4050 Esplanade Way
Tallahassee, FL 32399-0950
850-488-2786

Ron DeSantis, Governor
Pedro Allende, Secretary

State Purchasing

REVISED Chief Procurement Officer Memorandum No. 2

Effective July 1, 2024

EFFECTIVE DATE: July 1, 2024

EXPIRATION DATE: June 30, 2025

FROM: Brandon J. Spencer, Director of State Purchasing and Chief Procurement Officer

SUBJECT: Guidance Relating to Section 96 of Chapter 2024-228, Laws of Florida

This memorandum is to provide guidance and clarification to State Agencies for acquiring motor vehicles in accordance with Section 96 of Chapter 2024-228, Laws of Florida (HB5003). Effective July 1, 2024 – June 30, 2025:

> "…notwithstanding chapter 287, Florida Statutes, relating to the purchase of motor vehicles from a state term contract, state agencies may purchase vehicles from nonstate term contract vendors without prior approval from the Department of Management Services, provided the cost of the motor vehicle is equal to or less than the cost of a similar class of vehicle found on a state term contract and provided the funds for the purchase have been specifically appropriated."

It is the interpretation of the Division of State Purchasing that the above-mentioned section of law only exempts the requirement of using State Term Contracts for the purchase of motor vehicles if certain requirements are met. This does not exempt agencies from receiving prior approval from the Bureau of Fleet Management as required in section 287.15, Florida Statutes. In accordance with Chapter 60B-1, F.A.C, the Bureau of Fleet Management will continue to approve all leases and purchases of state motor vehicles and mobile equipment to ensure the appropriateness of each acquisition.

If a motor vehicle cannot be purchased from the Division of State Purchasing's Motor Vehicles State Term Contract, state agencies do not need to obtain State Purchasing approval to use another purchasing method. Agencies may purchase from another vendor, including those on other term contracts provided they can demonstrate the motor vehicle is equal to or less than the cost of a similar vehicle on the STC.

State Purchasing
Market Analysis and Procurement Strategy

To ensure consistency in the process and compliance with the intent of the law, the following requirements should be adhered to:

- To demonstrate a cost comparison, Agencies should obtain detailed price quotes providing the Customer's Total Order Price. The Customers Total Order Price must be equal to or less than the quote provided by a State Term Vendor for a similar make and model. To accommodate this, use of the Price Quote Form from the State Term Contract is recommended.
- In the spirit of compliance with State Term Contracts, agencies should attempt to obtain quotes from all State Term Contract vendors prior to proceeding under this exception.
- There must be a similar model/class of vehicle available on the Motor Vehicles State Term Contract (25100000-23-STC) to compare pricing.
- If State Term Vendors are unable to provide the necessary quotes due to lack of availability, the agency may document the Request for Quotes and proceed with the purchase if they are able to adequately demonstrate pricing is equal to or less than price of a similar vehicle on State Term Contract.
- If the total amount of the purchase is under the Category 2 Threshold provided in section 287.017, Florida Statutes, agencies may procure the vehicle in accordance with Chapter 60A-1 F.A.C.

Additional clarifications:
- The exception provided by this legislation does not allow agencies to purchase a class of vehicles not contemplated by the State Term Contract. These purchases must be made in accordance with normal purchasing procedures.
- "Class" is interpreted to equal "Sub-Group" as described in the Motor Vehicle State Term Contract.

This memorandum is in effect until June 30, 2025.

Brandon J. Spencer, Chief Procurement Officer
Department of Management Services

Signature: _____ Date: 6/27/2024 | 10:58 AM EDT _____