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Department of Transportation

FIXED CAPITAL OUTLAY PROGRAM

PURPOSE

To provide uniform guidelines for the development, implementation, and management of the Department's Fixed Capital Outlay (FCO) Program.

AUTHORITY

Sections 20.23(3)(a) and 334.048(3) Florida Statutes (F.S.)

REFERENCES

FLORIDA STATUTES (F.S.)

Chapter 215	Financial Matters: General Provisions
215.985	Transparency in Government Spending
Chapter 216	Planning and Budgeting
216.011	Definitions
216.015	Capital Facilities Planning and Budgeting Process
216.0152	Inventory of State-owned Facilities or State-occupied Facilities
216.0158	Assessment of Facility Needs
216.023	Legislative Budget Requests to be furnished to Legislature by Agencies
216.043	Budgets for Fixed Capital Outlay
216.177	Appropriations Acts, Statement of Intent, Violation, Notice, Review and Objection Procedures
216.181	Approved Budgets for Operations and Fixed Capital Outlay
216.182	Approval of Fixed Capital Outlay Program Plan
216.192	Release of Appropriations; Revisions of Budgets
216.292	Appropriations Nontransferable; Exceptions
216.301	Appropriations; Undisbursed Balances
Chapter 255	Public Property and Publicly Owned Buildings
Chapter 287	Procurement of Personal Property and Services
Chapter 339	Transportation Finance and Planning
339.135(2)	Submission of Legislative Budget Request and Request for List of Additional Transportation Projects
Chapter 553	Building Construction Standards
Chapter 633	Fire Prevention and Control
633.218	Inspections of State Buildings and Premises; Tests of Firesafety

Equipment; Building Plans to be Approved

FLORIDA ADMINISTRATIVE CODE (F.A.C.)

Rule 1T-1.033	Art in State Buildings Program
Chapter 14-91	Administration of Combined Design and Construction Contracts (Design-Build)
Chapter 60D-4	Rules for Construction and Leasing of State Buildings to Ensure Energy Conservation
Chapter 60D-5	Procedures for Construction Contract Bidding, Award, Negotiation and Changes
Chapter 69A-52	Fees Rule Chapter (State Fire Marshal)

DEPARTMENT OF TRANSPORTATION PROCEDURES

010-000-020	Property Insurance
050-020-025	Records Management
340-000-001	Legislative Budget Preparation, Allocation and Administration
350-020-200	Contracts Funds Management Funds Approval
350-030-010	Purchasing Card
350-030-450	Operating Appropriations Carry Forward and Fixed Capital Outlay/ Work Program Certification Forward Processes
350-090-315	Buildings, Land and Land Improvements – Fixed Capital Outlay
375-030-002	Acquisition for Professional Services
375-030-035	Florida Accountability Contract Tracking System
375-040-020	Commodities and Contractual Services Procurement Manual
425-020-001	Building Code Compliance-Plans Review, Permits and Inspections
600-010-004	Technical Review Committee
600-010-006	Contract Awards Committee
625-020-010	Design-Build Procurement & Administration
625-020-015	ADA Requirements for Access to Department Facilities
625-020-016	Facilities Design Manual
700-000-000	Construction Project Administration Manual (CPAM)

DEPARTMENT OF TRANSPORTATION/FCO INSTRUCTIONS

Design-Build Guidelines - Available from the Office of Construction in Central Office SharePoint site.

Non-Technical Specifications for Fixed Capital Outlay (Buildings and Grounds) Building Construction Contracts - Available from the FCO Office in Central Office SharePoint site.

Work Program Instructions - Available from the Office of Work Program & Budget in Central Office SharePoint site.

Executive Office of the Governor's Capital Improvements Program Plan Instructions - Available from the Florida Fiscal Portal.

Chief Financial Officer Memorandum No. 5 (2011-2012), dated June 22, 2012

STATEMENT OF POLICY:

It is the policy of the Florida Department of Transportation (Department) to establish processes with the intent to: (a) provide FCO Program management oversight of the construction, renovation and repairs of Department's state-owned facilities outside the right-of-way and (b) to oversee the management of FCO funds appropriated by the Florida Legislature for the Department's FCO facilities.

SCOPE

This procedure affects office personnel that are responsible for the development, management, and administration of FCO buildings and grounds projects.

DEFINITIONS

APPROPRIATION: A legal authorization to make expenditures for specific purposes within the amounts authorized in the **General Appropriations Act (GAA)**.

BUDGET OFFICE: The organizational unit within the Department's Office of Work Program & Budget that serves as the official contact with Executive Office of the Governor's Office of Policy and Budget (OPB). Located in the Central Office, the Budget Office is responsible for developing the **Legislative Budget Request (LBR)** and administering the annual appropriation for Central and District Offices and managing approved salary rate.

CAPITAL IMPROVEMENTS PROGRAM (CIP) PLAN: A systematic and planned approach to the development of each agency's facility needs consistent with the State Comprehensive Plan, the Agency Functional Plan derived from it, and the program submitted in the **LBR** for operations.

