


Florida Fish and Wildlife Conservation Commission
Internal Management Policies and Procedures (IMPP)

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Policy

It is the FWC’s policy to procure commodities and services to achieve the FWC’s goals, using the most cost-effective methods and through adherence to the State’s procurement laws, regulations and the FWC’s policies and procedures. The following procedures will be observed when procuring commodities or services.

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4.1.1 Definitions

- A. **Agency Term Contract (ATC)** - An agreement between the FWC and a vendor whereby the vendor agrees to provide an indefinite quantity of commodities or contractual services, on an indefinite delivery schedule, over a specified period of time. ATCs are reserved for use only by the issuing agency (unless otherwise approved for use by the Department of Management Services (DMS) as an Alternate Contract Source (ACS).
- B. **Alternate Contract Source (ACS)** - Term contracts competitively established by other governmental entities. State agencies may request permission from DMS to purchase commodities or services from contracts competitively established by other government agencies when the contract contains specific language or other legal authority authorizing third parties to make purchases from the agencies contract and with the vendor's consent.
- C. **Blanket Purchase Order** - Prescribes the term and maximum amount of money which may be spent, allows the agency to order the specified commodity or contractual service on an as-needed basis until the term has elapsed or the maximum dollar amount has been reached. Blanket purchase orders totaling in excess of Category Two (\geq \$35,000) shall be awarded in accordance with the requirements of Chapter 287, F.S.
- D. **Cost Analysis** - Section 216.3475, F.S., states that a person or entity that is awarded funding on a non-competitive basis may not be paid more than the competitive market rate. Absent a competitive procurement, a cost analysis is required to ensure a fair price and compliance with Section 216.3475, F.S. This would require any interested provider to submit a detailed budget supporting the proposed price to the FWC. The FWC would then conduct the analysis by reviewing each cost element that makes up the proposed price to determine whether a cost is allowable, reasonable, and necessary. The Department of Financial Services 2012-2013 Chief Financial Officer's Memo No. 02 outlining requirements for cost analysis and copy of the form to be used is located at [Cost Analysis form](#).
- E. **Division of State Purchasing** - The support function of DMS and the office with oversight of the State of Florida purchasing policy. This office has the responsibility for the primary state purchasing rule (Title 60A, F.A.C.), establishes statewide multi-agency contracts and price agreements.
- F. **Emergency Purchases** - A purchase that meets or exceeds Category Two (\geq \$35,000) necessitated by a sudden unexpected turn of events (e.g., riot, fires, floods, accidents, or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay caused by competitive bidding would be detrimental to the interests of the State. The FWC's Executive Director determines, in writing, that an immediate danger to the public health, safety or welfare, or other substantial loss to the state requires emergency action. A purchase less than Category Two ($<$ \$35,000) is considered an **Urgent Purchase** and is not considered an Emergency Purchase. **Agreements procured as an emergency may not be renewed.**
- G. **Exceptional/Exempt Purchase** - A purchase of commodities or contractual services statutorily exempt from competition; including, but not limited to, procurement from a single source, emergency purchases, and exceptions to state term contracts. Purchases that meet or exceed Category Two (\geq \$35,000) require the review and approval of the Tallahassee Purchasing Office. **Exceptional/exempt purchases may not be renewed.**

- H. **Information Technology Purchases** - Equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to automatically, electronically and wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind or form. Information Technology purchase are subject to the approval of the Office of Information Technology.
- I. **Invitation to Bid (ITB)** - A formal competitive solicitation method used when purchasing a commodity or service with an anticipated cost that meets or exceeds Category Two (\geq \$35,000); the ITB method shall be 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. The contract shall be awarded to the responsible and responsive bidder that submits the lowest responsive bid.
- J. **Invitation to Negotiate (ITN)** - A formal competitive solicitation method used when purchasing commodities or services with an anticipated cost that meets or exceeds Category Two (\geq \$35,000); the ITN method is used to determine the best method for achieving a specific goal or solving a particular problem and enables the FWC to identify one or more responsive vendors with which the agency may negotiate in order to receive the best value. After negotiations are conducted, the agency shall award the contract to the responsible and responsive vendor that the agency determines will provide the best value to the state, based on the selection criteria.
- K. **Maintenance Agreements** – A service and/or repair contract for an equipment item, or group of related items, for a specified term for a fixed price.
- L. **MyFloridaMarketPlace (MFMP)** - The State of Florida's eProcurement system utilized to submit requisitions and issue purchase orders for commodities and contractual services.
- M. **Operating Capital Outlay (OCO)** - The appropriation category used to fund 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. Hardback-covered bound books that are circulated to students or the general public, the value of which is **\$25 or more**, and hardback-covered bound books, the value or cost of which is **\$250 or more**.
- N. **Prison Rehabilitative Industries and Diversified Enterprises (PRIDE)** - A nonprofit corporation authorized by the legislature to lease and manage the correctional work programs for the Department of Corrections. PRIDE provides commodities and services available for purchase by state agencies. However, an exception may apply. (See Exceptions contained herein).
- O. **Purchasing Categories/Thresholds** - The designated thresholds established in Florida Statute to dictate purchasing categories.
- P. **Purchase Order** - A written agreement formalizing a transaction between the FWC and a vendor issued through MFMP. The purchase order shall contain, at a minimum, statements regarding the quantity, description and price of the commodity or contractual service; applicable terms regarding payment, discount, date of performance, and transportation; and other pertinent information (e.g., a solicitation or contract number), Section 287.057, F.S.

