

TO: The Honorable Wilton Simpson, President of the Florida Senate  
The Honorable Chris Sprowls, Speaker of the Florida House of Representatives  
Julie Brown, Secretary, Dept. of Business & Professional Regulation  
Charles K. Fleming, P.E., Chair, FBPE  
Scott Drury, P.E., Vice Chair, FBPE  
Dylan Albergo, P.E., FBPE  
Jeb Mulock, P.E., FBPE  
Yassi Myers, P.E., FBPE  
John Pistorino, P.E., S.I., FBPE  
Denise Ramsey, P.E., FBPE  
Pankaj (PJ) Shah, P.E., FBPE  
Babu Varghese, P.E., S.I., FBPE

FROM: Zana Raybon, President  
Florida Engineers Management Corporation

DATE: September 14, 2021

RE: Transmittal of Annual Report

In accordance with Section 471.038(3)(m), Florida Statutes, enclosed is the 2020-2021 Annual Report of the Florida Engineers Management Corporation.

cc: w/attachment

Art Nordlinger, P.E., Chair, FEMC  
Satya Lory, P.E., Vice Chair, FEMC  
Barney Bishop, FEMC  
Safiya Brea, P.E., FEMC  
Stephen Kowkabany, P.E., FEMC  
John Stewart, FEMC  
Mark Tumeo, P.E., Ph.D, FEMC

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**Florida Engineers Management Corporation Board Members**

**ART NORDLINGER, P.E.**  
CHAIR  
11/1/18-10/31/22

**BARNEY T. BISHOP III**  
5/1/17-4/30/25

**STEPHEN KOWKABANY, P.E.**  
10/7/15-10/31/23

**DR. MARK A. TUMEO, P.E.**  
2/17/21-2/16/25

**SATYA LORY, P.E.**  
VICE CHAIR  
11/1/18-10/31/22

**SAFIYA BREA, P.E.**  
11/1/18-10/31/22

**JOHN STEWART**  
5/29/14-5/28/22

**ZANA RAYBON**  
FEMC PRESIDENT

FLORIDA ENGINEERS  
MANAGEMENT CORPORATION

# 2021 ANNUAL REPORT



Florida Engineers Management Corporation

(850) 521-0500 | [fbpe.org](http://fbpe.org)

2020-2021 Annual Report  
Florida Engineers Management Corporation

Introduction

Section 471.038, Florida Statutes, adopted by the legislature in 1997 as H433, created the Florida Engineers Management Corporation (FEMC) for the purpose of providing administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers (FBPE) by contract with the Department of Business and Professional Regulation (DBPR). Section 471.038(3)(m), Florida Statutes, requires the Corporation to submit to the Secretary of the Department of Business & Professional Regulation, the Florida Board of Professional Engineers, and the Florida Legislature, on or before October 1 of each year, a report on the status of the corporation, including but not limited to, information concerning the programs and funds that have been transferred to the Corporation. That same section also requires certain specific information regarding licenses and complaints handled by the Corporation. The following is the text of that report.

Between July 1, 2020 and June 30, 2021, FEMC has performed the following:

- Administered 32 meetings of the FBPE and FBPE committees;
- Published 4 newsletters that were distributed to an average of 42,372 engineering licensees and others;
- Recorded almost 256,898 users on the FBPE.org website during FY20-21 (which includes the most-recent license renewal period), compared with 176,766 in FY19-20 and 203,389 in FY18-19 (the previous license renewal period);
- Conducted 6 university virtual visits during FY20-21, and 1 in-person company visit, reaching over 1,250 engineering students, interns, and professionals to discuss engineering exams and professional licensure;
- Renewed 38,057 licenses for professional engineers and 0 Certificates of Authorization for engineering firms\*;
- Issued 655 Certifications of Special Inspectors of threshold-type buildings;
- Issued 0 Certificates of Authorization to firms providing engineering services in the State of Florida;\*
- Received 4,120 applications for licensure;
- Approved 2,741 applications for licensure;

**Florida Engineers Management Corporation Board Members**

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10/7/15-10/31/23

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**SAFIYA BREA, P.E.**  
11/1/18-10/31/22

**JOHN STEWART**  
5/29/14-5/28/22

**ZANA RAYBON**  
FEMC PRESIDENT

- Denied 204 applications for licensure;
- 59.52 days average time to issue a license:
- For October 2020 NCEES Principles and Practice examinations (paper/pencil & CBT), 789 passed the examination, 496 failed the examination, and 43 did not show up for the examination; \*\*
- For the January 2021 NCEES Principles and Practice of Engineering Regional Examination, 117 passed the examination, 94 failed the examination, and 6 did not show up for the examination; \*\*
- The April 2021 NCEES Principles and Practice Engineering examination (paper/pencil & CBT) 463 passed the examination, 467 failed the examination, and 20 did not show up for the examination; \*\*
- For the CBT Fundamentals of Engineering examinations from July 1, 2020, thru June 30, 2021, 13669 passed the examination, 1,100 failed the examination. \*\*\*

*\* Please note that Certificate of Authorizations ceased to exist as of 10/1/19 due to statute change.*

*\*\* FEMC allows for direct exam registration with NCEES so applicants do not need to register with FEMC. Due to an October 2019 statute change allowing for early examination, an applicant may register with NCEES without prior board-approval. Whether the applicant is pre-approved or registers directly with NCEES, FEMC has no way of knowing when the applicant schedules to take the exam. The applicant has 12 months to take the exam anywhere in the US. The applicant still has to meet our licensure requirements in order for a license to be issued. NCEES is in the process of transitioning all Principles and Practice (PE) Examinations to Computer-Based Testing (CBT). NCEES plans to have all PE exams converted to CBT by 2023. NCEES has contracted with a third-party vendor to administer the exam. Some exams will be offered year-round in the same manner as the Fundamental Examination. Some exams will be offered only one day a year.*

*\*\*\* In January 2014, NCEES moved to Computer-Based Testing for the Fundamentals Examination. NCEES has contracted with a third-party vendor to administer the exam. FEMC now approves the applicant but FEMC has no way of knowing when the applicant schedules to take the exam. The applicant has 12 months to take the exam anywhere in the US. All FEMC is made aware of is who passes and who fails the examination. These results may contain candidates who have not applied with FEMC and who have been approved for licensure. These results may contain candidates who have not applied with FEMC and who have been approved for licensure. The exam windows are for only two months at a time with one month off (January and February were exam windows and March they were closed).*

In support of the FBPE's effort to enforce the engineer licensing law, FEMC accomplished the following:

- Processed 231 complaints regarding engineering practice, of which 137 were found to be legally sufficient;
- Filed 68 Administrative Complaints in cases where the Probable Cause Panel found probable cause to believe a violation of the Engineering Practice Act had occurred;

- Filed 89 Final Orders with DBPR;
- Entered into 3 Negotiations;
- Tried 1 case at DOAH;
- Dismissed 2 cases after re-consideration by Probable Cause Panel;
- Issued 16 Reprimands;
- Issued 3 Suspensions;
- Issued 4 Probations;
- Issued 3 Project Reviews;
- Issued 3 License Restrictions;
- Required 48 engineers to successfully complete a course in Engineering Professionalism and Ethics;
- Required 76 engineers to successfully complete the Board's Study Guide on Laws and Rules;
- Imposed \$44,765.23 in Administrative Costs;
- Imposed \$58,500.00 in Administrative Fines;
- Received 3 Voluntarily Relinquishment;
- Received 0 Voluntarily Inactivation;
- Licenses Revoked 0;
- Dismissed 0 case at Board Meetings;
- Dismissed 43 cases with a finding of no probable cause;
- Dismissed 25 with letter of guidance to engineers;
- FBPE issued 88 Final Orders against Professional Engineers

#### Statutory Requirements:

In response to various requirements of Section 471.038, Florida Statutes, the following attachments are provided:

- Section 471.038, Florida Statutes  
This is the enacting legislation for the Florida Engineers Management Corporation and sets forth the requirements of FEMC.
- Board Members and Organizations of the Corporation  
Attached is a copy of the Board's website home page, created by FEMC at fbpe.org, to provide important news and information to the public and licensees. In addition to the names of the members of the Florida Board of Professional Engineers, the FEMC corporate directors, and its staff, the website also provides the most recent engineering rules and laws, links by search function to DBPR's current listing of registrants and qualified engineering businesses, information on how to file a complaint, most frequently asked questions, current applications for licensure, newsletters published by the Board,

Board meeting agendas and minutes, Board calendar for the year, and information on continuing education.

- **Contract**  
Section 471.038(3)(j), Florida Statutes, requires that FEMC operate on an annual contract between DBPR and FEMC. Attached is a copy of the contract which is entitled “Agreement Between Florida Engineers Management Corporation and Department of Business and Professional Regulation.”
- **Charter and By-Laws**  
Section 471.038(3), F.S., requires approval of the Corporation’s articles of incorporation and bylaws by the Department and FBPE.
- **Annual Budget**  
Section 471.038(3)(j)1., F.S., requires submission of an annual budget that has been approved by the FBPE and the DBPR. Attached please find a copy of the approved budget for the fiscal year 2020-2021.
- **Annual Certification**  
Section 471.038(3)(j)2., F.S., requires that FEMC be certified by the FBPE and the DBPR that it is complying with the terms of the contract and in a manner consistent with the goals and purposes of the Board and the best interest of the State. A copy of that Certification is attached.
- **Annual Financial and Compliance Audit**  
Section 471.038(3)(k), F.S., requires an annual finance and compliance audit of financial accounts and records by the independent certified public accountant. The audit for the period of July 1, 2020 through June 30, 2021 is attached.

For additional information concerning the Florida Engineers Management Corporation please contact Zana Raybon, President, by telephone at 850-521-0500, by facsimile at 850-521-0521, or by email at [zraybon@fbpe.org](mailto:zraybon@fbpe.org).

SECTION 471.038  
FLORIDA STATUTES

# 2021 ANNUAL REPORT

FEMC   
Florida Engineers Management Corporation



Select Year:

## The 2021 Florida Statutes

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[Title XXXII](#)  
REGULATION OF PROFESSIONS AND OCCUPATIONS

[Chapter 471](#)  
ENGINEERING

[View Entire Chapter](#)

### **471.038 Florida Engineers Management Corporation. –**

- (1) This section may be cited as the “Florida Engineers Management Corporation Act.”
- (2) The purpose of this section is to create a public-private partnership by providing that a single nonprofit corporation be established to provide administrative, investigative, and prosecutorial services to the board and that no additional nonprofit corporation be created for these purposes.
- (3) The Florida Engineers Management Corporation is created to provide administrative, investigative, and prosecutorial services to the board in accordance with the provisions of chapter 455 and this chapter. The management corporation may hire staff as necessary to carry out its functions. Such staff are not public employees for the purposes of chapter 110 or chapter 112, except that the board of directors and the staff are subject to the provisions of s. [112.061](#). The provisions of s. [768.28](#) apply to the management corporation, which is deemed to be a corporation primarily acting as an instrumentality of the state, but which is not an agency within the meaning of s. [20.03](#)(11). The management corporation shall:
  - (a) Be a Florida corporation not for profit, incorporated under the provisions of chapter 617.
  - (b) Provide administrative, investigative, and prosecutorial services to the board in accordance with the provisions of chapter 455, this chapter, and the contract required by this section.
  - (c) Receive, hold, and administer property and make only prudent expenditures directly related to the responsibilities of the board, and in accordance with the contract required by this section.
  - (d) Be approved by the board, and the department, to operate for the benefit of the board and in the best interest of the state.
  - (e) Operate under a fiscal year that begins on July 1 of each year and ends on June 30 of the following year.
  - (f) Have a seven-member board of directors, five of whom are to be appointed by the board and must be registrants regulated by the board and two of whom are to be appointed by the secretary and must be laypersons not regulated by the board. All appointments shall be for 4-year terms. No member shall serve more than two consecutive terms. Failure to attend three consecutive meetings shall be deemed a resignation from the board, and the vacancy shall be filled by a new appointment.
  - (g) Select its officers in accordance with its bylaws. The members of the board of directors who were appointed by the board may be removed by the board.
  - (h) Select the president of the management corporation, who shall also serve as executive director to the board, subject to approval of the board.
  - (i) Use a portion of the interest derived from the management corporation account to offset the costs associated with the use of credit cards for payment of fees by applicants or licensees.
  - (j) Operate under a written contract with the department which is approved by the board. The contract must provide for, but is not limited to:
    1. Submission by the management corporation of an annual budget that complies with board rules for approval by the board and the department.
    2. Annual certification by the board and the department that the management corporation is complying with the terms of the contract in a manner consistent with the goals and purposes of the board and in the best interest



of the state. This certification must be reported in the board's minutes. The contract must also provide for methods and mechanisms to resolve any situation in which the certification process determines noncompliance.

3. Funding of the management corporation through appropriations allocated to the regulation of professional engineers from the Professional Regulation Trust Fund.

4. The reversion to the board, or the state if the board ceases to exist, of moneys, records, data, and property held in trust by the management corporation for the benefit of the board, if the management corporation is no longer approved to operate for the board or the board ceases to exist. All records and data in a computerized database shall be returned to the department in a form that is compatible with the computerized database of the department.

5. The securing and maintaining by the management corporation, during the term of the contract and for all acts performed during the term of the contract, of all liability insurance coverages in an amount to be approved by the board to defend, indemnify, and hold harmless the management corporation and its officers and employees, the department and its employees, and the state against all claims arising from state and federal laws. Such insurance coverage must be with insurers qualified and doing business in the state. The management corporation must provide proof of insurance to the department. The department and its employees and the state are exempt from and are not liable for any sum of money which represents a deductible, which sums shall be the sole responsibility of the management corporation. Violation of this subparagraph shall be grounds for terminating the contract.

6. Payment by the management corporation, out of its allocated budget, to the department of all costs of representation by the board counsel, including salary and benefits, travel, and any other compensation traditionally paid by the department to other board counsel.

7. Payment by the management corporation, out of its allocated budget, to the department of all costs incurred by the management corporation or the board for the Division of Administrative Hearings of the Department of Management Services and any other cost for utilization of these state services.

8. Payment by the management corporation, out of its allocated budget, to the department of reasonable costs associated with the contract monitor.

(k) Provide for an annual financial audit of its financial accounts and records by an independent certified public accountant. The annual audit report shall include a management letter in accordance with s. 11.45 and a detailed supplemental schedule of expenditures for each expenditure category. The annual audit report must be submitted to the board, the department, and the Auditor General for review.

(l) Provide for persons not employed by the corporation who are charged with the responsibility of receiving and depositing fee and fine revenues to have a faithful performance bond in such an amount and according to such terms as shall be determined in the contract.

(m) Submit to the secretary, the board, and the Legislature, on or before October 1 of each year, a report on the status of the corporation which includes, but is not limited to, information concerning the programs and funds that have been transferred to the corporation. The report must include: the number of license applications received; the number approved and denied and the number of licenses issued; the number of examinations administered and the number of applicants who passed or failed the examination; the number of complaints received; the number determined to be legally sufficient; the number dismissed; the number determined to have probable cause; the number of administrative complaints issued and the status of the complaints; and the number and nature of disciplinary actions taken by the board.

(n) Develop and submit to the department, performance standards and measurable outcomes for the board to adopt by rule in order to facilitate efficient and cost-effective regulation.

(4) The management corporation may not exercise any authority specifically assigned to the board under chapter 455 or this chapter, including determining probable cause to pursue disciplinary action against a licensee, taking final action on license applications or in disciplinary cases, or adopting administrative rules under chapter 120.

(5) Notwithstanding ss. 455.228 and 455.2281, the duties and authority of the department to receive complaints and to investigate and deter the unlicensed practice of engineering are delegated to the board. The

board may use funds of the Board of Professional Engineers in the unlicensed activity account established under s. [455.2281](#) to perform the duties relating to unlicensed activity.

(6) The department shall retain the independent authority to open or investigate any cases or complaints, as necessary to protect the public health, safety, or welfare. In addition, the department may request that the management corporation prosecute such cases and shall retain sole authority to issue emergency suspension or restriction orders pursuant to s. [120.60](#).

(7) Management corporation records are public records subject to the provisions of s. [119.07\(1\)](#) and s. 24(a), Art. I of the State Constitution; however, public records exemptions set forth in ss. [455.217](#) and [455.229](#) for records created or maintained by the department shall apply to records created or maintained by the management corporation. In addition, all meetings of the board of directors are open to the public in accordance with s. [286.011](#) and s. 24(b), Art. I of the State Constitution. The exemptions set forth in s. [455.225](#), relating to complaints and information obtained pursuant to an investigation by the department, shall apply to such records created or obtained by the management corporation only until an investigation ceases to be active. For the purposes of this subsection, an investigation is considered active so long as the management corporation or any law enforcement or administrative agency is proceeding with reasonable dispatch and has a reasonable, good faith belief that it may lead to the filing of administrative, civil, or criminal proceedings. An investigation ceases to be active when the case is dismissed prior to a finding of probable cause and the board has not exercised its option to pursue the case or 10 days after the board makes a determination regarding probable cause. All information, records, and transcriptions regarding a complaint that has been determined to be legally sufficient to state a claim within the jurisdiction of the board become available to the public when the investigation ceases to be active, except information that is otherwise confidential or exempt from s. [119.07\(1\)](#). However, in response to an inquiry about the licensure status of an individual, the management corporation shall disclose the existence of an active investigation if the nature of the violation under investigation involves the potential for substantial physical or financial harm to the public. The board shall designate by rule those violations that involve the potential for substantial physical or financial harm. The department and the board shall have access to all records of the management corporation, as necessary to exercise their authority to approve and supervise the contract.

(8) The management corporation is the sole source and depository for the records of the board, including all historical information and records. The management corporation shall maintain those records in accordance with the guidelines of the Department of State and shall not destroy any records prior to the limits imposed by the Department of State.

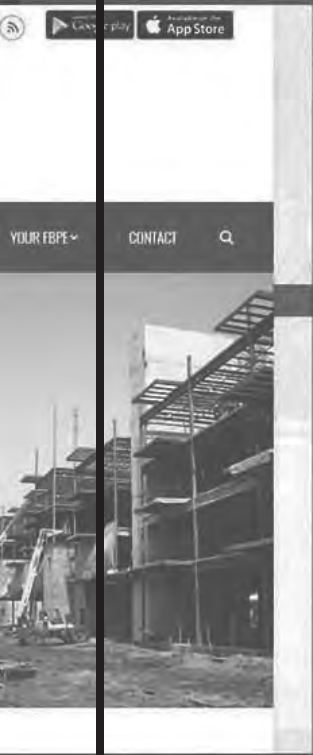
(9) The board shall provide by rule for the procedures the management corporation must follow to ensure that all licensure examinations are secure while under the responsibility of the management corporation and that there is an appropriate level of monitoring during the licensure examinations.

**History.**—ss. 2, 5, ch. 97-312; s. 112, ch. 98-166; s. 173, ch. 2000-160; ss. 1, 2, ch. 2000-372; s. 121, ch. 2001-266; s. 5, ch. 2003-293.

TOOLS &  
RESOURCES

# 2021 ANNUAL REPORT

LEGAL ▾ MEETINGS & INFO ▾ CONTINUING EDUCATION ▾ CO



gulating the practice of engine

RECORDS | REQUEST

**FEMC**   
Florida Engineers Management Corporation



**FBPE**  
FLORIDA BOARD OF  
PROFESSIONAL ENGINEERS



Records Request



Unlicensed Activity



License Renewal



Application Process



Continuing Education



Disciplinary Actions



Home



News



FAQ



Contact



Alerts



STATE OF FLORIDA

BOARD OF PROFESSIONAL ENGINEERS

THE PROFESSIONAL ENGINEER HEREIN IS LICENSED UNDER THE PROVISIONS OF CHAPTER 471, FLORIDA STATUTES  
SPECIAL INSPECTOR NUMBER: 0000

**WHY BECOME A LICENSED ENGINEER?**  
A One-Page Guide to Engineering Licensure in Florida

**RENEW | LICENSE**

License renewal **ended Feb. 28, 2021**. Visit our License Renewal page for more information.

[RENEW LICENSE](#)

**SEARCH | FOR LICENSEE**

DBPR's My Florida License website provides information about applicants and licensed individuals.

[SEARCH FOR LICENSEE](#)

**RECORDS | REQUEST**

Anyone may request information about disciplinary or enforcement actions.

[RECORDS REQUEST](#)

**FILE | A COMPLAINT**

Complaints are filed with FBPE from many sources, including any member of the public.

[FILE A COMPLAINT](#)

**EXAMS: FUNDAMENTALS (FE) / PRINCIPLES & PRACTICE (PE)**

There are two exams on the path to licensure as a Professional Engineer in Florida: the Fundamentals of Engineering and the Principles & Practice of Engineering. The FE exam covers subjects taken while earning a degree, while the PE exam goes beyond testing academic knowledge and includes expertise gained in the practice of engineering.

[FE EXAM DETAILS](#)

[PE EXAM DETAILS](#)

**LATEST EVENTS**

Upcoming Events

**FBPE Board Meeting**

August 11 @ 1:00 pm - 5:00 pm

**FBPE Board Meeting**

August 12 @ 8:30 am - 12:00 pm

**FEMC Board Meeting (via zoom)**

August 24 @ 10:00 am - 11:30 am

**FEMC Board Operations Committee Meeting (via zoom)**

September 1 @ 9:00 am - 11:00 am

[View All Events](#)

[VIEW FULL EVENTS CALENDAR](#)

**LIKE US ON FACEBOOK**



[CELEBRATING 100 YEARS OF NCEES](#)

**LATEST FBPE NEWSLETTER**



**LATEST FEMC QUARTERLY REPORT**

2020-21 FLORIDA ENGINEERS MANAGEMENT CORPORATION  
**4TH QUARTER REPORT**



**LATEST NEWS**



**After the Storm: A Florida PE License Is Required**

[Read More](#)



**NCEES Accepting Registrations for October 2021 PE Exams**

[Read More](#)



**Military Families Benefit From New NCEES Records Option**

[Read More](#)

**FBPE Appoints New FEMC Director**

[Read More](#)

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**CONTACT | FBPE**

FLORIDA BOARD OF PROFESSIONAL ENGINEERS  
2639 N Monroe St., Suite 8-112  
Tallahassee, FL 32303-4064  
Tel: (850) 521-0500 | Fax: (850) 521-0521

**HOURS | FBPE CONTACTS**

HOURS: 8 A.M. - 5 P.M. MONDAY TO FRIDAY  
GENERAL BOARD CONTACT: BOARD@FBPE.ORG  
WEBSITE CONTACT: WWW.MASTER@FBPE.ORG



FEMC/DBPR  
ANNUAL AGREEMENT

# 2021 ANNUAL REPORT

FEMC   
Florida Engineers Management Corporation



**RENEWAL NUMBER 1  
TO CONTRACT  
BETWEEN  
THE DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION  
AND  
FLORIDA ENGINEERS MANAGEMENT CORPORATION**

WHEREAS, on July 2, 2013, the State of Florida, Department of Business and Professional Regulation, ("Department") and Florida Engineers Management Corporation (FEMC), entered into a contract for administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers (FBPE) in accordance with the provisions of Chapters 455 and 471, Florida Statutes;

WHEREAS, Attachment I (Scope of Work) of the Contract provides that any renewal of the Contract shall be for a period no longer than the term of the original contract;

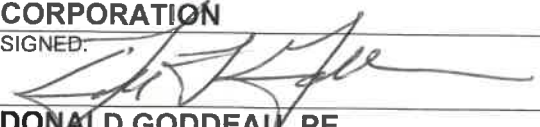

WHEREAS, paragraph 33 (Modifications) of the Core Contract states that modifications to the existing contract are valid only when they are reduced to a written amendment duly signed by both parties; and

WHEREAS, both parties wish to renew the Contract as set forth herein.

THEREFORE, the parties agree to the following

1. The contract is renewed for a period of four (4) years beginning on July 1, 2017 and ending on June 30, 2021. All contract terms and conditions in effect during the July 1, 2013 through June 30, 2017 contract period shall remain in full force and effect during the July 1, 2017 through June 30, 2021 renewal period.
2. The Department shall provide an additional \$8,683,500.00 in funding to pay for services provided in accordance with the terms and conditions of the contract during the renewal period contingent upon annual appropriation by the Florida Legislature. Total funding for the original contract period and subsequent renewal period shall not exceed \$17,367,000.00.
3. All other terms and conditions remain in effect.

IN WITNESS HEREOF, by signature below, both parties agree to abide by the terms, conditions, and provisions of the original Contract document as amended, that is hereby effective on July 1, 2017 or on the date the last party signs this Renewal, whichever is later.

<b>FLORIDA ENGINEERS MANAGEMENT CORPORATION</b>	<b>DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION</b>
SIGNED: 	SIGNED: 
<b>DONALD GODDEAU, PE</b> <b>CHAIR</b>	<b>Jonathan Zachem</b> <b>SECRETARY</b>
DATE: <i>21 Jun 2017</i>	DATE: <i>6-29-17</i>



**AMENDED and RESTATED CONTRACT  
BETWEEN  
THE DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION  
AND  
FLORIDA ENGINEERS MANAGEMENT CORPORATION**

This Amended and Restated Contract ("Contract"), is by and between the State of Florida, Department of Business and Professional Regulation ("Department") and Florida Engineers Management Corporation ("FEMC").

WHEREAS, on July 2, 2013, the Department and FEMC entered into a contract for the provision of administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers ("FBPE") in accordance with the provisions of Chapters 455 and 471, Florida Statutes;



WHEREAS, Section XVII, General Provisions, paragraph M, Modifications, of the contract provides that any modification of the provisions of the contract shall only be valid when reduced to a written amendment duly signed by both parties;


WHEREAS, for the purposes of clarity and convenience, Department and FEMC desire to amend and restate the terms of the original contract as set forth below.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties agree as follows:

1. The amended and restated contract shall replace the original contract in its entirety and all parties agree to abide by the terms and conditions of the amended and restated contract and attachments thereto.
2. In case of dispute, the terms of the amended and restated contract are understood to supersede all terms of the original contract.

IN WITNESS HEREOF, by signature below, both parties agree to abide by the terms, conditions, and provisions of the original Contract document as amended, that is hereby effective on the date the last party signs this Amendment, whichever is later.

