



CLAIMS AGAINST THE STATE — LIMITATIONS

Section 95.11(2) (b), F.S., places a **five-year** limitation on legal or equitable actions on a contract, obligation or liability **founded on a written instrument**. Section 95.11(3) (k), F.S., places a **four-year** limitation on actions on a contract, obligation, or liability **not founded on a written instrument**, including an action for the sale and delivery of goods, wares, and merchandise. Any claim exceeding the time limits provided herein shall be considered past the statute of limitations for claims against the State.



Settlement Agreements

See "Settlement of Claims
Against the State" section



CONTRABAND FORFEITURE ACT

Section 932.704 (7), Florida Statutes, authorizes seizing law enforcement agencies to settle Florida Contraband Forfeiture actions prior to the conclusion of forfeiture proceedings, subject to the settlement agreement being reviewed by the court, a mediator, or arbitrator, unless such review is waived by the claimant in writing.

The following documentation must be attached to the voucher submitted for payment:

1. A copy of the fully executed settlement agreement; and
2. Copies of the following items, as appropriate:
 - a. The claimant's written waiver of settlement agreement review
 - b. Documentation evidencing the court, mediator, or arbitrator's review of the settlement agreement; and
 - c. Documentation evidencing the agreement of the claimant and seizing law enforcement agency for appointment of the mediator or arbitrator.

COST ANALYSIS



All grant agreements and vendor contracts in excess of the threshold amount of Category Two provided in s. 287.017, F.S. awarded on a non-competitive basis must comply with the requirements of s. 216.3475, F.S. Agencies are required to maintain records to support a cost analysis for these agreements. Detailed budgets are required to be submitted by the person or entity awarded a grant or contract and must be reviewed by the agency.



The agency must document its review of the individual cost elements from the submitted budget for allowability, reasonableness, and necessity. The cost analysis form to be used by the agencies is attached to CFOM No. 2, (2019-20).

If an agency desires to use an alternate form, the form must be submitted to the Bureau of Auditing for review and approval prior to its use.



COUNTY HEALTH UNIT TRUST FUND

Pursuant to s. 154.02, F.S., monies of a county health unit trust fund may be expended by the Department of Health for the respective county health departments in accordance with budgets and plans agreed upon by the county authorities of each health unit and the Department of Health. County health units are subject to s. 287.057, F.S., for procurement requirements unless the payment information includes a written certification from the agency stating that county purchasing procedures were followed. The certification must contain a cross reference to the specific sections of the county purchasing procedures being applied.



COURT REPORTER SERVICES

Court reporting services and fees must be in compliance with the procurement requirements of ss. 287.059(14) and (15), F.S.



CREDIT CARD FEES

Annual fees may not be paid to any credit card company.



DEFERRED-PAYMENT COMMODITY CONTRACTS



These purchases must be made in accordance with s. 287.063, F.S. An agency entering into any commodity contract requiring deferred payments and payment of interest must be sent to the Bureau of Financial Reporting for prior approval and pre-audit.

Agencies seeking to finance equipment must use the “Consolidated Equipment Financing Program” (CEFP). Information on this program may be found on the DFS website, http://www.myfloridacfo.com/aadir/statewide_financial_reporting/index.htm. Agencies who would like an exemption from this program must have approval from the Bureau of Financial Reporting Accounting. Chapter 69I-3, F.A.C. provides guidance on the CEFP and exemptions from the program.

Examples of equipment financed through this program are computers, copiers, communication systems, laboratory equipment, medical equipment and printers.

Payments that include interest shall be object coded 610006 (interest), and 620006 (principal).

Universities can also use the CEFP. The CEFP has historically provided more favorable interest rates than what an individual agency could procure in the financial market.

DIGITAL SIGNATURES



Some agencies have automated document workflows with digital signatures that are used as authorizations. A digital signature is a type of electronic signature that encrypts documents with codes that are difficult to duplicate and therefore authenticates the individual performing the authorization as part of voucher processing, the Bureau of Auditing accepts these digital signatures on documents. It is imperative that each agency can attest to the internal controls and authentication of these signatures to ensure the validity of payment requests.



EDUCATIONAL COURSES AND OTHER TRAINING

GENERAL

Section 110.1099, F.S., provides that a state employee may receive a voucher or grant for matriculation fees to attend work-related courses at public community colleges, public career centers, or public universities. State agencies may reimburse an employee for educational courses that are designed to improve the efficiency of an employee when the courses are directly related to the employee's current job duties. All required books associated with the course may also be reimbursed from state funds. Any books purchased with state funds must become the property of the State. Cost for courses that are not in compliance with the statute will not be paid. The invoice for payment must include the improved efficiency or the benefit to the State derived from the course and the position title of the employee.



State agencies may pay for other training that is directly related to an employee's current job duties and is primarily of benefit to the State. The invoice submitted for payment must include the employee's position title and the benefits to the State. Courses designed to obtain a professional designation, a professional license, or professional certification can only be paid by a State agency when expressed statutory authority and/or appropriations exists.

COMMUNITY LEADERSHIP COURSES

Generally, Community Leadership courses do not fall within the statutory duties and responsibilities of state agencies. Therefore, a payment by a state agency for an employee to attend such a course would not be a proper expenditure of state funds.

Various chambers of commerce throughout the State offer training courses. The courses are entitled "Leadership (city or area)." The stated purpose of these courses is to improve the quality, quantity and effectiveness of leadership in the city or area by:



1. Identifying and selecting current and potential leaders from diverse backgrounds.
2. Exposing the participants to social, economic and political issues facing the city or area in order to stimulate their interest in seeking leadership positions within the community.
3. Providing the participants with factual information about the city or area.
4. Building and maintaining networks of community leaders who know and respect each other.

Agencies with specific statutory authority to provide this training to employees and wishing to send an employee to community leadership courses should request prior approval from the:

Department of Financial Services
Bureau of Auditing
200 East Gaines Street
Tallahassee, Fl. 32399-0355

Requests must cite the specific statutory authority for the agency to send employees to the classes or cite the specific statutory duty or responsibility, which necessitates the agency sending an employee to such a class. Any payment request that does not include prior approval may be denied.



