsection if the warrant is issued within 6 working days without regard to the actual number of calendar days. For purposes of this section, a payment is deemed to be issued on the first working day that payment is available for delivery or mailing to the vendor.
- (3)
 - (a) Each agency of the state which is required by law to file vouchers with the Comptroller shall keep a record of the date of receipt of the invoice, dates of receipt, inspection, and approval of the goods or services, date of filing of the voucher, and date of issuance of the warrant in payment thereof. If the voucher is not filed or the warrant is not issued within the time required, an explanation in writing by the agency head shall be submitted to the Department of Banking and Finance in a manner prescribed by it. Agencies shall continue to deliver or mail state payments promptly.
 - (b) If a warrant in payment of an invoice is not issued within 40 days after receipt of the invoice and receipt, inspection, and approval of the goods and services, the agency shall pay to the vendor, in addition to the amount of the invoice, interest at a rate of 1 percent per month calculated on a daily basis on the unpaid balance from the expiration of such 40-day period until such time as the warrant is issued to the vendor. Such interest shall be added to the invoice at the time of submission to the Comptroller for payment whenever possible. If addition of the interest penalty is not possible, the agency shall pay the interest penalty payment within 15 days after issuing the warrant. The provisions of this paragraph apply only to undisputed amounts for which payment has been authorized. Disputes shall be resolved in accordance with rules adopted by the Department of Banking and Finance or in a formal administrative proceeding before a hearing officer of the Division of Administrative Hearings, provided that, for the purposes of s. 120.57(1), no party to a dispute involving less than \$1,000 in interest penalties shall be deemed to be substantially affected by the dispute or to have a substantial interest in the decision resolving the dispute. In the case of an error on the part of the vendor, the 40-day period shall begin to run upon receipt by the agency of a corrected invoice or other remedy of the error. The provisions of this paragraph do not apply when the filing requirement under subsection (1) or subsection (2) has been waived in whole by the Department of Banking and Finance. The various state agencies shall be responsible for initiating the penalty payments required by this subsection and shall use this subsection as authority to make such payments. The budget request

submitted to the Legislature shall specifically disclose the amount of any interest paid by any agency pursuant to this subsection. The temporary unavailability of funds to make a timely payment due for goods or services does not relieve an agency from the obligation to pay interest penalties under this section.

- (c) An agency may make partial payments to a contractor upon partial delivery of goods or services or upon partial completion of construction when a request for such partial payment is made by the contractor and approved by the agency. Provisions of this section and rules of the Department of Banking and Finance shall apply to partial payments in the same manner as they apply to full payments.
- (4) If the terms of the invoice provide a discount for payment in less than 30 days, agencies of the state shall preferentially process it and use all diligence to obtain the saving by compliance with the invoice terms.
- (5) All purchasing agreements between a state agency 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 with the name and telephone number of the vendor ombudsman within the Department of Banking and Finance, which information shall also be placed on all agency purchase orders.
- (6) The Department of Banking and Finance shall monitor each agency's compliance with the time limits and interest penalty provisions of this section. The department shall provide a quarterly report to each agency head disclosing the agency's compliance rate. The report shall also include a list of late vouchers or payments, the amount of interest owed or paid, and any corrective actions recommended. The department shall perform monitoring responsibilities, pursuant to this section, utilizing the General Services and Purchasing Subsystem or the State Automated Management Accounting Subsystem provided in s. 215.94. Each agency shall be responsible for the accuracy of information entered into the General Services and Purchasing Subsystem and the State Automated Management Accounting Subsystem for use in this monitoring.
- (7) There is created a vendor ombudsman within the Department of Banking and Finance who shall be responsible for the following functions:
- (a) Performing the duties of the department pursuant to subsection (6).
 - (b) Reviewing requests for waivers due to exceptional circumstances.
 - (c) Disseminating information relative to the prompt payment policies of this state and assisting vendors in receiving their payments in a timely manner.
 - (d) Performing such other duties as determined by the department.
- (8) The Department of Banking and Finance is authorized and directed to adopt and promulgate rules and regulations to implement this section and for resolution of disputes involving amounts of less than \$1,000 in interest penalties. No agency shall adopt any rule or policy that is inconsistent with this section or the Department of Banking and Finance's rules or policies.
- (9) Each agency shall include in the official position description of every officer or employee who is responsible for the approval or processing of vendors' invoices or distribution of warrants to vendors that the requirements of this section are mandatory. In addition, each employee shall be required to sign a statement at least annually that he has been provided a copy of this section and the rules promulgated by the Comptroller. The statement shall also acknowledge that the employee understands the approval and processing time limitations and the provision for automatic interest penalty payments. Each agency shall certify its compliance with this subsection to the Comptroller on or before February 1 of each year.
- (10) Persistent failure to comply with this section by any agency of the state shall constitute good cause for discharge of employees duly found responsible, or predominantly responsible, for failure to comply.
- (11) Travel and other reimbursements to state officers and employees shall be the same as payments to vendors pursuant to this section.