<b>FLORIDA ENGINEERS MANAGEMENT CORPORATION</b>	<b>DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION</b>
SIGNED: 	SIGNED: 
<b>Shannon LaRocque, P.E. Board Chairman</b>	<b>Ken Lawson Secretary</b>
DATE: 6/8/16	DATE: 6-9-16

<b>FLORIDA BOARD OF PROFESSIONAL ENGINEERS</b>
SIGNED: 
<b>William Bracken, P.E. Board Chair</b>
DATE: 6/8/16



**FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION CORE CONTRACT**

**THIS CONTRACT** is entered into between the Florida Department of Business and Professional Regulation, hereinafter referred to as the "Department" and Florida Engineers Management Corporation, hereinafter referred to as the "FEMC". The Department and FEMC agree as follows:

1. **Purpose.** The Department is engaging the FEMC for the purpose of provision of administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers ("FBPE") in accordance with the provisions of Chapters 455 and 471, Florida Statutes, as further described in Attachment I hereto. The FEMC shall perform all tasks and provide units of deliverables, including reports, findings, and drafts, as specified in this contract. These deliverables must be received and accepted by the Department's contract manager in writing prior to payment, subject to subsequent audit and review and to the satisfaction of the Department.
2. **Effective and Ending Dates.** Original contract effective date, July 2, 2013. This amended and restated contract shall begin on June 8, 2016, or on the date on which the contract has been signed by the last party required to sign it, whichever is later. It shall end at midnight, Eastern Standard Time, on June 30, 2017.
3. **Extension.** Subsection 287.057(12), F.S., provides that contracts for commodities or contractual services may be extended in writing for a period not to exceed six (6) months from the contract end date and is subject to the same terms and conditions set forth in the initial contract and any written amendments signed by both parties. There may be only one extension of the contract unless the failure to meet the criteria set forth in the contract for completion of the contract is due to events beyond the control of the FEMC.
4. **Payment for Services.** The Department shall pay for contracted services according to the terms and conditions of this contract in an amount not to exceed \$2,170,875.00 annually and \$8,683,500.00 for the contract period, subject to the availability of funds and satisfactory performance of all terms by the FEMC. The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature. Any costs or services paid for under any other contract or from any other source are not eligible for payment under this contract.
5. **Contract Document.** The FEMC shall provide services in accordance with the terms and conditions specified in this contract including its Attachments 1 through 11 and any exhibits referenced in said attachments, together with any documents incorporated by reference, which contain all the terms and conditions agreed upon by the parties. The PUR 1000 Form (10/06 version) is hereby incorporated into and made a part of this contract by reference. Sections 1.d., 2-4, 6, 8-15, 17, 19, 20-25, 27-29, 31, and 35 of the PUR 1000 Form are not applicable to this contract. In the event of any conflict between the PUR 1000 Form and any other terms or conditions of this contract, such other terms or conditions shall take precedence over the PUR 1000 Form.
6. **Compliance with Statutes, Rules and Regulations.** In performing its obligations under this contract, the FEMC shall without exception be aware of any compliance with State and Federal laws, rules and regulations relating to its performance under this contract, including but not limited to those described in Section 34 of this contract.
7. **Inspections and Corrective Action.** The FEMC shall permit all persons who are duly authorized by the Department to inspect and copy any records, papers, documents, facilities, goods and services of the FEMC which are relevant to this contract, and to interview any clients, employees and subcontractor employees of the FEMC to assure the Department of the satisfactory performance of the terms and conditions of this contract. Following such review, the Department will deliver to the FEMC a written report of its findings, and may direct the development, by the FEMC, of a corrective action plan where appropriate. The FEMC hereby agrees to timely correct all deficiencies identified in the corrective action plan. This provision will not limit the Department's termination rights under Section 30.
8. **Independent Contractor, Subcontracting and Assignments.**
  - a. In performing its obligations under this contract, the FEMC shall at all times be acting in the capacity of an independent contractor and not as an officer, employee, or agent of the State of Florida, except where the Contractor is a state agency. Neither the FEMC nor any of its agents, employees, subcontractors or assignees shall represent to others that it is an agent of or has the authority to bind the Department by virtue of this contract, unless specifically authorized in writing to do so. This contract does not create any right in any individual to state retirement, leave benefits or any other benefits of state employees as a result of performing the duties or obligations of this contract. For the purpose of this section, a subcontractor is defined as an individual or company assigned contractual service responsibilities required of the primary contractor by this contract. The assignment of such responsibilities shall be in accordance with Section 8c below.
  - b. The FEMC shall take such actions as may be necessary to ensure that it and each subcontractor of the FEMC will be deemed to be an independent contractor and will not be considered or permitted to be an officer, employee, or agent of the State of Florida. The Department will not furnish services of support (e.g., office space, office supplies, telephone service, secretarial or clerical support) to the FEMC, or its subcontractor or assignee, unless specifically agreed to by the Department in this contract. All deductions for social security, withholding taxes, income taxes, contributions to unemployment compensation funds and all necessary insurance for the FEMC, the FEMC's officers, employees, agents, subcontractors, or assignees shall be the sole responsibility of the FEMC.
  - c. The FEMC shall not assign the responsibility for this contract to another party without prior written approval of the Department, upon the Department's sole determination that such assignment will not adversely affect the public interest; however, in no event may the FEMC assign or enter into any transaction having the effect of assigning or transferring any right to receive payment under this contract which right is not conditioned on full and faithful performance of the FEMC's duties hereunder. Any sublicense, assignment, or transfer otherwise occurring without prior approval of the Department shall be null and void. The FEMC shall not subcontract for any of the work contemplated under this contract without prior written approval of the Department, which shall not be unreasonably withheld.

d. The State of Florida shall at all times be entitled to assign or transfer, in whole or part, its rights, duties, or obligations under this contract to another governmental agency in the State of Florida or to a contractor of the Department's selection, upon giving prior written notice to the FEMC. In the event the State of Florida approves transfer of the FEMC's obligations, the FEMC remains responsible for all work performed and all expenses incurred in connection with this contract. This contract shall remain binding upon the lawful successors in interest of the FEMC and the Department.

e. To the extent permitted by Florida Law, and in compliance with Section 8.c., the FEMC is responsible for all work performed and for all commodities produced pursuant to this contract whether actually furnished by the FEMC or by its subcontractors. Any subcontracts shall be evidenced by a written document. The FEMC further agrees that the Department shall not be liable to the subcontractor in any way or for any reason relating to this contract.

f. The FEMC shall include, in all subcontracts (at any tier) the substance of all clauses contained in this Core Contract that mention or describe subcontract compliance.

g. To the extent that a subcontract provides for payment after FEMC's receipt of payment from the Department, the FEMC shall make payments to any subcontractor within seven (7) working days after receipt of full or partial payments from the Department in accordance with section 287.0585, F.S., unless otherwise stated in the contract between the FEMC and subcontractor. Failure to pay within seven (7) working days will result in a penalty that shall be charged against the FEMC and paid by the FEMC to the subcontractor in the amount of one-half of one percent (.005) of the amount due per day from the expiration of the period allowed for payment. Such penalty shall be in addition to actual payments owed and shall not exceed fifteen (15%) percent of the outstanding balance due.

9. **Provider Liability and Indemnity.** The FEMC shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the State and the Department, and their officers, agents, and employees, from suits, actions, damages, claims and costs of every name and description, including attorneys' fees:

a. arising out of or by reason of the execution of this contract or arising from or relating to any alleged act or omission by the FEMC, its agents, employees, partners, or subcontractors in relation to this contract provided; however, that this indemnity shall not include that portion of any loss or damages proximately caused by the negligent act or omission of the Department. This indemnity specifically precludes compensation of the FEMC for any obligations of any kind to any person, paid or unpaid, incurred as a result of a culpable act or omission of the FEMC, its agents, employees or subcontractors.

b. arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right associated with a service or product of the FEMC; provided, however, that the foregoing obligation shall not apply to Department's misuse or modification of FEMC's products or a Department's operation or use of FEMC's products in a manner not contemplated by this contract. If any product is the subject of an infringement suit or claim or in the FEMC's opinion is likely to become the subject of such a suit or claim, the FEMC may at its sole expense procure for the Department the right to continue using the product or to modify it to become non-infringing. If the FEMC is not reasonably able to modify or otherwise secure the Department the right to continue using the product, the FEMC shall, without limiting the Department's remedies at law for breach or nonperformance, remove the product and provide a fully-licensed replacement to the Department's satisfaction. The Department shall not be liable for any royalties. The FEMC's indemnification for violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right shall encompass all such items used or accessed by the FEMC, its officers, agents or subcontractors in the performance of this contract or delivered to the Department for the use of the Department, its employees, agents or contractors.

c. arising from or relating to FEMC's claim that a record contains trade secret information that is exempt from disclosure or the scope of the FEMC's redaction of the record, as provided for under Section 29.c., including litigation initiated by the Department.

The FEMC's inability to evaluate liability or its evaluation of liability shall not excuse its duty to defend and indemnify after receipt of notice. Only an adjudication or judgment after the highest appeal is exhausted finding the Department negligent shall excuse the FEMC of performance under this provision, in which case the Department shall have no obligation to reimburse the FEMC for the cost of its defense. If the FEMC is an agency or subdivision of the State, its obligation to indemnify, defend and hold harmless the Department shall be to the extent permitted by section 768.28, F.S. or other applicable law, and without waiving the limits of sovereign immunity.

10. **Insurance.** The FEMC shall maintain continuous adequate liability insurance coverage during the existence of this contract and any renewal(s) and extension(s) thereof. With the exception of a state agency or subdivision as defined by subsection 768.28(2), F.S., by execution of this contract, the FEMC accepts full responsibility for identifying and determining the type(s) and extent of liability insurance necessary to provide reasonable financial protections for the FEMC and the clients to be served under this contract. The limits of coverage under each policy maintained by the FEMC do not limit the FEMC's liability and obligations under this contract. Upon the execution of this contract, the FEMC shall furnish the Department written verification supporting both the determination and existence of such insurance coverage. Such coverage may be provided by a self-insurance program established and operating under the laws of the State of Florida. The Department reserves the right to require additional insurance as specified in this contract.

11. **Notice of Legal Actions.** The FEMC shall notify the Department of legal actions taken against them or potential actions such as lawsuits, related to services provided through this contract or that may impact the FEMC's ability to deliver the contractual services, or adversely impact the Department. The Department's contract manager will be notified within 10 days of the FEMC becoming aware of such actions or from the day of the legal filing, whichever comes first.

12. **Force Majeure.** Neither Party shall be liable to the other for any delay or failure to perform under this contract if such delay or failure is neither the fault nor the negligence of the Party or its employees or agents and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Party's control, or for any of the foregoing that affects subcontractors or suppliers if no alternate source of supply is available. The Department, in its sole discretion, will determine if the delay is excusable under this paragraph and will notify the FEMC of its decision in writing. No claim for damages, other than for an extension of time, shall be asserted against the Department. The FEMC shall not be entitled to an increase in the contract price or payment of any kind from the Department for direct, indirect, consequential, impact, or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist, the FEMC shall perform at no increased cost, unless the Department determines, in its sole discretion, that

the delay will significantly impair the value of this contract to the Department or the State, in which case, the Department may do any or all of the following: (1) accept allocated performance or deliveries from the FEMC, provided that the FEMC grants preferential treatment to the Department with respect to products or services subjected to allocation; (2) purchase from other sources (without recourse to and by the FEMC for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from this contract quantity; or (3) terminate this contract in whole or in part.

**13. Intellectual Property.** It is agreed that all intellectual property, inventions, written or electronically created materials, including manuals, presentations, films, or other copyrightable materials, arising in relation to FEMC's performance under this contract, and the performance of all of its officers, agents and subcontractors in relation to this contract, are works for hire for the benefit of the Department, fully compensated for by the contract amount, and that neither the FEMC nor any of its officers, agents nor subcontractors may claim any interest in any intellectual property rights accruing under or in connection with the performance of this contract. It is specifically agreed that the Department shall have exclusive rights to all data processing software falling within the terms of section 119.084, F.S., which arises or is developed in the course of or as a result of work or services performed under this contract, or in any way connected herewith.

a. If the FEMC uses or delivers to the Department for its use or the use of its employees, agents or contractors, any design, device, or materials covered by letters, patent, or copyright, it is mutually agreed and understood that, except as to those items specifically listed in the Special Provisions of Attachment I as having specific limitations, the compensation paid pursuant to this contract includes all royalties or costs arising from the use of such design, device, or materials in any way involved in the work contemplated by this contract. For purposes of this provision, the term "use" shall include use by the FEMC during the term of this contract and use by the Department its employees, agents or contractors during the term of this contract and perpetually thereafter.

b. All applicable subcontracts shall include a provision that the Federal awarding agency reserves all patent rights with respect to any discovery or invention that arises or is developed in the course of or under the subcontract. Notwithstanding the foregoing provision, if one of the FEMC's subcontractors is a university and a member of the State University System of Florida, then section 1004.23, F.S., shall apply, but the Department shall retain a perpetual, fully-paid, nonexclusive license for its use and the use of its contractors of any resulting patented, copyrighted or trademarked work products.

**14. Real Property.** Any state funds provided for the purchase of or improvements to real property are contingent upon the Provider granting to the State a security interest in the property at least to the amount of the state funds provided for at least five (5) years from the date of purchase or the completion of the improvements or as further required by law. As a condition of receipt of state funding for this purpose, the Provider agrees that, if it disposes of the property before the Department's interest is vacated, the Provider will refund the proportionate share of the State's initial investment, as adjusted by depreciation.

**15. Publicity.** Without limitation, the FEMC and its employees, agents, and representatives will not, without prior Departmental written consent in each instance, use in advertising, publicity or any other promotional endeavor any State mark, the name of the State's mark, the name of the State or any State affiliate or any officer or employee of the State, or represent, directly or indirectly, that any product or service provided by the FEMC has been approved or endorsed by the State, or refer to the existence of this contract in press releases, advertising or materials distributed to the FEMC's prospective customers.

**16. Sponsorship.** As required by section 286.25, F.S., if the FEMC is a non-governmental organization which sponsors a program financed wholly or in part by state funds, including any funds obtained through this contract, it shall, in publicizing, advertising, or describing the sponsorship of the program state: "Sponsored by FEMC and the State of Florida, Department of Business and Professional Regulation". If the sponsorship reference is in written material, the words "State of Florida, Department of Business and Professional Regulation" shall appear in at least the same size letters or type as the name of the organization.

**17. Employee Gifts.** The FEMC agrees that it will not offer to give or give any gift to any Department employee. As part of the consideration for this contract, the parties intend that this provision will survive this contract for a period of two (2) years. In addition to any other remedies available to the Department, any violation of this provision will result in referral of the FEMC's name and description of the violation of this term to the Department of Management Services for the potential inclusion of the FEMC's name on the suspended vendors list for an appropriate period. The FEMC will ensure that its subcontractors, if any, comply with these provisions.

**18. Official Payee and Party Representatives**

a. The Contractor name, as shown on page 1 of this contract, and mailing address of the official payee to whom the payment shall be made is:

Name: FEMC  
Address: 2639 North Monroe St.  
Suite, B-112  
City: Tallahassee State:FL Zip Code:32303  
Phone: 850.521.0500  
ext:

b. The name of the contact person and address, telephone, and e-mail address where financial and administrative records are maintained is:

Name: Zana Raybon  
Address: 2639 North Monroe St.  
Suite, B-112  
City: Tallahassee State:FL Zip Code:32303  
Phone: 850.521.0500  
ext:

c. The name, address, telephone number and e-mail address of the contract manager for the Department for this contract is:

Name: Patrick Cunningham  
Address: 2601 Blairstone Road  
City: Tallahassee State: FL Zip Code: 32399-1040  
Phone: 850-717-1190  
ext:  
e-mail: Patrick.cunningham@myfloridalicense.com

d. The name, address, telephone number and e-mail of the representative of the FEMC responsible for administration of the program under this contract is:

Name: Zana Raybon  
Address: 2639 North Monroe St  
Suite B-112  
City: Tallahassee State:FL Zip Code:32303  
Phone: 850.521.0500  
ext:

Upon change of representatives (names, addresses, telephone numbers or e-mail addresses) by either party, notice shall be provided in writing to the other party and the notification attached to the originals of this contract.

19. **Invoices.** The FEMC shall submit bills for fees or other compensation for services or expenses in sufficient detail for proper pre-audit and post-audit. Where itemized payment for travel expenses is permitted in this contract, the FEMC shall submit bills for any travel expenses in accordance with section 112.061, F.S., or at such lower rates as may be provided in this contract.

20. **Final Invoice.** The final invoice for payment shall be submitted to the Department no more than 15 days after the contract ends or is terminated. If the FEMC fails to do so, all rights to payment are forfeited and the Department will not honor any requests submitted after the aforesaid time period. Any payment due under the terms of this contract may be withheld until all reports due from the FEMC and necessary adjustments thereto, have been approved by the Department.

21. **Electronic Funds Transfer.** The FEMC agrees to enroll in Electronic Funds Transfer (EFT) offered by the State's Chief Financial Officer within thirty (30) days of the date of execution of this contract. Copies of the State of Florida Direct Deposit Payment Authorization Form (DFS-A1-26E) can be found on the vendor instruction page at: [http://www.fldfs.com/aadir/direct\\_deposit\\_web/Vendors.htm](http://www.fldfs.com/aadir/direct_deposit_web/Vendors.htm)

Questions should be directed to the EFT Section at (850) 413-5517. Once enrolled, invoice payments will be made via EFT.

22. **Vendors on Scrutinized Companies Lists.** If this contract is in the amount of \$1 million or more, in executing this contract, the FEMC certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, F.S.

a. Pursuant to subsection 287.135(5), F.S., the Department may immediately terminate this contract for cause if the FEMC is found to have submitted a false certification or if the FEMC is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has business operations in Cuba or Syria during the term of this contract.

b. If the Department determines that the FEMC has submitted a false certification, the Department will provide written notice to the FEMC. Unless the FEMC demonstrates in writing, within 90 days of receipt of the notice, that the Department's determination of false certification was made in error, the Department shall bring a civil action against the FEMC. If the Department's determination is upheld, a civil penalty equal to the greater of \$2 million or twice the amount of this contract shall be imposed on the FEMC, and the FEMC shall be ineligible to bid on any contract with an agency or local governmental entity for three (3) years after the date of the Department's determination of false certification by the FEMC.

c. In the event that federal law ceases to authorize the states to adopt and enforce the contracting prohibition identified herein, this provision shall be null and void.

23. **Overpayments.** The FEMC shall return to the Department any overpayments due to unearned funds or funds disallowed that were disbursed to the FEMC by the Department and any interest attributable to such funds pursuant to the terms and conditions of this contract. In the event that the FEMC or its independent auditor discovers that an overpayment has been made, the FEMC shall repay said overpayment immediately without prior notification from the Department. In the event that the Department first discovers an overpayment has been made, the Department's contract manager, on behalf of the Department, will notify the FEMC by letter of such findings. Should repayment not be made forthwith, the FEMC will be charged interest at the lawful rate of interest on the outstanding balance after Department notification or FEMC discovery. Payments made for services subsequently determined by the Department to not be in full compliance with contract requirements shall be deemed overpayments. The Department shall have the right to offset or deduct from any amount due under this contract at any time any amount due to the Department from the FEMC under any other contract or agreement.

24. **Payment on Invoices.** Pursuant to section 215.422, F.S., the Department has five (5) working days to inspect and approve goods and services, unless the bid specifications, purchase order, or this contract specify otherwise. With the exception of payments to health care providers for hospital, medical, or other health care services, if payment is not available within forty (40) days, measured from the latter of the date a properly completed invoice is received by the Department or the goods or services are received, inspected, and approved, a separate interest penalty set by the Chief Financial Officer pursuant to section 55.03, F.S., will be due and payable in addition to the invoice amount. Financial penalties will be calculated at the daily interest rate of .03333%. Invoices returned to a FEMC due to preparation errors will result in a non-interest bearing payment delay. Interest penalties less than one (1) dollar will not be paid unless the FEMC requests payment. Payment shall be made only upon written acceptance by the Department and shall remain subject to subsequent audit or review to confirm contract compliance.

25. **MyFloridaMarketPlace Transaction Fee.**

a. The State of Florida has instituted MyFloridaMarketPlace, a statewide eProcurement System (System). Pursuant to subsection 287.057(22), F.S., all payments shall be assessed a Transaction Fee of one percent (1.0%), which the Provider shall pay to the State, unless exempt pursuant to Rule 60A-1.032, F.A.C.

b. For payments within the State accounting system (FLAIR or its successor), the Transaction Fee shall, when possible, be automatically deducted from payments to the FEMC. If automatic deduction is not possible, the FEMC shall pay the Transaction Fee pursuant to Rule 60A-1.031(2), F.A.C. By submission of these reports and corresponding payments, the FEMC certifies their correctness. All such reports and payments shall be subject to audit by the State or its designee.

c. The FEMC shall receive a credit for any Transaction Fee paid by the FEMC for the purchase of any item(s) if such item(s) are returned to the FEMC through no fault, act, or omission of the FEMC. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the FEMC's failure to perform or comply with specifications or requirements of this contract.

d. Failure to comply with these requirements shall constitute grounds for declaring the FEMC in default and recovering reprourement costs from the FEMC in addition to all outstanding fees. **CONTRACTORS DELINQUENT IN PAYING TRANSACTION FEES SHALL BE EXCLUDED FROM CONDUCTING FUTURE BUSINESS WITH THE STATE.**

26. **Vendor Ombudsman.** A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting vendors in receiving their payments in a timely manner from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516.

27. **Records, Retention, Audits, Inspections and Investigations.**

a. Pursuant to s. 20.055(5), F.S., every state officer, employee, agency, special district, board, commission, contractor, and subcontractor shall cooperate with the Inspector General's office in any investigation, audit, inspection, review, or hearing pursuant to this section.

b. The FEMC shall establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by the Department under this contract.

c. Retention of all client records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this contract shall be maintained by the FEMC during the term of this contract and retained for a period of five (5) years after completion of the contract or longer when required by law. In the event an audit is required under this contract, records shall be retained for a minimum period of five (5) years after the audit report is issued or until resolution of any audit findings or litigation based on the terms of this contract, at no additional cost to the Department.

d. Upon demand, at no additional cost to the Department, the FEMC shall facilitate the duplication and transfer of any records or documents during the required retention period in Section 27.c.

e. These records shall be made available at all reasonable times for inspection, review, copying, or audit by Federal, State, or other personnel duly authorized by the Department.

f. At all reasonable times for as long as records are maintained, persons duly authorized by the Department and State auditors shall be allowed full access to and the right to examine any of the FEMC's contracts and related records and documents, regardless of the form in which kept.

g. No record may be withheld nor may the FEMC attempt to limit the scope of any of the foregoing inspections, reviews, copying, transfers or audits based on any claim that any record is exempt from public inspection or is confidential, proprietary or trade secret in nature.

h. **Contracts Funded with Federal or State Assistance, FEMC Requirements:**

1. The FEMC shall provide a financial and compliance audit to the Department as specified in Attachment 4 (Financial and Compliance Audit Form) and ensure that all related party transactions are disclosed to the auditor.

2. Include the aforementioned audit and record keeping requirements, as well as the requirements of s. 215.97, F.S., in all approved subcontracts and assignments.

3. If this contract indicates that the FEMC is a recipient or subrecipient, the FEMC shall comply with the requirements of s. 215.97, F.S., and perform the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, and/or §215.97 F.S., as applicable and conform to the following requirements:

i. Documentation. To maintain separate accounting of revenues and expenditures of funds under this contract and each CSFA or CFDA number identified on Exhibit 1 attached hereto in accordance with generally accepted accounting practices and procedures.

FEMC must maintain sufficient documentation of all expenditures incurred (e.g. invoices, canceled checks, payroll detail, bank statements, etc.) under this contract which evidences that expenditures are:

- 1) In compliance with laws, rules and regulations applicable to expenditures of State funds including, but not limited to, the Reference Guide for State Expenditures;
- 2) reasonable; and
- 3) necessary in order for the recipient or subrecipient to fulfill its obligations under this contract.

[The aforementioned documentation is subject to review by the Department and/or the State Chief Financial Officer and the provider will timely comply with any requests for documentation.]

ii. Financial Report. The FEMC shall submit an annual financial report stating, by line item, all expenditures made as a direct result of services provided through the funding of this contract to the Department within 45 days of the end of the contract. If this is a multi-year contract, the provider is required to submit a report within 45 days of the end of each year of the contract. Each report must be accompanied by a statement signed by an individual with legal authority to bind recipient or subrecipient by certifying that these expenditures are true, accurate and directly related to this contract.

iii. Pursuant to s. 215.971, F.S., the FEMC shall administer state financial assistance received as follows:

- 1) Expend funds only for allowable costs resulting from obligations incurred during the specified agreement period;
- 2) Any balance of unobligated funds which has been advanced or paid to the FEMC shall be refunded to the Department; and
- 3) Funds paid by the Department in excess of the amount to which the FEMC is entitled under the terms and conditions of this contract shall be refunded to the Department within 45 days of the earlier of the expiration of, or termination of, this contract.



28. **Public Records.** The FEMC shall allow public access to all documents, papers, letters, or other public records as defined in subsection 119.011(12), F.S. as prescribed by subsection 119.07(1) and section 119.0701, F.S., made or received by the FEMC in conjunction with this contract except that public records which are made confidential by law must be protected from disclosure. It is expressly understood that the FEMC's failure to comply with this provision shall constitute an immediate breach of contract. FEMC's claim of dispute regarding such breach shall be addressed by the FEMC and Department in accordance with Section 31, Dispute Resolution.

- a. Unless exempted by law, all public records are subject to public inspection and copying under Florida's Public Records Law, Chapter 119, F.S. Any claim by the FEMC of trade secret (proprietary) confidentiality for any information contained in the FEMC's documents (reports, deliverables or work papers, etc., in paper or electronic form) submitted in connection with this contract will be waived, unless the claimed confidential information is submitted in accordance with Section 28.b.
- b. The FEMC must clearly label any portion of the documents, data, or records submitted that it considers exempt from public inspection or disclosure pursuant to Florida's Public Records Law as trade secret. The labeling will include a justification citing specific statutes and facts that authorize exemption of the information from public disclosure. If different exemptions are claimed to be applicable to different portions of the protected information, the FEMC shall include information correlating the nature of the claims to the particular protected information.
- c. The Department, when required to comply with a public records request including documents submitted by the FEMC, may require the FEMC to expeditiously submit redacted copies of documents marked as trade secret in accordance with Section 28.b. Accompanying the submission shall be an updated version of the justification under Section 28.b, correlated specifically to redacted information, either confirming that the statutory and factual basis originally asserted remain unchanged or indicating any changes affecting the basis for the asserted exemption from public inspection or disclosure. The redacted copy must exclude or obliterate only those exact portions that are claimed to be trade secret. If the FEMC fails to promptly submit a redacted copy, the Department is authorized to produce the records sought without any redaction of proprietary or trade secret information.
- d. The FEMC shall be responsible for defending its claim that each and every portion of the redactions of trade secret information are exempt from inspection and copying under Florida's Public Records Law.
- e. Subsection 215.985(16), F.S., requires the State's Chief Financial Officer to provide public access to a State contract management system. As a result the Department of Financial Services (DFS) developed a web-based system called the "Florida Accountability Contract Tracking System" (FACTS) that provides information and documentation about State government contracts to the public. A copy of this contract and any amendments, renewals, and extensions thereof will be posted in FACTS. The FEMC shall notify the Department in writing if it intends to defend the confidentiality of such public records through the completion of Attachment 3, "Affidavit – Notice of Trade Secret", to be submitted to the Department at the time of signature of this contract by the FEMC. If not filed within such time, the FEMC is deemed to have released the Department from liability for disclosure of the applicable public records.
- f. The FEMC shall comply with the following requirements of section 119.0701, F.S.:
  - i. Keep and maintain public records that ordinarily and necessarily would be required by the Department in order to perform the service.
  - ii. Provide the public with access to public records on the same terms and conditions that the Department would provide the records and at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
  - iii. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
  - iv. Meet all requirements for retaining public records and transfer, at no cost, to the Department all public records in possession of the FEMC upon termination of this contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Department in a format that is compatible with the information technology systems of the Department.

If the FEMC does not comply with a public records request, the Department shall enforce the contract provisions in accordance with the contract.

29. **Data Security.** For contracts requiring FEMC access to or use of Department information technology systems or software, the FEMC shall comply with the information technology and data security provisions specified in Attachment 10.

30. **The following termination provisions apply to this Contract:**

- a. In the event funds for payment pursuant to this contract become unavailable, the Department may terminate this contract upon no less than twenty-four (24) hour notice in writing to the FEMC. Said notice shall be sent by U.S. Postal Service or any expedited delivery service that provides verification of delivery. The Department shall be the final authority as to the availability and adequacy of funds. In the event of termination of this contract, the FEMC will be compensated for any work satisfactorily completed.
- b. In the event the FEMC fails to fully comply with the terms and conditions of this contract, the Department may terminate this contract upon no less than twenty-four (24) hours (excluding Saturday, Sunday, and Holidays) notice in writing to the FEMC after FEMC's failure to fully cure such noncompliance within the time specified in a written notice of noncompliance issued by the Department specifying the nature of the noncompliance and the actions required to cure such noncompliance. In addition, the Department may employ the default provisions in Rule 60A-1.006(3), F.A.C., but is not required to do so in order to terminate this contract. The Department's failure to demand performance of any provision of this contract shall not be deemed a waiver of such performance. The Department's waiver of any one breach of any provision of this contract shall not be deemed to be a waiver of any other breach and neither event shall be construed to be a modification of the terms and conditions of this contract. The provisions herein do not limit the Department's right to remedies at law or in equity.
- c. Failure to have performed any contractual obligations under any other contract with the Department in a manner satisfactory to the Department will be a sufficient cause for termination. To be terminated as a Contractor under this provision, the FEMC must have: (1) previously failed to satisfactorily perform in a contract with the Department, been notified by the Department of the



unsatisfactory performance, and failed to correct the unsatisfactory performance to the satisfaction of the Department; or (2) had a contract terminated by the Department for cause. Termination shall be upon no less than twenty-four (24) hour notice in writing to the FEMC.

