



## Department of Environmental Protection Office of Inspector General

May 13, 2022

Report A-2122DEP-004

### ***Contract Procurement Audit***

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#### ***INTRODUCTION***

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As part of the *Office of Inspector General 2021-2022 Work Plan*, our office conducted a compliance audit of the Department of Environmental Protection's (Department) contract procurement procedures. This audit satisfies the requirements of House Bill 1079, passed during the 2020-2021 Legislative Session, which amended section 287.136, Florida Statutes (F.S.), to require a periodic risk-based compliance audit of all contracts executed by a state agency to identify any trends in vendor preferences.

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#### ***BACKGROUND***

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The state's purchasing laws are designed to promote fair and open competition in the public procurement process. The goal is to reduce the appearance and opportunity for favoritism and foster public confidence that contracts are awarded equitably and economically.

Section 287.136(2), F.S., requires that, beginning October 1, 2021, and every 3 years thereafter, each agency inspector general complete a risk-based compliance audit of all contracts executed by the agency for the preceding 3 fiscal years. The audit must include an evaluation of, and identify any trend in, vendor preference.

Chapter 287, F.S., establishes agency procurement requirements for commodities and services. These requirements are further outlined under Chapter 60A-1, Florida Administrative Code (F.A.C.). The Department's procurement function is primarily managed through the Division of Administrative Services (DAS) Bureau of General Services (BGS). However, the following program areas manage their own procurement activities.

- Division of Waste Management (DWM) Petroleum Restoration Program (PRP)
- Division of Recreation and Parks (DRP) Bureau of Design and Construction (BDC)
- DRP Bureau of Natural and Cultural Resources (BNCR) (timber sale contracts)
- DRP Bureau of Operational Services (BOS) (concession contracts)
- Leases managed through Division of State Lands (DSL) and DAS
- DSL Bureau of Appraisal

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Between July 1, 2018 and June 30, 2021, the Department executed 1,683<sup>1</sup> contracts totaling \$507,030,203.33 and 21,701 purchase orders totaling \$389,519,737.74. The method of procurement for these contracts and purchase orders as documented in the Florida Accountability Tracking System (FACTS) are outlined in Appendix B.

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### RESULTS OF AUDIT

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We reviewed all contracts and purchase orders in groups by the method of procurement and selected a judgmental sample of 31 contracts and 57 purchase orders for detailed testing, with respect to the documented procurement method or exemption.

#### **FACTS, Section 215.985, F.S.**

As part of the Transparency Florida Act established under Section 215.985, F.S., Department contracts and procurement documents are required to be posted in the FACTS, which is maintained by the Department of Financial Services (DFS). Documents in the FACTS are available to the public. Purchase orders issued through MyFloridaMarketPlace<sup>2</sup> (MFMP) are automatically uploaded to the FACTS when executed. Department procurement staff upload contract documents not executed through MFMP. During our audit, we noted that many contracts and related documents were not maintained accurately or consistently in the FACTS as required by Section 215.985(14)(a), F.S.

#### **Multiple Award Procurement**

Chapter 287, F.S., establishes agency procurement requirements for commodities and services. These requirements are further outlined under Chapter 60A-1, F.A.C. Within our audit sample, several of the contracts and purchase orders were procured by the Department through a competitive solicitation which resulted in multiple contracts being awarded within the same region and/or statewide. Certain Department programs, such as the DWM PRP and the DSL Bureau of Appraisal have authority to enter into multiple agency term contracts under their program specific rules.

#### **Agency Requirements: FACTS Section 215.985(14)(a), F.S.**

*Within 30 calendar days after executing a contract, each state entity shall post the following information relating to the contract on the contract tracking system:*

1. *The names of the contracting entities.*
2. *The procurement method.*
3. *The contract beginning and ending dates.*
4. *The nature or type of the commodities or services purchased.*
5. *Applicable contract unit prices and deliverables.*
6. *Total compensation to be paid or received under the contract.*
7. *All payments made to the contractor to date.*
8. *Applicable contract performance measures.*
9. *If a competitive solicitation was not used to procure the goods or services, the justification of such action, including citation to a statutory exemption or exception from competitive solicitation, if any.*
10. *Electronic copies of the contract and procurement documents that have been redacted to exclude confidential or exempt information.*

#### **Powers, Duties, and Functions of DMS Section 287.042(13), F.S.**

*(13) If the department [DMS] determines in writing that it is in the best interest of the state, to award to multiple suppliers contracts for commodities and contractual services established by the department [DMS] for use by all agencies. Such awards may be on a statewide or regional basis. If regional contracts are established by the department [DMS], multiple supplier awards may be based upon multiple awards for regions. Agencies may award contracts to a responsible and responsive vendor on a statewide or regional basis.*

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<sup>1</sup> This amount does not include Department grant agreements, memorandum of understanding agreements, multiagency participation agreements, or settlement agreements.

<sup>2</sup> MyFloridaMarketPlace is the online procurement processing system for the State of Florida.

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Outside of program specific rules, the practice of making multiple awards under one competitive solicitation has historically been a common practice. However, Chapter 287, F.S. and Chapter 60A-1, F.A.C. do not clearly state that agencies have this authority. From correspondence received from the DMS, Division of State Purchasing management advised that there is no language in Section 287.042, F.S., that restricts state agencies from issuing multiple awards for competitive solicitations. Based on our review, this is an area in which the Department is exposed to risk for vendor preference.

### Competitive Procurement Exemptions

Many of the Department's contracts and purchase orders are exempt from competitive procurement by the Department. Of the total 1,683 contracts executed during the audit period, 1,434<sup>3</sup> (85%) were documented in the FACTS as being exempt from competitive procurement by the Department. Of the total 21,701 purchase orders executed during the audit period, 11,872<sup>4</sup> (55%) were documented in the FACTS as being exempt from competitive procurement by the Department.

#### PRP Low Score Site Initiative (LSSI) Chapter 62-772.401(1), F.A.C.

Of the 1,434 contracts executed with procurement exemptions, 1,269 (89%) of these were work orders executed for LSSI under the DWM PRP. Per Chapter 62-772.401(1), F.A.C., a property owner or responsible party (participant) eligible for funding for remediation of petroleum contamination may select a Department agency term contractor for the assessment.