- Q. **Request for Information (RFI)** - A written or electronically posted 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 binding contract.
- R. **Request for Quote (RFQ)** - An oral or written, including electronic, request for written pricing or services information from a MFMP registered vendor for commodities or contractual services available on a state term contract from that vendor.]
- S. **Request for Proposal (RFP)** - A formal competitive solicitation method used to purchase commodities or services with an anticipated cost that meets or exceeds Category Two (\geq \$35,000); the RFP method is used when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the agency is capable of identifying necessary deliverables. The contract shall be awarded by written notice to the responsible and responsive vendor whose proposal is determined in writing to be the most advantageous to the state, taking into consideration the price and other criteria set forth in the request for proposals. The contract file shall contain documentation supporting the basis on which the award is made.
- T. **RESPECT of Florida** - A nonprofit agency established by the legislature to market products produced by persons with disabilities to be purchased by government entities.
- U. **Single (Sole) Source Purchases** - A commodity or contractual service that is available from only one (1) source. Such purchases are exempt from the competitive solicitation process. Single sources with an anticipated cost which meets or exceeds Category Two (\geq \$35,000) will require review and approval of the Tallahassee Purchasing Office. **A single source may not be renewed.**
- V. **State Term Contracts (STC)** - Mandatory agreements issued and administered by DMS with specific vendors for commodities and/or contractual services for use by state agencies and other eligible users.
- W. **State Purchasing Card (P-Card)** - A non-revolving credit card, with restrictions, issued to State of Florida employees to use for the purchase of commodities and contractual services. The P-Card shall be issued by the Purchasing Card Administrator in conjunction with the Department of Financial Services administration and oversight guidelines. Purchases of contractual services which meet or exceed Category Two (\geq \$35,000) shall be supported by a written agreement or purchase order.
- X. **Vendor Bid System (VBS)** - Refers to the Internet-based system on the MyFlorida.com website established by DMS to publicly advertise a formal invitation to bid, requests for proposals, requests for information, invitation to negotiate, and other agencies' actions or decisions.

4.1.2 General Guidelines

The type of commodity or services, the type of agreement and/or payment mechanism, the contractor, and the estimated dollar value of the purchase are some of the major factors when determining the method of procurement and/or the statutory authority.

The methods utilized by FWC to administer a purchase may include a MFMP purchase order, a formal written contract or a P-Card.

Prior to making a purchase for property (i.e. desks, vehicles etc.) employees will first utilize current surplus property inventories, when practicable. Contact the Asset Management Office for assistance.

Contractual services may be rendered by individuals and/or vendors who are considered independent contractors and are not performing the duties of an authorized FWC position. All purchases will be in the best interest of the FWC and to the State.

4.1.3 Purchasing Categories, Thresholds and Requirements

A. Purchasing Categories (Section 287.017, F.S.)

- Category One: \$20,000.00
- Category Two: \$35,000.00
- Category Three: \$65,000.00
- Category Four: \$195,000.00
- Category Five: \$325,000.00

B. Threshold Requirements:

- **(\$0 - \$2,499):** Purchases with value below \$2,500 shall be carried out using good purchasing practices. Such practices include, but are not limited to the receipt of written quotes or records of telephone quotations. Written quotes or records of telephone quotations should be obtained whenever possible.
- **(\$2,500 - \$34,999):** Purchases which meet or exceed \$2,500, but are less than Category Two, written records of a minimum of two (2) written or telephone quotes are required. The quote shall include the name and address of each respondent and the amount quoted. If quotes were solicited, however less than two quotes were received, a justification must be included in the supporting documentation and in the comments of the MFMP purchase requisition or with the P-Card backup documentation. If the agency determines that commodities or contractual services are available only from a single source, or that conditions warranted negotiation on the best terms and conditions, the conditions and circumstances used to determine the procurement method shall be included in the supporting documentation or in the comments of the MFMP purchase requisition and P-Card backup documentation.