31. **Dispute Resolution.** Any dispute concerning performance of this contract or payment hereunder shall be decided by the Department's contract manager, who shall reduce the decision to writing and provide a copy to the FEMC. The decision shall be final and conclusive unless within twenty-one (21) calendar days from the date of receipt of the contract manager's decision, the FEMC delivers to the contract manager a petition for alternative dispute resolution. After receipt of a petition for alternative dispute resolution the Department and the FEMC shall attempt to amicably resolve the dispute through negotiations. Timely delivery of a petition for alternative dispute resolution and completion of the negotiation process shall be a condition precedent to any legal action by the FEMC concerning this contract. After timely delivery of a petition for alternative dispute resolution, the parties may employ any dispute resolution procedures described in the Attachment I or other attachment, or mutually agree to an alternative binding or nonbinding dispute resolution process, the terms of which shall be reduced to writing and executed by both parties. Completion of such agreed process shall be deemed to satisfy the requirement for completion of the negotiation process. This provision shall not limit the parties' rights of termination under Section 30.

32. **Other Terms**

a. Any notice that is required under this contract shall be in writing, and sent by U.S. Postal Service or any expedited delivery service that provides verification of delivery or by hand delivery. Said notice shall be sent to the representative of the FEMC responsible for administration of the program, to the designated address contained in this contract.

b. This contract is executed and entered into in the State of Florida, and shall be construed, performed and enforced in all respects in accordance with Florida law, without regard to Florida provisions for conflict of laws. Courts of competent jurisdiction in Florida shall have exclusive jurisdiction in any action regarding this contract and venue shall be in Leon County, Florida.

c. **PRIDE.** In accordance with Section 946.515(6), F.S., if a product or service required for the performance of this contract is certified by or is available from Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) and has been approved in accordance with Section 946.515(2), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S., AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INSOFAR AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the products it offers is available at <http://www.pride-enterprises.org>.

d. **RESPECT.** In accordance with Section 413.036(3), F.S., if a product or service required for the performance of this contract is on the procurement list established pursuant to Section 413.035(2), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), F.S., AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS STATE AGENCY INSOFAR AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about the designated nonprofit agency and the products it offers is available at <http://www.respectofflorida.org>.

e. The FEMC shall procure any recycled products or materials, which are the subject of or are required to carry out this contract, in accordance with the provisions of section 403.7065, F.S.

f. The FEMC shall provide a monthly Minority Business Enterprise and Service-Disabled Veteran Business Enterprise report summarizing the participation of certified and non-certified minority and service-disabled veteran subcontractors/materials suppliers for the current month and project to date. The report shall include the names, addresses, and dollar amount of each certified and non-certified Minority Business Enterprise and Service-Disabled Veteran Business Enterprise participant and must be sent to the Department's contract manager. The Office of Supplier Diversity at (850) 487-0915 can assist in furnishing names of qualified minority businesses. The Department Minority Business Coordinator can be reached at (850) 717-1370 and will assist with any questions.

g. The Department is committed to ensuring provision of the highest quality services to the persons we serve. Accordingly, the Department has expectations that where accreditation is generally accepted nationwide as a clear indicator of quality service, the majority of the Department's providers will either be accredited, have a plan to meet national accreditation standards, or will initiate a plan within a reasonable period of time.

h. There are no provisions, terms, conditions, or obligations other than those contained herein, and this contract shall supersede all previous communications, representations, or agreements, either verbal or written between the parties.

i. If any term or provision of this contract is legally determined unlawful or unenforceable, the remainder of this contract shall remain in full force and effect and such term or provision shall be stricken.

j. **Survival of terms.** The parties agree that, unless a provision of this Core Contract, its attachments or incorporated documents expressly states otherwise as to itself or a named provision, all provisions of this contract concerning obligations of the FEMC and remedies available to the Department are intended to survive the "ending date" or an earlier termination of this contract. The FEMC's performance pursuant to such surviving provisions shall be without further payment, as the contract payments received during the term of this contract are consideration for such performance.

k. In the event of a conflict between the provisions of the documents, the documents shall govern in the following order of precedence:

- i. Attachment I and other attachments, if any;
- ii. Any documents incorporated into any attachment by reference;
- iii. This Core Contract;
- iv. Any documents incorporated into this Core Contract by reference.

33. **Modifications.** Modifications of provisions of this contract shall be valid only when they have been reduced to a written amendment and duly signed by both parties. The rate of payment and the total dollar amount may be adjusted retroactively to reflect price level increases and changes in the rate of payment when these have been established through the appropriations process and subsequently identified in the Department's operating budget.

34. **Additional Requirements of Law, Regulation and Funding Source.** As provided in Section 6 of this contract, the FEMC is required to comply with the following requirements, as applicable to its performance under this contract. The FEMC acknowledges that it is independently responsible for investigating and complying with all State and Federal laws, rules and regulations relating to its performance under this contract and that the below is only a sample of the State and Federal laws, rules and regulations that may govern its performance under this contract.

a. **Federal Law**

i. Unauthorized aliens shall not be employed. The Department shall consider the employment of unauthorized aliens a violation of section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324 a) and section 101 of the Immigration Reform and Control Act of 1986. Such violation shall be cause for unilateral cancellation of this contract by the Department.

Pursuant to Executive Order 11-116, signed on January 4, 2011, the Department shall require the FEMC to:

- Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the FEMC during the contract term; and
- Include in all subcontracts under this contract, the requirement that subcontractors performing work or providing services pursuant to this contract utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the term of the subcontract.

E-Verify is an Internet-based system that allows an employer, using information reported on an employee's Form I-9, Employment Eligibility Verification, to determine the eligibility of all new employees hired to work in the United States. There is no charge to employers to use E-Verify. The Department of Homeland Security's E-Verify system can be found at [http://www.dhs.gov/files/programs/gc\\_1185221678150.shtm](http://www.dhs.gov/files/programs/gc_1185221678150.shtm).

b. **Civil Rights Requirements.** In accordance with Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, or the Florida Civil Rights Act of 1992, as applicable the FEMC shall not discriminate against any employee (or applicant for employment) in the performance of this contract because of race, color, religion, sex, national origin, disability, age, pregnancy, or marital status. Further, the FEMC agrees not to discriminate against any applicant, client, or employee in service delivery or benefits in connection with any of its programs and activities in accordance with 45 CFR 80, 83, 84, 90, and 91, Title VI of the Civil Rights Act of 1964, or the Florida Civil Rights Act of 1992, as applicable and DBPR Policy # 1002-0022, Unlawful Discrimination and Harassment. These requirements shall apply to all contractors, subcontractors, subgrantees or others with whom it arranges to provide services or benefits to clients or employees in connection with its programs and activities. The FEMC shall complete the Civil Rights Compliance Checklist in accordance with DBPR Policy # 1002-0022, Unlawful Discrimination and Harassment, and 45 CFR 80. This is required of all Contractors that have fifteen (15) or more employees.

c. **Use of Funds for Lobbying Prohibited.** The FEMC shall comply with the provisions of sections 11.062 and 216.347, F.S., which prohibit the expenditure of contract funds for the purpose of lobbying the Legislature, judicial branch, or a state agency.

d. **Public Entity Crime and Discriminatory Contractors** Pursuant to sections 287.133 and 287.134, F.S., the following restrictions are placed on the ability of persons placed on the convicted vendor list or the discriminatory vendor list. When a person or affiliate has been placed on the convicted vendor list following a conviction for a public entity crime, or an entity or affiliate has been placed on the discriminatory vendor list, such person, entity or affiliate may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or the repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity; provided, however, that the prohibition on persons or affiliates placed on the convicted vendor shall be limited to business in excess of the threshold amount provided in section 287.017, F.S., for CATEGORY TWO (\$35,000) for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.


e. **Whistleblower's Act Requirements.** In accordance with subsection 112.3187(2), F.S., the FEMC and its subcontractors shall not retaliate against an employee for reporting violations of law, rule, or regulation that creates substantial and specific danger to the public's health, safety, or welfare to an appropriate agency. Furthermore, agencies or independent contractors shall not retaliate against any person who discloses information to an appropriate agency alleging improper use of governmental office, gross waste of funds, or any other abuse or gross neglect of duty on the part of an agency, public officer, or employee. The FEMC and any subcontractor shall inform its employees that they and other persons may file a complaint with the Office of Chief Inspector General, Agency Inspector General, the Florida Commission on Human Relations or the Whistle-blower's Hotline number at 1-800-543-5353.


By signing this contract, the parties agree that they have read and agree to the entire contract, as described in Section 5.

IN WITNESS THEREOF, the parties hereto have caused this <sup>53</sup> ~~51~~ page contract to be executed by their undersigned officials as duly authorized.

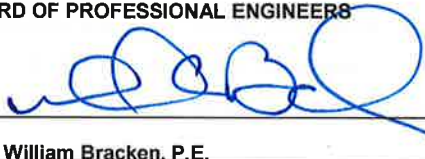
CONTRACTOR: FLORIDA ENGINEERS MANAGEMENT CORPORATION

FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

Signature:   
Print/Type Name: Shannon LaRocque, P.E.  
Title: Board Chairman  
Date: 6/8/16

Signature:   
Print/Type Name: Ken Lawson  
Title: Secretary  
Date: 6-9-16

FLORIDA BOARD OF PROFESSIONAL ENGINEERS

Signature:   
Print/Type Name: William Bracken, P.E.  
Title: Board Chairman  
Date: 6/8/16

STATE AGENCY 29 DIGIT FLAIR CODE: 79-50-2-547001-79050100-00-108020-00 & 79-50-2-547001-79050100-00-100399-00  
Federal Tax ID # (or SSN): F593464045002 Provider Fiscal Year Ending Date:   /  /

## **Attachment 1 SCOPE OF WORK**

*Precedence: If there are any conflicts between terms in the core contract and this Attachment I, the provisions of Attachment I shall govern. Notwithstanding the provisions of paragraph 32 k of the core contract, the scope of work controls.*

### **I. Renewal**

Subsection 287.057(3)(c), F.S., provides that contracts for commodities or contractual services may be renewed on a yearly basis for a period of up to three (3) years after the initial contract, or for a period no longer than the term of the original contract, whichever period is longer, subject to the availability of funds, satisfactory performance evaluations by the Department, and at the discretion of the Department. This contract may be renewed for a period not to exceed the original term of this contract, subject to annual funding appropriation by the Florida legislature.

### **II. Purpose**

FEMC was created pursuant to Section 471.038, Florida Statutes, to provide administrative, investigative and prosecutorial services to the Florida Board of Professional Engineers ("FBPE") in accordance with the provisions of Chapters 455 and 471, Florida Statutes. Section 471.038, Florida Statutes, requires that the FEMC operate under a written contract with the Department, which is to be approved by the FBPE, to provide the above outlined services.

### **III. Contract Manager**

The Department shall assign a Contract Manager who shall ensure compliance with this contract and the provisions of Chapters 455 and 471, Florida Statutes. The Contract Manager shall act as liaison between the Department and the FEMC.

Upon request, FEMC shall allow the Contract Manager complete and immediate access to all data and records maintained by FEMC, including but not limited to the following:

- All documents to be presented to the Probable Cause Panel, including an Agenda, at the same time the materials are provided to the Panel members.
- All documents to be presented to the FBPE for final action, at the same time the materials are provided to the board members.

FEMC shall notify the Contract Manager of the following:

- Significant changes in management personnel;
- Significant communications with the Office of the Governor;
- Appellate action taken by a party in any disciplinary matter. FEMC is responsible for defending such appeals, but FEMC shall provide the initial brief and an outline of the proposed response and the supporting case law, to the Department's appellate attorney and the Contract Manager, 48 hours prior to its submission of any responsive brief.
- Information that may be the basis for an emergency suspension or restriction of license or be of such a nature that FEMC believes it warrants referral for criminal prosecution. The Department is solely responsible for the issuance of any emergency suspension orders.

FEMC shall respond to requests from the Contract Manager within seven business (7) days or sooner if requested.

FEMC shall allocate payment out of its budget to the Department for reasonable costs associated with the contract monitoring.

#### **IV. Appointment of the Board Executive Director**

FEMC shall select the President of the management corporation, who shall also serve as the Executive Director of the Board ("ED") subject to approval of the FBPE in accordance with Section 455.203(2), Florida Statutes. The Department shall be notified of the progress of any selection process for a President and be given an opportunity to comment on FEMC's potential selection.

#### **V. Scope of Services**

FEMC's services shall apply to all licensees under the jurisdiction of the FBPE, including special inspectors of threshold buildings. It is FEMC's responsibility to render services in compliance with the requirements of Chapters 119 (public records), 286.011 (open meetings), and 120 (administrative procedures), Florida Statutes, as limited by Chapters 455 and 471, Florida Statutes.

FEMC shall operate under a fiscal year that begins on July 1 and ends at midnight EDST on June 30 of each fiscal year.

##### **A. Administrative Services**

Administrative services to be provided to the FBPE are the following:

- Performing agency clerk functions;
- Preparing required reports;
- Responding to requests for public records pursuant to Florida law;
- Processing applications for examination and licensure;
- Issuing initial licenses and notices of renewal;
- Renewing licenses;
- Collecting fees;
- Training new board members;
- Maintaining files;
- Maintaining inventory of FEMC property;
- Providing telecommunication systems;
- Providing a computer and licensing system pursuant to Section XIV, Technology;
- Providing examination services;
- Maintaining licensure records;
- Providing official certificates;
- Providing staff support services to the FBPE;
- Assisting as needed in rule promulgation;
- Scheduling, noticing, and planning FBPE meetings;
- Preparing FBPE agenda content including rulemaking, disciplinary, licensing and other official action of the FBPE relative to the police powers of the State of Florida exercised through the FBPE;
- Supporting the conduct of FBPE meetings;
- Recording and preparing minutes of FBPE meetings;
- Providing support to the probable cause panel; and
- Maintaining confidentiality of records as required by law.

## **B. Licensure Services**

Licensure services to be provided to the FBPE are the following:

- Maintain licensure records, including historical licensure data and records of address changes, name changes and other licensure status changes;
- Issue initial licenses and Certificates of Authorization, subsequent to the FBPE's determination of eligibility for licensure, and provide official certification of licensure records in its custody;
- Issue renewal licenses to active and inactive engineers, special inspectors of threshold buildings, and business organizations holding Certificates of Authorization, based on information given to FEMC by the FBPE;
- Ensure compliance with continuing education requirements, in accordance with Sections 471.017, 471.0195, and 553.841, Florida Statutes;
- Provide renewal notices and pending cancellations of a license as required in Section 455.273, Florida Statutes; and
- Maintain and provide licensing information to licensees, prospective licensees and the public consistent with Florida and applicable federal law.

FEMC shall use the Department's licensure management system (Versa: Regulation) until such time as FEMC is authorized by the Department to develop and implement its own licensure management system. Both parties agree that information entered into Versa: Regulation may require the Department's assistance to retrieve. The Department will make all efforts to provide the information to FEMC in a timely manner. Both parties acknowledge that the use of the Versa: Regulation system allows for shared information. Both parties agree that certain information is required to remain confidential under Chapter 455 and Chapter 119, Florida Statutes, including but not limited to social security numbers, unless otherwise provided by law, and complaint and investigation information as provided under Sections 455.225(10) and 471.038(7), Florida Statutes.

All applications, licensure and disciplinary services shall utilize the Versa: Regulation system. The Department shall take full responsibility and liability for the security of records and data submitted by FEMC to the Versa: Regulation system. The Department shall make the Versa: Regulation system available to FEMC staff at all times that it is available to Department staff. All maintenance and support of the Versa: Regulation system will be performed by the Department.

## **C. Test-related Services**

Test-related services to be provided to the FBPE are the following:

- Provide to FBPE complete files of all applications of candidates seeking licensure;
- Schedule candidates for examination;
- Administer the examination provided by the National Council of Examinations for Engineers and Surveyors (NCEES), in accordance with Rule 61G15-21.001, Florida Administrative Code;
- Ensure examination security during the transportation of examinations and overnight storage of examinations;
- Ensure that sites are available to hold the examination, and ensure that there is an appropriate level of monitoring during the examination;
- Ensure that examination results are reported to the candidates;

- Ensure the preparation and administration of examinations in an applicant's native tongue if necessary pursuant to Section 455.218, Florida Statutes, and collect the necessary costs in the event it is determined by a court of competent jurisdiction that the FBPE is required to have the examinations translated;
- Provide for examination of foreign-trained professionals pursuant to Section 455.218, Florida Statutes, if required by a court of competent jurisdiction;
- Ensure necessary special accommodations including, but not limited to, compliance with Chapter 553, Part II, Florida Statutes, and Federal ADA requirements and religious considerations;
- Maintain and monitor a contract with a national testing vendor for the engineering examinations as required by Chapter 471, Florida Statutes, and as approved by the FBPE; and
- Ensure the adequacy of the examinations, the maintenance of examination records, and the compliance with all testing requirements of Section 455.217, Florida Statutes.

#### **D. Prosecutorial Services**

Prosecutorial services to be provided for both licensed and unlicensed activity are the following:

- Coordinate with investigators;
- Review and take appropriate action on complaints;
- Prepare cases for presentation to probable cause panel;
- Prepare administrative complaints, notices of noncompliance and citations;
- Prosecute complaints at disciplinary hearings;
- Prosecute appeals;
- Maintain complaint database in the Versa: Regulation system;
- Report alleged criminal violations to the Department and appropriate authorities;
- Receive requests from the Department for the prosecution of cases opened and investigated by the Department;
- Report any action that may be considered for emergency suspension or restriction of practice to the Department for review and possible action;
- Review disciplinary guidelines; and
- Provide prosecutorial services at mediations.

FEMC shall file a copy of all administrative complaints, final orders and notices of appeal (filed by any party) with the Department's Agency Clerk as soon as is practicable.

#### **E. Investigative Services**

Investigative services to be provided for both licensed and unlicensed activity are the following:

- Receive complaints;
- Interview complainants;
- Interview witnesses;
- Issue subpoenas;
- Interview subjects of complaints;
- Take sworn statements;
- Compile documentary evidence;
- Prepare investigative reports;
- Coordinate with prosecutors;



- Hire experts when necessary;
- Testify at hearings;
- Coordinate investigative activities with appropriate regulatory and law enforcement agencies; and
- Report any action that may be considered for emergency suspension or emergency restriction of practice to the Department for review and possible action.

**F. Services not to be provided by FEMC**

1. Except when providing those prosecutorial and investigative services set forth in this contract, FEMC shall not exercise the police powers inherent in the Department and the FBPE under Chapters 455 or 471, Florida Statutes, including determining probable cause to pursue disciplinary action against a licensee. taking final action on license applications or in disciplinary cases, or adopting administrative rules under Chapter 120, Florida Statutes. Prosecutorial servicing shall only be executed in the name of FBPE.
2. The responsibility for the supervision of this contract remains solely with the FBPE and the Department.
3. FEMC shall not perform any activities related to rulemaking, disciplinary, licensing and other official actions of the FBPE, except that FEMC staff may process the necessary paperwork for these activities at the direction of the FBPE.
4. Lobbying activities, in accordance with Section 216.347, Florida Statutes.
5. FEMC shall not issue emergency suspension or restriction orders.

**G. Corrective Plans**

FEMC shall develop corrective action plans to respond to informal and formal complaints received by the Department, deficiencies that result in noncompliance with the performance standard provisions of Rule 61G15-37.001, Florida Administrative Code, or that result in noncompliance with this Agreement as determined by the Contract Manager. The Department or its Contract Manager will notify FEMC of any formal or informal complaints received by the Department within 48 hours of receipt.

A corrective action plan must include:

- A description of the deficiency or complaint;
- The impact of the deficiency or complaint;
- A plan to correct the deficiency or complaint;
- The responsible individuals to implement the corrective action plan;
- A time line for implementing the corrective action plan that is consistent with the severity of the deficiency; and
- The estimated cost of implementing the corrective action plan.

The corrective action plan must be submitted electronically to the Contract Manager within seven (7) business days of a request by the Contract Manager and with the Quarterly Report, unless more time has been requested by the FEMC and approved by the Contract Manager. The Department reserves the right to determine the efficacy of corrective action plans submitted by the FEMC.

## **VI. Required Documentation**

FEMC shall maintain documentation evidencing performance of its duties under this contract. Documentation showing the following must be maintained:

- A. Compliance with performance standards specified in Rule 61G15-37.001, Florida Administrative Code;
- B. Action taken on requests from the Contract Manager, per Section IV, Contract Manager, of this Contract;
- C. Information related to disciplinary actions;
- D. Action taken regarding the failure of FEMC to comply with any provision of this contract;
- E. Legal cases in which FEMC has not been the prevailing party, to include copies of final orders and specify cases where attorney fees have been awarded;
- F. Establishment and implementation of corrective plans as required by Section VI (G.) of this contract;
- G. Expenditures and cash balances;
- H. Actual and projected monthly expenditures;
- I. Long-range estimates of the revenue required to carry out all provisions of law relating to the regulation of the profession, for a five year period as required in Sections 455.204 and 455.219 of the Florida Statutes; and
- J. Information related to licensure.

## **VII. Deliverables**

The following must be received timely and accepted by the Contract Manager:

### **A. Monthly Report of Actual and Projected Expenditures**

FEMC shall provide to the Contract Manager, by the 15<sup>th</sup> day of each month or the closest business day after the 15<sup>th</sup> if the 15<sup>th</sup> falls on a weekend or a holiday, a spreadsheet report of all actual and projected expenditures for the contract period. The spreadsheet will be in a format approved by the Department.

### **B. Quarterly Reports**

FEMC shall provide an electronic quarterly report, thirty (30) days after the close of each quarter, to the Contract Manager and FEMC Board of Directors, including the following:

1. The status of the performance standards adopted by Rule 61G15-37.001, Florida Administrative Code.
2. Compliance with priority referrals from the Contract Manager, per Section IV, Contract Manager, of this contract.

3. Information regarding disciplinary actions as follows:
  - a. A list and status of all complaints made during this Agreement (open and closed, licensed and unlicensed). Status information should include:
    - The name of complainant;
    - The name and license number of subject;
    - The date of the complaint;
    - The alleged violation;
    - The last action taken; and
    - The next appropriate action recommended.
  - b. A list of all cases FEMC closed as legally insufficient since the last report;
  - c. A list showing the status of compliance with all final orders with pending provisions; and
  - d. A list of cases where the alleged violation is for unlicensed activity and the subject also holds a license with another profession within the Department.
4. Information regarding the failure of FEMC to comply with any provision of this contract.
5. A list of all legal cases where FEMC has not been the prevailing party. The list must include copies of final orders and specify cases where attorney fees have been awarded.
6. Corrective plans as required by Section VI(G.) of this contract.
7. A detailed report of expenditures and cash balance, including information required by Section VII(G.) of this contract.
8. Long-range estimates of revenue, as required by this contract (to be provided in the first quarterly report).
9. A report which details the following information for the last completed quarter, with disciplinary information reported distinctly for licensed and unlicensed activity:
  - Number of license renewals;
  - Number of license applications received;
  - Number of licenses approved and denied;
  - Number of licenses issued;
  - Average time required to issue a license;
  - Number of examinations administered;
  - Number of applicants who passed or failed the examination;
  - Number of complaints received;
  - Number of complaints determined to be legally sufficient;
  - Number of complaints dismissed;
  - Number of complaints determined to have probable cause;
  - Number of administrative complaints issued and the status of the complaints; and

- Number and nature of disciplinary actions taken by the FBPE.

### **C. Annual Report**

On or before October 1, of each year (2014-2017), in accordance with Section 471.038(3)(m), Florida Statutes, FEMC shall submit to the Secretary of the Department, the FBPE and the Legislature, a report on the status of FEMC. The report must include the following information, reported for the fiscal year ending June 30<sup>th</sup> of each year (2014-2017):

- Programs and funds that have been transferred to FEMC;
- Number of license renewals;
- Number of license applications received;
- Number approved, denied and issued licenses;
- Average time required to issue a license;
- Number of examinations administered and the number of applicants who passed or failed the examination;
- Number of complaints received, together with the number of complaints determined to be legally sufficient, how many were dismissed, how many were determined to have probable cause;
- Number of administrative complaints issued and the status of the administrative complaints;
- Number and nature of the disciplinary actions taken by the FBPE. These disciplinary numbers shall be distinct for licensed and unlicensed activity.

Receipt of reports by the Department shall not be construed to mean or imply acceptance of those reports. It is specifically intended by the parties that acceptance of required reports shall constitute a separate act. The Department reserves the right to reject reports as incomplete, inadequate, or unacceptable according to the parameters set forth in this contract. The Department, at its option, may allow additional time where FEMC shall remedy the objections noted by the Department.

### **D. Annual Certification**

On or before October 1st of each year (2013-2017), in accordance with Section 471.038(3)(j)2., F.S., FBPE and the Department shall review the performance of FEMC under this contract for the fiscal year ending June 30<sup>th</sup> (2013-2017). If it is determined that FEMC performed under this contract in a manner that is consistent with the goals and purposes of FBPE and in the best interest of the State, FBPE and the Department shall certify such. This certification shall be recorded in the FBPE minutes. Should the Department fail to certify FEMC by the aforementioned deadlines, FEMC shall be deemed certified. Upon a determination made by the FBPE and the Department at any time during the term of this contract that FEMC no longer operates for the benefit of the FBPE and in the best interest of the State, all monies and property held in trust by FEMC shall revert to the FBPE, or the State if the FBPE ceases to exist.

### **E. Audit**

Evidence of FEMC's engagement of an independent certified public accountant to conduct an audit as required by this contract shall be provided to the Department no later than October 1<sup>st</sup> of each year (2013-2017).

### **F. Insurance & Bond**

Proof of liability insurance and a performance bond, as required by Section 471.038(3)(j)5., Florida Statutes, and this contract shall be submitted annually by FEMC to the Department.

**G. Litigation Inventory Schedule**

On or before September 15<sup>th</sup> of each year (2013-2017), FEMC shall submit an Agency Litigation Inventory Schedule, using the format shown in Attachment 6.

**H. Budget**

On or before June 1<sup>st</sup> of each year of the contract term (Fiscal Years 2013-2016), the FEMC shall submit a Proposed Budget for Grants and Aid and Proposed Budget for Unlicensed Activity for the coming fiscal year. Upon receipt of each year's proposed budget, the Department shall conduct a cost analysis in accordance with s. 216.3475, F.S., as part of the Department review and approval process. Each year the approved Proposed Budget shall be attached hereto collectively as Attachment 7, Proposed Budget.

**I. Budget Amendment**

On or before June 1<sup>st</sup> of each year (2014-2017), FEMC shall submit a proposed budget amendment of unexpended funds for the fiscal year ending June 30<sup>th</sup> (2014-2017). The proposed budget amendment shall be submitted to the Department's Director of Administration and Financial Services, with a copy to the Contract Manager and FBPE. The Department shall either approve or deny the proposed budget amendment within ten (10) business days of receipt of the request. Failure by the Department to respond within ten (10) business days of receipt of the proposed budget amendment shall constitute approval by the Department of the budget amendment. Any requests for budget amendments prior to June 1<sup>st</sup> of each fiscal year must be submitted to the Department twenty-one (21) business days before the beginning of the fiscal quarter for which the amendment is being requested.

**J. Legislative Budget Request**

FEMC shall submit to the Department a legislative budget request justifying any additional funding needs each Fiscal Year (2014-2017) as directed by the Department's Director of Administration and Financial Services.

**VIII. Financial Consequences**

If the FEMC fails to meet the minimum level of service or performance identified in this contract, the Department will apply financial consequences commensurate with the deficiency. Financial consequences may include but are not limited to refusing payment, withholding payments until deficiency is cured, tendering only partial payments, applying liquidated damages to the extent that this contract so provides, imposition of penalties per Section X.

**IX. Financial Penalties for Failure to Take Corrective Action**

- A. Corrective action plans may be required for noncompliance, nonperformance, or unacceptable performance under this contract. Penalties may be imposed for failures to implement or to make acceptable progress on such corrective action plans.
- B. The increments of penalty imposition that shall apply, unless the Department determines that extenuating circumstances exist, shall be based upon the severity of the noncompliance, nonperformance, or unacceptable performance that generated the need for corrective action plan. The penalty, if imposed, shall not exceed ten percent

(10%) of the total contract payments during the period in which the corrective action plan has not been implemented or in which acceptable progress toward implementation has not been made.