We sampled four work orders and verified documentation that the participant had designated the chosen agency term contractor. In accordance with Section 376.3071(12), F.S., the Department will pay for assessment costs up to \$35,000<sup>5</sup>. We verified that none of the contracts exceeded this amount. During the audit period, the

### Chapter 287 F.S. Exemptions from Procurement Adopted Under Chapter 60A-1.002(4), F.A.C.

*In accordance with Chapter 287, F.S., all purchases for which the total contract value is in excess of the threshold amount for Category Two for a commodity or group of commodities or contractual service shall be made by first securing formal competitive solicitations, unless an exemption applies. The following purchases are not subject to competitive solicitation requirements.*

- a. *Regulated Utilities and government franchised services.*
- b. *Regulated Public communications, except long distance telecommunications services or facilities.*
- c. *Artistic services, which include any artistic work performed by an artist, as defined in Section 287.012(3), F.S., including cases in which the acquisition requires that the artist furnish a commodity created through the artistic work.*
- d. *An academic program review, defined as a structured evaluation of the relative merits of an established university or secondary educational program or program component conducted by recognized experts in the field of study and resulting in a written report with specific recommendations.*
- e. *Lectures by individuals. A lecture is a formal or methodical reading or presentation on any subject, but it is not intended to be used for the purpose of, or in connection with, training of personnel.*
- f. *Auditing services, which are services provided by a licensee under Chapter 473, F.S., in which the licensee attests as an expert in accountancy to the reliability or fairness of presentation of financial information or utilizes any form of disclaimer of opinion which is intended or conventionally understood to convey an assurance of reliability as to matters not specifically disclaimed.*
- g. *Promotional services and events purchased from donated funds by the Secretary of State for purposes provided in Section 15.18(7), F.S.*
- h. *Payments for membership dues pursuant to Section 216.345, F.S.*
- i. *Examinations approved in accordance with Section 455.217(1)(c), F.S.*
- j. *Adoption placement services licensed by the Department of Children and Family Services.*
- k. *Other purchases identified in Section 287.057(5)(f), F.S.*
- l. *Purchases from alternate contract sources, pursuant to Section 287.042(16), F.S.*
- m. *Purchases made by agencies pursuant to Section 287.056(1), F.S., from state term contracts competitively procured by the Department [DMS].*

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<sup>3</sup> Cited exemptions for contracts are listed in Appendix B. These exemptions also include emergency services, single source purchases, and purchases from state term contracts.

<sup>4</sup> Cited exemptions for purchase orders are listed in Appendix B. These exemptions also include alternate contract source, direct pay to hotel, emergency services, single source purchases, as well as state term purchasing agreements and contracts.

<sup>5</sup> The amount specified in Section 376.3071(12), F.S. differs from the amount stated in Chapter 62-772.401(1), F.A.C.

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1,269 work orders were assigned to 91 different agency term contractors. Of those, 734 (58%) were assigned to four agency term contractors. Since the rule allows the participant to select the agency term contractor, the total amount of work assigned is not subject to competitive procurement. As allowed under the rule, agency term contractors who are effective at proactively soliciting participants can influence the amount of assigned work.

### Alternate Contract Source and State Term Contracts Section 287.057(3)(b), F.S.

Section 287.042(16), F.S., allows the DMS to *evaluate contracts let by the Federal Government, another state, or a political subdivision for the provision of commodities and contract services, and, if it is determined by the Secretary of Management Services in writing to be cost-effective and the best value to the state, to enter into a written agreement authorizing an agency to make purchases under such contract.*

Different categories of alternate source contracts have varying requirements for use. Of the 21,701 purchase orders executed during the audit period, 6,892 (32%) totaling \$26,877,866.36 were procured as an alternate contract source. We sampled six purchase orders which were procured for compliance with Section 287.042(16), F.S. and Chapter 60A-1.002(4)(l), F.A.C. All were approved by the DMS.

Many of the Department's purchases are made without competitive procurement because they are purchased from a state term contract authorized for agency use by the DMS, in accordance with Section 287.042(13), F.S. During the audit period, the Department documented procurement of one contract and 2,613 purchase orders totaling \$52,153,111.13 from state term contracts. These included purchases for:

- Services provided by authorized correctional work programs
- Services provided by non-profit corporations providing employment for the blind and other severely handicapped
- Construction management services
- Motor vehicles and equipment
- Uniforms and clothing
- IT services

We reviewed a sample of one contract and six purchase orders documented as state term contract. Based on our review, all were approved and applicable to state term contracts.

### State Term Contract and Alternate Contract Source Section 287.057(3)(b), F.S.

*(3) If the purchase price of commodities or contractual services exceeds the threshold amount provided in s. 287.017 for CATEGORY TWO, purchase of commodities or contractual services may not be made without receiving competitive sealed bids, competitive, sealed proposals, or competitive sealed replies unless:*

*(b) The purchase is made by an agency from a state term contract procured, pursuant to this section, by the department [DMS] or by an agency, after receiving approval from the department [DMS], from a contract procured, pursuant to subsection (1), by another agency.*



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### Single Source Purchases Over \$35,000 Section 287.057(3)(c), F.S.

During the audit period, the Department documented four contracts and 62 purchase orders totaling \$7,327,019.26 which were in excess of \$35,000 using a single source justification. We reviewed a sample of one contract and three purchase orders for compliance with Section 287.057(3)(c), F.S. Based on our review, the Department provided justification for the single source and posted the intent to enter into the single source contract as required for all four.

### Single Source Purchases Between \$2,500 and \$35,000 Chapter 60A-1.002(3), F.A.C.

During the audit period, the Department issued 1,398 purchase orders totaling \$13,846,159.08 for commodities or services over \$2,500 but under the threshold for Category Two without receiving two quotes. Of the total, 1,026 purchase orders totaling \$10,128,695.00 (51%) were septic upgrade incentive program services as part of the Florida Springs and Aquifer Protection Act. Under this temporary program, homeowners were allowed to select the contractor used for the septic upgrade. There were 28 vendors that participated in the program. Of the 1026 purchase orders issued, 596 (58%) were awarded to four vendors. From our review of two sampled purchase orders, justification for the conditions and circumstance used to determine the procurement method was documented in the purchase order. The program is currently being managed by counties as a grant program. We sampled two additional purchase orders which documented procurement using single source as justification. One purchase order from a DRP park was for disposal services and included an Emergency/Single Source/Contract Exception Procurement form with the purchase order. The other purchase order was for the DRP BDC for mitigation credits and did not provide justification documentation for the single source.

### Single Source Purchases for Commodities and Services over \$35,000 Section 287.057(3)(c), F.S.\*

*If the purchase price of commodities or contractual services exceeds the threshold amount provided in s. 287.017 for CATEGORY TWO, purchase or contractual services may not be made without receiving competitive sealed bids, competitive sealed proposals, or competitive sealed replies unless:*

- c) Commodities or contractual services available only from a single source may be excepted from the competitive-solicitation requirements. If an agency believes that commodities or contractual services are available only from a single source, the agency shall electronically post a description of the commodities or contractual services sought for at least 7 business days. The description must include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described. If it is determined in writing by the agency, after reviewing any information received from prospective vendors that the commodities or contractual services are available only from a single source, the agency shall provide notice of its intended decision to enter a single-source purchase contract in the manner specified in s. 120.57(3).*

*\*Statutory language in effect during audit period.*

### Single Source Purchases Between \$2,500 and \$35,000 Chapter 60A-1.002(3), F.A.C.

*(3) Purchases which meet or exceed \$2,500, but are less than or equal to the threshold for Category Two may be made using written quotations, written records of telephone quotations, or informal bids to be opened upon receipt, whenever practical. If the agency receives verbal quotations, the name and address of each respondent and the amount quoted shall be a part of the written documentation. If the agency receives less than two quotations, it must include a statement as to why additional quotes were not received. If the agency determines that commodities or contractual services are available only from a single source, or that conditions warrant negotiation on the best terms and conditions, the agency may proceed with the procurement. The agency shall document the conditions and circumstances used to determine the procurement method.*

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### Purchases from Governmental Entities Section 287.057(3)(e)(12), F.S.