FIXED CAPITAL OUTLAY (FCO): **Section 216.011(1)(p), F.S.**, defines "fixed capital outlay" as the appropriation category used to fund real property (land, buildings, including appurtenances, fixtures and fixed equipment, structures, etc.) including additions, replacements, major repairs, and renovations to real property which materially extend its useful life or materially improve or change its functional use, including furniture and equipment necessary to furnish and operate a new or improved facility, when appropriated by the Legislature in the fixed capital outlay appropriation category.

FCO NON-TECHNICAL SPECIFICATIONS: The **State of Florida, Department of Transportation (Facilities and Grounds) Fixed Capital Outlay Non-Technical Specifications for Building Construction Contracts** (short title: **FCO Non-Technical Specifications**) are part of the bidding and contract process for FCO construction projects.

FCO OFFICE: The organizational unit within the Department's Support Services Office in Central Office that coordinates the statewide FCO program and serves as a liaison between the districts and the Budget Office in the development of FCO budget issues as part of the Department's LBR.

GENERAL APPROPRIATIONS ACT (GAA): As signed by the Governor, the authorization of the Legislature (Conference Committee Report), based upon legislative budgets or based upon legislative findings of the necessity for an authorization when no legislative budget is filed, for the expenditure of amounts of money by an agency for stated purposes in the performance of the functions it is authorized by law to perform.

NON-FCO BUILDING PROJECTS: A project to provide rest areas, welcome centers, radio towers/buildings, microwave towers/buildings, railroad/car facilities, motorist aid towers/buildings, Fairbanks facilities, leased buildings, motor carrier weigh facilities, bridge tender houses, toll/turnpike roadway facilities, SunRail/bus facilities, and other buildings incidental to the roadway system.

OPERATING CAPITAL OUTLAY (OCO): Defined in **Section 216.011(bb), F.S.**, the appropriation category used to fund equipment, fixtures, and other tangible personal property of a non-consumable and nonexpendable nature under **s. 273.025**; where: 1) The value or cost of which is \$1,000 or more, and (2) the normal expected life of which is one year or more, and hardback bound books that are circulated to students or the general public, the value or cost of which is \$25 or more, and hardback-covered bound books, the value or cost of which is \$250 or more (See **Chief Financial Officer Memorandum No. 5 (2011-2012), dated June 22, 2012**).

PROGRAM AND RESOURCE PLAN: A document that provides the link between the **Florida Transportation Plan**, Department programs, and the **LBR**. It contains the specific long-range goals, operating policies, and performance measures that guide the development of each program in the Department. The **Finance Plan** also contains the program funding levels and the production targets that are balanced to anticipated revenues.

RENOVATION: As defined in **Rule 60D-4.002(11), F.A.C.**, an existing building undergoing an alteration that varies or changes HVAC systems, lighting systems, water-heating systems, insulation, or exterior building envelope conditions.

REPAIRS: As defined in **60D-5.002(13), F.A.C.**, restoration to an acceptable original state of a decayed, broken, deteriorated or demolished facility, building, portion of building, utility, parking lot, structure, or other real property.

SHORT-TERM PLAN: An agency's 5-year **CIP Plan** for facility needs, based on an assessment of unmet and forecasted future facility needs. The plan is submitted to the Executive Office of the Governor as prescribed in the **LBR Instructions**. The first year of the five-year CIP Plan serves as the agency's **Fixed Capital Outlay LBR** and the plan's years two through five include a description of anticipated FCO projects and funding needs. (**Sections 216.0158 and 216.043, F.S.**).

GENERAL INFORMATION

- Standard Codes - FCO design and construction will comply with all applicable statutes, building codes, rules, and regulations. (Refer to the **Procedure 625-020-016, Facilities Design Manual**, and **Procedure 425-020-001, Building Code Compliance-Plans Review, Permits and Inspections**).

- Established Procedures - FCO projects should be accomplished in accordance with established procedures. (*Refer to Procedure 010-000-020, Property Insurance, and Procedure 350-090-315, Buildings, Land and Land Improvements-Fixed Capital Outlay, for property and insurance requirements.*)

1. PROGRAM RESPONSIBILITIES

1.1 FCO PROGRAM MANAGER

The individual charged with responsibility of the overall development, management, and administration of the Department's FCO Program, assigned to the Support Services Office in Tallahassee. The FCO Program Manager also manages the Department's Architectural Services Contract, *Facility Design Manual*, and *FCO Non-Technical Specifications* for fixed capital outlay projects. The manager is also available upon request to assist with technical development, Leadership in Environmental and Energy Design (LEED), plans reviews, and consultations for FCO projects.

1.2 FCO COORDINATORS

The individuals in districts or central office units who are charged with responsibility for the development, management, and administration of their specific FCO Program within that district or office. Districts are responsible for assigning a Project Manager to each specific project. FCO coordinators assist Project Managers with project activities and/or budget adjustments, ensure appropriate information is included in the Work Program Administration (WPA) system, and are responsible for periodic project appropriation reconciliations.

1.3 PROJECT MANAGERS

In coordination with FCO Coordinators, individuals that are responsible for the day-to-day project activities during design and/or the construction phase of FCO projects. This includes reviewing and approving construction documents and invoices; purchasing furniture/equipment; overseeing the performance of contractors; monitoring compliance with applicable laws, rules, and procedures; monitoring project expenditures and balances to ensure costs are consistent with the contracts and the actual construction activities.