- C. Noncompliance involving the provision of service shall result in the imposition of a five percent (5%) penalty. Noncompliance as a result of unacceptable performance of administrative tasks shall result in the imposition of a two percent (2%) penalty.
- D. The deadline for payment shall be as stated in the Order imposing the financial penalties. In the event of nonpayment the Department may deduct the amount of the penalty from invoices submitted by the FEMC.

**X. Funding**

- A. The total funding of this contract is \$2,170,875.00 annually and \$8,683,500.00 for the contract period, subject to appropriation and release by the Legislature. The Legislature has appropriated Two Million Seventy Thousand Dollars (**\$2,070,000.00**) allocated to the regulation of professional engineers and special inspectors of threshold buildings from the Professional Regulation Trust Fund to the first year of this contract.

The Department has allocated One Hundred Thousand Eight Hundred Seventy-Five Dollars **\$ 100,875.00** annually in unlicensed activity funds for this contract. The unlicensed activity funds are to be utilized by the FEMC to perform the duties related to unlicensed activity pursuant to Chapter 455, Florida Statutes.

The Department's performance and obligation to pay under this contract is contingent upon the annual appropriation and release by the Legislature in a "grant and aids category."

- B. Method of Payment:

- 1. Payment Clause

- (Fixed Price – Professional Regulation Trust Fund)* The Department shall pay the FEMC for delivery of service units provided in accordance with the terms of this contract for a dollar amount of \$517,500.00 per quarter, not to exceed a total of \$2,070,000.00 annually and \$8,280,000.00 for the contract period, subject to availability of funds.

- An advance payment not to exceed 25 percent of the contract amount and may be made as soon after July 1<sup>st</sup> of each year (2013-2017), as feasible. The remaining funding shall be provided in equal payments on a quarterly basis beginning on or after October 1, January 1, and April 1 of each year (2013-2017).

- In the event Contractor's expenses exceed its draw in any given quarter, and the cash balance available is insufficient to cover those expenses, Contractor may request an advance of funds, not to exceed Two Hundred Thousand Dollars (\$200,000.00). Advancement of funds is subject to the approval of budget release pursuant to sections 216.192(1) and 216.177(2)(a), Florida Statutes.

- (Cost Reimbursement – Unlicensed Activity Funds)* The Department shall reimburse FEMC for allowable expenditures incurred pursuant to the terms of this contract for a dollar amount not to exceed \$100,875.00 annually and \$403,500.00 for the contract period, subject to the availability of funds.

2. Invoice Requirements

*(Fixed Price)* FEMC shall request payment quarterly or as often as activity has been performed on behalf of the program through submission of a properly completed invoice within fifteen (15) days following the end of the quarter for which payment is being requested.

*(Cost Reimbursement)* FEMC shall request reimbursement on a monthly basis or as often as activity has been performed on behalf of the program through submission of a properly completed cost reimbursement invoice within fifteen (15) days following the end of the month for which reimbursement is being requested.

Payment shall be authorized only for allowable expenditures on the invoice which are in accord with the limits specified in the line item budget (Attachment 7). The approved line item budget may be modified only through amendment to the contract initiated by a written request that includes justification supporting the need for modification. Such modifications cannot be made retroactive to a date prior to the execution date of the formal amendment.

3. Supporting Documentation

*(Fixed Price)* Invoices shall include Deliverables as stated in Section VIII above. FEMC shall retain sufficient records documenting services provided so that an audit trail can be maintained.

*(Cost Reimbursement)* Reimbursement requests from FEMC for Unlicensed Activity expenditures will include supporting documentation for all requests. Examples include but are not limited to; For Professional Services Fees an actual invoice showing the service and amount due and copy of cleared check; For hardware or software an actual invoice and copy of paid check; For travel [e.g. bills for travel submitted in accordance with s.112.061, F.S.] actual invoices and copy of paid check; For office supplies, telephone calls, printing and postage actual invoices or a copy of supply orders, telephone bills, number of copies times per copy rate and number of mailings at postage rate; and Administrative Services or Staff time, timesheets showing actual or estimated percentage of time spent, rate of pay and related payroll expenses applied. FEMC shall maintain records documenting the expenditures so that an audit trail documenting the service provision is available.

**XI. Revenue**

- A. FEMC shall be responsible for the collection and processing of application and examination fees, initial licensure fees, active renewal fees, inactive renewal fees, delinquency and reactivation fees, reimbursement of administrative costs, fines, and other miscellaneous revenue. In accordance with Section 116.01, Florida Statutes, FEMC shall deposit all receipts to the State concentration account to the credit of the Professional Regulation Trust Fund not later than seven (7) working days from the close of the week in which FEMC received the funds. The Department shall provide FEMC with sequentially numbered deposit slips. Each deposit slip must be accounted for. FEMC shall stamp the back of all checks deposited with the endorsement contained in Attachment 11 , Endorsement Stamp.
- B. All revenue collected by FEMC shall be entered in Versa: Regulation system using the appropriate "object code" listed in Attachment 5, Fee Codes.

- C. FEMC is responsible for collecting or earmarking out of current licensure fees the \$5.00 fee for unlicensed activity as provided for in Section 455.2281, Florida Statutes. Fees collected under Section 455.2281, Florida Statutes, may be used by the FBPE to perform duties relating to unlicensed activity as contemplated in Section 471.038(5), Florida Statutes, subject to appropriation by the Legislature and allocations made by the Department. This information shall be tracked by FEMC in Versa: Regulation.
- D. FEMC shall have in place a method (subject to approval by the Department) to collect checks written on insufficient funds ("bad checks").
- E. FEMC shall maintain licensing fees that are not excessive but that are adequate to cover projected costs and maintain a 5% cash balance. If fees are excessive, the board may implement a waiver of license renewal fees for a period not to exceed two (2) years pursuant to Section 455.219, Florida Statutes.
- F. FEMC shall record and report accounts receivable (if any) pursuant to the Department's policy as provided in Attachment 8.
- G. Funds advanced to FEMC shall be deposited in a separate interest bearing account until the balance, not including the interest, is totally expended for the purposes allowed by this contract. All interest income attributable to or derived from funds advanced to FEMC shall be returned on a quarterly basis to the Department and shall remain as cash to the credit of the FBPE within the Professional Regulation Trust Fund.
- H. All miscellaneous funds received by FEMC, such as from public records requests, shall be deposited to the credit of the FBPE within the Professional Regulation Trust Fund. This information shall be tracked and reported in the Quarterly Reports.

## **XII. Expenditures**

- A. Any incurred obligation of FEMC at June 30 of each year shall be treated pursuant to the State's process as defined in Section 216.301, Florida Statutes. The funds shall remain with FEMC for disbursement for all accounts payable on its books as of June 30<sup>th</sup> of each year. Any funds remaining with FEMC after the accounts payable have been certified shall be returned to the Department no later than September 30<sup>th</sup> of each year and shall remain as cash to the credit of the FBPE within the Professional Regulation Trust Fund. By July 16<sup>th</sup> of each year, FEMC shall notify the Department of incurred obligations that were not disbursed by June 30<sup>th</sup> of each year in the manner provided in Attachment 9, Year-End Incurred Obligations Procedure. In the event an appropriate identification of an incurred obligation is not made and an incurred obligation is proven to be legal, due and unpaid, then the incurred obligation shall be paid and charged to the current fiscal year contract funds.
- B. In accordance with Section 287.058(1)(a), Florida Statutes, FEMC shall maintain all invoices pertaining to the daily operation of the corporation in its office with sufficient detail to enable the Department to monitor its expenditures. This documentation shall be retained for a minimum of three years.
- C. The Department shall charge FEMC cash account for all costs of representation by board counsel, including salary and benefits, travel, and any other compensation traditionally paid by the Department to other board counsel; all costs incurred by FEMC or the FBPE for the Division of Administrative Hearings of the Department of Management Services and any other costs for utilization of these services; reasonable costs associated with the Contract Manager of the Department; banking fees



associated with the acceptance of credit cards; the service charge to General Revenue as provided in Chapter 215, Florida Statutes; and other allocated costs (including technology costs) incurred by the Department in support of the board pursuant to Section 455.219, Florida Statutes. If at any time, the FEMC's cash account has a deficit or projected deficit, this contract shall be amended to address the deficit.

- D. The FEMC may provide for salary increases, merit increases, bonuses, and other forms of pay increases for FEMC staff. The FEMC shall include any such increase or bonus in their Proposed Budget or Proposed Budget Amendment for Department review and approval prior to implementation.
- E. FEMC shall comply with the Department of Financial Services Reference Guide for State Expenditures (the Reference Guide), available at:  
[http://www.myfloridacfo.com/aadir/reference\\_guide/reference\\_guide.htm](http://www.myfloridacfo.com/aadir/reference_guide/reference_guide.htm).
- F. FEMC shall apply the guidelines found in the Reference Guide for the State P-card program to its use of credit cards.
- G. FEMC shall comply with s. 112.061, Florida Statutes, and the guidelines found in the Reference Guide for state travel expenses to its travel expenditures.

### **XIII. Insurance**

#### **A. Liability Insurance**

FEMC shall secure and maintain during the term of this contract and for all acts performed during the term of this contract, the insurance coverage required by Section 471.038(3)(j)5., Florida Statutes. FEMC shall ensure that all of the insurers indicated on the insurance policies are qualified and do business with the State of Florida.

FEMC shall secure and maintain all commercially available insurance to meet the requirements of Section 471.038(3)(j)5, Florida Statutes. Both parties acknowledge that Section 471.038(3)(j)5, Florida Statutes, does not require FEMC to obtain coverage for itself and the Department which is not obtainable for public policy reasons. However, if at any time it is determined that insurance becomes available which would otherwise be required under the statute, FEMC shall immediately acquire such insurance. Failure by FEMC to secure and maintain the insurance coverage provided for in this paragraph or in violation of Section 471.038(3)(j)5, Florida Statutes, shall be grounds for terminating this contract.

#### **B. Performance Bond**

FEMC shall provide for non-employees charged with the responsibility of receiving and depositing fee and fine revenues to have a faithful performance bond in the amount of Five Hundred Thousand Dollars (\$500,000.00), as required by Section 471.038(3)(j)5., Florida Statutes, and this contract.

### **XIV. General Provisions**

#### **A. Dispute Resolution**

This contract shall be governed by and construed in accordance with the laws of Florida, and venue and jurisdiction for any disputes arising out of this contract shall be in the state courts of Leon County, Florida.

The parties agree that any disputes between the parties regarding their responsibilities under this contract or any provision of Florida law shall be resolved as soon as possible at the lowest level possible in the most informal manner possible in order to conserve the resources of the parties. The parties agree to use their best efforts to assure speedy and non-confrontational resolution of any and all disputes. FEMC recognizes that the Department is mandated by Florida Statutes with the monitoring of FEMC's activities, and after consultation with the FBPE, has the authority to resolve disputes.

The parties agree to be responsible for their own attorney's fees and costs incurred in connection with disputes arising under the terms of this contract.

#### **B. Liability**

Each party hereby assumes any and all risks of personal injury and property damage attributable to the acts or omissions of that party or its officers, employees, or agents. Furthermore, any claim of liability asserted against the Department is subject to the limitations of Section 768.28, Florida Statutes.

FEMC shall provide all necessary services to manage its own corporation, including but not limited to finance and accounting and personnel administration. FEMC shall make only prudent expenditures directly related to the responsibilities of the FBPE, and in accordance with this contract. FEMC shall maintain all records in accordance with the guidelines of the Department of State and shall not destroy any records prior to the limits imposed by the Department of State. FEMC shall maintain an approved Procurement Policy and Code of Ethics that governs its directors and employees.

FEMC employees and its Board of Directors are not public employees for the purposes of Chapters 110 or 112, Florida Statutes, except that the Board of Directors and the President of FEMC are subject to the provisions of Sections 112.061, 112.313(1)-(8) and 112.3135, Florida Statutes. The Department's Office of Inspector General is authorized to perform duties related to members of the Board of Directors of FEMC and its President as set forth in Section 20.055, Florida Statutes, related to violations of Sections 112.061, 112.313(1)-(8) and 112.3135, Florida Statutes. Nothing herein shall prohibit FEMC from disciplining its directors and President or FBPE from taking appropriate action. The Executive Office of the Governor is authorized to impose the penalties cited in Section 112.317, Florida Statutes, for violations of Sections 112.313(1)-(8) and 112.3135, Florida Statutes, by members of FEMC's Board of Directors or its President.

#### **C. Other Employment**

FEMC shall not engage the services of any person or persons now employed by the State of Florida, including any department or subdivision thereof, to provide services relating to this contract without written consent of the employer of such person or persons and of this Department. Also, if FEMC is otherwise employed by the State of Florida during the term of this contract, FEMC represents that FEMC has complied with all applicable provisions of Sections 216.262(1) (d) and 112.3185, Florida Statutes, and all applicable regulations regarding outside or dual employment and compensation.

#### **D. Costs Incurred**

FEMC shall be responsible for the acquisition of property, equipment, and supplies necessary to fulfill the requirements of this contract. Any leasing or reservation of space to perform this contract shall be the sole responsibility of FEMC.

**E. Termination**

Upon termination of this contract or revision thereof whereby FEMC no longer is approved to provide services as contemplated by this contract, all monies, records, data and property held in trust by FEMC for the benefit of FBPE shall revert to the FBPE or to the State of Florida if the FBPE ceases to exist. In the event of contract termination, FEMC shall be responsible for ensuring that all data relating to licensure and discipline can be converted for use on Department systems and FEMC is solely responsible for the cost of such conversion.

Failure to comply with any part of this contract shall be grounds for the Department to terminate this contract.

**F. Entire Contract**

This contract and the following attachments constitute the entire contract between the parties:

- Attachment 1 - Scope of Work
- Attachment 2 - Certifications and Assurances
- Attachment 3 - Affidavit – Notice of Trade Secret
- Attachment 4 - Financial and Compliance Audit Form
- Attachment 5 - Fee Codes
- Attachment 6 - Schedule VII: Agency Litigation Inventory
- Attachment 7 - Proposed Budget for Year Ending June 30, 2016 (Grants and Aid / Unlicensed Activity)
- Attachment 8 - Accounts Receivable and Write-Off Policies and Procedures
- Attachment 9 - Year-End Incurred Obligations Procedure
- Attachment 10 - Department Information Technology Resources and Data Access Security
- Attachment 11 – Endorsement Stamp

**Section XV. Special Provisions**

**A. Provider Liability and Indemnity**

The FEMC's obligation to indemnify, defend and hold harmless the Department shall be to the extent permitted by section 768.28, Florida Statutes, or other applicable law, and without waiving the limits of sovereign immunity. This section shall supersede Section 9 of the Core Contract.

**B. Insurance**

The FEMC shall maintain continuous adequate liability insurance coverage during the existence of this contract and any renewal(s) and extension(s) thereof. With the exception of a state agency or subdivision as defined by subsection 768.28(2), F.S., by execution of this contract, the FBPE accepts full responsibility for identifying and determining the type(s) and extent of liability insurance necessary to provide reasonable financial protections for the FEMC and the clients to be served under this contract. The limits of coverage under each policy maintained by the FEMC do

not limit the FEMC's liability and obligations under this contract. Upon the execution of this contract, the FEMC shall furnish the Department written verification supporting both the determination and existence of such insurance coverage. Such coverage may be provided by a self-insurance program established and operating under the laws of the State of Florida. The Department reserves the right to require additional insurance if specified in this contract. This section supersedes Section 10 of the Core Contract.

C. Payment on invoices

Payment on invoices shall be in accordance with Section XI of this Scope of Work. This section supersedes Section 19, 20 and 24 of the Core Contract.

D. Publicity

For the purposes of this agreement, the FBPE and the FEMC logo is not a state seal and does not fall within the ambit of Section 15 of the Core Contract.

E. Sponsorship

Sections 15 and 16 of the Core Contract do not apply to FEMC and the FBPE but these sections do apply to any subcontractor of the FEMC or FBPE.

***End of Attachment 1***

**Attachment 2**  
**CERTIFICATIONS AND ASSURANCES**

The Department will not award this contract unless the FEMC completes the CERTIFICATIONS AND ASSURANCES contained in this Attachment. In performance of this contract, the FEMC provides the following certifications and assurances:

- A. Debarment and Suspension Certification (29 CFR Part 95 and 45 CFR Part 74)
  - B. Nondiscrimination & Equal Opportunity Assurance (29 CFR Part 37 and 45 CFR Part 80)
  - C. Certification Regarding Public Entity Crimes, section 287.133, F.S.
  - D. Association of Community Organizations for Reform Now (ACORN) Funding Restrictions Assurance (Pub. L. 111-117)
  - E. Certification Regarding Scrutinized Companies Lists, section 287.135, F.S.
- A. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTION.**

The undersigned FEMC certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal department or agency;
2. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph A.2. of this certification; and/or
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause of default.

If the FEMC is unable to certify to any of the statements in this certification, the FEMC shall attach an explanation to this contract.

**B. NON DISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE (29 CFR PART 37 AND 45 CFR PART 80).**

As a condition of this contract, the FEMC assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

1. Section 188 of the Workforce Investment Act of 1998 (WIA), (Pub. L. 105-220), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex national origin, age, disability, political affiliation, or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I-financially assisted program or activity;
2. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United

States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.

3. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112) as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 84), to the end that, in accordance with Section 504 of that Act, and the Regulation, no otherwise qualified handicapped individual in the United States shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
4. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 91), to the end that, in accordance with the Act and the Regulation, no person in the United States shall, on the basis of age, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
5. Title IX of the Educational Amendments of 1972 (Pub. L. 92-318), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 86), to the end that, in accordance with Title IX and the Regulation, no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any education program or activity for which the Applicant receives Federal financial assistance from the Department.
6. The American with Disabilities Act of 1990 (Pub. L. 101-336), prohibits discrimination in all employment practices, including, job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions, and privileges of employment. It applies to recruitment, advertising, tenure, layoff, leave, fringe benefits, and all other employment-related activities, and;

FEMC also assures that it will comply with 29 CFR Part 37 and all other regulations implementing the laws listed above. This assurance applies to FEMC's operation of the WIA Title I – financially assisted program or activity, and to all agreements the FEMC makes to carry out the WIA Title I – financially assisted program or activity. The FEMC understands that the department and the United States have the right to seek judicial enforcement of the assurance.

#### **D. CERTIFICATION REGARDING PUBLIC ENTITY CRIMES, SECTION 287.133, F.S.**

FEMC hereby certifies that neither it, nor any person or affiliate of the FEMC, has been convicted of a Public Entity Crime as defined in section 287.133, F.S., nor placed on the convicted vendor list.

FEMC understands and agrees that it is required to inform the Department immediately upon any change of circumstances regarding this status.

#### **E. ASSOCIATION OF COMMUNITY ORGANIZATIONS FOR REFORM NOW (ACORN) FUNDING RESTRICTIONS ASSURANCE (Pub. L. 111-117).**

As a condition of this contract, FEMC assures that it will comply fully with the federal funding restrictions pertaining to ACORN and its subsidiaries per the Consolidated Appropriations Act, 2010, Division E, Section 511 (Pub. L. 111-117). The Continuing Appropriations Act, 2011, Sections 101 and 103 (Pub. L. 111-242), provides that appropriations made under Pub. L. 111-117 are available under the conditions provided by Pub. L. 111-117. Note: As of June 20, 2011, this matter is in litigation in the District Court for the Eastern District of New York.

FEMC shall require that language of this assurance be included in the documents for all subcontracts at all tiers (including subcontracts, sub-grants and contracts under grants, loans and cooperative agreements) and that all sub recipients and FEMCs shall provide this assurance accordingly.

#### **F. SCRUTINIZED COMPANIES LISTS CERTIFICATION, SECTION 287.135, F.S.**



If this contract is in the amount of \$1 million or more, in accordance with the requirements of section 287.135, F.S., FEMC hereby certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. Both lists are created pursuant to section 215.473, F.S.

The FEMC understands that pursuant to section 287.135, F.S., the submission of a false certification may subject the FEMC to civil penalties, attorney's fees, and/or costs.

If FEMC is unable to certify to any of the statements in this certification, the FEMC shall attach an explanation to this contract.

By signing below, the FEMC certifies the representations outlined in parts A through F above are true and correct.

\_\_\_\_\_  
(Signature and Title of Authorized Representative)

\_\_\_\_\_  
FEMC

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Street)

\_\_\_\_\_  
(City, State, ZIP Code)

**-End of Attachment 2 -**

**Attachment 3**  
**AFFIDAVIT - NOTICE OF TRADE SECRET**

I, \_\_\_\_\_ [Name of Affiant], the undersigned, being first duly sworn, do hereby state

under oath and under penalty of perjury, the following:

1. I am an authorized representative of the Florida Engineers Management Corporation, and I am duly empowered and authorized to certify under oath to the truth of the statements contained in this affidavit.
  
2. Based upon our review/determination of all contract documents for any trade secret information meeting the statutory definition provided in subsection 812.081(1)(c), F.S., there are documents or information claimed to be trade secrets under Florida law pertaining to our entities response to the formal solicitation and related materials in DBPR Contract number 13-00008. YES \_\_\_ or NO \_\_\_ (Check one)

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
[Name of Affiant]

\_\_\_\_\_  
[Title of Affiant]

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**AFTER CONTRACT EXECUTION**

3. Upon receipt of the fully executed contract (DBPR Contract Number) and if in the initial submission of this affidavit to the Department FEMC indicated a YES response to Section 2 above, FEMC shall complete this Section 3 and resubmit this affidavit accompanied by a redacted copy of this contract to the Department within three (3) business days of receipt of the fully executed contract. The FEMC states that:

All documents or information claimed to be trade secrets under Florida law have been redacted in the electronic copy of the response to the formal solicitation and related materials in (DBPR Contract Number) provided to the Department of Business and Professional regulation under cover letter dated \_\_\_\_\_, 20\_\_\_\_. Further, (FEMC Name):

- a. Considers the redacted information to be trade secret that has value and provides an advantage or opportunity to obtain an advantage over those who do not know or use it.
- b. Has taken measures to prevent the disclosure of the redacted trade secret information to anyone other than those who have been selected to have access for limited purposes, and such measures continue to be taken.
- c. States that the redacted trade secret information is not, and has not been, reasonably obtainable, without consent, by other persons by use of legitimate means.
- d. States that the redacted trade secret information is not publicly available elsewhere.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
[Name of Affiant]

[Title of Affiant]

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_

**- End of Attachment 3 -**

**ATTACHMENT 4**  
**Financial and Compliance Audit Form**

The administration of resources awarded by the Department of Business and Professional Regulation (Department) to the recipient may be subject to audits and/or monitoring as described in this attachment.

**MONITORING**

In addition to reviews of audits conducted in accordance with OMB Circular A-133 and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by OMB Circular A-133, as revised, or other procedures. By entering into this agreement, the recipient agrees to comply and cooperate with any monitoring procedures deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department staff to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the State's Chief Financial Officer or the Auditor General.

**AUDITS**

**PART I: FEDERALLY FUNDED**

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in OMB Circular A-133, as revised.

In the event the recipient expends \$500,000 or more in Federal awards in its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this agreement indicates Federal resources awarded through the Department by this agreement. In determining the Federal awards expended in its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from the Department. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.

In connection with the audit requirements addressed in Part 1, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.

If the recipient expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the recipient expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources.

(NOTE: If applicable, Department program office should address other miscellaneous matters affecting Part I audits, such as Web sites where information that would help facilitate the recipient's compliance can be obtained.)

## PART II: STATE REQUIREMENTS

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such recipient, the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this agreement indicates state financial assistance awarded through the Department by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for Federal program matching requirements.

In connection with the audit requirements addressed in Part II, paragraph 1, the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.

If the recipient expends less than \$500,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$500,000 in state financial assistance in its fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).

(NOTE: The Department program office should address other miscellaneous matters affecting Part II audits, *such as* Web sites where information that would help facilitate the recipient's compliance can be obtained.)

In the event the recipient expends \$500,000 or more in state financial assistance during its fiscal year, the recipient must have a State single or project-specific audit conducted in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. The recipient agrees to provide a copy of the single audit to the Department's Single Audit Unit and its contract manager. In the event the recipient expends less than \$500,000 in State financial assistance during its fiscal year, the recipient agrees to provide certification to the Department's Single Audit Unit and its contract manager that a single audit was not required. In determining the state financial assistance expended during its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Business and Professional Regulation, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

In connection with the audit requirements addressed in the preceding paragraph, the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida

Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 or 10.650, Rules of the Auditor General.

The schedule of expenditures should disclose the expenditures by contract number for each contract with the department in effect during the audit period. The financial statements should disclose whether or not the matching requirement was met for each applicable contract. All questioned costs and liabilities due the department shall be fully disclosed in the audit report package with reference to the specific contract number.

### **PART III: REPORT SUBMISSION (N/A)**

Copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by PART I of this agreement shall be submitted, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the recipient directly to each of the following:

- A. Department Contract manager for this agreement (1 copy): [Name and Address]
- B. Department of Business and Professional Regulation (1 electronic copy and management letter, if issued)

Office of the Inspector General  
2601 Blairstone Road  
Tallahassee, FL. 32399-1040

- C. The Federal Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d) (1) and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

Federal Audit Clearinghouse  
Bureau of the Census  
1201 East 10<sup>th</sup> Street  
Jefferson, IN 47132

- D. Other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.

Pursuant to Section .320 (f), OMB Circular A-133, as revised, the recipient shall submit a copy of the reporting package described in Section .320 (c), OMB Circular A-133, as revised, and any management letter issued by the auditor, to the Department at each of the following addresses:

- A. Department Contract manager for this agreement (1 copy): [Name and Address]
- B. Department of Business and Professional Regulation (1 electronic copy and management letter, if issued)

Office of the Inspector General  
2601 Blairstone Road  
Tallahassee, FL. 32399-1040



Copies of financial reporting packages required by PART II of this agreement shall be submitted by or on behalf of the recipient directly to each of the following:

A. The Department at each of the following addresses:

Department Contract manager for this agreement (1 copy):  
Patrick Cunningham  
Office of the General Counsel  
2601 Blairstone Road  
Tallahassee, FL. 32399-1040

Department of Business and Professional Regulation (1 electronic copy and management letter, if issued)

Office of the Inspector General  
2601 Blairstone Road  
Tallahassee, FL. 32399-1040

B. The Auditor General's Office at the following address:

Auditor General's Office  
Room 401, Pepper Building  
111 West Madison Street  
Tallahassee, Florida 32399-1450

Any reports, management letter, or other information required to be submitted to the Department pursuant to this agreement shall be submitted timely in accordance with OMB Circular A-133, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

Recipients, when submitting financial reporting packages to the Department for audits done in accordance with OMB Circular A-133 or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient in correspondence accompanying the reporting package.

#### **PART IV: RECORD RETENTION**

The recipient shall retain sufficient records demonstrating its compliance with the terms of this agreement for a period of six years from the date the audit report is issued and shall allow the Department or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department or its designee, Chief Financial Officer, or Auditor General upon request for a period of three years from the date the audit report is issued, unless extended in writing by the Department. *NOTE: Records need to be retained for at least five years to comply with record retention requirements related to original vouchers prescribed by the Department of State, Division of Library and Information Services, Bureau of Archives and Records Management.*

## EXHIBIT – 1

### FEDERAL RESOURCES AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

*NOTE: If the resources awarded to the recipient represent more than one Federal program, provide the same information shown below for each Federal program and show total Federal resources awarded.*

Federal Program (list Federal agency, Catalog of Federal Domestic Assistance title and number) -  
\$ (amount) **N/A**

### COMPLIANCE REQUIREMENTS APPLICABLE TO THE FEDERAL RESOURCES AWARDED PURSUANT TO THIS AGREEMENT ARE AS FOLLOWS:

*NOTE: If the resources awarded to the recipient represent more than one Federal program, list applicable compliance requirements for each Federal program in the same manner as shown below.*

Federal Program:

List applicable compliance requirements as follows: **N/A**

1. First applicable compliance requirement (e.g., what services/purposes resources must be used for).
2. Second applicable compliance requirement (e.g., eligibility requirements for recipients of the resources).
3. Etc.