EMPLOYEE-EMPLOYER RELATIONSHIP DETERMINATION

When entering into agreements for personal services, agencies should determine if an employer-employee relationship exists. The IRS generally provides that the relationship of employer and employee exists when the person or persons for whom the services are performed have the right to control and direct the individual who performs the services, not only as the result to be accomplished by the work but also as to the details and means by which that result is accomplished. If it is determined that such a relationship does exist, the employee should be paid through the payroll system and not as an independent contractor. It is incumbent on each agency to evaluate the circumstances of each contractual relationship. Any penalties that may be imposed by the IRS for failure to make the proper determination of the employment relationship will be borne by the agency making the initial determination.

Circumstances of an employment relationship may be submitted to the IRS for its determination using a Form SS-8.

As an aid to assist agencies in making a determination of the employee-employer relationship, the following twenty factors have been established. These factors have been developed only as guides for determining whether an individual is an employee. Special scrutiny is required in applying the twenty factors to assure that formalistic aspects of an arrangement designed to achieve a particular status do not obscure the substance of the arrangement. The twenty factors are as follows:

1. **Instructions.** A worker who is required to comply with other persons' instructions about when, where and how he or she is to work is ordinarily an employee. This control factor is present if the person or persons for whom the services are performed have the right to require compliance with instructions.
2. **Training.** Training a worker by requiring an experienced employee to work with the worker by corresponding with the worker, by requiring the worker to attend meetings or by using other methods, indicates that the person or persons for whom the services are performed want the services performed in a particular method or manner.
3. **Integration.** Integration of the worker's services into the business operations generally shows that the worker is subject to direction and control. When the success or continuation of a business depends to an appreciable

degree upon the performance of certain services, the workers who perform those services must necessarily be subject to a certain amount of control by the owner of the business.

4. **Services Rendered Personally.** If the services must be rendered personally, presumably the person or persons for whom the services are performed are interested in the methods used to accomplish the work as well as in the results.
5. **Hiring, Supervising and Paying Assistants.** If the person or persons for whom the services are performed hire, supervise and pay assistants, that factor generally shows control over the workers on the job. However, if one worker hires, supervises, and pays the other assistants pursuant to a contract under which the worker agrees to provide materials and labor and under which the worker is responsible only for the attainment of a result, this factor indicates an independent contractor status.
6. **Continuing Relationship.** A continuing relationship between the worker and the person or persons for whom the services are performed indicates that an employer-employee relationship exists. A continuing relationship may exist where work is performed at frequently recurring although irregular intervals.
7. **Set Hours of Work.** The establishment of set hours of work by the person or persons for whom the services are performed is a factor indicating control.
8. **Full-Time Required.** If the worker must devote substantially full time to the business of the person or persons for whom the services are performed, such person or persons have control over the amount of time the worker spends working and impliedly restricts the worker from doing other gainful work. An independent contractor, on the other hand, is free to work when and for whom he or she chooses.
9. **Doing Work on Employer's Premises.** If the work is performed on the premises of the person or persons for whom the services are performed, that factor suggests control over the worker, especially if the work could be done elsewhere. Work done off the premises of the person or persons receiving the services, such as at the office of the worker, indicates some freedom from control. However, this fact by itself does not mean that the worker is not an employee. The importance of this factor depends on the nature of the service involved and the extent to which an employer generally would require that employees perform such services on the employer's premises. Control over the place of work is indicated when the person or persons for whom the services are performed have the right to compel the worker to travel a designated route, to canvass a territory within a certain time or to work at specific places as required.

10. **Order of Sequence Set.** If a worker must perform services in the order or sequence set by the person or persons for whom the services are performed, that factor shows that the worker is not free to follow the worker's own pattern of work but must follow the established routines and schedules of the person or persons for whom the services are performed. Often, because of the nature of an occupation, the person or persons for whom the services are performed do not set the order of the services or set the order infrequently. It is sufficient to show control, however, if such a person or persons retain the right to do so.
11. **Oral or Written Reports.** A requirement that the worker submit regular or written reports to the person or persons for whom the services are performed indicates a degree of control.
12. **Payment by Hour, Week, Month.** Payment by the hour, week or month generally points to an employer-employee relationship, provided that this method of payment is not just a convenient way of paying a lump sum agreed upon as the cost of a job. Payment made by the job or on a straight commission generally indicates that the worker is an independent contractor.
13. **Payment of Business and/or Traveling Expenses.** If the person or persons for whom the services are performed ordinarily pay the worker's business and/or traveling expenses, the worker is ordinarily an employee. An employer, to be able to control expenses, generally retains the right to regulate and direct the worker's business activities.
14. **Furnishing of Tools and Materials.** The fact that the person or persons for whom the services are performed furnish significant tools, materials and other equipment tends to show the existence of an employer-employee relationship.
15. **Significant Investment.** If the worker invests in facilities that are used by the worker in performing services and are not typically maintained by employees (such as the maintenance of an office rented at fair value from an unrelated party), that factor tends to indicate that the worker is an independent contractor. On the other hand, lack of investment in facilities indicates dependence on the person or persons for whom the services are performed for such facilities and, accordingly, the existence of an employer-employee relationship.
16. **Realization of Profit or Loss.** A worker who can realize a profit or suffer a loss as a result of the worker's services (in addition to the profit or loss ordinarily realized by employees) is generally an independent contractor, but the worker who cannot is an employee.

17. **Working for More Than One Firm at a Time.** If a worker performs more than the minimum service for a multiple of unrelated persons or firms at the same time, that factor generally indicates that the worker is an independent contractor.
18. **Making a Service Available to General Public.** The fact that a worker makes his or her services available to the general public on a regular and consistent basis indicates an independent contractor relationship.
19. **Right to Discharge.** The right to discharge a worker is a factor indicating that the worker is an employee and the person possessing the right is an employer. An employer exercises control through the threat of dismissal, which causes the worker to obey the employer's instructions. An independent contractor, on the other hand, cannot be fired so long as the independent contractor produces a result that meets the contract specifications.
20. **Right to Terminate.** If the worker has the right to end his or her relationship with the person for whom the services are performed at any time he or she wishes without incurring liability, that factor indicates an employer-employee relationship.