1.4 DISTRICT/ASSISTANT SECRETARIES OR DESIGNATED REPRESENTATIVES

The individuals or designees who are responsible for ensuring compliance with statutory requirements and applicable rules and procedures, in addition to other guidelines relative to the FCO Program.

1.5 CONTRACTS ADMINISTRATORS

The individuals in District or Central Office Contracts Administration Offices who are responsible for advertising; conducting bid openings; reviewing bids; providing all data required for Technical Review and Contracts Award Committees to properly evaluate the technical aspects, accuracy, and responsiveness of the bids; recording actions of committee meetings; ensuring appropriate encumbrances of funds to advertise and award projects; ensuring contracts are properly executed; and posting Bid Tabulations.

1.6 AMERICANS WITH DISABILITIES ACT (ADA) COORDINATORS

The individuals who are responsible for complying with all accessibility requirements and ensuring Department facilities provide accessibility for persons with disabilities.

1.7 DISTRICT INSURANCE COORDINATORS

The individuals who are responsible for completing the Department's forms to obtain insurance coverage for eligible buildings, additions, improvements, and structures, as well as for property disposal and losses.

2. FCO PROGRAM DEVELOPMENT

2.1 FCO PROGRAM PLAN FUNDING LEVELS

2.1.1 The FCO Program Plan funding levels are set by the Department's Executive Team and ultimately funded through the **GAA**. The Budget Officer and FCO Program Manager, in coordination with the FCO Coordinators, provide the Executive Team with information relative to the statewide FCO funding needs through the legislative budget preparation process.

2.1.2 Funding is appropriated in FCO budget categories and projects may be budgeted in a single year or phased in over several years. Although the FCO budget request identifies requirements for a 5-year period, the Legislature appropriates only the first year of the request. All appropriations for FCO projects are in 08XXXX budget appropriation category numbers. There are also Contracted Services (100777) budget allocated for maintenance type activities that can be repaired within the 12-month fiscal year period. These funds are considered operating but are used for FCO-type items.

2.2 LEGISLATIVE BUDGET REQUEST (LBR)

The Budget Office submits the Department's **LBR** to the Executive Office of the Governor (EOG) and the Legislature based on the annual instructions jointly issued to state agencies by OPB and the legislative appropriations committees. Specific instructions for the FCO Program related to buildings and grounds projects are included in the EOG's **LBR Instructions, Capital Improvements Program (CIP) Plan**, and the Department's initial **LBR Instructions**.

(Refer to **Procedure 340-000-001, Legislative Budget Preparation, Allocation and Administration**, and the following section for additional budget and **CIP Plan** preparation information.)

2.3 AGENCY CAPITAL IMPROVEMENTS PROGRAM (CIP) PLAN

2.3.1 Agencies are required to assess unmet and forecasted future facility needs and submit a 5-year **CIP Plan** (short-term plan) for facility needs to the EOG and legislative appropriation committees each year (**Sections 216.0158 and 216.043, F.S.**). The first year of the agency's five-year **CIP Plan** serves as the agency's FCO **LBR**, and the plan's years two through five include a description of anticipated FCO projects and funding needs. The Department's 5-year **CIP Plan** is developed as part of the **LBR** and is located on the FCO Office's SharePoint site.

2.3.2 The EOG publishes instructions on the completion of the agency **CIP Plan**. The

Budget Office provides these specific instructions, criteria, estimating information, and **CIP** forms to the FCO Program Manager who coordinates the instructions with the district FCO Coordinators to develop the detailed narrative justifications for their District CIP Plans. The Budget Office updates annual budget instructions and forms and posts them on the Office of Work Program & Budget SharePoint site.

2.3.3 FCO Coordinators perform needs assessments of their district facilities to identify facility, building, and grounds deficiencies for inclusion in the Department's **LBR**.

2.3.4 FCO Coordinators provide prioritized project listings for each of the projects contained in their first-year plans. Their District Secretaries or Assistant Secretary review and approve the plans. The districts submit their plans and priority lists to the Central FCO Office within the time specified by the Budget Office's LBR Instructions.

2.3.5 The FCO Program Manager reviews and prepares the Department's preliminary agency **CIP Plan** for the Budget Officer's review. The Central Office Management / Executive Team reviews and approves the Department's proposed five-year plan. The FCO Program Manager finalizes the agency **CIP Plan** to include in the **LBR**. Prior to submittal of the **LBR**, the Budget Office coordinates with the Central Office Program and Resource Allocation Section to finance the Department's proposed five-year **CIP Plan**.

2.4 TYPES OF FCO BUILDING PROJECTS

2.4.1 Design-bid-construct projects: The **Fixed Capital Outlay (FCO) Construction Contracts Project Level Comparison chart** is used as a reference checklist (available from the Contracts Administration Office SharePoint site). Refer to **Rule 60D-5, F.A.C.; FCO Non-Technical Specifications; and Procedure 350-020-200, Contracts Funds Management Funds Approval**, for detailed requirements.

2.4.2 Design-build projects: The Department is authorized in **Rule 14-91, F.A.C.**, to use the design-build contracting process, which includes building projects. Refer to and follow **Procedure 625-020-010, Design Build Procurement & Administration** for FCO design-build projects.