*NOTE: Instead of listing the specific compliance requirements as shown above, the State awarding agency may elect to use language that requires the recipient to comply with the requirements of applicable provisions of specific laws, rules, regulations, etc. For example, for Federal Program 1, the language may state that the recipient must comply with a specific law(s), rule(s), or regulation(s) that pertains to how the awarded resources must be used or how eligibility determinations are to be made. The State awarding agency, if practical, may want to attach a copy of the specific law, rule, or regulation referred to.*

### STATE RESOURCES AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

#### MATCHING RESOURCES FOR FEDERAL PROGRAMS:

*NOTE: If the resources awarded to the recipient for matching represent more than one Federal program, provide the same information shown below for each Federal program and show total State resources awarded for matching.*

Federal Program (list Federal agency, Catalog of Federal Domestic Assistance title and number) -  
\$ (amount) **N/A**

#### SUBJECT TO SECTION 215.97, FLORIDA STATUTES:

*NOTE: If the resources awarded to the recipient represent more than one State project, provide the same information shown below for each State project and show total state financial assistance awarded that is subject to Section 215.97, Florida Statutes.*

**State Project: Department of Business and Professional Regulation, Florida Engineers Management Corporation (FEMC) #79.001, \$2,170,875.00 annually.**

**COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT ARE AS FOLLOWS:**

The department has allotted \$100,875 from the unlicensed activity account established under s. 455.2281 to be used by the Board of professional Engineers (FBPE) to perform the duties relating to unlicensed activity. FEMC shall provide administrative, investigative and prosecutorial services to FBPE in accordance with S. 471.038, F.S., and make only prudent expenditures directly related to the responsibilities of the board, and in accordance with the contract required by section 471.038, Florida Statutes.

FEMC shall not perform the following services:

(1) Except when providing those prosecutorial and investigative services set forth in Section IV (D) and (E) of this Agreement, FEMC shall not exercise the police powers inherent in the Department and the FBPE under Chapters 455 or 471, Florida Statutes, including determining probable cause to pursue disciplinary action against a licensee other than failure to comply with final orders of the Board as set forth in Rule 61G15-18.005

(2) Florida Administrative Code, taking final action on license applications or in disciplinary cases, or adopting administrative rules under Chapter 120, Florida Statutes. Prosecutorial servicing shall only be executed in the name of the Florida Board of Professional Engineers.

(3) Any and all activities with relation to rulemaking, disciplinary, licensing and other official actions of the FBPE; except that FEMC staff may process the necessary paperwork for these activities at the direction of the FBPE.

(4) Lobbying activities on behalf of the FBPE.

(5) FEMC shall not have the authority to issue emergency suspension or restriction orders.

***End of Attachment 4***

**ATTACHMENT 5  
FEE CODES**

**BOARD OF PROFESSIONAL ENGINEERS (FEMC)  
79-50-2-547001  
79-50-00-00-009**

**FEES -CATEGORY- 000100**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
001101	22	INITIAL APPLICATION
001102	22	LICENSE VERIFICATION
001105	22	EXAM REVIEW
001108	22	DUPLICATES/NAME & STATUS CHANGE
001109	22	BOARD SPECIFIC FEES
001118	22	TEMPORARY REGISTRATION FOR RECIPROCITY APPLICANTS
001119	22	TEMPORARY CERTIFICATE OF AUTHORIZATION
001120	22	SPECIAL INSPECTOR CERTIFICATE
001129	22	CONTINUING EDUCATION PROGRAM
001128	22	LAWS & RULES COURSE APPROVAL APPLICATION
001159	22	APPL FOR ENDORSEMENT OF ENG INTERN CERTIFICATE

**LICENSES -CATEGORY - 000200**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
002101	22	INITIAL LICENSE
002102	22	RENEWAL
002103	22	INACTIVE
002104	22	REACTIVATION
002105	22	DELINQUENT CHARGES
002106	22	UNLICENSED ACTIVITY
002112	22	ONE TIME ASSESSMENT

**MISCELLANEOUS -CATEGORY 000400**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
004027	22	OTHER REVENUE

**INTEREST -CATEGORY - 000500**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
005003	22	INTEREST FROM FEMC

**FINES -CATEGORY- 001200**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
012001	22	ADMINISTRATIVE FINES
012002	22	CITATIONS
012038	22	CITATIONS- UNLICENSED ACTIVITY
012039	22	FINES- UNLICENSED ACTIVITY

**PENALTIES- CATEGORY- 001202**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
012094	22	SERVICE CHARGE COLLECTED- RETIURNED CHECKS

**TRANSFERS- CATEGORY-001500**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
015003	22	REIMBURSEMENT FROM FEMA

**REFUNDS- CATEGORY-001800**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
018001	22	REFUNDS
018017	22	PROSECUTION COSTS- REIMBURSEMENT
018050	22	REIMBURSEMENT OF COSTS

**SALE OF GOODS OUTSIDE STATE GOVERNMENT-CATEGORY-001904**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
010401	22	SALE OF GOODS OUTSIDE STATE GOVERNMENT

**PRIOR YEAR WARRANT CANCELLATIONS -CATEGORY- 003700**

<u>OBJECT</u>	<u>EO</u>	<u>TITLE</u>
037001	22	PRIOR WARRANT CANCELLATIONS
037039	22	PRIOR WARRANT CANCELLATIONS UNLICENSED ACTIVITY

End of Attachment 5

**ATTACHMENT 6**  
**SCHEDULE VII: AGENCY LITIGATION INVENTORY**

Schedule VII: Agency Litigation Inventory	
<i>For directions on completing this schedule, please see the "Legislative budget request (LBR) Instructions" located on the Governor's website.</i>	
Agency:	
Contact Person:	Phone Number:
Names of the Case: (If no case name, list the names of the plaintiff and defendant.)	
Court with Jurisdiction:	
Case Number:	
Summary of the Complaint:	
Amount of the Claim:	\$
Specific Statutes or Laws (including GAA) Challenged:	
Status of Case:	
Who is representing (of record) the state in this lawsuit? Check all that apply.	Agency Counsel
	Office of the Attorney General or Division of Risk Management
	Outside Contract Counsel
If the lawsuit is a class action (whether the class is certified or not), provide the name of the firm or firms representing the plaintiff(s).	

**End of Attachment 6**

## ATTACHMENT 7

### Proposed Budget for Year Ending June 30, 2014 (Grants and Aid / Unlicensed Activity)

**FLORIDA ENGINEERS MANAGEMENT CORP  
PROPOSED BUDGET 2013-2014**

	APPROVED BUDGET 2012-13	PROPOSED BUDGET 2013-14
<b>Income</b>		
500 · State Contract		
DBPR	\$ (2,070,000.00)	\$ (2,070,000.00)
UNLICENSED ACTIVITY	\$ (54,473.00)	\$ (100,875.00)
<b>Total Income</b>	<b>\$ (2,124,473.00)</b>	<b>\$ (2,170,875.00)</b>
<b>Expenses</b>		
600 · Salaries & Benefits		
600.10 · Salaries - Full Time Wages	\$ 1,036,003.00	\$ 1,076,968.00
600.20 · Retirement	\$ 76,300.00	\$ 83,097.00
600.30 · Payroll Taxes	\$ 88,765.00	\$ 91,692.00
600.40 · Personnel Insurance		
600.40.10 - Health	\$ 80,630.00	\$ 88,129.00
600.40.20 - Dental	\$ 5,135.00	\$ 4,800.00
600.40.30 - Life & Disability	\$ 9,070.00	\$ 10,168.00
600.50 · Accrued Leave Liability	\$ 54,000.00	\$ 70,183.00
610.50 · Worker's Comp (Hartford)	\$ 2,940.00	\$ 1,700.00
<b>Total 600 · Salaries &amp; Benefits</b>	<b>\$ 1,362,843.00</b>	<b>\$ 1,436,737.00</b>
601 · Other Personnel Services (OPS)	\$ 44,000.00	\$ 16,000.00
610 · Insurance		
610.10 · Directors & Officers	\$ 5,750.00	\$ 6,050.00
610.20 · Commercial Liability	\$ 8,000.00	\$ 4,500.00
610.30 · Professional Liability	\$ 10,500.00	\$ 9,322.00
<b>Total 610 · Insurance</b>	<b>\$ 24,250.00</b>	<b>\$ 19,872.00</b>
630 · Consultant Expense		
632 · Legal - FEMC General Counsel	\$ 10,000.00	\$ 10,000.00
633 · Accounting Services	\$ 30,000.00	\$ 36,000.00
634 · Computer Consultants/Services	\$ 52,000.00	\$ 65,302.00
634.10 · Human Resource Consultant	\$ 1,000.00	\$ 1,000.00
636 · Court Reporters	\$ 5,000.00	\$ 5,000.00
638 · Prosecution/Enforcement	\$ 178,500.00	\$ 148,800.00
639 · Contract Monitor	\$ -	\$ 19,200.00
<b>Total 630 · Consultant Expense</b>	<b>\$ 276,500.00</b>	<b>\$ 284,302.00</b>
616 · Publications	\$ 8,000.00	\$ 6,500.00
618 · Study Guide (includes IT)	\$ 1,000.00	\$ 1,000.00
655 · Leased Equipment & Repair	\$ 26,000.00	\$ 28,574.00
670 · Public Information	\$ 3,000.00	\$ 8,000.00
672 · Training/Board Members	\$ 750.00	\$ 750.00
673 · Board Member Honorarium	\$ 11,000.00	\$ 10,000.00
<b>ASSETS</b>		
110 · Furniture & Equipment	\$ 1,000.00	\$ 1,000.00
110 · Computers & Software	\$ 10,000.00	\$ 15,000.00
115 · Leasehold Improvements	\$ 1,000.00	\$ 1,000.00





FLORIDA ENGINEERS MANAGEMENT CORP  
PROPOSED BUDGET 2013-2014

	APPROVED BUDGET 2012-13	PROPOSED BUDGET 2013-14
628 · Copying & Printing		
628.20 · General Office	\$ 20,000.00	\$ 15,000.00
Total 628 · Copying & Printing	\$ 20,000.00	\$ 15,000.00
620 · Office Supplies	\$ 22,000.00	\$ 25,000.00
625 · Postage		
625.40 · General Office	\$ 25,000.00	\$ 15,000.00
Total 625 · Postage	\$ 25,000.00	\$ 15,000.00
650 · Office Space		
651 · Lease Payment	\$ 110,430.00	\$ 114,240.00
652 · Utilities	\$ -	\$ -
653 · Janitorial	\$ 3,000.00	\$ 1,500.00
656 · Pest Control	\$ 400.00	\$ 300.00
657 · Security Monitoring	\$ 4,000.00	\$ 4,400.00
658 · Moving Expenses	\$ -	\$ -
Total 650 · Office Space	\$ 117,830.00	\$ 120,440.00
640 · Telephone		
640.10 · Local/Line Charges	\$ 12,000.00	\$ 8,400.00
640.20 · Long Distance	\$ 2,000.00	\$ 2,500.00
640.30 · Internet Access Charges	\$ 2,500.00	\$ 2,600.00
640.40 · Conference Calls	\$ 500.00	\$ 200.00
Total 640 · Telephone	\$ 17,000.00	\$ 13,700.00
880 · Travel		
880.10 · Board/Committee Meetings	\$ 100,000.00	\$ 70,000.00
880.20 · Investig./Prosecut./Challenge	\$ 6,000.00	\$ 12,000.00
880.30 · NCEES Travel	\$ 12,000.00	\$ 12,000.00
880.40 · General Travel	\$ 1,000.00	\$ 2,500.00
880.50 · Employee Training	\$ 9,000.00	\$ 15,000.00
880.60 · Public Information Travel	\$ -	\$ 12,000.00
Total 880 · Travel	\$ 128,000.00	\$ 123,500.00
702 · NCEES Fees for Dues/Tests	\$ 6,500.00	\$ 6,500.00
770 · Memberships/Registrations	\$ -	\$ 4,000.00
775 · Employment/Training	\$ 10,000.00	\$ 20,000.00
740 · Renewal Expenses		
740.10 · Printing Renewal Notice	\$ 3,000.00	\$ -
740.20 · Mailing Renewal Notice	\$ -	\$ -
740.30 · Printing Licenses/ID Cards	\$ 4,000.00	\$ -
740.40 · Mailing Licenses/ID Cards	\$ 1,000.00	\$ -
740.50 · Renewal OPS	\$ -	\$ -
740.60 · Renewal Supplies	\$ -	\$ -
740 · Total Renewal Expenses	\$ 8,000.00	\$ -
<b>Total Expenses</b>	<b>\$ 2,124,473.00</b>	<b>\$ 2,170,875.00</b>
<b>Net Ordinary Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>

FLORIDA ENGINEERS MANAGEMENT CORP  
 PROPOSED BUDGET 2013-2014

	APPROVED BUDGET 2012-13	PROPOSED BUDGET 2013-14
<b>Income</b>		
500 · State Contract		
UNLICENSED ACTIVITY	\$ (54,473.00)	\$ (100,875.00)
<b>Total Income</b>	\$ (54,473.00)	\$ (100,875.00)
<b>Expenses</b>		
600 · Salaries & Benefits		
800.10 · Salaries - Full Time Wages		\$ 47,366.00
800.20 · Retirement		\$ 4,737.00
800.30 · Payroll Taxes		\$ 3,959.00
800.40 · Personnel Insurance		
800.40.10 - Health		\$ 5,278.00
800.40.20 - Dental		\$ 214.00
800.40.30 - Life & Disability		\$ 550.00
800.60 · Accrued Leave Liability		
810.50 · Worker's Comp (Hartford)		\$ 95.00
<b>Total 600 · Salaries &amp; Benefits</b>	\$ 54,473.00	\$ 62,208.00
601 · Other Personnel Services (OPS)		
636 · Court Reporters		\$ 1,500.00
638 · Prosecution/Enforcement		\$ 20,757.00
639 · Contract Monitor		\$ 980.00
<b>Total 600 · Consultant Expense</b>		\$ 23,217.00
670 · Public Information		\$ 1,200.00
626 · Copying & Printing		
626.20 · General Office		\$ 2,250.00
<b>Total 626 · Copying &amp; Printing</b>		\$ 2,250.00
620 · Office Supplies		\$ 3,750.00
625 · Postage		
625.40 · General Office		\$ 2,250.00
<b>Total 625 · Postage</b>		\$ 2,250.00
650 · Office Space		
651 · Lease Payment		\$ -
652 · Utilities		\$ -
653 · Janitorial		\$ -
656 · Pest Control		\$ -
657 · Security Monitoring		\$ -
<b>Total 650 · Office Space</b>		\$ -
680 · Travel		
680.60 · Public Information Travel		\$ 6,000.00
<b>Total 680 · Travel</b>		\$ 6,000.00
740 · Renewal Expenses		
740.10 · Printing Renewal Notice		\$ -
740.20 · Mailing Renewal Notice		\$ -
740.30 · Printing Licenses/ID Cards		\$ -
740.40 · Mailing Licenses/ID Cards		\$ -
740.60 · Renewal OPS		\$ -
740.60 · Renewal Supplies		\$ -
<b>740 · Total Renewal Expenses</b>	\$ -	\$ -
<b>Total Expenses</b>	\$ 54,473.00	\$ 100,875.00
<b>Net Ordinary Income (Loss)</b>	\$ -	\$ -

**ATTACHMENT 8**  
**Accounts Receivable and Write-Off Policies and Procedures**

	<b>DEPARTMENT OF BUSINESS AND          PROFESSIONAL REGULATION</b>  <b>DEPARTMENT POLICY</b>
<b>TITLE:</b> Accounts Receivable and Write-off	<b>POLICY NUMBER:</b> 1.6 (Replaces Policy No. 1005-0003)
<b>EFFECTIVE DATE:</b> June 1, 2008  <b>REVISED DATE:</b> May 20, 2011; November_, 2013	APPR   <b>SECRETARY:</b> Ken Lawson

**1.6.01 PURPOSE**

To establish a policy for the processing of account receivable, including when accounts are submitted to collection agencies.

**1.6.02 SCOPE**

The Bureau of Finance and Accounting facilitates the submission of account receivable to collection agencies after due diligence has been taken in collecting the account. Approval is received from the board or division, except when the board or division has the statutory authority to fulfill the role of the collection agency.

**1.6.03 REFERENCES**

Sections 17.04, 17.20, 95.11, 215.34(2), Chapter 691-21.003, Florida Administrative Code (F.A.C.), Chief Financial Officer Memoranda No. 15 (1988-89) and Generally Accepted Accounting Principles.

**1.6.04 DEFINITIONS**

- A. Account Receivable -An amount due the Department from applicants, licensees, vendors, contractors, employees or other liable parties for goods and/or services furnished by the Department, including licenses, testing, non-refundable application fees, as well as, amounts assessed and due for final orders, consent orders, judgments or settlements, fines, citations, penalties and returned items.

- B. Account Receivable Number- A number assigned in the debit memo system to represent a claim against a customer for services rendered.
- C. Bureau of Finance & Accounting (BFA)-The Bureau of Finance and Accounting within DBPR.
- D. Chargeback-A debit to the state treasurer's account from a merchant services company as a result of a cardholder's successfully disputed claim. The transaction includes the unique merchant number linking the transaction to the merchant service company and DBPR.
- E. Collection Agency-A private entity approved by the Department of Financial Services (DFS), whose responsibility is the collection of past due account receivable.
- F. Debit Memo-A sequentially numbered, bank debit memorandum generated by the Division of Treasury and charged to DBPR denoting a chargeback has occurred. It contains the amount of the chargeback and identifies the merchant services company that debited the treasury account.
- G. Debit Memo System-A data base system maintained by the Bureau of Finance and Accounting to record debit memos and information related to each debit memo. H.

Department-The Department of Business & Professional Regulation (DBPR).

- I. Dishonored Check/ Non-sufficient Funds (NSF)- Accounting transactions denied (denoting a chargeback) or otherwise not honored by the financial institution or company because of insufficient funds or inaccurate account information. These include online payments.
- J. Division of Treasury-The Division of Treasury within the Department of Financial Services responsible for state treasury functions as it relates to debit memos, charge backs and liaison functions that fall under the purview of the state's Chief Financial Officer.
- K. Electronic Funds Transfer (EFT) – Refers to a computer-based system used to perform financial transactions electronically. The common types of transactions include cardholder-initiated transactions whereby a cardholder makes use of a payment card, electronic payments by businesses including salary payments or electronic check clearing
- L. Generally Accepted Accounting Principles (GAAP)- A collection of commonly followed accounting rules and standards for financial reporting.
- M. Versa Regulation-The proprietary software, used by the Department to process applications, issue licenses, account for financial transactions and execute applicable business-related transactions used by DBPR as required for licensing and regulatory activity.
- N. Municipal Services Bureau (MSB) – The first choice collection agency, selected by the Department. Past due account receivable that are 120 days to 2 years old are submitted to MSB.
- O. Recognized Account Receivable – An Account Receivable is recognized by the Department when the Bureau of Finance and Accounting is notified of a non-sufficient Funds (NSF), that a chargeback has occurred, or a fine is past due.

- P. Service Fee-The state service fee charged for returned checks through the Division of Treasury pursuant to section 215.34(2), Florida Statutes.
- Q. Status 92-The status code in the Versa Regulation Compliance Module, used by boards and divisions, to mark past due fines as "Ready for Collections." The Status 92 report is a Crystal report query used to place past due accounts at MSB or UCB for collections.
- R. United Collections Bureau (UCB)-The second choice collection agency, selected by the Department. Past due account receivable that are 2 to 5 years old are submitted to UCB.
- S. Write off-An accounting adjustment reflecting the portion of an account receivable determined to be uncollectible. Expectations for these accounts will remain in the Single Licensing System and will still be collected if debtor makes payment.

### **1.6.05 POLICY STATEMENT**

This policy provides a general description of the structure of the Department's account receivable function. The Bureau of Finance and Accounting is responsible for monitoring account receivable. This policy covers the process of sending to collection agencies dishonored and NSF payments that are 120 days or older, and fines or penalties that have been designated ready for collections by the division or board.

### **1.6.06 RESPONSIBILITIES**

- A. The BFA, Revenue Section, prepares account receivable for submission to the approved collection agencies.
- B. The dishonored checks, EFT, credit card charge backs, and stale dated or non-payment money orders are processed by the BFA. When the Division of Treasury notifies the BFA of a returned item, a service fee will be assessed (s. 215.34, F.S.) and added to the amount due (\$15 or 5 percent of the face amount of the check, draft, or order, whichever is greater, not to exceed \$150).
- C. BFA will send an initial NSF letter to the customer, then BFA will send a second NSF letter at 30 days past due. The BFA will submit a 90 day past due report (Excel) to the respective boards and divisions for requesting approval for submission to MSB. The boards and divisions will have three (3) weeks to return the Excel worksheet with the disposition of each account before sending to MSB. Accounts that should not be sent to MSB must be marked in the Excel worksheet, and accompanied with a comment explaining why the account should not be submitted. Account receivable that are 120 days old and returned to the BFA will be sent to MSB. This process is to be completed monthly for the NSF accounts that are 90 days old.
- D. The BFA will prepare fines, penalties, and other account receivable that are to be submitted to collection agencies. Each month the Status 92 report for all boards and divisions will be retrieved from BI Launch Pad in Excel format. The BFA will use the Status 92 report (Excel) to gather fine and penalty accounts ready for placement at collection agencies.

- E. The BFA will use the Excel submission form provided by Department of Financial Services to submit fines, penalties, and other account receivable to MSB and/or UCB for collection. Account updates received from the boards, divisions and collection agencies will be recorded in the monthly account inventory.
- F. Accounts submitted to MSB will remain with that collection agency for two (2) years. After accounts that have been placed at MSB become two years old, they will be moved to UCB where they will remain until the end of the contract period with UCB.
- G. The BFA will send accounts to the Department of Financial Services for write off pursuant to Generally Accepted Accounting Principles.

**1.6.07 FORMS**

None

**End of Attachment 8**

**ATTACHMENT 9**  
**Year-End Incurred Obligations Procedure**  
**Year End Incurred Obligations Procedures**  
**Florida Engineers Management Corporation**

**Reference:**

Section 216.301 (a) and (b), Florida Statutes, requires each state agency and the judicial branch to identify any incurred obligation which has not been disbursed as of June 30th. The amounts identified as incurred obligations must not exceed available appropriation balances by budget entity.

Any incurred amounts not disbursed by September 30<sup>th</sup> must be charged to the current fiscal year appropriation. If it is determined that there is not sufficient budget for any incurred items, payment will be made from the current fiscal year appropriation.

**Incurred Obligations**

Incurred obligations are items purchased and received by close of business on June 30<sup>th</sup>.

**Incurred Obligation Process:**

At the end of each fiscal year operational accounting entries for that year cease and a new fiscal year begins. Although the old fiscal year has ended, agencies may have legal obligations for which the prior fiscal year appropriation may be used.

Complete the incurred obligation spreadsheet entering the vendor name, contract (order) date, received date, original amount, amount paid as of June 30, certified forward amount (amount left to be paid), the paid date once the obligation has been paid and a brief description of the obligation,. The invoice number can be entered in the description field if available. The "Date Goods/Services Received" will be the date goods or services are actually received and the "Original Contract Date" will be the date the purchase order or contract is issued. The contract date and received date must be prior to July 1<sup>st</sup>.

On or about October 1<sup>st</sup> the spreadsheet must be resubmitted to the Contract Manager with the date paid for each obligation.

**Timelines:**

- On or about July 16<sup>th</sup> incurred obligations to be processed as current fiscal year disbursements must be reported to the Contract Manager using a spreadsheet provided by the Department.
- Incurred Obligations expire September 30<sup>th</sup> each fiscal year.
- On or about October 1<sup>st</sup> a final spreadsheet will be submitted to the Contract Manager with all paid obligations noted in the "Date Paid" column.

**Credit Card Payables:**

Credit card payables must be accompanied by documentation demonstrating the payable was incurred (charged) and received prior to July 1<sup>st</sup>.

**End of Attachment 9**



## ATTACHMENT 10

APPROVED  
BUDGET

### DEPARTMENT INFORMATION TECHNOLOGY RESOURCES AND DATA ACCESS SECURITY

The FEMC shall comply with Rule 71A-1.005, Florida Administrative Code (F.A.C.), and comply with the following data security requirements in the event the FEMC has access to any Department data systems or software:

- a. Data Security Officer: The FEMC shall designate an appropriately skilled individual to function as its Data Security Officer. The Data Security Officer shall act as the liaison to the Department's Division of Technology and shall maintain an appropriate level of data security for the information the FEMC is collecting or using in the performance of this contract. An appropriate level of security includes submitting required access request documents for Department approval, and tracking all FEMC employees that have access to any Departmental data system or information. The Data Security Officer shall ensure that user access to the data system or information is timely removed for all separated FEMC employees. The FEMC agrees to notify the Department's assigned contract manager in writing within twenty-four (24) hours of employee resignations or layoffs, and immediately for involuntary terminations for staff that have access to the Department's information systems. As applicable, the FEMC shall execute a network connection agreement that shall ensure compliance with Department security policies prior to connection to the Department's internal network as required by Rule 71A-1.005, F.A.C.
- b. Security Policies and Attestation: All FEMC employees who have access to Departmental information technology systems and/or Department data shall be required to read and comply with all appropriate Department information technology security policies and shall sign and submit to the Department's assigned contract manager an attestation that they have read, understood and agree to comply with each policy. Upon execution of this contract, the Department's assigned contract manager shall provide a copy of all appropriate Department information technology security policies to the FEMC.
- c. Technology Access: The Department reserves the right, at its sole discretion, to grant permissions for access to Department network, systems, and data. Any staff employed by an entity under contract to the Department must be granted specific permission by the Department for access to the Department's network, systems, and data. The Department reserves the right to unilaterally suspend access for security reasons. FEMC employees shall be granted access to Department information technology resources based on the principles of "least privilege" and "need to know." The Department's assigned contract manager, in conjunction with the Department's Division of Technology, shall conduct quarterly access reviews of the FEMC's employees to ensure that access for separated employees was timely reported and removed.

- d. Employee Background Screening: Background screening is required for all FEMC employees hired as Information Technology workers with access to information processing facilities, or who have system, database, developer, network, or other administrative capabilities for systems, applications, or servers with risk categorization of moderate or high. The FEMC agrees to conduct Level 2 background screening for such employees as described in s. 435.05, F.S., and Rule 71A-1.005, F.A.C., at the FEMC's expense. For other FEMC employees who request access to Department data or information technology systems but do not fall into the above category, the FEMC agrees to conduct a Level 1 background screening as described in s. 110.1127 and s. 435.05, F.S., at the FEMC's expense. For each FEMC employee, the FEMC shall sign and submit to the Department's assigned contract manager an attestation, provided by the Department, that verifies the appropriate Level 1 or Level 2 background screening was completed and reviewed by the FEMC, that the screening has not revealed disqualifying information pursuant to ss. 435.03 (2) and (3), F.S., (for Level 1) or ss. 435.04 (2) and (3), F.S., (for level 2), or computer-related crimes pursuant to Chapter 815, F.S.; and that the FEMC assumes responsibility for the employee's use of the Department's data and information resources.
- e. Employee Security Training: The FEMC shall provide information security awareness training to employees with access to Department information technology resources and data in accordance with Rule 71A-1.008, F.A.C. Initial training shall be provided within 30 days of contract execution or employment start date, and annually thereafter. Employees with access to records that are exempt or confidential and exempt from public records disclosure requirements shall be given specialized training regarding access and use of this information. All information security awareness training materials used by the FEMC shall be submitted to the Department's assigned contract manager upon request. The FEMC shall maintain records of individuals who have completed initial and annual security awareness training and shall make these records available to the Department upon request.
- f. Data Protection: Vendors, contractors, and providers employed by the Department or acting on behalf of the Department shall comply with the Department's information technology security policies, and employ adequate security measures to protect agency information, applications, data, resources, and services. These measures include protecting technology resources through physical controls such as building security and strategic placement of computer monitors. If Department data will reside on the FEMC's system, the Department may conduct, or request the FEMC conduct at the FEMC's expense, an annual network penetration test or security audit of the FEMC's system on which Department data resides. No Department data or information shall be stored in, processed in, or shipped to offshore locations or out of the United States of America, regardless of method, except as required by law or expressly agreed to by the Department.
- g. Data Encryption: The FEMC shall make every effort to protect and avoid unauthorized release of any sensitive, exempt or confidential information by ensuring both data and storage devices are encrypted. If encryption of these devices is not possible, then the FEMC shall assure that unencrypted personal and confidential Departmental data will not be stored on unencrypted storage devices. Remote data access shall be provided via a trusted method such as SSL, TLS, SSH, VPN, IPsec or a comparable protocol approved by the Department.