- **(\$35,000 or Greater):** Purchases with a total contract value of \$35,000 or greater, unless exempt by statute, shall be made by utilizing a formal competitive solicitation (ITB, RFP or ITN). No purchase may be divided into two (2) or more purchases or by blanket purchase order for the purpose of avoiding the competitive requirements. The subsequent contract shall include the respondent's submittal, solicitation page including the term, bid tab and award letter.
- **(\$65,000 or Greater):** Purchases with a total contract value of \$65,000 or greater, must be reviewed by the Legal Office.

4.1.4 Approving Authority

Please refer to Purchasing Manual for approving authorities and dollar thresholds.

4.1.5 Methods of Procurement

The following Methods of Procurement shall be used to procure commodities and services:

- Agency Term Contract (ATC):** When it is anticipated that products may be needed on a statewide basis and repetitively purchased on a continuing basis throughout the year(s), the establishment of an ATC should be considered. The FWC executes an ATC for use by all Divisions/Offices (D/Os). Use of the ATC may be mandatory by the FWC and will include the assignment of a Florida Certified Contract Manager.
- State Term Contract (STC):** DMS administers all STC for agencies and eligible users to utilize. These contracts have been deemed mandatory, unless determined in writing, that STC commodities or contractual services will not meet the agency's needs and that it is therefore necessary to purchase the commodity(ies) or contractual services or additions thereto from another source. This written justification must be due to one of the following reasons:
 - commodity(ies) or contractual services cannot meet the specified delivery requirements needed;
 - commodity(ies) or contractual services cannot meet the need for compatibility with existing equipment or systems; or
 - commodity(ies) or contractual services do not meet the agency-required specifications, quality levels or technical requirements.
- Alternate Contract Source (ACS):** The FWC may purchase commodities and services from contracts competitively procured and issued by other governmental entities (i.e. Federal government, another state agency, or a political subdivision). All requests for an ACS must be reviewed and approved by the Tallahassee Purchasing Office as well as DMS. The Tallahassee Purchasing Office will notify the requestor once the ACS has been fully approved. Approvals shall be contingent upon, but not limited to, if the request is cost effective and in the best interest of the FWC, in lieu of issuing a competitive solicitation. DMS provide a current list of [DMS Approved ACS](#) on their website. When submitting the ACS request to the Tallahassee Purchasing Office the following documentation must be included:

- The original contract, which includes specific language authorizing other governmental agencies to make purchases from the contract with the vendor's consent (i.e. cooperative purchasing language);
- The ACS was established by another governmental entity through a competitive process; and
- PUR 7102 form Agency Request for Review of Alternate Contract Source.

D. Request for Information (RFI):

- The FWC may initiate the RFI process as an informal method to gather information, poll vendors, and assist in determining specifications or a scope of work.
- No contract can result from an RFI.
- Vendors who respond to the RFI may participate in a future competitive solicitation should the FWC issue one.
- RFIs may be advertised on the VBS, but it is not mandatory.
- RFIs may also be advertised in newspapers and/or minority publications as a means to reach target audiences.

E. Formal Competitive Solicitations:

- Purchases exceeding Category Two (\geq \$35,000) and available from multiple sources must be competitively procured.
- There are three types of formal competitive solicitations:
 - Invitation to Bid (ITB)
 - Request for Proposal (RFP)
 - Invitation to Negotiate (ITN)
- All formal competitive solicitations shall be processed and facilitated by the Tallahassee Purchasing Office and reviewed by the FWC Legal Office and reviewed by the FWC Legal Office.

F. Urgent or Emergency Purchase: When a commodities or contractual services is necessary due to an urgent/emergency situation and there's no time to obtain quotes, or issue a competitive solicitation. The thresholds and processes related to urgent or emergency purchases are outlined in the Purchasing Manual.

G. Single (Sole) Source (Informal or Formal): A single source purchase is defined as a commodity or service available only from one source and therefore cannot be competitively procured, and is exempted from the competitive solicitation process. Single source requests shall be reviewed and approved as followed: **Note: The Tallahassee Purchasing Office shall review, advertise and post all formal sole source requests.**

- **\$34,999.99 or below (Informal)** - Supporting purchasing office (i.e. Tallahassee Purchasing Specialist, Regional Purchasing Director or Business Manager),
- **\$35,000.00 or above (formal)** - Tallahassee Purchasing Director
- **\$500,000 or above** - Chief Operating Officer

The process and guidelines related to single source purchases is outlined in the Purchasing Manual.