EQUIPMENT LEASES



Equipment leases that have an annual cost anticipated to exceed the purchasing Category Two threshold established in s. 287.017, F.S., require prior approval from the Bureau of Financial Reporting . If the monthly lease cost for equipment is greater than one-twelfth of the Category Two threshold, but the annual cost will be less than the Category Two threshold, each voucher submitted for payment should include documentation indicating that the annual cost will not exceed the Category Two threshold.

In computing the total lease cost for determination as to whether the annual lease cost exceeds the Category Two threshold, maintenance and other periodic costs to be incurred by the lessee for the equipment must be added to the lease payments. Equipment is defined as a functional unit and not as an individual component. For example, an agency may not acquire, by lease, equipment costing less than Category Two threshold annually, avoiding Bureau of Financial Reporting approval, and then add other components to the equipment which increases the total annual cost above the threshold.

Requests for Bureau of Financial Reporting approval to lease equipment above the Category Two threshold must be submitted with the Lease Checklist to Financing@myfloridacfo.com or to:

Department of Financial Services
Bureau of Financial Reporting
200 East Gaines Street
Tallahassee, Florida 32399-0354

The lease checklist is available at:

<https://www.myfloridacfo.com/Division/AA/Forms/default.htm>

Vouchers submitted for payment of leases requiring prior approval of the Bureau of Financial Reporting must show the lease approval number assigned by the Bureau of Financial Reporting.

Regardless of the annual cost of the lease or the acquisition method, it shall be the responsibility of the procuring agency to evaluate and maintain documentation to support that a lease is economically prudent and cost-effective.

Agencies with special needs for leasing equipment, such as short-term needs for surveying, monitoring and research connected with wildlife studies or preservation are exempt from the requirement to obtain prior approval.

A certification from the agency head or designee supporting the decision to lease must be attached to the voucher submitted for payment.

The Bureau of Financial Reporting will review leases less than or equal to Category Two, upon agency request.



PURCHASING CARD TRANSACTIONS – LEASES OF EQUIPMENT

Agencies may use purchasing cards for payment on leased equipment in accordance with the above requirements.

EXECUTIVE ORDERS



The Governor has the authority to sign executive orders under s. 252.36, F.S. All executive orders have the full force and effect of law. Most executive orders are for emergencies dealing with hurricanes, tropical storms, wildfires, floods, tornadoes, citrus canker and other states of emergency. An executive order may suspend the purchasing rules and regulations.

EXPENDITURE OF STATE FUNDS



An expenditure of State funds must be authorized by law and the expenditure must meet the intent and spirit of the law authorizing the payment.

In cases where the item for payment is generally used solely for the personal convenience of employees (for example: portable heaters, fans, refrigerators, stoves, microwaves, coffee pots and supplies, picture frames, wall hangings, various decorations, etc.) and which generally are not necessary in order for a State agency to carry out



its statutory duties, the agency must provide justification for the purchase of these items or perquisite approval by an appropriate official. Also, State funds cannot be expended to satisfy the personal preference of employees (for example: an agency may not purchase more expensive office furniture or equipment than is necessary to perform its official duties because the employee prefers a more expensive item).

Each voucher must contain documentation which shows the legal authority for the requested payment, if the authority is not obvious from the face of the voucher. In order to reduce the number of voucher returns, agencies should ensure that each voucher meets this requirement prior to submission to the Bureau of Auditing.



EXPENSE, OCO, OR FCO DETERMINATION

A determination of whether a purchase should be made from an Expense or OCO appropriation is based on the cost of the functional unit. A functional unit is defined as a collection of items purchased at the same time that must be combined or used together to achieve a particular purpose. For example, when purchasing computer hardware, a functional unit would include the central processing unit with RAM, hard drive, video monitor, keyboard, external drives, and mouse. Total system upgrades or the adding of new components costing \$1,000 or greater should be paid from OCO appropriations. However, upgrades, repairs or replacements of individual components may be made from expense appropriations if the cost of the item is less than \$1,000. Additionally, actual costs to restore a functional unit to its original condition may be paid from Expense appropriations.

Another example is the purchase of modular furniture. Modular furniture must be purchased from OCO or FCO appropriations, if the cost of each functional unit exceeds \$1,000. If wall panels are to be used as part of a modular work station, the cost of the entire functional work station unit would determine whether the payment is made from Expense, OCO, or FCO appropriations. Reconfigurations should be paid from Expense appropriations.

If the functional unit was originally purchased from an FCO appropriation, the replacement unit may be purchased using OCO funds or Expense, depending on the cost.



FCO – GRANTS AND AIDS APPROPRIATION

FCO Grants and Aids Appropriations to certain Non-profit entities may be required to comply with some or all of the requirements of s. 216.348, F.S. if specified in the legislative bill.

FUEL CARD TRANSACTIONS



Agencies are required to maintain invoices/receipts for all charges and to have a system of internal control in place to ensure that all charges are valid State expenditures.

Payment requests submitted to the Bureau of Auditing must include: the summary invoice; the detail transaction list from the fuel card company; and supporting documentation for transactions that do not contain sufficient detail for a proper pre-audit. The Bureau has determined transactions that do not include sufficient detail for our pre-audit include, but are not limited to;

fuel adjustments, miscellaneous fuel purchases, other miscellaneous transactions, and miscellaneous repairs. Therefore, invoices/receipts will need to be submitted to the Bureau for payment of these charges.



State agencies are encouraged to use the State purchasing card (PCard) as an alternative to using the fuel card for repairs and maintenance. Each agency interested in using the PCard for state vehicle repair and maintenance transactions must comply with the following:

- Submit an addendum to your Agency's PCard Plan, which includes applicable internal controls for state vehicle repairs and maintenance.
- A new Merchant Category Code Group (MCCG) or modification of an existing MCCG may be necessary (contact DFS for review and approval).