- h. Sensitive, Exempt and Confidential Information: Vendors, contractors, and providers employed by the Department or acting on behalf of the Department shall protect sensitive, exempt and confidential information from unauthorized access and use as required by the Department's information technology security policies. Such information includes, but is not limited to, personal information as described in ss. 501.171(g), F.S. Access to sensitive, exempt and confidential data shall be granted to the FEMC and subcontractors by the Department on a need to know basis. Except as required by law or legal process and after notice to the Department, the FEMC shall not divulge to third parties any sensitive, exempt or confidential information obtained by the FEMC or its agents, distributors, resellers, subcontractors, officers or employees in the course of performing contractual services.
- i. Investigation of Breaches: The Department shall have the right to investigate any error attributable to the FEMC relating to access or dissemination of exempt or confidential and exempt records, as well as any instance of lost or missing data. The Department may take appropriate legal action as a result of such investigation.
- j. Security Breach Notification: The FEMC agrees to notify the Department's assigned contract manager as soon as possible, but no later than 3 business days following the determination of any breach or potential breach of personal information and/or confidential departmental data. The FEMC shall provide notice to affected parties of a security breach in accordance with s. 501.171, F.S.
- k. Equipment Sanitization: The FEMC shall enforce a procedure for sanitizing surplus or transferred equipment to protect any sensitive or confidential Department data that may reside on that equipment. At a minimum, the FEMC shall ensure that sanitization is completed according to acceptable methods described in Rule 71A-1.016, F.A.C., and provide documentation to the Department's Division of Technology, evidencing completion of the equipment sanitization.
- l. Contract Termination: Upon contract termination or expiration, the FEMC will:
  - i. Copies: Submit to the Department's assigned contract manager copies of all finished or unfinished documents, data studies, correspondence, reports and other products prepared by or for the FEMC under this contract; submit copies of all Department data to the Department in a format to be designated by the Department in accordance with s. 119.0701, F.S.; shred or erase parts of any retained duplicates containing personal information (as defined by s. 501.171, F.S.) of all copies to make any personal information unreadable;
  - ii. Originals: Retain its original records such as data required by this contract and maintain (in confidence to the extent required by law) the FEMC's original records in un-redacted form, until the records retention schedule expires according to State of Florida General Records Schedule GS1-SL, and to reasonably protect such documents and data during any pending legal hold, investigation or audit;
  - iii. Both copies and originals: Upon expiration of all retention schedules and legal holds, audits or investigations, with notice to the Department, destroy all Department data from the FEMC's systems, including but not limited to, electronic data and documents containing personal information or other data that is confidential and exempt under Florida public records law.

- m. Subcontractors: The FEMC shall require that any entities subcontracting with the Contractor who are granted access to Department data or information technology systems comply with the data security requirements stated above.

***End of Attachment 10***

**ATTACHMENT 11**

**ENDORSEMENT STAMP**

**PAY TO THE ORDER  
OF BANK OF AMERICA  
FOR DEPOSIT ONLY  
CHIEF FINANCIAL OFFICER OF  
FLORIDA BPR  
FL BOARD OF PROF  
ENGINEERS LOCATION 7900009  
ACCOUNT #  
001009073301**

*End of Attachment 11*



**AMENDMENT 2  
TO CONTRACT  
BETWEEN  
THE DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION  
AND  
FLORIDA ENGINEERS MANAGEMENT CORPORATION**

WHEREAS, on July 2, 2013, the Department and FEMC entered into a contract for the provision of administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers ("FBPE") in accordance with the provisions of Chapters 455 and 471, Florida Statutes;

WHEREAS, on June 9, 2016, the Department and FEMC entered into an Amended and Restated Contract;

WHEREAS, Section 33, Modifications, of the Core Contract provides that any modification of the provisions of the contract shall only be valid when reduced to a written amendment duly signed by both parties;

WHEREAS, The passage of HB 273, HB 651, and SB 86 during the 2016 Legislative Session necessitates changes to provisions of the contract pertaining to Vendors on Scrutinized Companies Lists, Public Records, and Florida Single Audit Act projects; and

WHEREAS, the parties wish to amend the Contract as set forth herein.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties agree as follows:

1. Section 22, Vendors on Scrutinized Companies Lists, of the Core Contract is hereby deleted in its entirety and replaced with the following revised Section 22:

**22. Vendors on Scrutinized Companies Lists.** If this contract is in the amount of \$1 million or more, in executing this contract, the Contractor certifies that it is not listed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List created pursuant to section 215.473, F.S., or is engaged in a boycott of Israel.

a. Pursuant to subsection 287.135(3)(c), F.S., the Department may immediately terminate this contract for cause if the Contractor is found to have submitted a false certification as provided under subsection 287.135(5), F.S., or if the Contractor is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, the Scrutinized Companies that Boycott Israel List, has business operations in Cuba or Syria, or is engaged in a boycott of Israel during the term of this contract.

b. Pursuant to subsection 287.135(5)(a&b), F.S., if the Department determines that the Contractor has submitted a false certification, the Department will provide written notice to the Contractor. Unless the Contractor demonstrates



in writing, within 90 days of receipt of the notice, that the Department's determination of false certification was made in error, the Department shall bring a civil action against the Contractor. If the Department's determination is upheld, a civil penalty equal to the greater of \$2 million or twice the amount of this contract shall be imposed on the Contractor, and the Contractor shall be ineligible to bid on any contract with an agency or local governmental entity for three (3) years after the date of the Department's determination of false certification by the Contractor.

c. In the event that federal law ceases to authorize the states to adopt and enforce the contracting prohibition identified herein, this provision shall be null and void.

2. Section 28, Public Records, of the Core Contract is amended to add the following paragraph g:

g. If the Contractor has questions regarding the application of Chapter 119, Florida Statutes, to the Contractor's duty to provide public records relating to this contract, contact the custodian of public records at:

DBPR Public Records Coordinator

2601 Blair Stone Road

Tallahassee, FL 32399-1040

Telephone: 850-717-1185

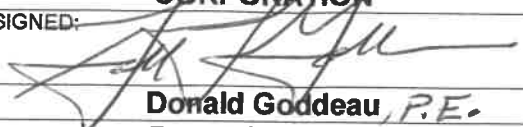
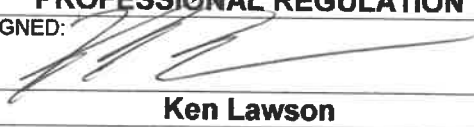
Email: [legalpublicrecords@myfloridalicense.com](mailto:legalpublicrecords@myfloridalicense.com)

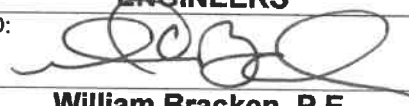
3. Attachment 2, Certifications and Assurances, of the contract is hereby deleted in its entirety and replaced with the attached revised Attachment 2. Contractor signing of the revised Attachment 2 is required.

4. Attachment 4, Financial and Compliance Audit Form, is hereby deleted in its entirety and replaced with the attached revised Attachment 4.

5. All other terms and conditions remain in effect.

IN WITNESS HEREOF, by signature below, both parties agree to abide by the terms, conditions, and provisions of the original Contract document as amended, that is hereby effective on the date the last party signs this Amendment, whichever is later.

<b>FLORIDA ENGINEERS MANAGEMENT CORPORATION</b>	<b>DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION</b>
SIGNED: 	SIGNED: 
<b>Donald Goddeau, P.E.</b> <b>Board Chairman</b>	<b>Ken Lawson</b> <b>Secretary</b>
DATE: <i>13 Sep 2016</i>	DATE: <i>10-4-16</i>

<b>FLORIDA BOARD OF PROFESSIONAL ENGINEERS</b>
SIGNED: 
<b>William Bracken, P.E.</b> <b>Board Chair</b>
DATE: <i>9-28-16</i>

**AMENDMENT 3  
TO CONTRACT  
BETWEEN  
THE DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION  
AND  
FLORIDA ENGINEERS MANAGEMENT CORPORATION**

WHEREAS, on July 2, 2013, the State of Florida, Department of Business and Professional Regulation ("Department") and Florida Engineers Management Corporation ("Contractor"), entered into a contract for administrative, investigative, and prosecutorial services to the Florida Board of Professional Engineers (FBPE) in accordance with the provisions of Chapters 455 and 471, Florida Statutes; and

WHEREAS, Section 33 of the Contract provides that any amendment to the Contract shall be in writing executed by the parties thereto; and

WHEREAS, the passage of HB 545 during the 2018 Legislative Session necessitates changes to provisions of the Core Contract and Attachment 2, Certifications and Assurances, pertaining to Vendors on Scrutinized Companies Lists; and

WHEREAS, the parties wish to amend the Contract as set forth herein;

NOW THEREFORE, the parties agree to the following:

1. Section 22 of the Core Contract, Vendors on Scrutinized Companies Lists is deleted in its entirety and replaced with the following:

**22. Vendors on Scrutinized Companies Lists.** If this contract is in the amount of \$1 million or more, in executing this contract, the Contractor certifies that it is not listed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or is engaged in business operations in Cuba or Syria. In executing this contract in any amount, the Contractor certifies that it is not listed on the Scrutinized Companies that Boycott Israel List created pursuant to section 215.473(2)(a), F.S., and certifies it is not engaged in a boycott of Israel pursuant to Section 287.135(5), F.S.

a. Pursuant to subsection 287.135(3)(a)4., F.S., if this contract is in the amount of \$1 million or more, entered on or after July 1, 2018, the Department may immediately terminate this contract for cause if the Contractor is found to have submitted a false certification with respect to boycotting Israel, or if the Contractor is placed on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, the Scrutinized Companies that Boycott Israel List, or has business operations in Cuba or Syria during the term of this contract.

b. Pursuant to subsections 287.135(3)(a)4., F.S., if this contract is in the amount of \$1 million or more, entered on or after July 1, 2018, the Department may immediately terminate this contract for cause if the

Contractor is found to have been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies as provided under subsection 287.135(5), F.S., or if the Contractor is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaging in business operations in Cuba or Syria during the term of this contract.

c. Pursuant to subsection 287.135(3)(b), F.S., in executing this contract in any amount with agencies or local governmental entities for goods and services entered into on or after July 1, 2018, the Department may immediately terminate this contract for cause if the Contractor is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

d. Pursuant to subsection 287.135(5)(a and b), F.S., if the Department determines that the Contractor has submitted a false certification, the Department will provide written notice to the Contractor. Unless the Contractor demonstrates in writing, within 90 days of receipt of the notice, that the Department's determination of false certification was made in error, the Department shall bring a civil action against the Contractor. If the Department's determination is upheld, a civil penalty equal to the greater of \$2 million or twice the amount of this contract shall be imposed on the Contractor, and the Contractor shall be ineligible to bid on any contract with an agency or local governmental entity for three (3) years after the date of the Department's determination of false certification by the Contractor.

e. Pursuant to subsection 287.135(7)(a and b) F.S., the preemption of any ordinance or rule of any agency or local governmental entity involving public contracts for goods and services applies to contracts of \$1 million dollars or more with a company engaged in scrutinized business operations; and contracts of any amount with a company that has been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

f. In the event that federal law ceases to authorize the states to adopt and enforce the contracting prohibition identified herein, this provision shall be null and void.

2. Attachment 2, Certifications and Assurances, is hereby deleted in its entirety, and replaced with the attached revised Attachment 2. Contractor signing of the revised Attachment 2 is required.
3. All other terms and conditions remain in effect.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

IN WITNESS HEREOF, by signature below, both parties agree to abide by the terms, conditions, and provisions of the original Contract document as amended, that is hereby effective on July 1, 2018, or on the date the last party signs this Amendment, whichever is later.

<b>FLORIDA ENGINEERS MANAGEMENT CORPORATION</b>	<b>DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION</b>
SIGN: [REDACTED]	SIGN: [REDACTED]
<b>BOARD CHAIR</b>	<b>CHIEF OF STAFF</b>
DATE:	DATE: 6/28/18

<b>FLORIDA BOARD OF PROFESSIONAL</b>
[REDACTED]
<b>BOARD CHAIR</b>
DATE: 21 JUNE 18

**Attachment 2**  
**CERTIFICATIONS AND ASSURANCES**

The Department will not award this contract unless the Contractor completes the CERTIFICATIONS AND ASSURANCES contained in this Attachment. In performance of this contract, the Contractor provides the following certifications and assurances:

- A. Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transaction (29 CFR Part 95 and 45 CFR Part 74)**
- B. Nondiscrimination & Equal Opportunity Assurance (29 CFR Part 37 and 45 CFR Part 80)**
- C. Certification Regarding Public Entity Crimes, Section 287.133, F.S.**
- D. Association of Community Organizations for Reform Now (ACORN) Funding Restrictions Assurance (Pub. L. 111-117)**
- E. Certification Regarding Scrutinized Companies Lists and Business Operations in Cuba or Syria, Section 287.135, F.S.**

**A. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTION (29 CFR Part 95 and 45 CFR Part 74).**

The undersigned Contractor certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal department or agency;
2. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph A.2. of this certification; and/or
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause of default.

If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall attach an explanation to this contract.

**B. NONDISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE (29 CFR PART 37 AND 45 CFR PART 80).**

As a condition of this contract, the Contractor assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

1. Section 188 of the Workforce Investment Act of 1998 (WIA), (Pub. L. 105-220), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex national origin, age, disability, political affiliation, or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I-financially assisted program or activity;

2. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 80), to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
3. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112) as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 84), to the end that, in accordance with Section 504 of that Act, and the Regulation, no otherwise qualified handicapped individual in the United States shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
4. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 91), to the end that, in accordance with the Act and the Regulation, no person in the United States shall, on the basis of age, be denied the benefits of, be excluded from participation in, or be subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department.
5. Title IX of the Educational Amendments of 1972 (Pub. L. 92-318), as amended, and all requirements imposed by or pursuant to the Regulation of the Department of Health and Human Services (45 CFR Part 86), to the end that, in accordance with Title IX and the Regulation, no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any education program or activity for which the Applicant receives Federal financial assistance from the Department.
6. The American with Disabilities Act of 1990 (Pub. L. 101-336), prohibits discrimination in all employment practices, including, job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions, and privileges of employment. It applies to recruitment, advertising, tenure, layoff, leave, fringe benefits, and all other employment-related activities, and;

The Contractor also assures that it will comply with 29 CFR Part 37 and all other regulations implementing the laws listed above. This assurance applies to the Contractor's operation of the WIA Title I – financially assisted program or activity, and to all agreements the Contractor makes to carry out the WIA Title I – financially assisted program or activity. The Contractor understands that the department and the United States have the right to seek judicial enforcement of the assurance.

**C. CERTIFICATION REGARDING PUBLIC ENTITY CRIMES, SECTION 287.133, F.S.**

The Contractor hereby certifies that neither it, nor any person or affiliate of the Contractor, has been convicted of a Public Entity Crime as defined in section 287.133, F.S., nor placed on the convicted vendor list.

The Contractor understands and agrees that it is required to inform the Department immediately upon any change of circumstances regarding this status.

**D. ASSOCIATION OF COMMUNITY ORGANIZATIONS FOR REFORM NOW (ACORN) FUNDING RESTRICTIONS ASSURANCE (PUB. L. 111-117).**

As a condition of this contract, the Contractor assures that it will comply fully with the federal funding restrictions pertaining to ACORN and its subsidiaries per the Consolidated Appropriations Act, 2010,



Division E, Section 511 (Pub. L. 111-117). The Continuing Appropriations Act, 2011, Sections 101 and 103 (Pub. L. 111-242), provides that appropriations made under Pub. L. 111-117 are available under the conditions provided by Pub. L. 111-117.

The Contractor shall require that language of this assurance be included in the documents for all subcontracts at all tiers (including subcontracts, sub-grants and contracts under grants, loans and cooperative agreements) and that all sub-recipients and contractors shall provide this assurance accordingly.

**E. CERTIFICATION REGARDING SCRUTINIZED COMPANIES LISTS AND BUSINESS OPERATIONS IN CUBA OR SYRIA, SECTION 287.135, F.S.**

If this contract is in the amount of \$1 million or more, in accordance with the requirements of section 287.135, F.S., the Contractor hereby certifies that it is not listed on the Scrutinized Companies with Activities in Sudan List, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and is not engaged in business operations in Cuba or Syria.

In executing this contract in any amount, the Contractor hereby certifies that it is not listed on the Scrutinized Companies that Boycott Israel List created pursuant to section 215.473(2)(a), F.S., and is not engaged in a Boycott of Israel.

These lists are created pursuant to section 215.473, F.S.

The Contractor understands that pursuant to section 287.135(3)(a)4., F.S., the submission of a false certification, or if a Contractor is found to have been placed on any of the Scrutinized Companies Lists, may subject the Contractor to civil penalties, attorney's fees and/or costs, and immediate contract termination.

The preemption of any ordinance or rule of any agency or local governmental entity involving public contracts for goods and services applies to contracts of \$1 million dollars or more with a company engaged in scrutinized business operations; and contracts of any amount with a company placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall attach an explanation to this contract.

By signing below, the Contractor certifies the representations outlined in parts A through E above are true and correct.

[Redacted Signature]

(Signature and Title of Authorized Representative)

PEMC

Contractor

Date

[Redacted Address]

(City, State, ZIP Code)

- End of Attachment 2 -

**AMENDMENT NUMBER 4  
TO CONTRACT  
BETWEEN  
THE DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION  
AND  
FLORIDA ENGINEERS MANAGEMENT CO.**

WHEREAS, on 07/02/2013, the State of Florida, Department of Business and Professional Regulation ("Department") and Florida Engineers Management CO. ("Contractor"), entered into a contract to provide administrative, investigative and prosecutorial services to the Florida Board of Professional Engineers in accordance with F.S. 455 and 471; and

WHEREAS, Section 35 of the Contract provides that any amendment to the Contract shall be in writing executed by the parties thereto; and

WHEREAS, the parties wish to amend the Contract as set forth herein to allow the contractor to make minor budget modifications without going through the full budget amendment process; and

WHEREAS, the parties wish to amend the Contract as set forth herein to allow minor budget modifications to be handled through notification of change to the Department contract manager; and

WHEREAS, the parties wish to amend the Contract as set forth herein;

NOW THEREFORE, the parties agree to the following:

1. Attachment 1, Section VII, Deliverables (H) Budget & (I) Budget Amendment are deleted in their entirety and replaced with the following:

**H. Budget**

On or before June 1st of each year of the contract term the FEMC shall submit a Proposed Budget for Grants and Aid and Proposed Budget for Unlicensed Activity for the coming fiscal year. Upon receipt of each year's proposed budget, the Department shall conduct a cost analysis in accordance with s.216.3475, F.S., as part of the Department review and approval process. Each year the approved Proposed Budget shall be attached hereto collectively as Attachment 7, Proposed Budget.

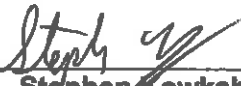

A change in a budget line item above the approved budgeted amount of \$15,000 or 15%, whichever is lesser, shall be allowed without any prior approval by the Department. The Department shall be notified in writing at the time of any such budget change.

**I. Budget Amendment**

If FEMC determines that a required change in a budget line item is estimated to be greater than \$15,000 or 15%, or if a new budget line item needs to be added or an existing item needs to be deleted from the approved Proposed Budget, FEMC shall submit a request for a budget amendment to the Department fourteen (14) business days prior to incurring the expense. In addition to the foregoing, on or before June 1st of each year, FEMC shall submit a proposed budget amendment of unexpended funds for the current fiscal year ending June 30th. The proposed budget amendment shall be submitted to the Department's Director of Administration and Financial Services, with a copy to the Contract Manager and FBPE. The Department shall either approve or deny the proposed budget amendment within ten (10) business days of receipt of the request. Failure by the Department to respond within ten (10) business days of receipt of the proposed budget amendment shall constitute approval by the Department of the budget amendment. Such modifications cannot be made retroactive. Approved requests shall be signed by both parties, incorporated into the contract as an appendix to Attachment 7, and maintained in both parties' contract files for audit purposes.

2. All other terms and conditions remain in effect.

IN WITNESS HEREOF, by signature below, both parties agree to abide by the terms, conditions, and provisions of the original Contract document as amended, that is hereby effective on July 1, 2018 or on the date the last party signs this Amendment, whichever is later.

<b>FLORIDA ENGINEERS MANAGEMENT CO.</b>	<b>DEPARTMENT OF BUSINESS and PROFESSIONAL REGULATION</b>
SIGNED: 	SIGNED: 
<b>Stephen Kowkabany, PE Board Chair</b>	<b>REGGIE DIXON CHIEF OF STAFF</b>
DATE: July 23, 2018	DATE: 9/11/18

ARTICLES OF INCORPORATION  
& BY-LAWS

# 2021 ANNUAL REPORT



**FEMC**   
Florida Engineers Management Corporation

# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Amended and Restated Articles of Incorporation, filed on February 5, 1999, for FLORIDA ENGINEERS MANAGEMENT CORPORATION, a Florida corporation, as shown by the records of this office.

The document number of this corporation is N97000005608.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Fifth day of February, 1999



CR2EO22 (1-99)

*Katherine Harris*

Katherine Harris  
Secretary of State

**ARTICLES OF AMENDMENT AND RESTATEMENT**  
**TO THE**  
**ARTICLES OF INCORPORATION**  
**OF**  
**FLORIDA ENGINEERS MANAGEMENT CORPORATION**

FILED  
99 FEB -5 PM 3:46  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

Pursuant to the provisions of §617.1006 F.S., the Florida Engineers Management Corporation, a Florida non-profit corporation, adopts the following Articles of Amendment and Restatement to its Articles of Incorporation:

1. The amended and restated Articles of Incorporation as set forth in Attachment "A".
2. The amended and restated Articles of Incorporation were adopted by unanimous written consent on January 29, 1999.
3. The amended and restated Articles of Incorporation were adopted by the members and directors of the Florida Engineers Management Corporation by sufficient vote for approval.

  
\_\_\_\_\_  
Dennis Barton, President

2/5/99  
\_\_\_\_\_  
Date

"A"

**AMENDED AND RESTATED ARTICLES OF INCORPORATION**

**OF**

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**

**(A Florida Nonprofit Corporation)**

**ARTICLE I. NAME**

The name of this corporation shall be Florida Engineers Management Corporation.

**ARTICLE II. COMMENCEMENT & DURATION**

This corporation's duration shall be perpetual, unless it is hereafter dissolved according to law.

**ARTICLE III. PURPOSE**

This corporation is being formed for the benefit of the Department of Business and Professional Regulation and the Board of Professional Engineers for the purpose of providing administrative, investigative, and prosecutorial services as provided in §471.038 F.S. and any amendments thereto, and engaging in the transaction of any and all activities permitted under the laws of Florida and the United States of America. This corporation is irrevocably dedicated to and operated exclusively for non-profit purposes; and no part of the income or assets of the corporation shall be distributed to, nor inure to the benefit of any individual.

The purposes for which this organization is organized are exclusively religious, charitable, scientific, literary and educational within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

#### **ARTICLE IV. POWERS**

**This corporation may do and perform all such acts and things, including those generally allowed by the laws of Florida relative to nonprofit corporations, as now existing, or as the law may henceforth provide, as from time to time may be necessary or expedient to the exercise of any and all of its corporate functions, powers, and rights.**

**Notwithstanding any other provisions of these articles, this organization shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.**

#### **ARTICLE V. MEMBERSHIP**

**Membership in the corporation shall, at all times, be limited to individuals appointed to the Board of Directors as provided in §471.038 F.S. The power of appointment and the power to withdraw that appointment shall be as set forth in §471.038 F.S.**

#### **ARTICLE VI. BOARD OF DIRECTORS**

**This corporation's initial Board of Directors shall have seven directors as set forth in §471.038 F.S. The directors of this corporation must, at all times, be members of this corporation and shall be the only members of this corporation. The directors named herein, comprising the initial Board of Directors, shall hold office until their successors are duly qualified. The name and address of each individual who shall serve as a member of the Initial Board of Directors are:**



Eugene Bechamps, P.E.  
E.N. Bechamps and Associates, Inc.  
5200 Blue Lagoon Drive, Suite 150  
Miami, FL 33126

Charles E. Langbein, Jr., P.E.  
120 Parkside Drive, S.E.  
Winter Haven, FL 33884

William H. Palm, P.E.  
Glace & Radcliffe, Inc.  
630 Wymore Rd.  
Maitland, FL 32751

Charles L. Proctor, II, Ph.D., P.E.  
69 Turkey Creek  
1174D N. W. 71st Terrace  
Alachua, FL 32615

Michael A. Shorstein  
Shorstein & Kelly, P.A.  
1660 Prudential Drive, Suite 402  
Jacksonville, FL 32207

Ben G. Watts, P.E.  
Carter & Burgess  
1000 Legion Place, Suite 1400  
Orlando, FL 32801

Lamar Winegeart  
Winegeart & Graessle, P.A.  
219 Newnam Street  
Jacksonville, FL 32202

#### ARTICLE VII. OFFICERS

The officers shall consist of a president, a secretary, and a treasurer. This corporation may have such other officers as may be provided in the corporate Bylaws. The officers shall be elected annually by the Board of Directors. The manner of the election of the officers shall be specified in the corporate Bylaws.

#### ARTICLE VIII. INDEMNIFICATION

This corporation shall indemnify any officer, director, employee, or agent, and any former officer, director, employee, or agent, to the full extent permitted by law.

**ARTICLE IX. PRINCIPAL OFFICE & INITIAL REGISTERED OFFICE & AGENT**

The initial address of this corporation's principal office shall be:

1208 Hays Street  
Tallahassee, FL 32301

The name of the individual who shall serve as this corporation's initial registered agent and the address is:

Dennis Barton  
1208 Hays Street  
Tallahassee, FL 32301

**ARTICLE X. INCORPORATORS**

The name and address of the subscriber to these Articles of Incorporation is:

Dennis Barton  
1208 Hays Street  
Tallahassee, FL 32301

**ARTICLE XI. BYLAWS**

Corporate Bylaws will be hereinafter adopted by the Board of Directors. The corporate Bylaws may be amended or repealed, in whole or in part, by the Board of Directors in the manner provided therein, provided that they are not inconsistent with the provisions of these Articles of Incorporation. The Bylaws and any amendments thereto shall also be approved as provided in §471.038 F.S.

**ARTICLE XII. AMENDMENTS**

Amendments to these Articles of Incorporation shall be adopted by a resolution of the Board of Directors subject to the approval as provided in §471.038 F.S.

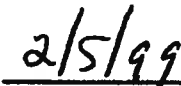
**ARTICLE XIII. ASSETS UPON DISSOLUTION**

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future Federal tax code, or shall be distributed to the Federal, state, or local government for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the organization is then located, exclusively for such purposes.

This corporation's subscriber, for the purpose of forming this nonprofit corporation under the laws of Florida, has executed these Articles of Incorporation, on the date indicated next to his signature.

  
\_\_\_\_\_

Dennis Barton

  
\_\_\_\_\_

Date

**ACCEPTANCE OF REGISTERED AGENT**

**I hereby accept my designation as resident agent and agree to serve as the resident agent of Florida Engineers Management Corporation. I hereby state that I am familiar with and accept the duties and responsibilities as registered agent for The Florida Engineers Management Corporation.**

  
\_\_\_\_\_  
**Dennis Barton - Registered Agent**

**CAUSERSDLVEMCEENGINEERLAGI**

BYLAWS

OF

FLORIDA ENGINEERS MANAGEMENT CORPORATION

ARTICLE I. NAME & LOCATION OF CORPORATION

The name of this corporation is Florida Engineers Management Corporation.

The corporation may have such corporate offices, anywhere within and without the state of its incorporation as the Board of Directors from time to time may appoint, or the business of the corporation may require. The “principal place of business” or “principal business” or “executive” office or offices of the corporation may be fixed and so designated from time to time by the Board of Directors.

ARTICLE II. PURPOSE

The purpose of this corporation is to transact any lawful business under the laws of the State of Florida as contemplated in Section 471.038, Florida Statutes, and the Articles of Incorporation.

ARTICLE III. MEMBERSHIP

Membership in the corporation shall, at all times, be limited to individuals appointed to membership as provided in Section 471.038, Florida Statutes, and who shall also serve as the Board of Directors. The power of appointment to membership, and the power to withdraw that appointment and rescind the membership, shall be set forth in Section 471.038, Florida Statutes.