2.5 FCO PROJECTS - MAJOR, STATEWIDE, AND MINOR

The Fixed Capital Outlay appropriations portion of the budget request is made up of three different types of buildings and grounds projects—major projects, statewide projects, and minor projects—and are identified as such on the Department's 5-year **CIP Plan**.

2.5.1 FCO Major (Named) Projects are new facilities or major additions/renovations to existing facilities costing \$1 million or more over single or multiple years, or as otherwise determined by the FCO Office. FCO major projects are named and budgeted in unique appropriation categories.

2.5.2 FCO Statewide Projects are those that have broad application across the Department, such as Environmental Site Restoration and the Underground Storage Tank

Program-Statewide. Statewide projects are generally budgeted at the level requested in years two through five of the prior year's budget request. If appropriate, a change in budget level may be requested.

2.5.3 FCO Minor Projects are those that cost less than \$1 million and are designed to renovate, accommodate changing use requirements, appreciably extend the useful life, upgrade for more efficient use, or restore capacity to existing facilities. The Department uses ceilings for minor projects for each district based on the Department's Florida Accounting Information Resource (FLAIR) annual facility inventory data. The Department reviews the process for developing ceilings for FCO minor projects each year for possible revision. Minor projects are budgeted in the FCO appropriation category Minor Repairs/Improvement-Statewide. Forecasted general and preventive building maintenance and repairs are those necessitated by wear and tear and applied to a facility to keep it at a constant, appropriate level of service. The building maintenance and repairs projects included in the Department's 5-year facility plan are budgeted in the operating appropriation category, Contracted Services.

2.5.3.1 The Department also uses the minor repairs budget or expense budget for emergency repairs when there are unforeseen circumstances involving a building, facility grounds, or parking garage and facility code compliance; life safety or environment deficiencies; ADA compliance; mechanical, component or structural failures; or impacts to a building's operations, integrity, or habitability.

2.5.3.2 The FCO Coordinators may use any remaining Minor Repairs budget, originally requested for the day-to-day projects or request emergency expense budget, to fund the emergency repair work. Any addition or deletion of projects or transfer of budget between projects, not limited to emergency repair, will require prior approval of the FCO Office and Work Program Budget Office on a case-by-case basis.

2.6 FCO PROGRAM EXCLUSIONS

The FCO program **excludes** road and bridge facilities: rest areas, welcome centers, radio towers/buildings, microwave towers/buildings/intelligent transportation system (ITS) hubs, railroad/car facilities, motorist aid towers/buildings, Fairbanks facilities, leased buildings, weigh facilities, bridge tender houses, toll/turnpike roadway facilities, SunRail/bus facilities, and buildings incidental to the roadway system. These road and bridge facilities (i.e., non-FCO buildings) are supported by either the Department's work program or operating budget categories. (Refer to the ***Work Program Instructions (Part III, Ch. 13: Fixed Capital Outlay)***.)

Note: Specific credit union leases should be reviewed to identify the responsible party for building maintenance and repairs (e.g., the credit union group or the Department). In the latter case, the FCO Coordinator may use operating budget or request to use FCO budget for credit union maintenance and repairs.

2.7 FCO PROGRAMMING (GAMING) IN WORK PROGRAM SYSTEM

After the Central Office Executive Management approves the final version of the agency FCO **CIP Plan**, the FCO Program Manager submits via email a spreadsheet of the approved projects to FCO Coordinators to include in their District FCO Work Program. Working with the District Work Program staff, the FCO Coordinators program the approved projects. (Refer to the **Work Program Instructions, Part III, Ch. 13: Fixed Capital Outlay.**)

3. PROGRAM APPROPRIATIONS AND IMPLEMENTATION

3.1 FCO APPROPRIATIONS/FUNDS

FCO funds provided in the **GAA** are to be expended only for the original intent and purpose for which they were appropriated (**Section 216.292(1)(a), F.S.**). A transfer of funds may not result in the initiation of a FCO project that has not received a specific legislative appropriation (**Section 216.292(5), F.S.**).

3.2 FUNDS RELEASE

Unless otherwise provided in law, on July 1 of each fiscal year, up to 25% of the original FCO appropriations is released to the agency in accordance with **Section 216.192(1), F.S.** (Historically, 20% of FCO funds have been released on July 1). As soon as possible after July 1 of the appropriation year, the Budget Office staff prepares documentation requesting release of the remaining appropriation.

3.3 BUDGET AMENDMENTS

3.3.1 Budget Amendments to the original approved budget for fixed capital outlay projects may be requested only through the EOG and approved by the Governor and the Legislative Budget Commission (LBC) (**Section 216.181(1), F.S.; Procedure 340-000-001, Legislative Budget Preparation, Allocation and Administration**). There are no provisions in law to request increases in FCO appropriation categories through the budget amendment process.

3.3.2 A portion of an appropriation for a named (major) fixed capital outlay project in the **GAA** found to be in excess of that needed to complete the project may only be transferred to another project where a deficiency is found to exist and when there has been an appropriation in the same fiscal year from the same fund. Such a transfer requires that the transfer of funds does not change the scope of the project and that a budget amendment must be submitted through the Office of the Governor to the LBC for approval (**Section 216.292(4)(c), F.S.**).

