

## ORIGINATION FORM

**THE INFORMATION BELOW IS TO BE PROVIDED BY THE ORIGINATOR** (The person who receives or originates the issue and needs to forward the issue for action.)

**Specification:** Article 9-9 Interest Due on Delayed Payments  
**Subject:** Name of Section, Article or Subarticle

**Origination date:** Aug. 6, 2008

**Originator:** Ray Haverty  
**Office/Phone:** Office of Maintenance / 850.410.5531

**Problem statement:** Article 9-9 this is modified by an SP and within the SP there is reference to "The Department of Banking and Finance" as written in the attached notice this Department's Name was changed to "The Department of Financial Services."

**Proposed solution:** Change the reference to the new name.

**Information source:** [It became official in January 2003. Here's a press release:](#)

**Press Release:**  
01/07/2003

### **NEW DEPARTMENT OF FINANCIAL SERVICES FULLY OPERATIONAL TODAY**

TALLAHASSEE - The Florida Department of Financial Services, the new agency resulting from the merger of the departments of Insurance and Banking and Finance, is up and running today. The new agency is responsible for serving consumers who need help or information related to financial services, including banking, securities and insurance. Appointed regulators will oversee companies in these industries. In addition to assisting consumers, the department will keep track of all money coming into and going out of state government - an amount that totals more than \$50 billion annually.

"Some of the most critical functions of the new agency will be monitoring the state's investments and serving as a watchdog for state spending," said Tom Gallagher, who will serve as agency head for the new department. Gallagher was sworn in today as Florida's first Chief Financial Officer and will continue to serve as the State Fire Marshal.

The new Cabinet post is the result of a constitutional amendment approved by Florida voters in 1998 consolidating the offices of the Treasurer and Comptroller. The Florida Legislature was responsible for deciding how to merge the state departments of Insurance and Banking and Finance, both formerly headed by elected Cabinet members. Legislation passed during the 2002 Session merging the two departments into the new Department of Financial Services.

The legislation placed the regulation of banking and securities and insurance under two

appointed officials who will be selected by the new Financial Services Commission. The commission, which is made of the governor and Cabinet, will hold a special meeting on Jan. 9 to appoint the directors of the offices of Insurance Regulation and Financial Institutions and Securities Regulation. The director of each office is appointed and can be removed by three affirmative votes, two of which must be the governor and the CFO. Both offices will be administratively housed under the Department of Financial Services but will report directly to the Financial Services Commission.

The Office of Insurance Regulation will be responsible for regulation of all insurance companies and risk-bearing entities, including licensing, rates, policy forms, market conduct, claims, adjusters, issuance of certificates of authority, solvency, viatical settlements and premium financing.

The Office of Financial Institutions and Securities Regulation will be responsible for overseeing state-chartered banks, credit unions, financial institutions, finance companies and the securities industry.

Responsibilities that fall directly under the Chief Financial Officer include:

- ? Overseeing the state's accounting and auditing functions, including review of state contracts and safeguarding unclaimed property.
- ? Monitoring the investment of state funds and managing the deferred compensation program for state employees.
- ? Investigating fraud, including identity theft and insurance fraud.
- ? Overseeing cemeteries and funeral homes that sell pre-need contracts.
- ? Licensing and oversight of insurance agents and agencies.
- ? Ensuring businesses have workers' compensation coverage in place for employees and helping injured workers with benefit payments and re-employment.

"The merging of these two agencies will allow us to provide comprehensive information and assistance to consumers," Gallagher said.

Consumers who have questions or need information about a variety of financial services from banking to insurance can call the department's toll-free consumer helpline at 1-800-342-2762. Consumers can also log onto [www.fldfs.com](http://www.fldfs.com), the department's new website, for additional information

**Recommended  
Usage Note:**

**Estimated fiscal  
impact, if  
implemented:**

**Implementation of these changes, if and when approved, will begin with the *July January* 2009 letting.**

**For State Specifications Office Use Only**

**Begin date:** October 2, 2008  
**File Number:** SP0090501

**Scheduled completion date:** December 27, 2008

**Implementation date:** July 2009

**Implementation team member:** Frances Thomas

Usage Note: All Jobs

Notes:

1. This is a revision to a Special Provision. There may be other clean up revisions needed throughout the SP. Frances is going to review and coordinate.



## *Florida Department of Transportation*

**CHARLIE CRIST**  
GOVERNOR

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**STEPHANIE KOPELOUSOS**  
SECRETARY

### **M E M O R A N D U M**

**DATE:** December 2, 2008  
**TO:** Specification Review Distribution List  
**FROM:** Rudy Powell, Jr., P.E., State Specifications Engineer  
**SUBJECT:** Proposed Specification: 0090103 Measurement and Payment

In accordance with Specification Development Procedures, we are sending you a copy of a proposed specification change.