Any member may resign by submitting a written resignation to the Board of Directors and to the Secretary of the Department of Business and Professional Regulation (the “Department”) and the Board of Professional Engineers; and thereupon such resignation shall become effective forthwith without need of any acceptance, unless otherwise specified therein.

Any member may be removed from membership as provided in Section 471.038, Florida Statutes.

## **ARTICLE IV. MEETING**

### **Section A. Place Of Meetings**

Meeting shall be held at the principal office or place of business of the corporation or at such other suitable place as may be designated by the Board of Directors.

### **Section B. Annual Meetings**

An annual meeting shall be held on such day and date and at such time as may be expressly determined by a majority of directors. Notice of the annual meetings shall be given in writing to each director. The members may transact such business of the corporation as may properly come before them including the election of a Chairperson and a Vice-Chairperson, and election of officers. Notice of annual meetings shall also be provided to members of the public as required by Section 286.011, Florida Statutes.

### **Section C. Regular Meetings**

Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given in writing to each director. Notice of all regular meetings shall also be provided to members of the public as required by Section 286.011, Florida Statutes.

### **Section D. Special Meetings**

Special meetings of the Board of Directors may be called by the Chairperson by giving written notice to each director, which notice shall state the time, place, and purpose of the meetings. Special meetings of the Board of Directors shall be called by the president or secretary, in like manner and on like notice, on the written request of at least three directors.

Notice of all special meetings shall also be provided to members of the public as required by Section 286.011, Florida Statutes

**Section E. Waiver Of Notice**

Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. However, notice of meetings to members of the public that is required by Section 286.011 may not be waived. Attendance by a director at any meeting of the board shall be a waiver of notice by him or her of the time and place thereof. If all the directors are present at any meeting of the board, no notice to directors shall be required and any business may be transacted at such meeting. To the extent permitted by law, any lawful action of the Board of Directors may be taken without a meeting if written consent to such action is signed by all the directors and filed with the minutes of the board.

**Section F. Quorum**

At all meetings of the Board of Directors, a majority of the directors then serving shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, except where a larger number is required by law, Articles of Incorporation, or these Bylaws. If, at any meeting of the Board of Directors there is less than a quorum present, the majority of these present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted provided notice is given to members of the public as required by Section 286.011, Florida Statutes.

## **ARTICLE V. BOARD OF DIRECTORS**

### **Section A. Number & Term Of Office**

The affairs of the corporation shall be governed by a Board of Directors composed of seven (7) persons appointed as provided in Section 471.038, Florida Statutes. Appointments shall be for 4-year terms, and no member shall serve more than two consecutive terms. The term of the directors named in the Articles of Incorporation shall expire when their successors have been appointed and have been duly qualified. Directors shall hold office until their term expires.

### **Section B. Governing Powers**

The Board of Directors shall have all powers and duties necessary or appropriate for the administration of the affairs of this corporation and may do all such acts and things as are by law or by the Articles of Incorporation or by these Bylaws directed to be exercised and done by the members.

### **Section C. Vacancies**

Vacancies in the Board of Directors shall be filled by appointment as provided in Section 471.038, Florida Statutes.

### **Section D. Compensation**

Compensation shall be paid to directors for their services in accordance with Section 112.061, Florida Statutes. Directors, officers, and employees shall be reimbursed for expenses incurred by them in the performance of their duties in accordance with Section 112.061, Florida Statutes.



## **ARTICLE VI. OFFICERS**

### **Section A. Authorized Officers**

The principal officers of the corporation shall be a president, a secretary and a treasurer, and there may be one or more vice presidents, all of whom shall be elected by the Board of Directors. No two offices, except those of secretary and treasurer, may be held by the same person. The directors may appoint an assistant secretary and assistant treasurer, and such other officers as in their judgment may be necessary.

### **Section B. Election of Officers and Chairpersons.**

The officers of the corporation and the Chairperson and Vice-Chairperson of the Board of Directors shall be elected annually by the Board of Directors at its annual meeting. Unless sooner removed by the Board, the officers and chairs shall serve for a term of one year and until their successors are elected and shall qualify. Any vacancies occurring in offices or chairs shall be filled by the Board of Directors, from time to time. The Board of Directors shall appoint such temporary or acting officers or chairs as may be necessary during the temporary absence or disability of the regular officers or chairs.

Prior to each annual meeting of the Board of Directors, the Chair and Vice-Chair shall meet for purposes of developing recommendations for the election, or re-election, of officers and chairs. Notice of the meeting shall be provided to members of the public as required by Section 286.011, Florida Statutes.

### **Section C. Removal**

Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors or at any special meeting called for such purpose.

### **Section D. President**

The president shall be the chief executive officer of the corporation. He or she shall have all the general powers and duties which are usually vested in the office of president of a corporation.

### **Section E. Vice President**

There may be one or more vice presidents, as the Board of Directors shall from time to time determine. In the absence or disability of the president, the first vice president, shall perform the duties and exercise the powers of the president. The vice president shall also perform such other duties as shall be prescribed by the Board of Directors.

### **Section F. Secretary**

The secretary or his or her designee shall keep the minutes of all meetings of the Board of Directors, of the membership, and of the Executive Committee. He or she shall have custody of the seal of the corporation, and of such other books and records of the corporation as the Board of Directors may provide. He or she shall perform the duties and functions customarily performed by the secretary of a corporation together with such other duties as the Board of Directors may prescribe.

### **Section G. Treasurer and Comptroller**

The treasurer shall have custody of the corporate funds and securities, and shall keep full and accurate account of all receipts and disbursements in books belonging to the corporation and

shall deposit all moneys and other valuable effects in the name of and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render an account of all his or her transactions as treasurer and of the financial condition of the corporation whenever called upon to do so.

#### **ARTICLE VII. AMENDMENTS**

Except as otherwise required by law, these Bylaws may be amended at any regular meeting of the Board of Directors or at any special meeting called for that purpose, provided that written notice of the proposed amendment shall have been given at least ten (10) days prior to such meeting.

#### **ARTICLE XIII. CORPORATE SEAL**

The Board of Directors shall provide a suitable corporate seal containing the name of the corporation, which seal shall be in the charge of the secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the treasurer or any assistant secretary or assistant treasurer.

#### **ARTICLE IX. FISCAL MANAGAMENT**

##### **Section A. Fiscal Year**

The fiscal year of the corporation shall begin on the first day of July of every year, except that the first fiscal year of the corporation shall begin at the date of incorporation.

##### **Section B. Auditing & Reports**

At the close of each fiscal year, the books and records of the corporation shall be audited. The president of the corporation shall cause to be prepared annually a full and correct statement of the affairs of the corporation, including a balance sheet and financial statement of operations

for the preceding fiscal year. Such audit shall comply with the requirements of Section 471.038(3)(k), Florida Statutes, and be submitted to the Board of Directors, the Department, and the Auditor General for review.

**Section C. Execution Of Corporate Documents**

With the prior authorization of the Board of Directors, all contracts shall be executed on behalf of the corporation by either the president or any other officer that has been delegated such authority in writing. All notes or checks shall be executed on behalf of the corporation by at least two of the following officers of the corporation: president, vice president, secretary, or treasurer.

**Section D. Fidelity Bonds**

The Board of Directors may require that all officers and employees of the corporation having custody or control funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the corporation.

**Section E. Indemnity**

Each officer, director, employee or agent of the corporation shall be indemnified by the corporation in the manner and to the extent provided in Sections 617.0831 and 607.0850, Florida Statutes.

Approved and adopted as the Bylaws of the Corporation this 4 day of April 2018.

  
Secretary

ANNUAL BUDGET:  
FISCAL YEAR 2021

# 2021 ANNUAL REPORT

FLORIDA ENGINEERS MANAGEMENT CORP  
 PROPOSED UNLICENSED ACTIVITY BUDGET  
 FISCAL YEAR 2020 - 21

*\*Approved by FEMC Board of Directors 04/09/2020*

	PROPOSED BUDGET 2020 - 21	APPROVED BUDGET 2019 - 20	Difference	Percentage Change
<b>Income</b>				
500 · State Contract				
UNLICENSED ACTIVITY	(\$100,875)	(\$100,875)	\$ -	0%
<b>Total Income</b>	<b>\$ (100,875)</b>	<b>\$ (100,875)</b>	<b>\$ -</b>	<b>0%</b>
<b>Expenses</b>				
600 · Salaries & Benefits				
600.10 · Salaries - Full Time Wages	\$ 64,560	\$ 63,551	\$ 1,009	2%
600.20 · Retirement	\$ 4,842	\$ 4,766	\$ 76	2%
600.30 · Payroll Taxes	\$ 4,939	\$ 4,862	\$ 77	2%
600.40 · Personnel Insurance				
600.40.10 - Health	\$ 6,053	\$ 6,053	\$ -	0%
600.40.20 - Dental	\$ 252	\$ 252	\$ -	0%
600.40.30 - Life & Disability	\$ 757	\$ 757	\$ -	0%
610.50 · Worker's Comp (The Zenith)	\$ 101	\$ 101	\$ -	0%
Total 600 · Salaries & Benefits	\$ 81,503	\$ 80,341	\$ 1,162	1%
630 · Consultant Expense				
636 · Court Reporters	\$ -	\$ -	\$ -	
638 · Prosecution/Enforcement	\$ 13,671	\$ 13,671	\$ -	0%
639 · Contract Monitor	\$ -	\$ -	\$ -	
Total 630 · Consultant Expense	\$ 13,671	\$ 13,671	\$ -	0%
670 · Public Information & Outreach	\$ 3,379	\$ 4,539	\$ (1,162)	-26%
626 · 25 Copying & Printing - Legal	\$ -	\$ -	\$ -	0%
620 · Office Supplies	\$ -	\$ -	\$ -	0%
625 · Postage	\$ -	\$ -	\$ -	0%
650 · Office Space				
651 · Lease Payment				
652 · Utilities	\$ -	\$ -	\$ -	
653 · Janitorial				
656 · Pest Control				
657 · Security Monitoring				
Total 650 · Office Space	\$ -	\$ -	\$ -	
680 · Travel				
680.60 · Public Information Travel	\$ 2,323	\$ 2,323	\$ -	0%
Total 680 · Travel	\$ 2,323	\$ 2,323	\$ -	
740 · Renewal Expenses				
740.10 · Printing Renewal Notice	\$ -	\$ -	\$ -	
740.20 · Mailing Renewal Notice	\$ -	\$ -	\$ -	
740.30 · Printing Licenses/ID Cards	\$ -	\$ -	\$ -	
740.40 · Mailing Licenses/ID Cards	\$ -	\$ -	\$ -	
740.60 · Renewal Supplies	\$ -	\$ -	\$ -	
740 · Total Renewal Expenses	\$ -	\$ -	\$ -	
<b>Total Expenses</b>	<b>\$ 100,876</b>	<b>\$ 100,875</b>	<b>\$ (0)</b>	
<b>Net Ordinary Income (Loss)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ 0</b>	

FLORIDA ENGINEERS MANAGEMENT CORP

APPROVED OPERATING BUDGET 2020 - 2021

\*Approved by FEMC Board of Directors 04/09/2020

	PROPOSED BUDGET 2020 - 2021	APPROVED BUDGET 2019 - 2020	Difference	Percent Change
<b>Income</b>				
500 · State Contract				
DBPR	\$ (2,070,000)	\$ (2,070,000)	\$ -	
UNLICENSED ACTIVITY	\$ (100,875)	\$ (100,875)	\$ -	
<b>Total 500 · Income</b>	<b>\$ (2,170,875)</b>	<b>\$ (2,170,875)</b>	<b>\$ -</b>	<b>0%</b>
<b>Expenses</b>				
600 · Salaries & Benefits				
600.10 · Salaries - Full Time Wages	\$ 980,341	\$ 944,756	\$ 35,585	4%
600.20 · Retirement	\$ 98,034	\$ 94,476	\$ 3,558	4%
600.30 · Payroll Taxes	\$ 75,108	\$ 73,618	\$ 1,490	2%
600.40 · Personnel Insurance				
600.40.10 - Health	\$ 141,602	\$ 123,635	\$ 17,966	15%
600.40.20 - Dental	\$ 3,696	\$ 3,937	\$ (240)	-6%
600.40.30 - Life & Disability	\$ 11,676	\$ 12,420	\$ (745)	-6%
600.40.40 - FSA & COBRA Mngr	\$ 1,362	\$ -	\$ 1,362	100%
<b>Total 600 · Salaries &amp; Benefits</b>	<b>\$ 1,311,819</b>	<b>\$ 1,252,842</b>	<b>\$ 58,977</b>	<b>5%</b>
601 · Other Personnel Services (OPS)	\$ -	\$ -	\$ -	0%
610 · Insurance				
610.10 · Directors & Officers	\$ 3,334	\$ 3,451	\$ (117)	-3%
610.15 · Business Travel Accident	\$ 750	\$ 750	\$ -	
610.20 · Commercial Liability	\$ 7,143	\$ 7,092	\$ 50	1%
610.30 · Professional Liability	\$ 6,005	\$ 6,093	\$ (88)	-1%
610.25 · CyberRisk Liability	\$ 2,856	\$ 2,739	\$ 117	4%
610.50 · Worker's Comp (The Zenith)	\$ 1,494	\$ 1,614	\$ (120)	-7%
<b>Total 610 · Insurance</b>	<b>\$ 21,581</b>	<b>\$ 21,739</b>	<b>\$ (158)</b>	<b>-1%</b>
630 · Consultant Expense				
632 · Legal - FEMC General Counsel	\$ 10,000	\$ 10,000	\$ -	0%
633 · Accounting Services	\$ 39,000	\$ 42,174	\$ (3,174)	-8%
634 · Computer Consultants/Services	\$ 94,272	\$ 94,170	\$ 102	0%
635 · Human Resource Consultant	\$ 500	\$ 500	\$ -	0%
636 · Court Reporters	\$ 5,300	\$ 5,300	\$ 0	0%
638 · Prosecution/Enforcement	\$ 176,482	\$ 247,397	\$ (70,915)	-29%
639 · Contract Monitor	\$ 19,200	\$ 19,200	\$ -	0%
<b>Total 630 · Consultant Expense</b>	<b>\$ 344,755</b>	<b>\$ 418,741</b>	<b>\$ (73,986)</b>	<b>-18%</b>
616 · Publications (includes Study Guide)	\$ 19,279	\$ 16,589	\$ 2,690	16%
655 · Leased Equipment & Repair	\$ 22,330	\$ 22,805	\$ (475)	-2%
670 · Public Information & Outreach	\$ 15,250	\$ 17,000	\$ (1,750)	-10%
672 · Training/Board Members	\$ 1,500	\$ 1,500	\$ -	0%
673 · Board Member Honorarium	\$ 10,000	\$ 9,500	\$ 500	5%
626 · Copying & Printing				
626.20 · General Office	\$ 10,980	\$ 13,180	\$ (2,200)	-17%
626.25 · Legal	\$ 700	\$ 1,672	\$ (972)	-58%
<b>Total 626 · Copying &amp; Printing</b>	<b>\$ 11,680</b>	<b>\$ 14,852</b>	<b>\$ (3,172)</b>	<b>-21%</b>
620 · Office Supplies	\$ 10,000	\$ 14,091	\$ (4,091)	-29%
620.10 · Bank Service Fees	\$ 1,320	\$ 1,380	\$ (60)	
620.50 · Computer Software and Supplies	\$ 19,929	\$ 25,985	\$ (6,056)	
<b>Total 620 · Office Supplies</b>	<b>\$ 31,249</b>	<b>\$ 41,456</b>	<b>\$ (10,207)</b>	<b>-25%</b>
625 · Postage				
625.40 · General Office	\$ 9,000	\$ 16,000	\$ (7,000)	-44%
<b>Total 625 · Postage</b>	<b>\$ 9,000</b>	<b>\$ 16,000</b>	<b>\$ (7,000)</b>	<b>-44%</b>
650 · Office Space				
651 · Lease Payment	\$ 139,889	\$ 135,814	\$ 4,074	3%
652 · Utilities	\$ -	\$ -	\$ -	
653 · Janitorial	\$ 1,615	\$ 1,400	\$ 215	15%
656 · Pest Control	\$ 300	\$ 300	\$ -	0%
657 · Security Monitoring	\$ 2,482	\$ 2,122	\$ 359	17%
658 · Moving Expenses	\$ -	\$ -	\$ -	
<b>Total 650 · Office Space</b>	<b>\$ 144,285</b>	<b>\$ 139,637</b>	<b>\$ 4,649</b>	<b>3%</b>
640 · Telephone				
640.10 · VolP & Local Line Charges	\$ 13,320	\$ 13,200	\$ 120	1%
640.30 · Internet Access Charges	\$ 10,798	\$ 6,790	\$ 4,008	59%
640.40 · Conference Calls	\$ 1,200	\$ 1,320	\$ (120)	-9%
<b>Total 640 · Telephone</b>	<b>\$ 25,318</b>	<b>\$ 21,310</b>	<b>\$ 4,008</b>	<b>19%</b>
680 · Travel				
680.10 · Board/Committee Meetings	\$ 104,987	\$ 95,487	\$ 9,500	10%
680.20 · Investigative/Prosecutorial	\$ 2,700	\$ 2,603	\$ 97	4%
680.30 · NCEES Travel	\$ 10,000	\$ 13,000	\$ (3,000)	-23%
680.40 · General Travel	\$ -	\$ -	\$ -	0%
680.50 · Employee Training	\$ 13,330	\$ 12,500	\$ 830	7%
680.60 · Public Information Travel	\$ 8,000	\$ 10,495	\$ (2,495)	-24%
<b>Total 680 · Travel</b>	<b>\$ 139,017</b>	<b>\$ 134,085</b>	<b>\$ 4,932</b>	<b>4%</b>

FLORIDA ENGINEERS MANAGEMENT CORP

APPROVED OPERATING BUDGET 2020 - 2021

*\*Approved by FEMC Board of Directors 04/09/2020*

	<b>PROPOSED BUDGET 2020 - 2021</b>	<b>APPROVED BUDGET 2019 - 2020</b>	<b>Difference</b>	<b>Percent Change</b>
702 · NCEES Fees for Dues/Tests	\$ 6,500	\$ 6,500	\$ -	0%
770 · Memberships/Registrations	\$ 4,289	\$ 3,725	\$ 564	15%
775 · Employment/Training	\$ 14,423	\$ 12,595	\$ 1,828	15%
740 · Renewal Expenses				
740.10 · Printing Renewal Notice	\$ 6,000	\$ -	\$ (6,000)	
740.20 · Mailing Renewal Notice	\$ 12,600	\$ -	\$ (12,600)	
740.30 · Printing Licenses	\$ -	\$ -	\$ -	
740.40 · Mailing Licenses	\$ -	\$ -	\$ -	
740.50 · Renewal OPS	\$ -	\$ -	\$ -	
740.60 · Renewal Supplies	\$ -	\$ -	\$ -	
740 · Total Renewal Expenses	\$ 18,600	\$ -	\$ 18,600	
<b>ASSETS</b>				
110 · Furniture & Equipment	\$ -	\$ -	\$ -	0%
110 · Computers & Software	\$ 10,000	\$ 10,000	\$ -	0%
115 · Leasehold Improvements	\$ -	\$ -	\$ -	
<b>LIABILITIES</b>				
600.50 · Accrued Leave Liability	\$ 10,000	\$ 10,000	\$ -	
	\$ 2,170,875	\$ 2,170,875	\$ 0	0%
	\$ (0)	\$ (0)	\$ (0)	



FLORIDA ENGINEERS MANAGEMENT CORP

APPROVED OPERATING BUDGET 2020 - 2021

Proposed 6% Budget Reduction per Governor's Office

	APPROVED BUDGET 2020 - 2021	WITH REDUCTION	ADJUSTED AMOUNT	Percentage	Comments
<b>Income</b>					
500 · State Contract					
DBPR	\$ (2,070,000)	\$ (1,945,800)	\$ 124,200		
UNLICENSED ACTIVITY	\$ (100,875)	\$ (94,822.50)	\$ 6,053		
<b>Total 500 · Income</b>	<b>\$ (2,170,875)</b>	<b>\$ (2,040,623)</b>	<b>\$ 130,253</b>	<b>-6%</b>	Proposed Reduction
<b>Expenses</b>					
600 · Salaries & Benefits					
600.10 · Salaries - Full Time Wages	\$ 980,341	\$ 955,856	\$ (24,485)	-2%	Includes 3% COLA for all staff & \$9,800 Reserve
600.20 · Retirement	\$ 98,034	\$ 95,586	\$ (2,449)	-2%	
600.30 · Payroll Taxes	\$ 75,108	\$ 73,228	\$ (1,880)	-3%	
600.40 · Personnel Insurance					
600.40.10 · Health	\$ 141,602	\$ 153,278	\$ 11,676	8%	
600.40.20 · Dental	\$ 3,696	\$ 3,696	\$ -	0%	
600.40.30 · Life & Disability	\$ 11,676	\$ 11,676	\$ -	0%	
600.40.40 · FSA & COBRA Mngmnt Exp	\$ 1,362	\$ 1,362	\$ -	0%	
<b>Total 600 · Salaries &amp; Benefits</b>	<b>\$ 1,311,819</b>	<b>\$ 1,294,682</b>	<b>\$ (17,137)</b>	<b>-1%</b>	
610 · Insurance					
610.10 · Directors & Officers	\$ 3,334	\$ 3,334	\$ -	0%	
610.15 · Business Travel Accident	\$ 750	\$ 750	\$ -	0%	
610.20 · Commercial Liability	\$ 7,143	\$ 7,143	\$ -	0%	
610.30 · Professional Liability	\$ 6,005	\$ 6,005	\$ -	0%	
610.25 · CyberRisk Liability	\$ 2,856	\$ 2,856	\$ -	0%	
610.50 · Worker's Comp (The Zenith)	\$ 1,494	\$ 1,494	\$ -	0%	
<b>Total 610 · Insurance</b>	<b>\$ 21,581</b>	<b>\$ 21,581</b>	<b>\$ -</b>	<b>0%</b>	
630 · Consultant Expense					
632 · Legal - FEMC General Counsel	\$ 10,000	\$ 10,000	\$ -	0%	Deductible - Reserve
633 · Accounting Services	\$ 39,000	\$ 39,000	\$ -	0%	
634 · Computer Consultants/Services	\$ 94,272	\$ 94,272	\$ -	0%	
635 · Human Resource Consultant	\$ 500	\$ -	\$ (500)	100%	
636 · Court Reporters	\$ 5,300	\$ 5,300	\$ (0)	0%	
638 · Prosecution/Enforcement	\$ 176,482	\$ 176,482	\$ (0)	0%	
639 · Contract Monitor	\$ 19,200	\$ 19,200	\$ -	0%	Per Contract with DBPR
<b>Total 630 · Consultant Expense</b>	<b>\$ 344,755</b>	<b>\$ 344,254</b>	<b>\$ (500)</b>	<b>-0.15%</b>	
616 · Publications (includes Study Guide)	\$ 19,279	\$ 19,279	\$ (0)	0%	
655 · Leased Equipment & Repair	\$ 22,330	\$ 22,330	\$ -	0%	
670 · Public Information & Outreach	\$ 15,250	\$ 10,000	\$ (5,250)	-34%	
672 · Training/Board Members	\$ 1,500	\$ -	\$ (1,500)	-100%	
673 · Board Member Honorarium	\$ 10,000	\$ 10,000	\$ -	0%	
626 · Copying & Printing					
626.20 · General Office	\$ 10,980	\$ 10,980	\$ -	0%	
626.25 · Legal	\$ 700	\$ 700	\$ -	0%	
<b>Total 626 · Copying &amp; Printing</b>	<b>\$ 11,680</b>	<b>\$ 11,680</b>	<b>\$ -</b>	<b>0%</b>	
620 · Office Supplies					
620.10 · Bank Service Fees	\$ 1,320	\$ 1,320	\$ -	0%	
620.50 · Computer Software and Supplies	\$ 19,929	\$ 19,929	\$ -	0%	
<b>Total 620 · Office Supplies</b>	<b>\$ 31,249</b>	<b>\$ 31,249</b>	<b>\$ -</b>	<b>0%</b>	
625 · Postage					
625.40 · General Office	\$ 9,000	\$ 9,000	\$ -	0%	
<b>Total 625 · Postage</b>	<b>\$ 9,000</b>	<b>\$ 9,000</b>	<b>\$ -</b>	<b>0%</b>	
650 · Office Space					
651 · Lease Payment	\$ 139,889	\$ 139,889	\$ -	0%	
652 · Utilities	\$ -	\$ -	\$ -	0%	
653 · Janitorial	\$ 1,615	\$ 1,615	\$ -	0%	
656 · Pest Control	\$ 300	\$ 300	\$ -	0%	
657 · Security Monitoring	\$ 2,482	\$ 2,482	\$ -	0%	
658 · Moving Expenses	\$ -	\$ -	\$ -	0%	
<b>Total 650 · Office Space</b>	<b>\$ 144,285</b>	<b>\$ 144,285</b>	<b>\$ -</b>	<b>0%</b>	
640 · Telephone					
640.10 · VoIP & Local Line Charges	\$ 13,320	\$ 14,520	\$ 1,200	9%	
640.30 · Internet Access Charges	\$ 10,798	\$ 11,098	\$ 300	3%	
640.40 · Conference Calls	\$ 1,200	\$ 3,600	\$ 2,400	200%	Increase due to more virtual meetings
<b>Total 640 · Telephone</b>	<b>\$ 25,318</b>	<b>\$ 29,218</b>	<b>\$ 3,900</b>	<b>15%</b>	
680 · Travel					
680.10 · Board/Committee Meetings	\$ 104,987	\$ 41,503	\$ (63,484)	-60%	3 FBPE/2 FEMC BOD Meetings - Daytona
680.20 · Investigative/Prosecutorial	\$ 2,700	\$ -	\$ (2,700)	-100%	
680.30 · NCEES Travel	\$ 10,000	\$ -	\$ (10,000)	-100%	NCEES will pay for three board members and one MBA
680.40 · General Travel	\$ -	\$ -	\$ -	0%	
680.50 · Employee Training	\$ 13,330	\$ 10,980	\$ (2,350)	-18%	
680.60 · Public Information Travel	\$ 8,000	\$ 2,740	\$ (5,260)	-66%	FES Conf & Mathcounts
<b>Total 680 · Travel</b>	<b>\$ 139,017</b>	<b>\$ 55,223</b>	<b>\$ (83,794)</b>	<b>-60%</b>	
702 · NCEES Fees for Dues/Tests	\$ 6,500	\$ 6,500	\$ -	0%	
770 · Memberships/Registrations	\$ 4,289	\$ 3,334	\$ (955)	-22%	
775 · Employment/Training	\$ 14,423	\$ 8,007	\$ (6,416)	-44%	
740 · Renewal Expenses					
740.10 · Printing Renewal Notice	\$ 6,000	\$ -	\$ (6,000)	-100%	
740.20 · Mailing Renewal Notice	\$ 12,600	\$ -	\$ (12,600)	-100%	
740.30 · Printing Licenses	\$ -	\$ -	\$ -	0%	
740.40 · Mailing Licenses	\$ -	\$ -	\$ -	0%	
740.50 · Renewal OPS	\$ -	\$ -	\$ -	0%	
740.60 · Renewal Supplies	\$ -	\$ -	\$ -	0%	
<b>Total 740 · Renewal Expenses</b>	<b>\$ 18,600</b>	<b>\$ -</b>	<b>\$ (18,600)</b>	<b>-100%</b>	Email Renewal Notifications
<b>ASSETS</b>					
110 · Furniture & Equipment	\$ -	\$ -	\$ -	0%	
110 · Computers & Software	\$ 10,000	\$ 10,000	\$ -	0%	
115 · Leasehold Improvements	\$ -	\$ -	\$ -	0%	
<b>LIABILITIES</b>					
600.50 · Accrued Leave Liability	\$ 10,000	\$ 10,000	\$ -	0%	
<b>Total</b>	<b>\$ 2,170,875</b>	<b>\$ 2,040,622</b>	<b>\$ (130,253)</b>	<b>-6%</b>	
<b>Total</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>		

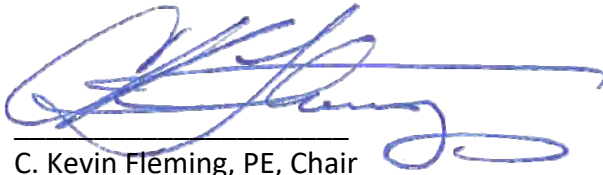
FEMC ANNUAL  
CERTIFICATION

# 2021 ANNUAL REPORT



**Certification of the  
Florida Engineers Management Corporation  
2020-2021**

Pursuant to Section 471.038(3)(j)2., Florida Statutes, and the terms of Contract Number 13-00008 between FEMC and the Department of Business and Professional Regulation, the Board of Professional Engineers certifies that based on the information available and reviewed for FEMC's 2020-2021 fiscal year performance under the contract, FEMC is complying with the terms of the contract in a manner consistent with the goals and purposes of the Board and in the best interest of the State.