During the audit period, 576 purchase orders totaling \$16,954,410.45 were documented as exempt from competitive procurement because the vendor was a governmental entity. Of the sampled purchase orders included in our review, two were documented with this procurement exemption, but were not governmental entities. The vendors were non-profit corporations which are not included under the exemption.

### DRP Concession Contracts Section 258.007(3)(a), F.S.

During the audit period, 91 contracts valued at \$25,379,167.00 were documented as being exempt from procurement under Section 258.007(3)(a), F.S. Through the DRP's BOS, the Department enters into revenue generating contracts for concession services in state parks. Based on discussion with BOS, management advised that the DRP had historically understood concession contracts to be exempt from competitive procurement. However, Section 258.007(3), F.S., does not include concessions in activities that may be made and given without advertisement or securing competitive bids.

#### Powers of DRP Section 258.007(3)(a), F.S.

*(3)(a) The division [DRP] may grant privileges, leases, concessions, and permits for the use of land for the accommodation of visitors in various parks, monuments, and memorials, provided no natural curiosities or objects of interest shall be granted, leased or rented on such terms as shall deny or interfere with free access to them by the public; provided further, such grants, leases, and permits may be made and given without advertisement or securing competitive bids; and provided further, that no grant lease, or permit shall be assigned or transferred by any grantee without consent of the division [DRP].*

### **Competitive Procurement**

During the audit period, the Department documented competitive procurement of 227 contracts at a value of \$414,794,748.82 and 5,588 purchase orders at a value of \$240,320,165.34. We reviewed a sample of contracts and purchase orders by procurement type for compliance with procurement requirements and indications of vendor preference.

#### Invitation to Bid Section 287.057(1)(a), F.S.

### Invitation to Bid Section 287.057(1)(a), F.S.

Of the contracts and purchase orders competitively procured, 148 contracts totaling \$108,714,085.73 and 10 purchase orders totaling \$276,596.56 were documented as invitation to bid. There were also 20 timber sale contracts for which the documented procurement method was *Revenue Generating Procurement*. The contract and procurement documents sampled indicated they were procured through a solicitation of bids. We reviewed a sample of four contracts and four purchase orders for which invitation to bid was applicable. Based on our review, the Department awarded the contract or purchase order to the lowest bid<sup>6</sup> to the Department and followed procurement requirements for invitation to bid

- (a) Invitation to bid. - The invitation to bid shall be used when the agency is capable of specifically defining the scope of work for which contractual service is required or when the agency is capable of establishing precise specifications defining the actual commodity or group of commodities required.*
- 1. All invitations to bid must include:
    - a. A detailed description of the commodities or contractual services sought; and*
    - b. if the agency contemplates renewal of the contract, a statement to that effect.**
  - 2. Bids submitted in response to an invitation to bid in which the agency contemplates renewal of the contract must include the price for each year for which the contract may be renewed.*
  - 3. Evaluation of bids must include consideration of the total cost for each year of the contract, including renewal years, as submitted by the vendor.*
  - 4. The contract shall be awarded to the responsible and responsive vendor who submits the lowest responsive bid.*

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<sup>6</sup> For timber sale contracts which generate revenue, the award was to the highest bid.

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with one exception. One timber sale contract was awarded without competitive solicitation and without sole source or emergency justification.

### Invitation to Bid Section 255.0525, F.S.

We reviewed one contract which the Department documented as being procured as a state construction project on public property under Section 255.0525, F.S. Based on our review, the solicitation was advertised as required and the procurement was documented in accordance with the requirements.

### Request for Proposals Section 287.057(1)(b), F.S.

During the audit period, 73 contracts totaling \$17,115,671.16 and 142 purchase orders totaling \$4,358,385.40 were documented as being procured through a request for proposal. We reviewed a sample of two contracts and seven purchase orders for compliance with Section 287.057(1)(b), F.S. Based on our review, procurement documents for six contained necessary information in accordance with the requirements under Section 287.057(1)(b), F.S. The remaining purchase order was associated with a Department contract procured prior to the audit period.

### Invitation to Negotiate Section 287.057(1)(c), F.S.

During the audit period, three contracts totaling \$275,000,000.00 and 5,434 purchase orders totaling \$235,350,779.01 were documented as being procured through an invitation to negotiate. We sampled three contracts and four purchase orders procured as invitation to negotiate. Based on our review, the Department met the requirements under Section 287.057(1)(c), F.S.

### PRP Procedures for the Competitive Procurement of Contractors and Assignment of Work Chapter 62-772.400, F.A.C.

Of the 5,434 purchase orders documented as invitation to negotiate, 5,403 (99%) were purchase orders related to the DWM PRP remediation activities. These purchase orders represent work assignments under Agency Term Contracts (ATC) that were negotiated prior to the scope of the audit in accordance with Chapter 62-772.400, F.A.C. The rule allows the Department to enter into multiple ATCs for an indefinite quantity of petroleum site rehabilitation services.

### Request for Proposals Section 287.057(1)(b), F.S.

*(b) Request for proposals.—An agency shall use a request for proposals 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. Various combinations or versions of commodities or contractual services may be proposed by a responsive vendor to meet the specifications of the solicitation document.*

1. *Before issuing a request for proposals, the agency must determine and specify in writing the reasons that procurement by invitation to bid is not practicable.*
2. *All requests for proposals must include:*
  - a. *A statement describing the commodities or contractual services sought;*
  - b. *The relative importance of price and other evaluation criteria; and*
  - c. *If the agency contemplates renewal of the contract, a statement to that effect.*
3. *Criteria that will be used for evaluation of proposals must include, but are not limited to:*
  - a. *Price, which must be specified in the proposal;*
  - b. *If the agency contemplates renewal of the contract, the price for each year for which the contract may be renewed;*
  - c. *Consideration of the total cost for each year of the contract, including renewal years, as submitted by the vendor; and*
  - d. *Consideration of prior relevant experience of the vendor.*
4. *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.*

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During the audit period, purchase orders were assigned to 67 vendors who were under an ATC previously awarded by the PRP. The PRP does not seek competitive quotes from contractors for a phase of site rehabilitation unless the estimated amount exceeds the category outlined in Section 287.017, F.S., which is referenced in the PRP ATC Selection Process<sup>7</sup> as Category Five (\$325,000).

According to the PRP ATC Selection Process, purchase orders may be directly assigned by the PRP. Most commonly, if the contractor performed work on a site previously, the continuation of services is directly assigned to the same contractor for continued scope of work. If not previously assigned, a contractor selection formula is used for assignment which includes requesting input from the site owner.