Each agency's Scoped Administrator must contact DFS for assistance with the MCCG determination and record the change in WORKS. Appropriate notification must be made to Bank of America prior to implementing the use of the PCard for state vehicle repair and maintenance transactions. If a state agency elects to use the PCard for repairs and maintenance, DFS will allow the agency's fuel purchases to be processed in Central FLAIR as load and post transactions which will be audited on a post-audit basis. A unique agency site will need to be established for these fuel transactions.



FURNITURE

While state agencies may purchase office and public area furniture in accordance with the state term contract in effect at the time of purchase, price limits have been established for purchasing the following furniture:

1. Chairs (ergonomic)	\$675
2. Sofas 3 seat	\$1,400
3. Love Seats 2 seat	\$1,100
4. Wing Back (or similar chair)	\$800
5. End Tables	\$400
6. Coffee or 48" Conf. Table	\$600
7. Task Lighting	\$175 each

***Note: Item Nos. 2, 3, 4, 5, and 6 listed above may only be purchased for reception or other public areas.**

The price limits stated above also apply to furniture purchased under contracts entered into by an agency including furniture purchased from PRIDE.

If an agency needs to purchase a chair that exceeds the established limit in order to provide a reasonable accommodation under the ADA, the agency must process the invoice in accordance with the instructions in Americans with Disabilities Act section.

All other exceptions must be fully justified by the agency and approved **in advance** by the Bureau of Auditing. Requests for exceptions should be addressed to:

Department of Financial Services
Bureau of Auditing
200 East Gaines Street
Tallahassee, Fl. 32399-0355

HYBRID CAR RENTALS



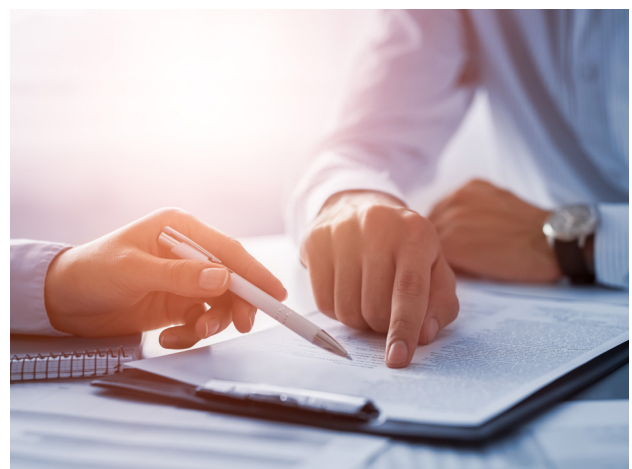
The State may incur a hybrid car rental expense when it has been determined to be the most economical method of travel. Agency heads or their designees have the authority to “designate the most economical method of travel for each trip,” pursuant to s. 112.061, Florida Statutes. An agency head may include environmental factors in determining the most economical method of travel. Each agency should develop a written policy for determining when the use of hybrid cars is appropriate. When an agency approves and submits a travel voucher containing hybrid rental car charges, it is certifying the hybrid’s use was the most economical method of travel. Documentation must be retained on file at the agency to support the agency’s decision.



INSURANCE



For agencies subject to the provisions of s. 287.022, F.S., payments for the purchase of insurance, with the exception of title insurance for land purchases, must have proof of approval by DMS or a certification of emergency. Such documentation shall be submitted with each payment request.





INTERCHANGE OF PERSONNEL AMONG STATE AGENCIES



Section 112.24, F.S., authorizes employee interchange agreements among State of Florida Agencies in order to encourage economical and effective use of public employees. Interchange agreements are exempt from the provision requirements of s. 287.058, F.S., and the terms and conditions of such agreements should be in accordance with the requirements set forth in s. 112.24, F.S. All invoices for payment must be reconcilable to these terms and conditions listed in the agreements.



INVOICES

GENERAL

Agencies shall only schedule those disbursements or transfers of funds authorized by law. If such authority is not apparent, the agency must cite the law which either provides the authority to expend funds for the purpose under consideration or necessarily implies the authority to carry out the authorized duty or function. The requirement for legal authority may not be satisfied by demonstrating that the requested disbursement or transfer has been done or approved previously.



All invoices scheduled for the disbursement or transfer of funds must be submitted in accordance with Rule 69I-40, F.A.C., and scheduled using the standard voucher format prescribed by the Department of Financial Services. The information listed in this section provides general guidelines that are common to all expenditures.

INVOICE REQUIREMENTS

The following requirements apply to all invoices submitted for payment.

1. An invoice submitted to DFS for payment must be a legible copy. The original invoice is filed and maintained by the agency. If an agency is filing a copy of the invoice as its original, it must contain the statement "original invoice not available, agency records show that this obligation has not been previously paid" with the signature of the person certifying the statement. Thermo fax copies, because of their temporary nature, shall not be filed as the original at the agency. It should be copied on a standard photocopy machine.
2. Invoices for commodities must clearly reflect a description of the item or items, number of units and cost per unit. Numerical code descriptions alone (i.e. part number instead of actual part name) will not be accepted.
3. Invoices for services must clearly identify the specific deliverable(s) (also known as units of service) that were completed. The invoice (or invoice backup) must also demonstrate that each deliverable's minimum performance levels were met. Payment will only be made for completed deliverables. In addition to identifying the completed deliverables, cost reimbursement invoices must also be itemized by expenditure category. Only expenditures for categories in the approved agreement budget may be reimbursed.

Please refer to the "Payment Processing" section of this Guide for additional requirements for payments for services.