Note: The Work Program Amendment process does NOT apply to the FCO Building and Grounds program.

3.4 ALLOTMENT TRANSFERS

Allotment transfers allow budget authority and FCO funds for minor repairs and statewide

projects to be transferred between districts/central office units and must be in the same budget entity, budget category, and fiscal year. Budget transfers for major (named) project-specific budget categories are **not** transferred between projects or districts. The FCO Program Manager coordinates the FCO allotment transfer requests between districts in conjunction with FCO Coordinators. The appropriate District Secretaries/Directors approve budget transfers from their district. (Refer to ***Procedure 340-000-001, Legislative Budget Preparation, Allocation and Administration***).

3.5 POSTING BUDGET ADJUSTMENTS IN FLAIR/WORK PROGRAM ADMINISTRATION SYSTEM

After the approved budget adjustments are posted in FLAIR, FCO Coordinators are responsible for ensuring the appropriate FCO fund adjustments are made in the Work Program Administration (WPA) System.

3.6 POSTING NEW/PRIOR FISCAL YEAR FCO BUDGET IN FLAIR

3.6.1 The district/central office unit Budget Coordinators post the approved new fiscal year FCO budget in FLAIR based on the Department's ***Master Allocation Tables (MATS)*** (Refer to ***Procedure 340-000-001, Legislative Budget Preparation, Allocation and Administration***).

3.6.2 For prior year FCO budget, the FCO Office staff/FCO Program Manager provides documentation to the Budget Office to post the prior year FCO budget in FLAIR based on the tentatively approved June 30th certified forward and reverted amounts that were submitted to the EOG.

3.7 NEW FISCAL YEAR FCO PROGRAMMING FOR FLAIR/PROJECT CORRELATIONS

After the Department's FCO budget request has been approved in the ***GAA***, preparations are made for the new FCO projects in FLAIR and the WPA prior to the start of the new fiscal year. The FCO Office staff/FCO Program Manager provides FLAIR information for the authorized FCO budget categories to the Department's Office of the Comptroller to set up the new codes in FLAIR to ensure correct processing of invoice payments and FCO project costs in the Work Program cost tables. This process is also completed for FCO budget allocation changes during the year (See ***Part III, Ch. 13, of the Work Program Instructions***).

3.8 FCO CERTIFICATION FORWARD

FCO funds are appropriated on July 1st and are available for 19 months to be committed. At 19 months, appropriations which are not disbursed but expended, contracted, or committed to be expended prior to February 1 of the second fiscal year of the appropriation must be requested to be certified forward to keep available past the 19 months. Once certified forward at 19 months, funds are included in the certified forward request at 6/30.

Remaining uncommitted FCO appropriation balances are subject to reversion (**Section 216.301(2)(a), F.S.**).

3.8.1 June 30th Certification Forward

The Department's Office of the Comptroller, in coordination with the Budget Office, prepares and submits its annual June 30th certification forward request to the EOG to certify outstanding obligations of FCO appropriations on July 31 (**Section 216.301(2)(c), F.S.** and **Procedure 350-030-450, Operating Appropriations Carry Forward and Fixed Capital Outlay/Work Program Certification Forward Processes**). Based on written justifications from FCO Coordinators, the FCO Office staff compiles and prepares the FCO certification forward request for review with the FCO Program Manager and Budget Officer. The Budget Officer approves and submits the final certification forward request package to the Comptroller's Office.

3.8.1.1 Current year and prior year FCO funds that are encumbered or under contract (including supplemental agreements/amendments) in an executed status (status 10) in the FLAIR Contract Information File will qualify for inclusion in the **Certification Forward Request**.

3.8.1.2 Current year uncommitted FCO appropriation balances can be included in the June 30th certified forward request. The FCO Office staff/FCO Program Manager will identify fully justified uncommitted funds that can be increased up to the Unexpended Release Balance as of June 30th for the category and year in FLAIR to include in the **Certification Forward**. With information from the FCO Office staff/FCO Program Manager, the Office of Comptroller will enter the change amounts in FLAIR for the certified forward request.

Note: Carry Forward – Operating Budget Only

The forecasted general and preventive building maintenance and repairs projects are funded for 12 months with operating budget (e.g., Contracted Services category) and follow the Carry Forward process for operating appropriations (**Procedure 350-030-450, Operating Appropriations Carry Forward and Fixed Capital Outlay/Work Program Certification Forward Processes**).

- Contracts must be encumbered and physically executed by June 30.
- Goods must be ordered by June 30.
- Services must be received by June 30.
- Funds not paid out by September 30 will revert.

3.8.2 February 1st Certification Forward

The EOG February 1 **Certification Forward** guidelines are followed for FCO funds still within the 19 months from original appropriation. EOG guidelines state that the appropriation may be certified forward if it falls within one of the following:

- The appropriation was made for a non-construction project (e.g., for land acquisition, planning, design consulting fees necessary prior to construction, or solely for equipment).

- The appropriation is under contract (i.e., a formal contract between the state and a construction contractor exists or a notice to award has been issued to the selected competitive bidder).