We reviewed a sample of four purchase orders for petroleum site rehabilitation services. All were direct assigned for continuing scope. Two purchase orders exceeded \$325,000. The PRP did not request competitive quotes as specified in rule for these purchase orders.

Appraisal Services Chapter 18-1.007(2), F.A.C. Chapter 18-1.007(2), F.A.C. provides for the acquisition of multiple year contracts. During the audit period, the Department entered into multiple year contracts with 33 appraisal firms. We reviewed a sample of two contracts and verified that both were on the DSL list of approved appraisers. We verified that the ranking criteria used in the acquisition process was consistent with Chapter 18-1.007(2), F.A.C. Rankings were conducted by Bureau of Appraisal staff. Based on correspondence provided by the Chief of the Bureau of Appraisals, final selection of the appraisers was made by the Director, Chief of the Bureau of Land Acquisition, and Chief of the Bureau of Appraisals. We reviewed one purchase order for a specific appraisal assignment. Based on our review, the appraiser was

### Petroleum Restoration Program Procedures for the Competitive Procurement of Contractors and Assignment of Work Chapter 62-772.400, (1)–(5) F.A.C.\*

(1) *The Department will use the procedures specified in Section 287.057, F.S., and in this Chapter to competitively procure services for petroleum contaminated site response actions for the Early Detection Incentive Program (EDI) pursuant to Section 376.3071(9), F.S., the Petroleum Liability and Restoration Insurance Program (PLRIP) pursuant to Section 376.3072(2), F.S., the Abandoned Tank Restoration Program (ATRP) pursuant to Section 376.305(6), F.S., the Innocent Victim Petroleum Storage System Restoration Program (IVPSSRP) pursuant to Section 376.30715, F.S., and for petroleum contamination sites under a consent order (also known as hardship or indigent sites) defined in Section 376.3071(7)(c), F.S.*

(2) *Agency Term Contracts. The Department will use an invitation to bid, request for proposal, or invitation to negotiate, as described in Section 287.057, F.S., to enter into multiple agency term contracts to retain Contractors to conduct an indefinite quantity of petroleum site rehabilitation services on a task assignment basis over the contract period. The Department will specify, in the solicitation, whether the solicitation for agency term contractors is limited to specific regions of the state or is statewide.*

(3) *Assignment of Work to Agency Term Contractors. In order to seek additional value and be consistent with subsection 60A-1.043(2), F.A.C., (6-21-04) <http://www.flrules.org/Gateway/reference.asp?No=Ref-03575>, hereby adopted and incorporated by reference, the Department will specify in all agency term contracts a dollar threshold based on the categories in Section 287.017, F.S., above which the Department will request quotes from agency term contractors for a phase of site rehabilitation.*

(4) *When the Department determines that direct assignment or requesting quotes from agency term contractors under subsection 62-772.400(3), F.A.C., will not provide the best value to the state, the Department will use an invitation to bid, request for proposal or invitation to negotiate as described in Section 287.057, F.S., to enter into a definite quantity contract to perform services at a petroleum contaminated site.*

(5) *Responsible Party Input. The Department will notify the responsible party in writing when its site comes up in the priority order for site rehabilitation. Within 30 days of receipt of notification, the responsible party shall respond to the Department indicating whether they desire to provide input to the Department in the rehabilitation process for their site.*

*\*(5) cited in part*

<sup>7</sup> The ATC's contain a reference to the PRP's ATC Selection Process available at <https://floridadep.gov/waste/petroleum-restoration/content/atc-work-assignment-and-contractor-selection>.



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on the list of approved appraisers. The DSL received three quotes for the assignment and the awarded vendor submitted the lowest quote.

### **Additional Requirements under Section 287.057, F.S. and Chapter 60A-1, F.A.C.**

#### Receiving Less Than Two Responses to a Solicitation Section 287.057(6), F.S.

Of the competitively procured contracts and purchase orders in our sample, competitive solicitation was applicable for two contracts and one purchase order in which only one vendor provided a response. However, the reasons that such action was in the best interest of the state in lieu of resoliciting competitive sealed bids, or replies was not documented in the procurement files provided. In addition, the Department did not report this information to the DMS on a quarterly basis as required.

#### Contracts in Excess of Threshold for Category Four Section 287.057(17)(a)-(b)(1), F.S.

Within our sample, four contracts and one purchase order were valued in excess of Category Four (\$195,000) and were subject to the requirements for proposals and negotiation under Section 287.057(17)(a)-(b)(1), F.S. Based on our review, the Department head or designee had approved the evaluation committee for two of the contracts and the purchase order. Further, one which was in excess of \$1 million included a certified contract negotiator on the team. Two concession contracts were procured without this appointment.

#### Vendor Information Portal<sup>8</sup> Chapter 60A-1.021, F.A.C.

All of the competitive solicitations included in our sampled contracts and purchase orders were posted in the Vendor Information Portal (VIP) with the exception of the DRP's timber sale and concession contracts. The DRP allows an external contractor to solicit bids for timber sales. As a result, invited participants are at the discretion of the contractor.

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<sup>8</sup> The Vendor Information Portal was previously identified in Chapter 60A-1.021, F.A.C. as Vendor Bid System.

### **Receiving Less Than Two Responses Section 287.057(6), F.S.**

*(6) If less than two responsive bids, proposals, or replies for commodity or contractual services purchases are received, the department [DMS] or other agency may negotiate on the best terms and conditions. The department [DMS] or other agency shall document the reasons that such action is in the best interest of the state in lieu of resoliciting competitive sealed bids, or replies. Each agency shall report all such actions to the department [DMS] on a quarterly basis, in a manner and form prescribed by the department [DMS].*

### **Contracts in Excess of the Threshold for Category Four Section 287.057(17)(a)-(b)1, F.S.**

*(17)(a) For a contract in excess of the threshold amount provided in s. 287.017 for CATEGORY FOUR, the agency head shall appoint:*

- 1. At least three persons to independently evaluate proposals and replies who collectively have experience and knowledge in the program areas and service requirements for the commodity or contractual services sought.*
- 2. At least three persons to a negotiation team to conduct negotiations during a competitive sealed reply procurement. The negotiation team members must collectively have experience and knowledge in negotiating contracts, contract procurement, and the program areas and service requirements for the commodity or contractual services sought.*

*(b) 1. If the value of a contract is in excess of \$1 million in any fiscal year, at least one of the persons conducting negotiations must be a certified contract negotiator.*

### **Electronic Posting of Solicitations, Decisions, or Intended Decisions Chapter 60A-1.021, F.A.C.**

*(1) The Department has designated the Florida Vendor Information Portal at <https://vendor.myfloridamarketplace.com> as the state's centralized procurement website for electronic posting of agency solicitations, decisions or intended decisions.*

*(2) All agency decisions or intended decisions shall be electronically posted on the VIP. All competitive solicitations issued by agencies shall be electronically posted on the VIP for at least 10 calendar days prior to the date for receipt of responses, unless the Department or other agency determines in writing that a shorter period of time is necessary to avoid harming the interests of the state.*

***FINDINGS AND RECOMMENDATIONS***

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**Finding 1: Compliance with Section 215.985(14), F.S. *Transparency in Government Spending***

As part of the Transparency Florida Act established under Section 215.985, F.S., Department contracts and procurement documents are required to be posted in the FACTS, which is maintained by the DFS. Documents in the FACTS are available to the public. During our audit, we noted that many contract documents were not being maintained accurately or consistently in the FACTS as required under of Section 215.985(14)(a), F.S.

