



DEPARTMENT OF MANAGEMENT  
**SERVICES**

4050 Esplanade Way • Tallahassee, Florida 32399-0950

LAWTON CHILES, GOVERNOR

WILLIAM H. LINDNER, SECRETARY

September 12, 1995

MEMORANDUM No.: 5 (95-96)

TO: Purchasing Office Addressed

FROM: *for* George C. Banks, CPPO *GP Banks*  
Director, Division of Purchasing

SUBJECT: Use Of GSA and Other Public Entities Contracts

The Division of Purchasing has received numerous inquiries concerning the use of GSA contracts. This memorandum is an attempt to explain the status of the use of GSA and other Public Entities contracts.

The Federal Acquisition Streamlining Act of 1994 authorized the Administrator of General Services (GSA) to provide for use of its Federal Supply Schedules upon request from any state or local government, the government of an Indian tribe, or the Commonwealth of Puerto Rico. GSA currently has three separate contracting programs including Stock, Special Order and the Federal Supply Schedule (FSS). The Federal Acquisition Streamlining Act only allows the use of the FSS program. GSA has to resolve issues before the process may begin, including the development of an application, training programs etc. State Agencies are not eligible to use FSS until reviewed and certified by the Division of Purchasing. The Division has been advised the Streamlining Act has been delayed until December, 1997.

In keeping with the streamlining mode the 1995 Florida Legislative Session passed Senate Bill 872. A portion of Senate Bill 872 added Subsection (17) to Section 287.042 Florida Statute:

Florida Statute 287.042: Powers Duties and Functions- The division shall have the following powers, duties and functions:

(17) To evaluate contracts let by the federal government, another state, or a political subdivision for the provision of commodities and contract services, and, when it is determined to be cost effective and in the best interest of the state, to enter into a written agreement authorizing a state agency to make purchases under a contract approved by the division and let by the federal government, another state, or a political subdivision.

As this paragraph states the Division of Purchasing now has the authority to review other governmental entities contracts for approval and use by State agencies. It should be kept in mind that the Division can only consider use of contracts that include a provision allowing other entities to use such contract.



Here is the suggested language for use in your invitations:

OPTIONAL CONTRACT USAGE

As provided in Section 287.042(17), Florida Statutes, other State agencies may purchase from the resulting contract, provided the Department of Management Services, Division of Purchasing, has certified its use to be cost effective and in the best interest of the State. Contractors(s) have the option of selling these commodities or services certified by the Division to the other State agencies at their option.

It was the intent of the Division of Purchasing to consider federal government contracts first because the GSA had made provisions in its Federal Supply Schedules allowing use by other governmental entities. Since the program has been delayed, the Division will consider for review those governmental contracts which contain the appropriate language and for similar commodities and/or services available on State Term Contracts.

Several issues to be considered for implementation are listed below:

1. How will the Division of Purchasing determine appropriate contracts to be reviewed and certified?
  - a.) review contracts made available;
  - b.) consider needs of eligible users;
  - c.) consider contracts we have in place that are high in administrative cost.
2. Will the Division consider having the ability to use either State Contract or reviewed and certified contracts simultaneously? Yes.
3. Will the Division consider request from an agency to review a specific contract? The Division will make every effort to review contracts upon request, however consideration must be given to the overall needs of all of our customers. Such requests should include the estimated annual dollar volume purchases from a contract.
4. Will contracts certified by DMS be mandatory for use? No.
5. Upon certification of contracts how will the Division publish this information? Certification similar to SNAPS program.
6. A SPURS indicator will be created to identify these types of purchases.
7. When will our agency be able to purchase from other public entities contracts? The suggested wording, as noted above has been developed for use by other public entities if they so desire. This program will be implemented as soon as possible.

NOTE: Please do not suggest vendors contact the Division to have their contracts reviewed.

Your cooperation is appreciated. If you have any questions, please contact Cherrie McClellan at 904-921-6027 or Suncom 291-6027.

GCB/cm



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*for copying  
Purposes*

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