

Business Case Submission by Threshold

1. A business case to outsource having a projected cost **exceeding \$10 million in any fiscal year** shall require:
 - a. An initial business case analysis conducted by the state agency and submitted to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives at least 60 days before a solicitation is issued. The council shall evaluate the business case analysis and submit an advisory report to the state agency, the Governor, the President of the Senate, and the Speaker of the House of Representatives when the advisory report is completed, but at least 30 days before the agency issues the solicitation.
 - b. A final business case analysis conducted by the state agency and submitted after the conclusion of any negotiations, at least 30 days before execution of a contract, to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives.
2. A proposal to outsource having a projected cost that **ranges from \$1 million to \$10 million in any fiscal year** shall require:
 - a. An initial business case analysis conducted by the state agency and submission of the business case, at least 30 days before issuing a solicitation, to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives.
 - b. A final business case analysis conducted by the state agency and submitted after the conclusion of any negotiations, at least 30 days before execution of a contract, to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives.
3. A business case to outsource having a projected cost that is **less than \$1 million** in any fiscal year shall require a final business case analysis conducted by the state agency after the conclusion of any negotiations and provided at least 30 days before execution of a contract to the council. The council shall provide such business cases in its annual report to the Legislature.

Efficient Government Act - Additional Contract Provisions

1. In addition to the contract requirements provided in s. 287.058, each contract for a proposed outsourcing, pursuant to s. 287.0574, must include, but need not be limited to, the following contractual provisions:
 - a. A scope-of-work provision that clearly specifies each service or deliverable to be provided, including a description of each deliverable or activity that is quantifiable, measurable, and verifiable. This provision must include a clause that states if a particular service or deliverable is inadvertently omitted or not clearly specified but determined to be operationally necessary and verified to have been performed by the agency within the 12 months before the execution of the contract, such service or deliverable will be provided by the contractor through the identified contract-amendment process.
 - b. A service-level-agreement provision describing all services to be provided under the terms of the agreement, the state agency's service requirements and performance objectives, specific responsibilities of the state agency and the contractor, and the process for amending any portion of the service-level agreement. Each service-level agreement must contain an exclusivity clause that allows the state agency to retain the right to perform the service or activity, directly or with another contractor, if service levels are not being achieved.
 - c. A provision that identifies all associated costs, specific payment terms, and payment schedules, including provisions governing incentives and financial disincentives and criteria governing payment.
 - d. A provision that identifies a clear and specific transition plan that will be implemented in order to complete all required activities needed to transfer the service or activity from the state agency to the contractor and operate the service or activity successfully.
 - e. A performance-standards provision that identifies all required performance standards, which must include, at a minimum:
 - i. Detailed and measurable acceptance criteria for each deliverable and service to be provided to the state agency under the terms of the contract which document the required performance level.
 - ii. A method for monitoring and reporting progress in achieving specified performance standards and levels.
 - iii. The sanctions or disincentives that shall be imposed for nonperformance by the contractor or state agency.
 - f. A provision that requires the contractor and its subcontractors to maintain adequate accounting records that comply with all applicable federal and state laws and generally accepted accounting principles.
 - g. A provision that authorizes the state agency to have access to and to audit all records related to the contract and subcontracts, or any responsibilities or functions under the contract and subcontracts, for purposes of legislative

- oversight, and a requirement for audits by a service organization in accordance with professional auditing standards, if appropriate.
- h. A provision that requires the contractor to interview and consider for employment with the contractor each displaced state employee who is interested in such employment.
 - i. A contingency-plan provision that describes the mechanism for continuing the operation of the service or activity, including transferring the service or activity back to the state agency or successor contractor if the contractor fails to perform and comply with the performance standards and levels of the contract and the contract is terminated.
 - j. A provision that requires the contractor and its subcontractors to comply with public-records laws, specifically to:
 - i. Keep and maintain the public records that ordinarily and necessarily would be required by the state agency in order to perform the service or activity.
 - ii. Provide the public with access to such public records on the same terms and conditions that the state agency would provide the records and at a cost that does not exceed that provided in chapter 119 or as otherwise provided by law.
 - iii. Ensure that records that are exempt or records that are confidential and exempt are not disclosed except as authorized by law.
 - iv. Meet all requirements for retaining records and transfer to the state agency, at no cost, all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt. All records stored electronically must be provided to the state agency in a format that is compatible with the information technology systems of the state agency.
 - k. A provision that addresses ownership of intellectual property. This paragraph does not provide the specific authority needed by an agency to obtain a copyright or trademark.
 - l. If applicable, a provision that allows the agency to purchase from the contractor, at its depreciated value, assets used by the contractor in the performance of the contract. If assets have not depreciated, the agency shall retain the right to negotiate to purchase at an agreed-upon cost.