4. No balances for prior purchases will be paid unless supported by an invoice.
5. A statement will not be paid unless it can be clearly shown that the vendor intended it to be used as an invoice that meets all invoice requirements.
6. All invoices shall be processed in accordance with s. 215.422, F.S., and the rules set forth in Rule 69I-24, F.A.C.
7. Invoices that are split payments require information showing the distribution of charges between funds for such invoice and a cross-reference of the statewide document numbers for all related vouchers.
8. Invoices and other supporting documentation included in a voucher must be grouped by vendor and arranged in the same order as the vendors are listed on the voucher schedule. If the voucher includes multiple invoices from the same vendor, the voucher must include a calculator tape or other evidence showing that the total of the invoices is equal to the amount shown on the voucher schedule.
9. Acronyms and non-standard abbreviations for programs or organizational units within an agency should not be used in the supporting documentation unless an explanation is also included.

INVOICE REQUIREMENTS – PURCHASING CARD TRANSACTIONS

A purchasing card transaction must be supported by a receipt (See “Receipt Requirements - Purchasing Card Transactions” for additional information.). However, when a receipt is not available from the vendor/merchant, a statement or invoice from the vendor may be used if it meets the following criteria:

1. It is clearly intended to be used as a receipt.
2. It provides the same information as a receipt, including verification that the purchase was paid by credit card.
3. It contains clear evidence that goods or services have been received.
4. It is not used to make payment for a prior unpaid balance.
5. If payment acknowledgement is not available from the vendor, the Account Holder should document the following information on the invoice/statement:
 - a. Date of the payment
 - b. Statement that payment was made by purchasing card
 - c. Payment confirmation number, if available



INVOICE SAMPLING



A selected sample of invoices for disbursement requests equal to or less than the established dollar threshold for an agency must be submitted to the Bureau of Auditing for pre-audit review. Sampling thresholds may vary by agency and/or voucher processing site and could be changed at any point in time. Invoices equal to or less than the established dollar threshold for an agency, and not included in the sample, will be systematically posted and should not be submitted to the Bureau of Auditing.

The Bureau of Auditing must account for all sampled invoices. Sampled invoices which are deleted at the agency's request must be submitted along with an explanation for the deletion. Sampled invoices audited and deleted by the Bureau, must be re-submitted with the Bureau's return form. Additionally, the invoices must be re-vouchered using the bookkeeping indicator (BKI) "A" unless the BKI "Z" is needed in order to bypass Central FLAIR's contract system.

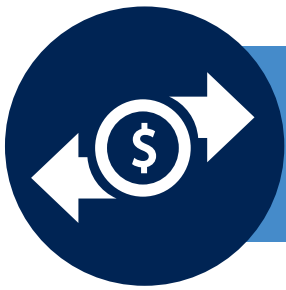
Flags can be set in the Voucher Audit System to identify invoices that require special review. Vouchers and copies of supporting documentation for these invoices must be submitted to this office, regardless of the dollar amount.

JUSTICE ADMINISTRATIVE COMMISSION - DISBURSEMENTS



Payment vouchers for attorney's fees to private court-appointed counsel must comply with the applicable limitations set forth in s. 27.5304, F.S. In those cases where payments exceed the flat fee established by the General Appropriations Act, the requested payment must be supported by all of the following documentation:

1. A copy of a written notification to counsel from the JAC that the attorney's fee invoice submitted by counsel exceeds the applicable statutory limitation for the type of representation involved;
2. Any written objection to the payment of the fees submitted by the JAC to the court having jurisdiction of the matter in which the representation occurred;
3. A court order directing payment of the fees which contains specific findings that the fees claimed are reasonable and incurred as the result of unusual or extraordinary circumstances associated with the representation; and all invoices submitted for payment must be in sufficient detail for a proper pre-audit and must be submitted on the standard voucher format as required by s. 69I-40.001, F.A.C. This format requires a certification statement that the "transactions are in accordance with the Florida Statutes, and all applicable laws and rules of the State of Florida." The title and signature of the person making the certification must be shown on the voucher schedule.
4. An itemized invoice with a detailed description of hours worked by counsel in connection with the representation for which payment is sought.



JOURNAL TRANSFERS

Journal transfers (JTs) are vouchers (transactions) that allow state agencies to make payments directly to other state agencies in lieu of issuing a state warrant, correct disbursements made in error, allocate costs within an agency, make transfers or distributions that are required by law and restore current year expenditure refunds to their original disbursement accounts. Pursuant to Rule 69I-40.002(24), F.A.C., all payments to state agencies shall be made by journal transfer unless the necessity for making payment by warrant is documented by the agency and approved by the Bureau of Auditing.



There are three types of journal transfers: JT-1, JT-2 and JT-3. A JT-1 is referred to as a journal redistribution. A JT-2 can be one of four different voucher types: a journal advice, an operating disbursement, a non-operating transfer or an expenditure refund. A JT-3 involves the transfer of budget release between accounts with different Internal Budget Indicators (IBI). The JT-3 will not be discussed in this reference manual as it is a function of the Bureau of Financial Reporting.

JOURNAL TRANSFER ONE (JT-1)

Journal Redistribution

The journal redistribution (JT-1) is used to make corrections of disbursements made in error and/or to allocate costs and budgets **within** an agency. The allocation of costs within an agency usually occurs when an agency wants to issue one warrant/EFT to a vendor and subsequently reallocate the disbursement to individual sections or other units for their pro rata share of the total cost. JT-1s should not be used to correct non-operating transfers or service charge journal transfers **or for making payments to other state agencies.**

State agencies must maintain documentation to support the correction of errors and the original documentation for disbursements which are being re-allocated. Documentation to support JT-1s must be submitted to the Bureau of Auditing upon request. Central FLAIR Transaction codes 20 and 21 are used to update the accounting system as follows:

Transaction Code 20 – INCREASE (disbursing/initiating side of a JT-1):

- Increase Journal disbursement (and disbursements year-to-date)
- Decrease Unexpended release balance (budget)
- Decrease cash balance

Transactions Code 21 – DECREASE (receiving/benefiting side of a JT-1):

- Decrease Journal disbursements (and disbursements year-to-date)
- Increase unexpended release balance (budget)
- Increase cash balance

JOURNAL TRANSFER TWO (JT-2)

As stated earlier, the JT-2 can be one of four different voucher types: journal advice, operating disbursement, non-operating transfer and expenditure refund.