With respect to the 31 sampled contracts and 57 sampled purchase orders reviewed during our audit, we noted the following:

- 15 contracts and 18 purchase orders were competitively procured.
- Of the 15 contracts, procurement file documents for three were uploaded to the FACTS within 30 days and 12 were not. Of the 12, procurement solicitation documents for five were uploaded during our audit.
- Of the eight contracts with procurement documents uploaded in the FACTS, three included only the procurement solicitation document.
- Of the 31 contracts and 57 purchase orders reviewed, the documented procurement method or listed exemption was incorrect for 12 contracts and 13 purchase orders.
- Of the 12 contracts with an incorrect procurement method documented in the FACTS, five documented an exemption which was not applicable to the contract.
- Of the 13 purchase orders with an incorrect procurement method documented in the FACTS, five documented an exemption which was not applicable to the purchase.
- The referenced authority for the procurement method of 11 contracts and six purchase orders was not correctly cited.

With the exception of program areas that manage their own procurement function, program area contract management generally prepares a FACTS workbook with pertinent contract information and submits it to the BGS staff for manual entry in the FACTS.

**Recommendation**

We recommend the DAS BGS establish additional oversight and training for program and procurement staff providing and entering information in the FACTS in order to ensure Department contracts are entered accurately and in compliance with Section 215.985, F.S.

**DAS Response**

*The Division agrees with the recommendation for additional oversight and training. The Bureau of General Services (BGS) will begin updating internal processes which will be used when entering contract information in FACTS to include the procurement file for*

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*competitively procured solicitations. In addition, the FACTS Workbook is being updated to provide additional instructions and clarity for program areas, to include program statutory authority and procurement methods.*

*Note: Regarding some of the incorrect citation references for POs in FACTS, we did discover an issue within the two reporting systems (MFMP and FACTS). Due to recent changes in Chapter 287, F.S., some citation references are not being updated through the automated process which has created a discrepancy in the referenced authority for procurement methods between the two systems. BGS will notify the Department of Financial Services requesting the Validation Codes for Method of Procurement be updated to reflect statute changes which should correct the citation discrepancies.*

**Finding 2: Exemptions from Competitive Procurement for Government Entities**

Under Section 287.057(3)(e)(12), F.S., services or commodities provided by government entities are not subject to competitive procurement requirements. Of the sampled purchase orders, two were documented as government entities exempt from competitive procurement. However, both were non-profit corporations which do not qualify for the exemption. Of the two purchase orders, one was from the DRP for a Park exhibit and the other was from DWM for an amnesty day recycling event.

**Recommendation**

We recommend the DAS BGS provide additional oversight over Department purchases documented as government entities exempt from competitive procurement. This exemption should only include purchases to applicable government entities.

**DAS Response**

*The Division agrees with the recommendation and BGS has updated their internal review process to include additional oversight with supervisory review for these purchases.*

**Finding 3: DRP Concession Contracts**

*Section 258.007(3)(a), F.S., states the DRP may grant privileges, leases, concessions, and permits for the use of land for the accommodation of visitors in various parks, monuments, and memorials, provided no natural curiosities or objects of interest shall be granted, leased or rented on such terms as shall deny or interfere with free access to them by the public; provided further, such grants, leases, and permits may be made and given without advertisement or securing competitive bids; and provided further, that no grant, lease, or permit shall be assigned or transferred by any grantee without consent of the division [DRP].*

During the audit period, 91 concession contracts were executed by the DRP. The DRP documents an exemption from procurement for concession services under Section 258.007(3)(a), F.S. Based on discussion with the BOS, management advised that the DRP had historically understood concession contracts to be exempt from competitive procurement under this statute. However, the statute does not include concessions in activities that may be made and given without advertisement or securing competitive

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bids. We sampled two concession contracts executed during the audit period. In both the sampled contracts, the DRP had advertised a Call for Business Plans<sup>9</sup> in soliciting proposals for concession services. Based on our review of procurement documents, these Call for Business Plans solicitations did not follow requirements for procurement under Section 287.057, F.S. and Chapter 60A-1, F.A.C.

Upon inquiry, the BOS management indicated that a Call for Business Plans is used for executing some concession contracts but not others. Management advised that the concession contracts were revenue generating contracts which were not subject to procurement requirements under Section 287.057, F.S. Section 287.057, F.S. is used for the competitive solicitation processes for *procurement of commodities or contractual services in excess of the threshold amount provided for CATEGORY TWO in s. 287.017*. The threshold category for competitive solicitation is not distinguished under the statute as only applying to anticipated expenditures. Revenue generating activities have an inherent value and opportunity cost to the state.

### **Recommendation**

To ensure concession contracts provide the best value to the state and promote transparency in procurement, we recommend the DAS work with the DRP to ensure procurement of all concession contracts are competitively solicited consistent with the Department's solicitation process and meet the requirements outlined in Section 287.057, F.S. and Chapter 60A-1, F.A.C.

### **DRP Response**

*Division staff will review the finding and consult with the Division of Administrative Services and the Office of General Counsel to evaluate our procedures.*

### **Finding 4: PRP Competitive Quotes**

Of the 5,434 purchase orders documented as invitation to negotiate, 5,403 (99%) were purchase orders related to the DWM PRP remediation activities. These purchase orders represent work assignments under ATC's negotiated prior to the scope of the audit and in accordance with Chapter 62-772.400, F.A.C. Chapter 62-772.400(3), F.A.C., states in part, *In order to seek additional value and be consistent with subsection 60A-1.043(2), F.A.C., (6-21-04) <http://www.flrules.org/Gateway/reference.asp?No=Ref-03575>, hereby adopted and incorporated by reference, the Department will specify in all agency term contracts a dollar threshold based on the categories in Section 287.017, F.S., above which the Department will request quotes from agency term contractors for a phase of site rehabilitation.*

During the audit period, purchase orders were assigned to 67 vendors who were under an ATC previously awarded by the PRP. The PRP does not seek competitive quotes from contractors for a phase of site rehabilitation unless the estimated amount exceeds the category outlined in Section 287.017, F.S., which is referenced in the PRP ATC Selection Process as Category Five (\$325,000).

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<sup>9</sup> Call for Business Plans is the process the DRP BOS uses when the decision is made to solicit proposals for contracted park concession activities.