- (12) In the event that a state agency contracts with a third party, uses a revolving fund, or pays from a local bank account to process and pay invoices for goods or services, all requirements for financial obligations and time processing set forth in this section shall be applicable and the state agency shall be responsible for paying vendors the interest assessed for untimely payment. The state agency may, through its contract with a third party, require the third party to pay interest from the third party's funds.
- (13) Notwithstanding the provisions of subsections (3) and (12), in order to alleviate any hardship that may be caused to a health care provider as a result of delay in receiving reimbursement for services, any payment or payments for hospital, medical, or other health care services which are to be reimbursed by a state agency, either directly or indirectly, shall be made to the health care provider not more than 35 days from the date eligibility for payment of such claim is determined. If payment is not issued to a health care provider within 35 days after the date eligibility for payment of the claim is determined, the state agency shall pay the health care provider interest at a rate of 1 percent per month calculated on a calendar day basis on the unpaid balance from the expiration of such 35-day period until such time as payment is made to the health care provider, unless a waiver in whole has been granted by the Department of Banking and Finance pursuant to subsection (1) or subsection (2).
- (14) The Comptroller may adopt rules to authorize advance payments for goods and services, including, but not limited to, maintenance agreements and subscriptions. Such rules shall provide objective criteria for determining when it is in the best interest of the state to make payments in advance and shall also provide for adequate protection to ensure that such goods or services will be provided.
- (15) Nothing contained in this section shall be construed to be an appropriation. Any interest which becomes due and owing pursuant to this section shall only be payable from the appropriation charged for such goods or services.

History.

s. 1, ch. 74-7; s. 1, ch. 77-174; s. 1, ch. 78-352; s. 3, ch. 79-106; s.2, ch. 83-332; s. 8, ch. 85-104; s. 57, ch. 87-224; s. 1, ch. 89-200, s. 3, ch. 91-162.



GERALD LEWIS
COMPTROLLER OF FLORIDA

OFFICE OF COMPTROLLER
DEPARTMENT OF BANKING AND FINANCE
STATE OF FLORIDA

TALLAHASSEE
32399-0350

RECEIVED
DEP CONTRACTS OFFICE
91 DEC 20 AM 11:43

December 18, 1991

COMPTROLLER'S MEMORANDUM NO. 10 (1991-1992)

SUBJECT: CONTRACTUAL SERVICES - COST REIMBURSEMENT CONTRACTS

This memorandum is to provide clarification relative to the documentation requirements for those contractual service contracts which provide for payment on a cost reimbursement basis. In general, cost reimbursement contracts require an itemized listing (by category) of all expenditures claimed along with supporting documentation for each amount for which reimbursement is being claimed indicating that the item has been paid. Check numbers may be furnished in lieu of copies of actual checks. Each piece of documentation should also clearly reflect the dates of service. The types of documentation listed below are examples and represent the minimum requirements.

(1) Salaries: A payroll register or similar documentation should be submitted. 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.

(3) Travel: Reimbursement for travel must be in accordance with Section 112.061, Florida Statutes, which includes submission of the claim on the approved State travel voucher.

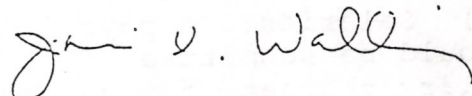
(4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using State funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with Department of General Services Rule 13A-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, Florida Statutes, 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.

It should be noted that the documentation submitted with each voucher will be evaluated individually using the above guidelines. Should you have questions or require further clarification, please contact Cheri Greene at 488-4098, SUNCOM 278-4098.

Sincerely,



Jana I Walling, Director
Division of Accounting
and Auditing

JIW:Mcs