I. Journal Advice

The journal advice, JT Exhibit 2 is primarily used to make payments to other state agencies for goods and services received. Supporting information for payments to other state agencies should include at a minimum the invoice that provides a description of the goods or services, the benefiting agency's account code, the invoice period, the DO or Contract Summary Form, the receiving report or evidence supporting the delivery of service signed by the contract manager, and the amount being requested as per the agreement terms. Any additional information necessary to substantiate the payment based on the type of purchase being made must also be included.

Agencies will also use the journal advice to make payments of the service charge to general revenue, to invest funds with the DFS, Division of Treasury, and to process payments to the Division of State Group Insurance (DSGI).

Investments

The purpose of the investment journal advice is to allow agencies to invest funds with the Division of Treasury. Investment JT-2s will have an object code of 8400XX. Investment JT-2s received in the Bureau of Auditing by 2:00 pm will be processed on that date. Investments received after 2:00 p.m. will be processed the following day.

Service Charges to General Revenue Fund

Pursuant to s. 215.20, F.S., a service charge shall be deducted from income of a revenue nature deposited in certain trust funds. This service charge is transferred to the General Revenue Fund via a JT-2 submitted to the Bureau of Auditing. Service charge JT-2s will have an object code of 880XXX. The Bureau of Auditing will forward these JT-2s to the Bureau of Financial Reporting for processing.

Employer/Employee Contributions

Payments to employer/employee contributions must have approval from the DSGI prior to being submitted to the Bureau of Auditing. The approval must be stamped on the face of the voucher schedule.

II. Category 10XXXX – Operating Disbursements

This type of transaction is used when the agency receives the appropriation in a special category (10XXXX) through the General Appropriations Act and is required to “transfer” the funds to another state entity. If the 10XXXX category used has been identified as “H” in the Itemization of Expenditures (IOE) records in LAS/PBS, the receipt category must be 001000, state grants. These are operating receipts and disbursements, though nothing is being purchased and no benefit is received by the paying agency. The authority for the operating disbursement must be reflected on the voucher submitted to the Bureau of Auditing. Object code 8300XX must be used with these operating disbursements.

Transaction codes 25 and 45 are used, with the journal advice, to update the Central Accounting System as follows:

Transaction Code 25 – INCREASE (disbursing/initiating side of a journal advice):

- Increase journal disbursements (and year-to-date disbursements)
- Decrease unexpended release balance (budget)
- Decrease cash balance

Transaction Code 45 – INCREASE (receiving/benefiting side of a journal advice):

- Increase journal receipts
- Increase cash balance

III. Non-Operating Transfer

This type of cash transfer is intended only for purposes not directly related to operations of the agency and does not serve to change or redistribute the operating budget in any manner. These are non-operating receipts and disbursements. The non-operating transfer has three unique characteristics.

1. The disbursement category is usually 180000(or 18XXXX), although categories 170000 or 31XXXX (Special categories non-operating) may occasionally be used.
2. The receipt category must be 0015XX or 0016XX, transfers required by law.
3. The disbursement object code must be 8100XX.

Transfers between Governmental Accounting, Auditing and Financial Reporting (GAAFR) funds constitute a unique type of non-operating transfer. There are two separate cash control accounts identical in all respects except for the GAAFR fund code. Since GAAFR funds exist only in FLAIR, and are a separate classification from the state funds, the transfer of cash between GAAFR funds is a bookkeeping entry only and requires no budget approval. The disbursing category is 310400 and the benefiting category is 003100

Journal transfer vouchers submitted to the Bureau of Auditing for non-operating transfers must contain an explanation of the transfer or a reference to the statutory requirement for the transfers. Transaction codes 29 and 49 are used to update the Central Accounting System as follows:

Transaction Code 29 – INCREASE (disbursing/initiating side of a transfer):

- Increase transfer disbursements (and disbursements year-to-date)
- Decrease unexpended release balance (budget)
- Decrease cash balance

Transaction Code 49 – INCREASE (receiving/benefiting side of a transfer):

- Increase transfer receipts
- Increase cash balance

IV. Expenditure Refund

The current year expenditure refund is used to restore cash and budget to the current year disbursement account, which generated the payment on which the refund is based. Current year refunds may only be processed for refunds received and deposited during the same fiscal year that the warrant was issued for the disbursement. A cash deposit is made to a receipt account and is then transferred by JT from the receipt account to the disbursing account. Vouchers submitted to the Bureau of Auditing must contain a form DFS-A2-1896 (available at http://www.myfloridacfo.com/aadir/bureau_audit.htm.)

The DFS-A2-1896 form includes the 29-digit FLAIR codes where the original disbursement occurred, the original warrant number and date, the original object code and signatures of the preparer and the authorized personnel. A Letter of Authorization approved by the Bureau of Auditing may be substituted for the information requirements of the DFS-A2-1896. The Letter of Authorization number is valid for the types of cash refunds being processed without reference to the original warrant number and date. The Letter of Authorization may be used for frequent small dollar refunds upon which obtaining the original warrant number and date is not feasible. The Letter of Authorization is only valid for items that are listed on the Authorization as approved.

When an expenditure refund is deleted from the system, it does not affect the original cash deposit made into the receipt account. It does, however, remove the transaction created to restore the cash and budget back to agencies current year disbursement account. Auditors will make every effort not to delete a line item or an entire voucher of a cash refund unless it has been absolutely determined that the transaction is incorrect and should be deleted.