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We reviewed a sample of four purchase orders for petroleum site rehabilitation services. All were direct assigned for continuing scope. Two purchase orders exceeded \$325,000. The PRP did not request competitive quotes as specified in rule for these purchase orders. Purchase orders for construction activities generally add a funding line item (23-1) as Contingent Funding Allowance for Field Change Orders. The PRP ATC Selection Process includes a statement that the *\$325,000 threshold excludes costs for line item 23-1 Contingent Funding Allowance for Field Change Orders*. According to the PRP Environmental Administrator, contingent funding is added to purchase orders for construction as a means for efficient change orders necessary as identified in the field. Excluding this part of the purchase order price in the threshold for soliciting quotes has been a historical practice.

The PRP's decision to exclude purchase orders in excess of Category Five from being subject to a request for quote is inconsistent with requirements under Chapter 62-772.400(3), F.A.C. The rule does not contain a provision for the exclusion of the portion of purchase order funding designated as contingent funding.

### **Recommendation**

We recommend the PRP adhere to the requirements of Chapter 62-772-400(3), F.A.C. with respect to the required threshold for competitive quotes. In order to comply with the rule, the PRP should either remove contingent funding from its purchase orders or discontinue the exclusion of budgeted contingent funding from the threshold amount requiring a request for quote.

### **DWM Response**

*Per the OIG's recommendation, the PRP has discontinued the exclusion of budgeted contingent funding from the threshold amount requiring a request for quote. On May 4, 2022, the PRP posted an update to the Agency Term Contracts (ATC) assignment process which now includes the contingent funding in the threshold amount requiring a request for quote. This revision to the assignment process became effective on May 11, 2022.*

### **Finding 5: Receiving Less Than Two Responses**

According to Section 287.057(6), F.S. *If less than two responsive bids, proposals, or replies for commodity or contractual services purchases are received, the department [DMS] or other agency may negotiate on the best terms and conditions. The department [DMS] or other agency shall document the reasons that such action is in the best interest of the state in lieu of resoliciting competitive sealed bids, or replies. Each agency shall report all such actions to the department [DMS] on a quarterly basis, in a manner and form prescribed by the department [DMS].*

Of the 31 contracts and 57 purchase orders sampled during our audit, competitive solicitation was applicable for two contracts and one purchase order in which only one vendor provided a response. However, the procurement files provided did not document the reasons that such action was in the best interest of the state in lieu of resoliciting

bids or proposals. In addition, the Department did not report this information to the DMS on a quarterly basis. Based on discussions with the BGS procurement management, the DMS has not provided the Department a manner or form with which to provide this report. Procurement management sought guidance from the DMS on this reporting and were advised that the form and manner for reporting is currently being developed.

### **Recommendation**

If two quotes cannot be obtained during a competitive solicitation and it is determined that the Department will negotiate the best terms and conditions with the sole respondent, we recommend the DAS work with program areas to document the reasons that such action is in the best interest of the state in lieu of resoliciting bids or proposals. This documentation should be maintained in the procurement file to demonstrate justification for the awarded procurement.

### **DAS Response**

*The Division agrees with the recommendation. BGS has developed and already implemented a justification communication for the program areas to state why resoliciting is not feasible, and a process for procurement staff to follow for documenting and reporting these occurrences to DMS.*

*Note: DMS has indicated they are currently developing a defined reporting process and form for agencies to use when this situation occurs, which will be implemented once established.*

### **Finding 6: Single Source Purchases Between \$2,500 and \$35,000**

For purchases which meet or exceed \$2,500 but are less than or equal to the threshold for Category Two (\$35,000), Chapter 60A-1.002(3), F.A.C., states, in part, that if the Department *determines that commodities or contractual services are available from only a single source, or that conditions warrant negotiation on the best terms and conditions, the agency may proceed with the procurement. The agency shall document the conditions and circumstances used to determine the procurement method.* Within our audit sample, two purchase orders documented procurement using single source as justification. One from a DRP park for disposal services which included an Emergency/Single Source/Contract Exception Procurement form with the purchase order, and one from the DRP BDC for mitigation credits which did not provide justification documentation for the single source. While the form used by the park was signed and approved, it did not contain documentation regarding the conditions and circumstances which justified the single source. Based on our inquiry, the DRP BDC provided documentation which supported justification for the sole source purchase for the mitigation credits.

### **Recommendation**

We recommend the DAS work with the DRP to ensure that applicable purchases contain necessary documentation of the conditions and circumstances which justify the use of a sole source provider. The DAS should also work with the DRP to ensure that

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Emergency/Single Source/Contract Exception Procurement forms submitted as part of the purchase order, include documented justification prior to approval.

**DAS Response**

*The Division agrees with the recommendation. The Emergency/Single Source/Contract Exception Procurement form is no longer used and BGS will be updating our current documentation requirements for single source procurements.*

**DRP Response**

*The Division will work with the Division of Administrative Services to ensure that applicable purchases contain necessary documentation of the conditions and circumstances which justify the use of a sole source provider. DRP will ensure that Emergency/Single Source/Contract Exception Procurement forms as part of the purchase order will include documented justification prior to approval.*

**Finding 7: Vendor Information Portal**

In accordance with Chapter 60A-1.021, F.A.C., the DMS has designated the VIP as *the state's centralized procurement website for electronic posting of agency solicitations, decisions or intended decisions*. All competitive solicitations issued by the Department are required to be electronically posted on the VIP. Competitive solicitation for timber sale and concession contracts were not posted in the VIP. Concession contracts were advertised on the DRP's website and in local publications. The DRP allows an external contractor to solicit bids for timber sales. As a result, invited participants are at the discretion of the external contractor.

**Recommendation**

We recommend the DAS work with the DRP to ensure all competitive solicitations are electronically posted on the VIP as required under Chapter 60A-1.021, F.A.C.

**DRP Response**

*Division staff will review the finding and consult with the Division of Administrative Services and the Office of General Counsel to evaluate our procedures.*

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**MANAGEMENT COMMENT**

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**Vulnerabilities for Vendor Preference**

Multiple Award Procurement

Within our audit sample, several of the contracts and purchase orders were procured by the Department through a competitive solicitation which resulted in multiple contracts being awarded within the same region and/or statewide. Certain Department programs, such as the DWM PRP and the DSL Bureau of Appraisal, have rule-specific authority to enter into multiple agency term contracts. Outside of program specific rules, the practice of making multiple awards under one competitive solicitation has been a common historical practice. However, Chapter 287, F.S. and Chapter 60A-1, F.A.C. do not clearly state that agencies have this authority.

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The authority to award contracts for commodities and services to multiple suppliers is given to DMS as the lead agency for purchasing and procurement. Section 287.042(13), F.S., directs that if the DMS determines in writing that it is in the best interest of the state, the DMS has the authority *to award to multiple suppliers contracts for commodities and contractual services established by the department [DMS] for use by all agencies. Such awards may be on a statewide or regional basis. If regional contracts are established by the department [DMS], multiple supplier awards may be based upon multiple awards for regions. Agencies may award contracts to a responsible and responsive vendor on a statewide or regional basis.*

From correspondence received from the DMS, the Division of State Purchasing management advised that there is no language in Section 287.042, F.S., that restricts state agencies from issuing multiple awards for competitive solicitations. Based on our inquiry of the Department's Office of General Counsel, management indicated that the authority is implied.

