

## SECTION 6.1: CONTRACT ADMINISTRATOR

Each agency shall designate at least one employee who shall serve as a Contract Administrator responsible for maintaining a contract file and financial information on all contractual services contracts and who shall serve as a liaison with the contract managers and the department. Section 287.057 (16), Florida Statutes

Contract Administrator's File: For each contract, the Contract Administrator's file is the official record for the department and must be maintained for a period of five years following contract closeout or resolution of pending action (legal, audit, etc.) whichever is later.

- A. Contract File: A chronological file prepared to hold pertinent information related to a Contract from the time it is awarded until contract closeout. This is the official file record for such information and must include, but is not limited to:
1. Original signed Contract and Department of Banking and Finance form. [http://www.dbf.state.fl.us/aadir/summary\\_csa.html](http://www.dbf.state.fl.us/aadir/summary_csa.html);
  2. Original of the applicable Contract Renewal Form or Letter;
  3. Relevant monitoring and evaluation reports;
  4. Correspondence regarding contract;
  5. Amendments, if any;
    - a. Original signed Amendment
    - b. Copy of all supporting backup documentation
  6. Memorandum of Negotiation;
  7. Documentation evidencing cost or price analysis;
  8. Provider's justification of need for advances;
  9. Chronological Activity Record (copy provided by Contract Manager);
  10. Documentation supporting provider compliance with insurance requirements in contract;
  11. Original of subcontracts or memorandums of agreement; and
  12. Noncompetitive Procurement documentation.
- B. Contract Amendments: If an amendment is issued for any and all changes made to the Contract.

C. Contract Termination: If a contract is to be terminated, the Contract Administrator prepares a letter to the provider stating the reasons for and the date of termination. Be sure the termination date is in compliance with the applicable termination clause (differs by the nature of termination) in the standard contract. The letter should be delivered by certified mail, return receipt requested, or in person with proof of delivery. The Contract Administrator shall forward a copy of the termination letter in the contract's manager's file, and provide copies to the appropriate fiscal office and Contract Administration. Ensure that all copies indicate the contract number.

D. Contract Default:

1. Providers failing to meet the contract terms and conditions shall be notified in writing by the Contract Administrator of their failure to perform and provided a reasonable deadline for correcting the failure. A reasonable time is usually considered to be no less than days after receipt of such notice but may be a shorter period depending upon the nature of the service. The notice will state that if the established deadlines are not met, the provider may be found in default and may be removed from the department's approved vendor list. Unless the provider corrects its failure to perform within the time provided or unless the department determines on its own investigation that the provider's failure is legally excusable, a second notice will be issued stating the reasons the provider is considered in default and the department's plans to re-procure services. The amount of the re-procurement, if known, should be disclosed as well.

The defaulting provider will not be eligible to contract with the department until such time as the department is reimbursed for all re-procurement costs and satisfied the State Purchasing Office, Department of Management Services, or the department, that further instances of default will not occur. To satisfy the State Purchasing Office that further instances will not re-occur, the defaulting provider shall provide a written corrective action plan addressing reasons for default. The defaulting provider will also be advised of the right to petition for an administrative hearing on the intended decision to remove the provider from the list pursuant to Section 120.57, F.S., and shall be given a time frame within which to submit the petition. The defaulting provider shall reimburse the department for all re-procurement costs and for costs of cover, which is the difference between the cost of substitute contractual services and the contract price for such contractual services. Re-procurement of substitute contractual services may be accomplished by first attempting to contract with the second lowest offeror under the Invitation to Bid or the offer of the second best proposal under the Request for Proposal/Invitation to Negotiate if it is

close enough to the original procurement price to still represent the marketplace. If the department fails to contract with the second lowest bidder/offeror of the second best proposal, it may attempt to contract with the next lowest bidder/offeror of the next best proposal sequentially, until an offeror willing to perform at acceptable pricing under the bid/proposal conditions is found. The department may elect to re-bid or to purchase on the open market, as may be in the best interest of the department. Until such time as it reimburses the department for all re-procurement and cover costs and the Department of Management Services is satisfied that further instances of default will not occur, the defaulting provider shall not be reinstated on the department's approved vendor list and not be eligible for award of a contract by the department. All correspondence to providers regarding failure to perform shall be sent certified mail, return receipt requested. The foregoing provisions do not limit, waive or exclude the department's remedies against the defaulting provider at law or in equity (Rule 60A-1.006(3) and (4), F.A.C.

2. A copy of all Department default actions shall be provided to the State Purchasing Office. The State Purchasing Office may remove defaulting providers from its mailing list and direct all agencies to cease doing business with those firms until the contractor reimburses all re-procurements and cover costs, and provides the State Purchasing Office assurance that further instances of default will not occur. The foregoing provisions do not limit, waive, or exclude the department's remedies against the defaulting provider at law or in equity.
- E. Outsourcing and Privatization Initiatives: An evaluation of any major outsourcing and privatization initiatives undertaken during the last five (5) fiscal years having aggregate expenditures exceeding \$10 million during the term of the contract. The evaluation shall include as assessment of contractor performance, a comparison of anticipated service levels to actual service levels, and a c comparison of estimated savings to actual savings achieved in accordance with Section 216.023 (4)(a) 12, Florida Statutes. *(added 04/19/06)*

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