Transaction codes 39 and 38 are used with the expenditure refunds to update the central accounting system as follows:

Transaction Code 39 – DECREASE (disbursement/initiating side of a cash refund)

- Decrease journal disbursements (and year-to-date disbursements)
- Increase unexpended release balance (budget)

Transaction Code 38 – DECREASE (receiving/benefiting side a cash refund):

- Decrease journal receipts

Note: Negative Journal Transfers

The general purpose of a negative journal transfer is to correct a previous JT processed in error. These transactions may occur on a JT-1 or a JT-2. Negative JT-1 and JT-2 transactions that are correcting an entry that affects only the initiating agency's accounts (within OLO) are proper transactions. However, a negative JT-1 or JT-2 that crosses OLOs should not be processed without additional justification of the circumstances since it will allow one agency to debit the account of another agency.

PURCHASING CARD TRANSACTION – INTERAGENCY CONTRACT PAYMENTS

The use of the purchasing card to make payments to state agencies for goods or services is allowable, if the receiving agency has determined that this method is most effective for payments.

LAND PURCHASES



Vouchers submitted to the Bureau requesting payment for the purchase of land must include:

1. An Opinion of Clear Title stating that upon closing on this purchase, the fee simple title will vest in the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida and the title insurance policy insuring marketability of title to the said parcel shall be delivered to the State;
2. Evidence of Governor and Cabinet approval;
3. The sales contract;
4. The legal description of the property.

LEGAL ADVERTISING



Pursuant to ss. 50.031 and 50.041, F.S., legal advertisements shall be supported by proof of publication made by uniform affidavit. Such documentation shall be submitted with each payment request.



LEGAL SERVICES

Contracts for private attorney services must be in accordance with s. 287.059, F.S. Prior approval of the Attorney General must be obtained, where applicable, and shall include a statement that the private attorney services requested cannot be provided by the Office of the Attorney General or that such private attorney services are cost effective in the opinion of the Attorney General. Where applicable, evidence of approval by the Office of the Attorney General to contract for private attorney services must be included with the first payment submitted to the Bureau of Auditing.



LEVIES/LIENS

DEPARTMENT OF REVENUE

The Department of Revenue (DOR) will periodically provide DFS with a file of vendors with delinquent state taxes pursuant to s. 213.67, F.S. Upon receiving a request for payment to a delinquent vendor, the Bureau of Auditing will inquire from DOR whether the lien is active. When DOR indicates the vendor lien is still active, the Bureau of Auditing will delete the payment request and return the payment request to the agency. Upon notification from the Bureau that the lien is active, agency staff must contact DOR regarding the settlement of the lien.



INTERNAL REVENUE SERVICE

Levies are received by DFS from the Internal Revenue Service (IRS) notifying the State that federal taxes are owed by a particular vendor. Upon receipt of the levies, a flag is placed on the Federal Employer Identification Number (FEIN) and the vendor name to ensure that any payment made to that vendor is scheduled to the U.S. Treasury on behalf of the vendor. If a payment request is received for a vendor that has an IRS levy and is not scheduled to the U.S. Treasury, the payment will be deleted and returned to the agency, along with a copy of the levy, requesting that the agency reschedule appropriately.

If an agency receives an IRS levy or a release of levy, it should be forwarded to DFS, Bureau of Auditing, 200 East Gaines Street, Tallahassee, Florida 32399-0355, so that appropriate action may be taken.

When a release of levy is received from the IRS indicating that a vendor has satisfied the levy requirements, the flag will be removed from the FEIN and vendor name.



Purchasing Card Transaction – Department of Revenue Liens

Agencies shall not knowingly use the purchasing card to make a purchase from a merchant/vendor who has a DOR lien.

LOBBYIST



Section 11.062(1), F. S., prohibits the use of state funds by the executive or judicial branch to pay a person that is not an employee, for the purpose of lobbying the Florida Legislature. Funds for salaries, travel expenses, and per diem may be used for lobbying purposes of full time employees of an agency, but funds may not be used to retain, by contract, an outside lobbyist.

Section 11.062(2)(a), F. S., states, “a department of the executive branch, a state university, a community college, or a water management district may not use public funds to retain a lobbyist to represent it before the legislative or executive branch.”

Full-time employees of a department of the executive branch, a state university, a community college, or a water management district may register as lobbyist to represent their respective employers before the legislative or executive branch. Except as full-time employees, they may not accept any public funds from a department of the executive branch, a state university, a community college, or a water management district for lobbying.

This does not prohibit a department of the executive branch, a state university, a community college, or a water management district from retaining a lobbyist for purposes of representing the entity before the executive or legislative branch of the Federal Government.

Section 216.347, F.S. Disbursement of grants and aids appropriations for lobbying is prohibited. A state agency, a water management district, or the judicial branch may not authorize or make any disbursement of grants and aids appropriations pursuant to a contract or grant to any person or organization unless the terms of the grant or contract prohibit the expenditure of funds for the purpose of lobbying the Legislature, the judicial branch, or a state agency. The provisions of this section are supplemental to the provisions of s. 11.062 and any other law prohibiting the use of state funds for lobbying purposes. However, for the purposes of this section and s. 11.062, the payment of funds for the purpose of registering as a lobbyist shall not be considered a lobbying purpose.



MEMBERSHIP DUES, LICENSE FEES AND PROFESSIONAL CERTIFICATIONS



Pursuant to s. 216.345, F.S., public funds may be expended for the purpose of paying professional and/or organizational membership dues upon approval by the agency head or designee, provided that the membership is essential to the statutory duties and responsibilities of the state agency.

Payment of individual membership dues may be paid from state funds when it has been certified by the professional or other organization that it does not accept institutional memberships and the membership is essential to the statutory duties of the organization. Payment of membership dues shall not be paid for maintenance of an individual's professional or trade status except in cases where agency or branch membership is necessary and more economical.

Payment information maintained at the agency pertaining to the payment of membership dues must contain a statement that the records of the organization,

as they pertain to the public agency from which or on whose behalf the payments are made, shall be public records pursuant to s. 119.01 (3), F.S.