From the contracts and purchase orders included in our review, we noted 11 solicitations with multi-award contracts which were executed during the audit period. Once a contract is awarded, the amount of work assigned by the program area is primarily based on purchase order or task assignment. The methodology for assigning the amount of work to the awarded contractors varied between programs. However, in most instances work was either assigned to only a few of the awarded vendors or a disproportionate amount was assigned to one to two awarded vendors.

Given the guidance that Section 287.042, F.S., does not prevent agencies from making multiple awards under one solicitation, the regular practice of awarding contracts to multiple vendors exposes the Department to risk of vendor preference for work assignment after the initial procurement is completed. If the Department continues to award multiple contracts under one solicitation, program areas would benefit from establishing additional controls, levels of review and documented oversight of work assignment to reduce both the appearance and opportunity for vendor preference.

### Alternate Contract Source and State Term Contract

Section 287.042(16), F.S., allows the DMS to *evaluate contracts let by the Federal Government, another state, or a political subdivision for the provision of commodities and contract services, and, if it is determined by the Secretary of Management Services in writing to be cost-effective and the best value to the state, to enter into a written agreement authorizing an agency to make purchases under such contract.* Different categories of alternate source contracts have varying requirements for use. Of the 21,701 purchase orders executed during the audit period, 6,892 (32%) totaling \$26,877,866.36 were procured as an alternate contract source. There are numerous contracts available for use in procurement of commodities and services in each category as alternate contract source. During our audit, we noted the repeated use of specific vendors in the areas of IT and resource management.



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Many of the Department's purchases are made without competitive procurement because they are purchased from a state term contract previously procured and authorized for agency use by the DMS, in accordance with Section 287.042(13), F.S. During the audit period, the Department documented procurement of one contract and 2,613 purchase orders totaling \$52,153,111.13 from state term contracts. As with alternate contract source, numerous vendors are available for use in specific categories of commodities and services. During our audit, we noted the repeated use of specific vendors in the areas of IT and construction.

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**ACKNOWLEDGEMENTS**

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We wish to thank the Department management and staff for their cooperation and assistance which contributed to the successful completion of this engagement.

Respectfully submitted by:

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Candie M. Fuller  
Inspector General

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**DISTRIBUTION, PROJECT TEAM AND STATEMENT OF ACCORDANCE**

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Sherrill F. Norman, Auditor General of Florida

**PROJECT TEAM:**

This engagement was conducted by Valerie Peacock, with assistance from Michelle Riley, Kimberlee Sachse, and Kelly Bruce. The audit was supervised by Candie M. Fuller, Inspector General.

**Statement of Accordance**

The Mission of the OIG is to promote accountability, integrity, and efficiency by providing quality audits, investigations, management reviews, and technical assistance.

This work product was prepared pursuant to Section 20.055, Florida Statutes, in accordance with the *Principles and Standards for Offices of Inspectors General* as published by the Association of Inspectors General and the *International Standards for the Professional Practice of Internal Auditing*, as published by the Institute of Internal Auditors, Inc.

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***APPENDIX A - PURPOSE, SCOPE, OBJECTIVES, AND METHODOLOGY***

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The purpose of this engagement was to conduct a risk-based compliance audit of contracts procured under Chapter 287, F.S., and executed by the Department during the 2018-2019 through 2020-2021 fiscal years. In accordance with Section 287.136(2), F.S., the audit included an evaluation and identification of any trends in vendor preferences.

The scope of the audit included procurement activities associated with Department contracts and purchase orders executed between July 1, 2018 and June 30, 2021.

The objectives were to:

- Determine if complete and accurate data was recorded in the FACTS as described in Section 215.985(14)(a), F.S., for a selected sample of Department contracts and purchase orders.
- Evaluate a selected sample of contracts and purchase orders for compliance with Chapter 287, F.S. and other applicable procurement statutes.
- Analyze the overall Department contracting processes to identify any trends in vendor preference.

To achieve our audit objectives, our methodology included:

- Reviewing applicable statutes, regulations, and internal operating procedures;
- Reviewing procurement activities for Department contracts and purchase orders; and
- Interviewing appropriate Department staff and management regarding the processes and controls used in the procurement and contracting process.

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**APPENDIX B – DEPARTMENT CONTRACTS AND PURCHASE ORDERS  
EXECUTED BETWEEN JULY 1, 2018 AND JUNE 30, 2021**

<b>Contracts Reported Procurement Method<sup>10</sup></b>	<b>Number of Contracts</b>	<b>Contract Percentage</b>	<b>Contract Value</b>	<b>Value Percentage</b>
<i>Agency Invitation to Bid [s. 287.057 (1) (a), FS]</i>	148	8.79%	\$108,714,085.73	21.44%
<i>Agency Invitation to Negotiate [s. 287.057 (1) (c), FAC]</i>	3	0.18%	\$275,000,000.00	54.24%
<i>Agency Request for Proposal [s. 287.057 (1) (b), FS]</i>	73	4.34%	\$17,115,671.16	3.38%
<i>Consultants' Competitive Negotiation Act [s. 287.055, FS]</i>	3	0.18%	\$13,964,991.93	2.75%
<i>DEP Exempt, Division of Recreation and Parks may grant privileges, leases, concessions and permits for the use of land for the accommodation of visitors in the various parks, monuments and memorials. 258.007(3), F.S.</i>	91	5.41%	\$25,379,167.00	5.01%
<i>DEP Exempt, Preapproved Site Rehabilitation Program 376.30711(2)(a), F.S.</i>	1,269	75.40%	\$18,728,801.38	3.69%
<i>Emergency Purchases Per Governor's Executive Order [s. 14.021, FS]</i>	1	0.06%	\$4,500,000.00	0.89%
<i>Exempt, Federal or state law prescribes with whom the agency must contract [s. 287.057 (10), FS]</i>	1	0.06%	\$400,000.00	0.08%
<i>Exempt, Health services, including examination, diagnosis, treatment, prevention, medical consultation or administration. [s. 287.057 (3) (f) 5a, FS &amp; Rule 60A-1002 (4) (k), FAC]</i>	1	0.06%	\$0.00	0.00%
<i>Exempt, Legal services, including Attorney, paralegal, expert witness, appraisal and mediator services [s.287.057 (3) (f) 4, FS]</i>	38	2.26%	\$9,063,054.00	1.79%
<i>Exempt, Services or Commodities provided by Governmental Agencies [s. 287.057 (3) (f) 12, &amp; s.287.057 (22), FS]</i>	27	1.60%	\$28,648,033.55	5.65%
<i>Exempt, Transportation for the Disadvantaged [s. 427.011 (5), FS]</i>	1	0.06%	\$0.00	0.00%
<i>Leases less than 5,000 sq ft in a privately owned facility may be obtained using quotes [s. 255.249, FS and Rule 60H-1.016, FAC]</i>	1	0.06%	\$568,300.00	0.11%
<i>Revenue Generating Procurement</i>	21	1.25%	\$75,827.00	0.01%
<i>Single source approval over Category Two [s. 287.057 (3) (c), FS &amp; Rule 60A-1.045, FAC]</i>	4	0.24%	\$1,311,592.08	0.26%
<i>State Term Contract Purchase with Request For Quotes from Qualified Vendors [ss. 287.042(2) &amp; 287.056, FS and Rule 60A-1.043 &amp; 60A-1.044(2), FAC]</i>	1	0.06%	\$3,560,679.50	0.70%
<b>Total</b>	<b>1,683</b>		<b>\$507,030,203.33</b>	

<sup>10</sup> Several procurement methods included in this list of contracts contains incorrect references and citations. However, these are listed in the table as they appear in the FACTS.