H. PRIDE: As required by statute, if a commodity or service is manufactured, grown or produced in a Florida Correctional Work Program it shall be purchased from PRIDE. To find out more about what products and services are available from PRIDE go to: [PRIDE](#)

- I. **RESPECT:** As required by statute, any commodities or contractual services that are produced by nonprofit, community-based organizations, employing Florida citizens with disabilities (RESPECT), shall be purchased from that entity. To find out more about what products are available from [RESPECT](#).

4.1.6 Exemptions to Competitive Solicitation Procurement

In accordance with Section 287.057(3)(e) F.S. there are exemptions to competition for certain commodities or contractual services that meet or exceed Category Two (\geq \$35,000). However, competition is encouraged when possible. Some commonly used exemptions include:

- Artistic Services
- Lectures
- Legal Services
- Academic program reviews if the fee for such services does not exceed \$50,000
- Health Services
- Commodities or contractual services are provided by other governmental entities; or when commodities or services are available from an independent, nonprofit college or university that is a member of the Southern Association of Colleges and Schools; when the state or federal law prescribes with whom the agency must contract or if the rate of payment is established in the General Appropriations Act (GAA).

4.1.7 Disallowed Purchases

In accordance with the [Reference Guide on State Expenditures](#), the following are identified as Prohibited Expenditures. For the purpose of this IMPP these will be called “Disallowed Purchases”. FWC may only purchase items necessary to carry out statutory duties and should select items on economically prudent and cost-effective basis. Do not procure commodities and services to satisfy personal preference. Disallowed purchases include, but are not limited to:

- Congratulatory or condolence telegrams
- Greeting Cards
- Plants, flowers, pictures, plaques, statues, globes and other decorative items except those associated with fixed capital outlay projects or an approved awards program
- Entertainment, unless specifically allowed by Florida Statute
- Refreshments, unless specifically allowed by Florida Statute
- Convenience appliances (unless necessary in order for a state to carry out a statutory duty for which a justification must be provided) including, but not limited to, heaters, fans, refrigerators, stoves, microwaves, dishwashers, coffee makers and smoke filters
- Items not purchased in accordance with applicable federal, state or local laws and ordinance.

4.1.8 After-the-Fact (ATF) Purchases

If a commodity has been received or a service has been rendered less than Category Two (< \$35,000) without the creation of a MFMP requisition, an After-The-Fact purchase requisition may be submitted for approval to the supporting purchasing office using the following criteria:

- A. The MFMP requisition must include “ATF” in the title.
- B. The description must begin with “For Payment Purposes Only” and then identify what commodity or service was procured.
- C. The justification as to why a purchase order was not issued prior to receipt of the commodities or contractual services being rendered, and what actions will be taken in the future to ensure it does not happen again must be included in the comment section of the requisition.

If commodities or services, meet or exceed Category Two (\geq \$35,000) and have been received or rendered prior to the execution of a purchase order or formal contract, a Settlement Agreement will be required. Please refer to the Purchasing Manual-Settlement Agreement.

4.1.9 Blanket Purchase Orders

A Blanket Purchase Order is an agreement under which the FWC contracts with a vendor to provide an item or group of items, ordered on an as-needed basis. Blanket Purchase Orders are subject to the following guidelines and limitations:

- A. The total amount of a blanket purchase order cannot meet or exceed Category Two (\geq \$35,000) for any given fiscal year, unless it is the result of a competitive solicitation or exempt by a statutory exemption.
- B. Blanket Purchase Orders may not exceed the last day of the fiscal year.
- C. Purchase requisitions for blanket purchases must contain the established term and pricing verification.
- D. Blanket Purchase Orders cannot be utilized for OCO items.
- E. Authorized Users

4.1.10 Copiers

When leasing a copier, standard agency procedures apply such as ensuring the appropriate equipment is utilized to meet the needs of the D/O. The following shall also apply:

- A. The [DMS State Term Contract](#) shall dictate the cost and term to lease copier equipment.
- B. FWC staff are prohibited from signing vendor’s agreements unless first reviewed and approved to do so by the FWC’s Legal Office. This process would be initiated through the Tallahassee purchasing office.
- C. MFMP purchase orders are the preferred tool to issue copier leases. However, a P-Card may be utilized. The P-Card backup documentation must include the same information as would be included on a purchase order: the quantity, equipment specifications, term and authorized user(s) (the authorized user(s) is the person(s) who may contact the vendor for maintenance).