This change was proposed by Ray Haverty to update the specification with the correct name and contact information for the Department of Financial Services and to bring the spec up-to date..

Please share this proposal with others within your responsibility. Review comments are due within four weeks and should be sent to Mail Station 75 or to my attention via e-mail at ST986RP or rudy.powell@dot.state.fl.us. Comments received after December 30, 2008 may not be considered. Your input is encouraged.

RP/ft  
Attachment

## MEASUREMENT AND PAYMENT.

(REV ~~1-13-06~~~~10-29-08~~) (~~FA 3-30-06~~) (~~1-07~~)

ARTICLE 9-9 (Page 103) is expanded as follows:

Section 215.422(5), Florida Statutes, requires the Department to include a statement of vendor (Contractor) rights. Contractors are hereby advised of the following:

Contractors providing goods and services to an agency should be aware of the following time frames: Upon receipt, an agency has five working days to inspect and approve the goods and services, unless the bid specifications, purchase order or Contract specifies otherwise. An agency has 20 days to deliver a request for payment (voucher) to the Department of ~~Banking and Finance~~*Financial Services*. The 20 days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, by the Department.

If a payment is not made within 40 days, a separate interest penalty at the rate established pursuant to Section 55.03(1), Florida Statutes will be due and payable, in addition to the invoice amount, to the Contractor. The interest penalty provision applies after a 35 day time period to health care providers, as defined by rule. Interest penalties of less than one dollar will not be enforced unless the Contractor requests payment. Invoices that have to be returned to a Contractor because of Contractor preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.

A Vendor Ombudsman has been established within the Department of ~~Banking and Finance~~*Financial Services*. The duties of this individual include acting as an advocate for Contractors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted by calling the ~~State Comptroller's Hotline~~ *Office of Financial Bureau of Accounting at (850) 413-5516. Regulation at, 1-800-848-3792, or by visiting the web site [www.FLOFR.com](http://www.FLOFR.com).*

SECTION 9 (Pages 93-104) is expanded by the following new Article:

### **9-11 Submittals.**

~~9-11.1 Data Required: Within calendar days of receipt of a notice of award, prepare and deliver to the Engineer an estimate of the quantities for the following activities or work items: Earthwork and Related Operations, Base Courses, Hot Bituminous Mixtures, Portland Cement Concrete, and Reinforcing Steel.~~

~~These quantities will determine the minimum material sampling and testing requirements for this Contract in accordance with the Department's Sampling, Testing, and Reporting Guide. These quantities will not be considered payment quantities. Quantities provided by the Contractor will only be used to determine the material sampling and testing frequencies for the above activities or work items and will have no monetary value to the Contract Lump Sum Price.~~

~~9-11.2 Notification of Quality Assurance Inspection Arrangements for Fabrication of Critical Items: In order to facilitate quality assurance inspection for fabrication of critical items, the Contractor must submit a fabrication schedule for all items requiring Commercial Inspection as stated in 460-23. The fabrication schedule must be submitted to the Department's~~

~~Commercial Inspection State Materials Office, with a copy provided to the Engineer, before, or at, the pre construction meeting. Fabrication of critical items include, but is not limited to: steel bridge components, overhead cantilevered sign supports with cantilevered arms exceeding 45 feet, movable bridge components, and any other items, that the Department's personnel identify.~~

**9-11.3-2 Submittal Instructions:** The Contractor will prepare a progress invoice for each project in the Contract. Submit the progress invoice to the Engineer. The Engineer will not pay for any item of work until the progress invoice is approved.

**9-11.4-2 Contractor's Invoice:** The Contractor must make a request for payment by submitting an invoice, no later than 12 O'clock noon, Monday, after the estimate cut-off date or as directed by the Engineer, based on the amount of work done or completed. The Contractor's invoice must consist of the following:

(a) Contract Number, *Financial Project ID-Identification* Number, *State Project Number, W.P.I Number*, Invoice Number, Invoice Date and the period that the invoice represents.

(b) The basis for arriving at the amount of the progress invoice including approximate quantities of work completed, less payments previously made and less an amount previously retained or withheld.

(c) Contract Summary showing the percentage of dollar value of completed work based on the present Contract amount and the percentage of days used based on the present Contract Days.

(d) Certify the number of gallons of gasoline used during the invoice period.

(e) Certify the number of gallons of diesel used during the invoice period.

(f) Certify the number of gallons of bituminous material used during the invoice period.

(g) Certify weight of steel for indexed items.

**9-11.5-3 Payment to the Contractor:** Upon receipt of the progress invoice and approval by the Engineer, payment will be made, less an amount retained or withheld per provisions included in the Contract. The monthly payments will be approximate only and will be subject to reduction for overpayments or increase for underpayments on preceding payments to the Contractor and to correction in the subsequent estimates and the final estimate and payment.