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<b>Purchase Order Reported Procurement Method<sup>11</sup></b>	<b>Purchase Orders</b>	<b>Percentage</b>	<b>Purchase Order Value</b>	<b>Value Percentage</b>
<i>Agency Invitation to Bid [s. 287.057 (1) (a), FS]</i>	10	0.05%	\$276,596.56	0.07%
<i>Agency Invitation to Bid for Public Property and Publicly Owned Buildings [s. 255.0525, FS]</i>	1	0.00%	\$2,567.28	0.00%
<i>Agency Invitation to Negotiate [s. 287.057 (1) (c), FAC]</i>	5,434	25.04%	\$235,350,779.01	60.42%
<i>Agency Invitation to Negotiate for Public Property and Publicly Owned Buildings [s. 255.0525, FS]</i>	1	0.00%	\$331,837.09	0.09%
<i>Agency Request for Proposal [s. 287.057 (1) (b), FS]</i>	142	0.65%	\$4,358,385.40	1.12%
<i>Alternate contract source - Purchase made from contracts let by the Fed. Gov., another state, or a political subdivision for commodities and contract services if determined to be cost-effective and in the best interest of the state. [s.287.042 (16), FS &amp; Rules 60A-1.002 (4) (l), FAC]</i>	6,892	31.76%	\$26,877,866.36	6.90%
<i>Consultants' Competitive Negotiation Act [s. 287.055, FS]</i>	1	0.00%	\$3,441.92	0.00%
<i>Direct Pay to Hotel/Motel [s 112.061(13), F.S.]</i>	2	0.01%	\$63,900.00	0.02%
<i>Emergency procurement [s.287.057 (3) (a), FS &amp; Rule 60A-1.046, FAC]</i>	3	0.01%	\$634,222.00	0.16%
<i>Emergency Purchases for Public Property and Publicly Owned Buildings [s. 255.0525 (5), FS]</i>	6	0.03%	\$974,797.28	0.25%
<i>Emergency Purchases Per Governor's Executive Order [s. 14.021, FS]</i>	180	0.83%	\$10,412,241.34	2.67%
<i>Exempt, Artistic services [s. 287.057 (3) (f) 1, FS &amp; Rule 60A-1002 (4) (c), FAC]</i>	24	0.11%	\$632,032.72	0.16%
<i>Exempt, Commodities purchased for resale [s. 287.012 (5), FS]</i>	6	0.03%	\$9,116.60	0.00%
<i>Exempt, Federal or state law prescribes with whom the agency must contract [s. 287.057 (10), FS]</i>	1	0.00%	\$15,000.00	0.00%
<i>Exempt, Health services, including examination, diagnosis, treatment, prevention, medical consultation or administration. [s. 287.057 (3) (f) 5a, FS &amp; Rule 60A-1002 (4) (k),FAC]</i>	3	0.01%	\$30,000.00	0.01%
<i>Exempt, Legal services, including Attorney, paralegal, expert witness, appraisal and mediator services [s.287.057 (3) (f) 4, FS]</i>	72	0.33%	\$260,330.97	0.07%
<i>Exempt, Payment of Membership Dues [s. 216.345 (4), FS &amp; Rule 60A-1.002 (4) (h), FAC]</i>	1	0.00%	\$5,000.00	0.00%
<i>Exempt, Purchase made from PRIDE - Department of Corrections, prison industry programs. [s.287.095 (3) &amp; s. 946.515, FS]</i>	138	0.64%	\$1,212,539.29	0.31%
<i>Exempt, Purchase made from RESPECT - Qualified nonprofit agency for the blind or for the other severely handicapped [s. 413.036 (2), FS]</i>	31	0.14%	\$144,306.87	0.04%
<i>Exempt, Regulated utilities and government franchised and public communications, except long distance telecommunications services or governmental franchise SVCCS, [Rule 60A-1.002(4) (a) &amp; (b), FAC]</i>	33	0.15%	\$308,574.54	0.08%
<i>Exempt, Services or Commodities provided by Governmental Agencies [s. 287.057 (3) (f) 12, &amp; s.287.057 (22), FS]</i>	576	2.65%	\$16,954,410.45	4.35%
<i>Informal quote below the bidding thresholds for Public Property And Publicly Owned Buildings of \$200,000 [s. 255.0525, FS]</i>	4	0.02%	\$55,098.95	0.01%
<i>Informal quoted purchase not exceeding Category Two - Request for Quotes [s 287.056 (2), FS &amp; Rule 60A-1.002 (4)(m), FAC]</i>	1,987	9.16%	\$20,437,069.42	5.25%
<i>Multiple</i>	59	0.27%	\$597,590.68	0.15%
<i>Purchase under \$2,500 [Rule 60A-1.002(2), FAC]</i>	2,190	10.09%	\$2,474,861.28	0.64%
<i>Single source \$2,500 or greater, not to exceed Category Two [Rule 60A-1.002 (3), FAC]</i>	1,398	6.44%	\$13,846,159.08	3.55%
<i>Single source approval over Category Two [s. 287.057 (3) (c), FS &amp; Rule 60A-1.045, FAC]</i>	62	0.29%	\$6,015,427.18	1.54%
<i>State Purchasing Agreement [Rule 60A-1.025, FAC]</i>	4	0.02%	\$31,698.63	0.01%
<i>State Term Contract Purchase with Request For Quotes from Qualified Vendors [ss. 287.042(2) &amp; 287.056, FS and Rule 60A-1.043 &amp; 60A-1.044(2), FAC]</i>	231	1.06%	\$29,631,876.02	7.61%
<i>State Term Contract Purchase without Request For Quotes from Qualified Vendors [ss. 287.042(2) &amp; 287.056, FS and Rule 60A-11.044(2), FAC]</i>	2,209	10.18%	\$17,572,010.82	4.51%
<b>Total</b>	<b>21,701</b>		<b>\$389,519,737.74</b>	

<sup>11</sup> Several procurement methods included in this list of purchase orders contains incorrect references and citations. However, these are listed in the table as they appear in the FACTS.