Note: FCO encumbrances and purchase orders are certified forward as of February 1st to a particular project and scope. Memo encumbrances for construction projects are subject to reversion if not under contract by January 31st per **Section 216.301(2)(b), F.S.**

The Department's Budget Officer submits its February 1st certification forward request to the EOG to certify outstanding obligations of FCO appropriations as of February 1st.

3.9 ENCUMBRANCE APPROVAL/CONTRACT STATUS CHANGE

3.9.1 Prior to commitment of funds (or additional funds) through a **Contract, Amendment, Supplement, Letter of Authorization, Purchase Order, or Change Order**, an approved encumbrance must be obtained through the Office of Comptroller, Contract Funds Management system (exception: P-card purchases). All encumbrances (fund approval) requests and contract status changes must be processed and approved as required in the **Procedure 350-020-200, Contract Funds Management Funds Approval**.

3.9.2 FCO Coordinators and Project Managers periodically review outstanding FCO encumbrances to see if the encumbrances are still valid or if they can be released. If the project contracts are 100% complete and the remaining encumbrance balances are no longer needed for the purpose they were obligated, a negative encumbrance should be submitted to the Office of the Comptroller requesting the funds be released. If applicable, the contract (or specific work order of a contract) may be closed. In some cases, it may be necessary for FCO Coordinators/Project Managers to complete Termination Agreements (which must be signed by the vendors or contractors) to ensure no further charges will be made to the contracts.

3.10 FLORIDA ACCOUNTABILITY CONTRACT TRACKING SYSTEM

The Chief Financial Officer (Department of Financial Services) is required to provide public access to a state contract management system that provides information and documentation for contracts procured by governmental entities (**Transparency Florida Act, s. 215.985, F.S.**). The Department uploads contract reporting information into the Florida Accountability Contract Tracking System (FACTS) from the Contract Funds Management System (CFM), which is augmented to capture the additional required contract data elements. CFM users are required to complete the necessary data fields at the time of encumbrance for every new contract, or when there is a change to an existing contract. E and B FCO contracts must be added to FACTS or the encumbrance will not be released. Contact the Office of Comptroller, Financial Management or Central Office Procurement for requirements. (Refer to **Procedure 375-030-035, Florida Accountability Contract Tracking System**.)

4. FCO PROGRAM MANAGEMENT

It is not the intent of this procedure to dictate a particular contracting method to accomplish FCO projects. Project Managers determine which contracting (construction) method to use. Whether the method is a contract by written contract agreement, purchase order, etc., the procedures related to these contracting methods provide information and requirements for each process.

4.1 ARCHITECTURAL DESIGN PHASE

The Department's FCO building and grounds program allows for use of Design Professionals (e.g., architects, engineers, or other consultants for professional services under contract with the Department for professional services; **Section 255.072(1), F.S.; Rule 60D-5.002(7), F.A.C.**). The FCO Program Manager is responsible for architectural design and construction issues, and manages the statewide Architectural Services Contract for fixed capital outlay projects. The **Procedure 625-020-016, Facilities Design Manual**, and **FCO Non-Technical Specifications** must be followed for all building projects.

4.2 ALTERNATIVE DESIGNS

The selection of major energy-consuming equipment and architectural components for new facilities, and additions and renovations to existing state facilities must be based on a life-cycle cost analysis of alternative designs. See DMS **Rule 60D-4.003 & 60D-4.004, F.A.C.** and **Section 4.8, Energy Management**, of this procedure.

4.3 BUILDING CODE COMPLIANCE/STATE FIRE MARSHAL PLANS REVIEW

4.3.1 BUILDING CODE COMPLIANCE

The design, construction, erection, alteration, modification, repair, and demolition of all public and private buildings are governed by the **Florida Building Code (FBC)** and the **Florida Fire Prevention Code (FFPC)**, which are to be enforced by local jurisdictions or local enforcement districts, unless specifically exempted as provided in **Section 553.80, F.S. (Sections 255.31(1); 553.70 - 553.898; 633.202, F.S.)**. Refer to the following for specific information:

- **Sections 553.73, FBC; 553.79, F.S., Permits; Applications; Issuance; Inspections**
- **Procedure 425-020-001, Building Code Compliance-Plans Review, Permits & Inspections**

4.3.2 STATE FIRE MARSHAL PLANS REVIEW

All plans regarding the renovation, alteration, construction of new, or change of occupancy of any existing, state-owned or state-leased space shall comply with the **Uniform Fire Safety Standards** of the State Fire Marshal (SFM) and be approved prior to commencement of construction or change of occupancy. The plans may be submitted to the SFM at an early stage (e.g., design review). The SFM will inspect state owned and

state leased spaces as necessary prior to occupancy or during construction, renovation, or alteration to ascertain compliance, and on an annual or recurring basis thereafter. The SFM's plans review process also includes tank installation, replacements, and modifications to ensure that fire codes are met. The local building official will not issue the Certificate-of-Occupancy (CO) until the SFM has approved the completed project.

Note: For Design-Bid-Construct projects, the Department, or its consultants shall submit signed and sealed 100% construction documents to the SFM for approval and pay for the plan review fees prior to letting. As determined by the Department, fees may be paid by the Department directly or the consultant may pay fees and be reimbursed by the Department. For projects where final plans are not available at the time of award (i.e., Design-Build), the contractor will be responsible for obtaining and paying for SFM plan review approval prior to application for local building permits. (**Section 633.218, F.S.**,

Inspections of State Buildings and Premises; Tests of Firesafety Equipment; Building Plans to be Approved and ***Rule 69A-52, F.A.C., Fees Rules Chapter*** (SFM)).