4.1.11 Information Technology Purchases

Information technology related purchases require the review of the Office of Information Technology (OIT):

- A. MFMP Purchase Orders: a special approver will be designated in the MFMP approval flow for all information technology purchases. This approver is hard coded in MFMP and is driven by the commodity code of the purchase. Please refer to the SharePoint page for [OIT](#) purchases.
- B. P-Card Purchases: it is the cardholder's responsibility to obtain OIT approval for information technology purchases, prior to the purchase. If approval is not obtained the cardholder must refrain from the purchase. The OIT approval must be included with P-Card back-up documentation.

4.1.12 Equipment Leases

The requestor is responsible for evaluating and maintaining documentation to support and ensure the lease of equipment is economically prudent and cost-effective.

- A. If the lease of equipment is anticipated to meet or exceed Category Two (>\$35,000), the D/O must complete the DFS [Checklist for Requesting DFS Approval to Lease Equipment](#) and send to the Tallahassee Purchasing Office for review and submittal to DFS.
- B. If approved by DFS, the approved form must be attached to the MFMP requisition.

4.1.13 Operating Capital Outlay (OCO) and Capitalizing Property

The state may base OCO purchases on the cost of the functional unit. A functional unit is a collection of items purchased at the same time that you must combine or use together for a certain purpose.

When purchasing OCO or capitalizing property, the following shall apply:

- Capital assets should be reported at historical costs.
- The cost of a capital asset should include ancillary charges necessary to place the asset into its location and condition for use. Ancillary charges include the costs that are directly attributable to asset acquisition – such as freight and transportation charges, site preparation costs, and professional fees.
- Donated capital assets should be reported at their fair value at the time of acquisition plus ancillary charges, if any.
- When the historical cost of a capital asset is not practicably determinable, the estimated historical of the asset should be determined by appropriate methods and recorded. Estimated historical costs and the basis of determination should be so identified in record.
- Any improvements made to a capital asset that extends the useful life of the asset beyond one year should be capitalized.

Please refer to [Florida Administrative Code 69I-72](#), [Chief Financial Officer Memorandum No. 5](#) (2011-2012) and [IMPP 5.8 Property](#) for further guidance and requirements for state-owned tangible personal property.

Improvements to leasehold property, not insured by the FWC that will revert to the lessor upon termination of the lease, are not capitalized in the property records when the total project cost is less than **\$5,000**. These items should be purchased with Expense funds and will be identified as "to be used on leased property" on the MFMP requisition. Examples of OCO vs. Expense expenditures include, but are not limited to, the following:

- Rigging of new boats and motors is an OCO expenditure. To repair or replace existing rigging is an Expense expenditure.
- A new or additional drain field on state-owned land is an OCO expenditure. Repairing or replacing an existing drain field is an Expense expenditure. A drain field on leased land is considered an Expense expenditure if total cost is less than \$5,000.
- New fencing is an OCO expenditure. Repairing or replacing an existing fence is considered an Expense expenditure.
- A new fence for leased land is an Expense expenditure if total cost is less than \$5,000.
- A security system for a mobile office building on leased land is an OCO expenditure.

4.1.14 Maintenance Agreements

A maintenance agreement is a service and/or repair contract for an equipment item, or group of related items, for a specified term for a fixed price. Careful consideration will be exercised regarding the economic benefits of the purchase of maintenance agreements. Maintenance agreements must conform to competitive purchasing limits and purchasing thresholds as outlined in this IMPP.

4.1.15 FWC Surplus Property – Purchase, Exchange or Trade-In

Refer to [IMPP 5.8](#) (Section 5.8.5).

4.1.16 Requisition Procedures and Special Approvals

Refer to the Purchasing Manual-Requisition Procedures

4.1.17 State Purchasing Card Program (P-card)

All purchases made using the P-Card shall comply with all statutes, rules, guidelines and [IMPP 4.4 Use of State Purchasing Card](#).

4.1.18 Supportive Resources

- A. SharePoint Site for [Tallahassee Purchasing Office](#)
- B. Code of Ethics – [IMPP 6.44](#)
- C. Website for the [Department of Management Services](#)
- D. Department of Financial Services – [Reference Guide on State Expenditures](#)
- E. Department of Financial Services – [CFO Memorandums](#)

FORMS

FORM NUMBER	FORM TITLE
None	None

Approved: **Eric Sutton**
Nick Wiley, Executive Director or Designee

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