Unless specifically authorized by law, the following items related to professional certifications and occupational licenses will not be paid:

1. Florida or other Bar dues.
2. Professional license fees.
3. Occupational license fees.
4. Driver license fees.
5. Other fees for licenses required for an individual to perform his or her official duties.
6. Tuition for fees designed to help an individual pass the examination for any of the above licenses, unless the training is directly related to the person's current official duties.
7. Tuition or fees for continuing education classes for the sole purpose of maintaining any License.
8. Tuition and Examination fees for professional certifications, occupational or professional licenses required for a person to perform his or her official duties.

State funds may be spent only for a public purpose or function which the public officer or agency is expressly authorized by law to carry out or which must be necessarily implied to carry out the purpose or function expressly authorized. Unless expressed in statute or through Legislative proviso, tuition, examination and certification fees are considered a personal benefit.

MOTOR VEHICLES



PROCUREMENT OF MOTOR VEHICLES

Pursuant to Chapter 287, Part II, F.S., payment for purchase and continuous lease of motor vehicles must include:

1. Documentation showing that funds were appropriated by the Legislature or were approved by the Executive Office of the Governor. Examples of such documentation include the legislative budget form D3-A, the budget amendment from the Governor's Office or the appropriation line item;
2. Evidence of approval from DMS, Fleet Management;
3. A purchase order.

Motor Vehicles purchased by the following entities need only provide evidence of approval by DMS pursuant to 691-40.002 (17) and s. 287.155, F.S.

- Department of Children and Families for DCF managed institutions.
- Department of Corrections for DOC managed institutions.



REPAIRS OR MAINTENANCE

Invoices submitted for payment for the repair or maintenance of state-owned vehicles must include the state property number or the license tag number of the vehicle. If repairs are the result of an accident, a copy of the accident report must be provided.

PERSONAL VEHICLE DAMAGE – DEPARTMENT OF CORRECTIONS

Pursuant to s. 944.0611, F.S., employees of the Department of Corrections required to use their personal vehicles in the performance of their duty may file claims for damages made to their personal vehicles while on official state business. Such claims shall be filed in accordance with Rule 33-203.701, F.A.C., and shall be limited to an amount for repairs at the insurance deductible amount.

VEHICLE PURCHASES FROM SURPLUS PROPERTY

The payment of the transfer fee for the purchase of a surplus property vehicle may be made from an expense appropriation.



MOVING EXPENSES — EMPLOYEE



Expenditures properly chargeable to employee moving expenses include the cost of moving household goods or moving an employee's privately-owned mobile home. Payments of moving expenses may include moving of household goods by common carrier, a state-owned vehicle or a rental truck or trailer. The payment of employee moving expenses is a perquisite and requires the approval of the agency head or agency head designee and may only be paid when it is in the best interest of the State due to the exceptional or unique requirements of the position. This approval must be obtained before the move of the household goods.

Pursuant to Attorney General Opinion 81-34, an agency head or designee may approve the payment of travel expenses pursuant to Section 112.061, F.S., to an agency employee who is reassigned and required to relocate to new official headquarters within the agency in order to carry out the duties and functions of the agency. Under these circumstances moving expenses do not have to be paid in order for an employee to receive reimbursement of travel expense.



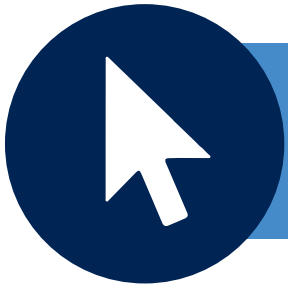
Vouchers submitted to the Bureau of Auditing for the payment of employee moving expenses should include the following documentation: Invoice, purchase order and agency head or agency head designee approval including a statement as to why the payment is in the best interest of the State. Vouchers submitted to the Bureau of Auditing for reimbursing the employee for moving expenses, paid by the employee, require the same documentation listed above however, must include paid receipts in lieu of the invoice. Documentation must be attached to a properly completed Reimbursement Other Than Travel Form.

The 2018 Tax Cuts and Jobs Act requires that all moving expenses, without exception, are taxable to the employee, regardless to whom the payment is made.

Payment of extra charges for picking up household goods from more than one location may be paid for an employee's approved move if the second location is in the same immediate geographic area as the primary residence.

PURCHASING CARD TRANSACTIONS – EMPLOYEE MOVING EXPENSES

In order to ensure compliance with Section 132, Internal Revenue Code, a cardholder shall not use his/her purchasing card to pay for any moving expenses.



MYFLORIDAMARKETPLACE (MFMP)

In addition to the Invoice Requirements and Payment processing requirements contained herein, MFMP transactions must also adhere to the following requirements:

- Each vendor invoice must have its own Invoice Reconciliation (IR). Electronic invoices for goods or services submitted through the Electronic Invoicing (invoicing) function [currently Ariba Supplier Network] must include the vendor's dates of service (invoice period) in the comment field.
- With the exception of Electronic Invoices, a copy of the invoice and the required supporting documentation must be scanned and attached to the Invoice Tab or Exceptions Tab.
- The Contract or Order's Paid to Date total must be listed as a comment on the Invoice Tab or Exceptions Tab. Conversely, this requirement may be fulfilled by attaching a completed Contract Summary Form to the Invoice Tab or the Exceptions Tab.
- For certification and receipting requirements, see CFO Memo No. 3 (2019-20) and the Receipt and Certification of Goods or Services-Documentation Requirements section of this Guide.

PLACEMENT OF REQUIRED PAYMENT INFORMATION IN MFMP

Payment Requirement	Format	Location on IR
Invoice	PDF attachment or MFMP Electronic Invoicing (eInvoicing)	Invoice Tab or Exceptions Tab.
Documentation Supporting Invoice's Deliverables and Minimum Performance Levels	PDF attachment	Invoice Tab or Exceptions Tab.
Purchase Order or Contract Paid to Date Total	Comment, completed Contract Summary Form, or Cumulative Paid to Date tally sheet	Invoice Tab or Exceptions Tab.
Contract Manager's Certification Statement	Comment, stamp on invoice, or completed Contract Summary Form	Invoice Tab or Exceptions Tab.

Note: Do not attach any of the requirements above to the Order Tab/Contract Tab or the Purchase Requisition/Contract Requisition Tab.