For additional information, refer to the following:

- ***Section 633.218, F.S., Inspections of State Buildings and Premises; Tests of Firesafety Equipment; Building Plans to be Approved***
- ***Rule 69A-52, F.A.C., Fees Rules Chapter*** (SFM)
- ***Procedure 425-020-001, Building Code Compliance-Plans Review, Permits and Inspections***
- ***Procedure 625-020-016, Facilities Design Manual***
- Department of Financial Services, Division of State Fire Marshal website

4.4 CONSTRUCTION PHASE

The construction phase is to be accomplished per the plans and specifications for the specific FCO projects. In addition to specific plans, specifications, and contract documents for the specifications, FCO construction projects are to be completed per the ***Florida Building Code***; and ***Procedure 700-000-000, Construction Project Administration Manual (CPAM)***, if applicable.

4.5 AMERICANS WITH DISABILITIES ACT (ADA)

New construction and renovations must meet ADA requirements. Refer to ***Procedure 625-020-015, Americans with Disabilities (ADA) Requirements for Access to Department Facilities***. Contact the ADA Coordinator for additional assistance, as applicable.

4.6 ART IN STATE BUILDINGS PROGRAM

The Art in State Buildings Program requires that each appropriation for the original (new) construction of a state building that provides public access shall include an amount—up to 0.5 percent of total appropriation for the construction of the state-owned buildings, not to

exceed \$100,000—to be used for acquiring artwork for permanent display in public areas in the interior, on the grounds of, or the exterior of the building (**Section 255.043, F.S.**). FCO Coordinators are responsible for ensuring sufficient budget is requested on each **CIP** of projects that are eligible for artwork. The Department of State (DOS), Division of Cultural Affairs, in Tallahassee administers the Art in State Buildings Program and has established the procedures and reporting requirements for artwork. (Refer to **Rule 1T-1.033, F.A.C.**; **Art in State Buildings Handbook**—see Department of State website for other information.) After budget approval (as soon as possible after July 1), the FCO Program Manager contacts the DOS and submits art documentation to DOS and the Division of Cultural Affairs via the designated Art in State Buildings Administrator.

4.7 ASBESTOS OR HAZARDOUS MATERIALS PROHIBITED

The use of asbestos or asbestos-based fiber materials is prohibited in any building, the construction of which is financed with public funds and commenced after September 30, 1983. As part of construction or renovation projects, architects, engineers, and contractors will certify that materials containing asbestos, lead, cadmium, beryllium, or other Federal or State Prohibited Hazardous Materials were not specified or installed as part of the projects. (Refer to the Department of Management Services **Form AE14, Certificate of Specification - No Prohibited Hazardous Materials, FCO Non-Technical Specifications**, and **Section 255.40, F.S.**).

4.8 ENERGY MANAGEMENT

4.8.1 LIFE-CYCLE COST ANALYSIS

The **Florida Life-Cycle Cost Analysis Program (FLCCA Program)** was developed to comply with **The Florida Energy Conservation and Sustainable Buildings Act of 2008 (Sections 255.251 – 255.256, F.S.)** through the DMS **Chapter 60D-4, F.A.C.** The rule applies to: 1) new facilities constructed for the use of a state agency, 2) additions to existing state-owned facilities, 3) renovations to existing state-owned buildings that include the replacement or new installation of major energy-consuming equipment, and 4) “guaranteed energy, water, and wastewater performance savings projects” as defined in **Section 489.145, F.S.**

Refer to **Chapter 60D-4, F.A.C.**, and the DMS website for **FLCCA** instructions, definitions, submission requirements to DMS and the project manager, and required forms. Contact the FCO Office in Central Office for technical assistance.

4.8.2 ENERGY CONSUMPTION

4.8.2.1 State agencies are required to collect data on energy consumption and cost for state-owned facilities and metered state-leased facilities of 5,000 net square feet or more and report annually to DMS. (**Section 255.257, F.S., Energy Management; Buildings Occupied by State Agencies**, and **Rule 60D-4.007, F.A.C., Energy Performance Analysis for Leases**).

4.8.2.2 District Energy Coordinators provide the energy consumption reports to the Central Support Services Office in Tallahassee, who then forwards the data report to DMS. For additional information regarding the Department's Energy Program, contact the Central Support Services Office and Office of Maintenance in Tallahassee.

4.8.3 LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED)

The Department has adopted the United States Green Building Council (USGBC) LEED green building program for new building construction and renovations as the basis for design and construction. All DOT new building construction and renovation projects will be designed to a LEED certification level or another nationally recognized model. Contact the FCO Office in Central Office for updated information. (Refer to **Sections 255.253(7)** and **255.257, F.S.**).

4.9 FCO PROPERTY AND INSURANCE

The Office of the Comptroller, General Accounting Office, Property and Insurance Section, is responsible for defining the Department's accountability and financial reporting requirements for construction work-in-progress, buildings, building improvements, non-building improvements, land, and land improvements acquired by the Department as part of a FCO funded project. This section is responsible for the requirements to obtain and maintain property insurance coverage and for accidental property loss. Refer to the **Procedure 350-090-315, Buildings, Land, and Land Improvements** and **Procedure 010-000-020, Property Insurance** for specific reporting requirements and forms. District FCO Project Managers/FCO Coordinators are responsible for maintaining the construction Schedule of Values and notifying the Property and Insurance Section as assets are completed. FCO Coordinators are responsible for notifying the Property and Insurance Section for FCO building property purchased using FCO funds, and District Insurance Coordinators are responsible for updating capital improvements in the Department's Facilities Inventory Reporting and Maintenance (FIRM) System.

5. TYPES OF CONTRACTS USING FCO FUNDS

5.1 FCO CONTRACTING METHODS

Based on the complexity of the FCO project, three contracting methods are available:

- Written contract agreements – used for complex projects (Contracts Administration Office: design-bid-construct, construction management, or construction management at risk; Procurement Office: design-build).
- Purchase orders – used for simpler projects or single vendor projects (e.g., MyFloridaMarketPlace (MFMP) eProcurement system). (Procurement Office: **Procedure 375-040-20, Procurement of Commodities and Contractual Services Manual**); and
- Purchasing cards (P-cards) – used for low cost commodities and services (Comptroller's Office: **Procedure 350-030-010, Purchasing Card**).

5.2 EMERGENCY CONTRACTS

5.2.1 The Department's Office of General Counsel and Office of Comptroller in consultation with DMS shall review the Governor's Declaration of Emergency on a case-by-case basis to determine if the declaration exempts all bidding and advertising rules concerning emergency FCO facility repairs. If so, the emergency FCO facility repairs are covered under "H" contract provisions.

5.2.2 For other emergency FCO facility repairs that are not covered under the Governor's Declaration of Emergency "H" contract provisions, refer to the Office of General Counsel and Office of Comptroller for guidance.

5.3 ELIGIBLE FCO CONTRACT TYPES

Eligible FCO contract types for written contract agreements for FCO projects generally consist of the following:

- B Contracts – used for contractual services (asbestos or environmental surveys, heating and ventilation, plumbing, etc.)
- C Contracts – used for professional consulting services (architectural, construction engineering inspections, engineering, etc.)
- E Contracts – used for building construction (new building construction, renovations, modifications, demolition, etc.)
- H Contracts - used only for a Governor-declared emergency (facility repair, debris removal, etc.).

Refer to the Office of Comptroller's *Procedure 350-020-200, Contract Funds Management Funds Approval*, for additional information.

5.4 FCO NON-TECHNICAL SPECIFICATIONS BUILDING CONSTRUCTION CONTRACTS

The *State of Florida, Department of Transportation (Facilities and Grounds) Fixed Capital Outlay Non-Technical Specifications for Building Construction Contracts* (short title: *FCO Non-Technical Specifications*) are part of the bidding and contract process for FCO construction projects, and they include documents that are designed to: 1) ensure compliance with applicable laws, 2) protect the State's interests, and 3) make the contracting process easier for all parties. The Department's *FCO Non-Technical Specifications* are managed in the FCO Office located in the Central Office Support Services and a copy of the document is available on the FCO Office SharePoint site.

5.5 FCO BUILDING CONSTRUCTION CONTRACT LEVELS

Chapter 60D-5, F.A.C., Procedures for Construction Contract Bidding, Award, Negotiation and Changes, and the *FCO Non-Technical Specifications* consist of five FCO building construction contract levels and are used as requirements or guidelines for FCO written contract agreements.

- Level 1 = \$35,000 or less;
- Level 2 = \$35,000.01 to \$65,000;
- Level 3 = \$65,000.01 to \$200,000;
- Level 4 = \$200,000.01 to \$500,000;
- Level 5 = \$500,000.01 or more

6. RECORDS RETENTION

Contract files and other applicable documents must be retained for the length of time required in the Department of State's *General Records Schedule (GS1-SL)*. Refer to *Procedure 050-020-025, Records Management*, for record retention requirements.

7. TRAINING

There is no mandatory training associated with the procedure.

8. FORMS AND DOCUMENTS

8.1 The following forms are available from the Department's Forms Library.

- Fixed Capital Outlay (FCO) Contract Packages Checklist, Form No. 375-000-25
- Bid Blank (Fixed Capital Outlay Buildings), Form No. 375-020-17
- MBE Planned Utilization (FCO Non-Technical Specifications), Form No. 375-04024
- MBE Payment Certification (FCO Non-Technical Specifications), Form No. 275-030-15

8.2 FCO documents are available from the FCO Office SharePoint site:

- **Capital Improvements Program Plan** examples for the **Legislative Budget Request**
 - CIP-3 Instructions
 - CIP-3 Blank Form
 - CIP-5 Instructions
 - Ceiling for Minor Projects
 - CIP Narrative Guidelines
 - CIP Checklist
- **Fixed Capital Outlay (FCO) Construction Contracts Project Level Comparison Chart** (available from the Contracts Administration Office SharePoint site)
- **FCO Non-Technical Specifications**
- **FCO Flow Charts**