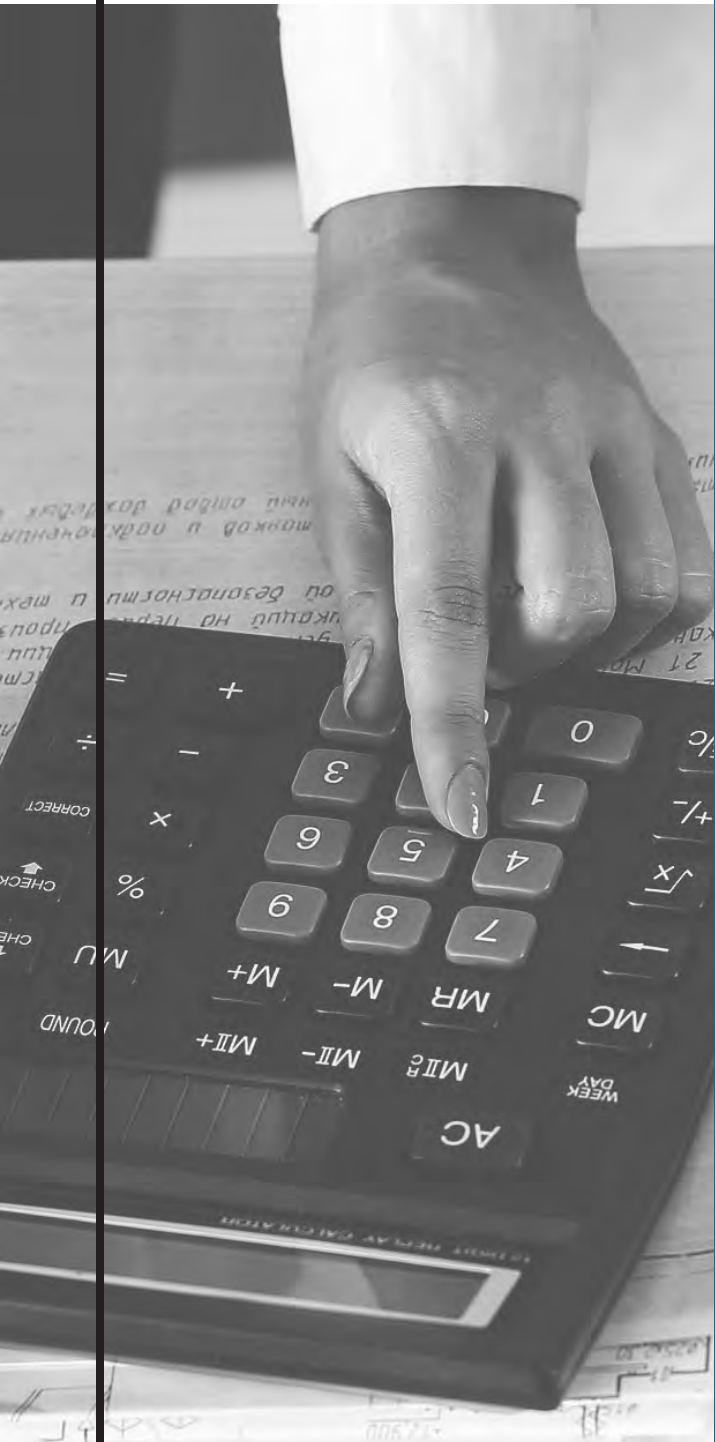


C. Kevin Fleming, PE, Chair  
Board of Professional Engineers

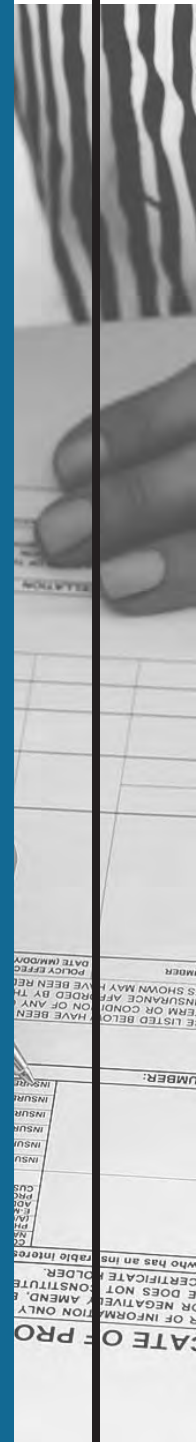
Date: August 11, 2021

FINANCIAL  
COMPLIANCE

# 2021 ANNUAL REPORT



FEMC   
Florida Engineers Management Corporation





**Law, Redd, Crona & Munroe, P.A.**  
*Certified Public Accountants*

August 27, 2021

Board of Directors  
Florida Engineers Management Corporation  
Tallahassee, Florida

We have audited the financial statements of Florida Engineers Management Corporation (the Corporation) for the year ended June 30, 2021, and we will issue our report thereon dated August 27, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and Chapter 10.650, Rules of the Auditor General, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated August 5, 2020. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Matters

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2021. We noted no transactions entered into by the Corporation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the depreciation computed is based on using the straight-line method over the estimated useful lives of assets.

We evaluated the key factors and assumptions used to develop the above-mentioned estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- Note 4 – Concentration and Contingency.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Adjusting journal entries one and two were misstatements detected as a result of our audit procedures. The remaining adjusting journal entries consisted of routine closing entries, reclassifications, and rounding entries. (See Attachment A).

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 27, 2021.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Corporation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Board of Directors  
Florida Engineers Management Corporation  
Page Three

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Corporation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management discussion and analysis, which is required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of state financial assistance, schedule of findings and questioned costs - state financial assistance projects, and the summary schedule of prior year audit findings, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with Chapter 10.650, Rules of the Auditor General, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the State of Florida, the Florida Board of Professional Engineers and management of Florida Engineers Management Corporation, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



**Law, Redd, Crona & Munroe, P.A.**  
Tallahassee, Florida

Year End: June 30, 2021  
 Adjusting journal entries  
 Date: 7/1/2020 To 6/30/2021

Attachment A

Number	Date	Type	Name	Account No	Reference	Debit	Credit
1	6/30/2021	N	Regions Bank - Operating	102	111. 2		-25,086.00
1	6/30/2021	N	Payroll Liabilities	300	111. 2	25,086.00	
Audit entry to adjust the balance in the operating account due to the pre-funded debit for the July 2rd pay date clearing the bank statement on June 30th.							
2	6/30/2021	N	Compensation & Benefits	600	6. 2		-38,583.00
2	6/30/2021	N	Employee Compensation	600.10	6. 2	38,583.00	
Audit entry to reclass payroll expense inadvertently recorded in wrong account.							
3	6/30/2021	N	Net Assets	400	283	1.00	
3	6/30/2021	N	Other Income	536	283		-1.00
Audit entry to adjust net assets to agree to the 2020 audited financial statement balance due to rounding difference.							
4	6/30/2021	N	Accounts Payable	200	22. 1		-332.00
4	6/30/2021	N	Employee Training	680.50	22. 1	332.00	
PBC entry to accrue employee reimbursement payable as of 6/30/21.							
5	6/30/2021	N	Due to State of Florida	215	223. 1		-79,153.00
5	6/30/2021	N	Revert to DBPR	639.10	223. 1	79,153.00	
PBC entry to record excess funds due to DBPR.							
6	6/30/2021	N	Other Income	536	170.1		-1.00
6	6/30/2021	N	Depreciation Expense	615	170.1	1.00	
Entry to adjust depreciation expense to true up fixed asset roll forward.							
7	6/30/2021	N	Accounts Receivable - FSA	105.10	215. 5		-2,010.00
7	6/30/2021	N	FSA Contra Account	300.75	215. 5	2,010.00	
Audit entry to reclass FSA receivable to offset FSA liability account for financial statement presentation.							
						<b>145,166.00</b>	<b>-145,166.00</b>
<b>Net Income (Loss)</b>							<b>(3,176.00)</b>



**FLORIDA ENGINEERS  
MANAGEMENT CORPORATION  
(A COMPONENT UNIT OF  
THE STATE OF FLORIDA)**

**Financial Statements  
and Supplementary Information**

**For the Years ended June 30, 2021 and 2020**

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**Law, Redd, Crona & Munroe, P.A.**  
*Certified Public Accountants*

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Florida Engineers Management Corporation  
Tallahassee, Florida

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Florida Engineers Management Corporation (the Corporation) (a nonprofit organization and component unit of the State of Florida), which comprise the statements of net position as of June 30, 2021 and 2020, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida Engineers Management Corporation as of June 30, 2021 and 2020, and the changes in its net financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Board of Directors  
Florida Engineers Management Corporation  
Page Three

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2021 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Florida Engineers Management Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Florida Engineers Management Corporation's internal control over financial reporting and compliance.

*Law Redd Crona + Munroe P.A.*

**LAW, REDD, CRONA & MUNROE, P.A.**  
Tallahassee, Florida  
August 27, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual financial report of the Florida Engineers Management Corporation (the Corporation) presents management's discussion and analysis of the Corporation's financial performance during the fiscal years ended June 30, 2021 and 2020. It should be read in conjunction with the Corporation's financial statements immediately following this section.

### Background and Funding Information

The Florida Engineers Management Corporation (the Corporation) is a nonprofit corporation created by passage of Chapter 97-312, Laws of Florida, Section 471.038, *Florida Statutes*, during the 1997 Florida Legislature. Its purpose is to provide administrative, investigative and prosecutorial services to the Florida Board of Professional Engineers (the Board). Florida Engineers Management Corporation receives funding from legislative appropriations to the Florida Department of Business and Professional Regulation (the Department). The fiscal year is July 1 through June 30.

The Corporation's Board is comprised of seven members: five members appointed by the Florida Board of Professional Engineers and who must be registrants in Florida and two members who are appointed by the Secretary of the Florida Department of Business and Professional Regulation and who must be laypersons not regulated by the Board.

### Overview of the Financial Statements

This annual report consists of management's discussion and analysis and the financial statements. The Corporation's reporting entity consists of one enterprise fund. Therefore, the financial statements provide information about the Corporation's overall financial status. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

The Corporation's financial statements include the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, and the Statements of Cash Flows.

- The Statements of Net Position present information on all assets and liabilities of the Corporation with the difference between the assets and liabilities reported as net position.
- The Statements of Revenues, Expenses and Changes in Net Position present information on all revenues and expenses of the Corporation and the changes in net position.
- The Statements of Cash Flows present information regarding changes in cash resulting from cash receipts and cash disbursements during the reporting period.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

### Financial Highlights

The Corporation has an ongoing commitment to provide outstanding service to applicants, licensees and the public while maintaining a strong focus on the fiduciary responsibility of good budget management. Management and staff continue to streamline workflow processes through technological upgrades, allowing for application processing efficiency. In order to promote professional licensure and to help alleviate unlicensed activity, the Corporation has increased public education regarding the services it provides. This has been accomplished through presentations at universities and various professional organizations in Florida, along with professional publications and social media platforms.

### Financial Analysis

#### *Statements of Net Position*

The following schedule provides a summary of the assets, liabilities and net position of the Corporation as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current Assets	\$ 315,181	\$ 412,627
Non-current Assets	<u>85,836</u>	<u>83,492</u>
<b>Total Assets</b>	<u>\$ 401,017</u>	<u>\$ 496,119</u>
<b>Current Liabilities</b>	<u>\$ 268,597</u>	<u>\$ 360,523</u>
<b>Net Position</b>		
Net Investment in Capital Assets	77,836	83,492
Restricted	<u>54,584</u>	<u>52,104</u>
<b>Total Net Position</b>	<u>\$ 132,420</u>	<u>\$ 135,596</u>

Total assets declined primarily due to a decrease in cash and accounts receivable and also due to a 6% reduction in contract revenue, which was a result of the economic impact of the COVID-19 pandemic on total State revenue. Total liabilities decreased due to a reduction in accounts payable and the total due to the Florida Department of Business and Professional Regulation.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

### *Statements of Revenues, Expenses and Changes in Net Position*

The following schedule provides a summary of the revenues, expenses and changes in net position for the years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 2,040,623	\$ 2,169,448
Operating expenses	<u>1,964,646</u>	<u>2,060,601</u>
Excess of revenues over expenses	75,977	108,847
Reversion to State of Florida	<u>(79,153)</u>	<u>(134,632)</u>
Change in net position	(3,176)	(25,785)
Total net position, beginning of year	<u>135,596</u>	<u>161,381</u>
Total net position, end of year	<u>\$ 132,420</u>	<u>\$ 135,596</u>

### *Operating Revenues*

The Florida Engineers Management Corporation is funded by a line-item legislative appropriation set out in the Department of Business and Professional Regulation's annual budget.

### *Operating Expenses*

The excess of revenue over expenses of \$75,977 is due to continued diligence by management in minimizing operating expenses. Annual operating expenses of \$1,964,646 were 3.7% under budget and \$95,955 less than the fiscal year ended June 30, 2020.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The Corporation's operating expenses for the fiscal year ended June 30, 2021 focused on the following major areas:

- In July, position restructuring allowed for the elimination of one position, resulting in savings in salaries, benefits, and payroll taxes.
- In line with the Corporation's continued focus on staff training and education, seven (7) staff members attended a one-day CPR training held by the local Red Cross. Each employee successfully completed the training and became recertified in CPR and in the use of a portable automated external defibrillator (AED).
- Because of the COVID-19 pandemic, all travel was kept at a minimum, and all board meetings, as well as most staff meetings and employee trainings, were held remotely.

### **Economic Factors and Next Year's Budget**

The Corporation's operating budget was approved for four fiscal years beginning July 1, 2017 and ending June 30, 2021. Grants and aid funds in the amount of \$2,070,000 and unlicensed activity funds in the amount of \$100,875 for the first three fiscal years, comprised the total annual budget of \$2,170,875. This three-year total equals \$6,512,625. Due to the deleterious effect the pandemic initially had on State revenue, the Corporation was required to reduce the annual operating budget in the final contract year beginning July 1, 2020 by 6%, for total revenues of \$1,945,800 and \$94,823, respectively, bringing the total four year contract to \$8,553,248.

A new four year contract for the period beginning July 1, 2021 and ending June 30, 2025 was signed in June 2021. Grants and aid funds in the amount of \$2,070,000 and unlicensed activity funds in the amount of \$100,875 for the four fiscal years comprised the total annual budget of \$2,170,875 for a total four-year contract of \$8,683,500. A fee of \$19,200 per fiscal year for a four year total of \$76,800 for services provided by the contract monitor at DBPR are included in the four year contract.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 268,597	\$ 335,117
Accounts Receivable	-	25,406
Prepaid Expenses and Deposits	46,584	52,104
<b>Total Current Assets</b>	<b>315,181</b>	<b>412,627</b>
<u>Noncurrent Assets</u>		
Deposits	8,000	-
Capital Assets, net	77,836	83,492
<b>Total Noncurrent Assets</b>	<b>85,836</b>	<b>83,492</b>
<b>Total Assets</b>	<b>401,017</b>	<b>496,119</b>
 <b>LIABILITIES</b>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Expenses	170,244	206,691
Due to Florida Department of Business and Professional Regulation	98,353	153,832
<b>Total Current Liabilities</b>	<b>268,597</b>	<b>360,523</b>
 <b>NET POSITION</b>		
Net Investment in Capital Assets Restricted	77,836	83,492
<b>Total Net Position</b>	<b>\$ 132,420</b>	<b>\$ 135,596</b>

The accompanying notes are an integral part of these financial statements.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
<b>OPERATING REVENUES:</b>		
Transfer In - Florida Department of Business and Professional Regulation	\$ 2,040,623	\$ 2,169,448
<b>TOTAL OPERATING REVENUES</b>	<b>2,040,623</b>	<b>2,169,448</b>
<b>OPERATING EXPENSES:</b>		
Salaries and benefits	1,238,275	1,267,144
Professional and consulting fees	373,065	344,394
Occupancy costs	138,404	141,671
Meeting and travel expenses	16,722	98,077
Depreciation	30,445	34,041
Postage	9,029	9,820
Repairs and maintenance	14,448	21,431
Printing and copying	9,692	9,471
Telephone	26,442	23,897
Office supplies and expenses	36,252	37,101
Insurance	23,599	21,093
Contract monitoring	19,200	19,200
Dues and subscriptions	17,561	16,790
Testing services and fees	6,500	6,500
Employee training	5,012	9,971
<b>TOTAL OPERATING EXPENSES</b>	<b>1,964,646</b>	<b>2,060,601</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	75,977	108,847
<b>REVERSION TO FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION</b>	<b>(79,153)</b>	<b>(134,632)</b>
<b>CHANGE IN NET POSITION</b>	(3,176)	(25,785)
<b>NET POSITION, Beginning of Year</b>	135,596	161,381
<b>NET POSITION, End of Year</b>	<b>\$ 132,420</b>	<b>\$ 135,596</b>

The accompanying notes are an integral part of these financial statements.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Florida Department of Business and Professional Regulation	\$ 2,066,029	\$ 2,157,488
Payments to Vendors	(897,183)	(884,297)
Payments to Employees	(1,210,577)	(1,252,144)
<b>Net Cash (Used in) Provided by Operating Activities</b>	<b>(41,731)</b>	<b>21,047</b>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of Capital Assets	(24,789)	(29,133)
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(66,520)</b>	<b>(8,086)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>335,117</b>	<b>343,203</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 268,597</b>	<b>\$ 335,117</b>
 <b>RECONCILIATION OF CHANGE IN NET POSITION TO THE NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>		
Change in Net Position	\$ (3,176)	\$ (25,785)
Adjustments to Reconcile Change in Net Position to Net Cash (Used In) Provided by Operating Activities:		
Depreciation	30,445	34,041
Loss on Disposal of Capital Assets	-	303
Changes in Operating Assets and Liabilities		
Accounts Receivable	25,406	(12,680)
Prepaid Expenses	5,520	20,574
Deposits	(8,000)	-
Accounts Payable and Accrued Expenses Due to Florida Department of Business and Professional Regulation	(36,447)	40,489
	<b>(55,479)</b>	<b>(35,895)</b>
<b>Net Cash (Used In) Provided by Operating Activities</b>	<b>\$ (41,731)</b>	<b>\$ 21,047</b>

The accompanying notes are an integral part of these financial statements.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION  
(A COMPONENT UNIT OF THE STATE OF FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization** – The Florida Engineers Management Corporation (the Corporation) is a nonprofit corporation created by passage of Chapter 97-312, Laws of Florida, Section 471.038, *Florida Statutes*, during the 1997 Florida Legislature. Its purpose is to provide administrative, investigative and prosecutorial services to the Florida Board of Professional Engineers (FBPE) (the Board). Florida Engineers Management Corporation receives funding from legislative appropriations to the Florida Department of Business and Professional Regulation (the Department). The fiscal year is July 1 through June 30.

A summary of significant accounting policies applied in the preparation of the accompanying financial statements follows.

**Basis of Accounting** – The Corporation’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Corporation operates as a special purpose government engaged in business-type activities. The proprietary fund type is applicable to the Corporation, under the governmental reporting model, and its activities are accounted for as an enterprise fund.

The focus of proprietary fund measurement is on the flow of economic resources including the determination of operating income, changes in net position, financial position, and cash flows, similar to business enterprises. The Corporation’s books are maintained on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

**Reporting Entity** – The Corporation is a component unit of the State of Florida. The Corporation has no component units for the years ended June 30, 2021 and 2020.

**Income Taxes** – The Corporation qualifies for exemption from federal income taxes as a governmental entity and is not required to file a Return of Organization Exempt from Income Tax, Form 990. Therefore, no provision for income taxes has been recorded.

**Cash and Cash Equivalents** – Cash and cash equivalents include demand deposits with financial institutions and deposits in highly-liquid money market funds.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets** – Capital assets are stated at cost, net of accumulated depreciation. Contributed assets are reported at fair market value as of the date received. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. The Corporation capitalizes all capital assets with a purchase price over \$500.

**Operating Revenues – Transfers In** – As a component unit of the State of Florida, the fixed portion of the base, annual contract from the Florida Department of Business & Professional Regulation (the Department) is recognized as a transfer-in. Transfers-in also include amounts the Corporation invoices to the Department for unlicensed activity up to a maximum amount, based on actual expenses of the activity. Unexpended funds are reverted back to the Department on an annual basis.

**Use of Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Restricted Funding** – The Corporation receives funding through appropriations allocated to the regulation of professional engineers from the State of Florida Professional Regulation Trust Fund. It is restricted for the purposes described in *Florida Statutes*, Section 471.038.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of three accounts maintained at a commercial bank located in Tallahassee, Florida. The carrying amount and bank balances at June 30, 2021 are \$268,597 and \$285,922, respectively. Bank balances are secured by the Federal Deposit Insurance Corporation (FDIC), up to \$250,000 per bank. Amounts in excess of FDIC insurance are entirely insured or collateralized pursuant to Chapter 280, *Florida Statutes*.

**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable represent amounts due from the State of Florida, Department of Business and Professional Regulation for unlicensed activity. No valuation allowance has been recorded, as management deems the balances to be collectable.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 4 – CONCENTRATION AND CONTINGENCY**

The Corporation receives all of its revenue from a contract with the State of Florida, Department of Business and Professional Regulation. In performing the administrative services under this contract, the Corporation collected and processed approximately \$759,000 and \$610,000 of fees and revenues on the Board's behalf during the years ended June 30, 2021 and 2020, respectively. These amounts were deposited directly into the Department's trust fund account and are not recognized as revenues of the Corporation. Therefore, they have not been recorded in the accompanying financial statements.

In July 2017, the Corporation entered into a four year contract beginning July 1, 2017 through June 30, 2021. Total funding for the contract is \$2,170,875 annually and \$8,683,500 for the contract period. The Corporation was required to reduce its annual operating budget in the final contract year by 6%. Total funding for fiscal year ended June 30, 2021 was \$2,040,623, bringing the total funding for the four year contract to \$8,553,248.

In June 2021, the Corporation entered into a four year contract beginning July 1, 2021 through June 30, 2025. Total funding for the contract is \$2,170,875 annually and \$8,683,500 for the contract period. The Department's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Florida Legislature. In addition, upon determination by the Department and the Board, at any time during the term of the contract that the Corporation no longer operates for the benefit of the Board and in the best interest of the State, all monies and property held shall revert to the Board or the Department.

**NOTE 5 – CAPITAL ASSETS**

Capital assets consist of the following:

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
Furniture and Equipment	\$ 78,045	\$ -	\$ -	\$ 78,045
Leasehold Improvements	58,739	-	-	58,739
Computers and Software	301,612	24,789	-	326,401
	<u>438,396</u>	<u>24,789</u>	<u>-</u>	<u>463,185</u>
Less: Accumulated Depreciation	<u>(354,904)</u>	<u>(30,445)</u>	<u>-</u>	<u>(385,349)</u>
	<u>\$ 83,492</u>	<u>\$ (5,656)</u>	<u>\$ -</u>	<u>\$ 77,836</u>

Depreciation expense was \$30,445 and \$34,041 for the years ended June 30, 2021 and 2020, respectively.

**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 6 – RETIREMENT BENEFITS**

The Corporation maintains a defined contribution retirement plan established as an SEP-IRA for all eligible employees having performed services within the past one year of the immediately preceding five years. The Corporation has designated a quarterly contribution of ten percent (10%) of each eligible employee's gross quarterly earnings. Contributions to the plan for the years ended June 30, 2021 and 2020 were \$91,822 and \$91,020, respectively.

**NOTE 7 – OPERATING LEASE COMMITMENTS**

The Corporation leases office space and equipment under operating leases expiring at various dates through September 2027. The leases for office space are cancellable in the event the Corporation's program is cancelled or funding is not available. Beginning September 1, 2021, the Corporation is required to give six months written notice, pay the sum of six months rent upon notice, and forfeit the security deposit of \$8,000 for a new lease for office space. Future minimum lease payments under these leases are as follows:

<u>For the year ending June 30</u>	
2022	\$ 119,848
2023	111,874
2024	106,334
2025	102,961
2026	105,535
Thereafter	135,328
Total	<u>\$ 681,880</u>

Lease expenses for occupancy and equipment for the years ended June 30, 2021 and 2020 were \$148,781 and \$155,988, respectively.

**NOTE 8 – RISK MANAGEMENT**

The Corporation is exposed to various risks of loss including general liability, property and casualty, group health and life, auto and physical damage, and workers' compensation. Conventional commercial insurance coverage has been purchased from various independent carriers to insure against such risk and minimize financial exposure to such risks. The Corporation is not involved in any risk pools with other governmental entities.



**FLORIDA ENGINEERS MANAGEMENT CORPORATION**  
**(A COMPONENT UNIT OF THE STATE OF FLORIDA)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 9 – INCOME TAXES**

For the year ended June 30, 2021, the Corporation had no unrelated business income and, accordingly, has incurred no income tax liability from unrelated business activities.

An entity must recognize the impact of uncertain tax positions in the financial statements, if it is more likely than not that a tax position taken for tax return purposes will not be sustained upon examination by taxing authorities. The Corporation has concluded that it has no material uncertain tax positions, and accordingly, it has not recognized any liability for unrecognized tax benefits.

**NOTE 10 – EVALUATION OF SUBSEQUENT EVENTS**

The Corporation has evaluated subsequent events through August 27, 2021, the date which the financial statements were available to be issued.

## **Supplementary Information**

**FLORIDA ENGINEERS MANAGEMENT CORPORATION  
(A COMPONENT UNIT OF THE STATE OF FLORIDA)  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>State Agency and Program Title</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>
State of Florida			
Department of Business and Professional Regulation			
Direct Program			
Florida Engineers Management Corporation (FEMC)	79.001	n/a	<u>\$ 1,964,646</u>

**Notes:**

- (1) The accompanying Schedule of Expenditures of State Financial Assistance (the Schedule) presents the activity of all state projects of the Corporation for the year ended June 30, 2021. All expenditures related to state projects received directly from state agencies, as well as state projects passed through other governmental agencies, are included in the accompanying Schedule. The information in this Schedule is presented in accordance with the requirements of the *Florida Single Audit Act*.
- (2) The Schedule was prepared on the accrual basis of accounting.
- (3) There were no state awards expended in non-cash assistance.
- (4) There were no transfers to subrecipients during the fiscal year.

See independent auditor's report.

## Other Reports



**Law, Redd, Crona & Munroe, P.A.**  
*Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Florida Engineers Management Corporation  
Tallahassee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida Engineers Management Corporation (the Corporation) (a nonprofit organization and component unit of the State of Florida), which comprise the statement of net position as of June 30, 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 27, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**LAW, REDD, CRONA & MUNROE, P.A.**  
Tallahassee, Florida  
August 27, 2021



**Law, Redd, Crona & Munroe, P.A.**  
*Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

Board of Directors  
Florida Engineers Management Corporation  
Tallahassee, Florida

**Report on Compliance for Each Major State Project**

We have audited Florida Engineers Management Corporation's (the Corporation) (a nonprofit organization and component unit of the State of Florida) compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on the Corporation's major state project for the year ended June 30, 2021. The Corporation's major state project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the state statutes, regulations, contracts, and terms and conditions of its state project.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Corporation's major state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, Rules of the Auditor General. Those standards and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for its major state project. However, our audit does not provide a legal determination of the Corporation's compliance.

**Opinion on Each Major State Project**

In our opinion, Florida Engineers Management Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended June 30, 2021.

**Report on Internal Control Over Compliance**

Management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on its major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major state project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



**LAW, REDD, CRONA & MUNROE, P.A.**  
Tallahassee, Florida  
August 27, 2021



**FLORIDA ENGINEERS MANAGEMENT CORPORATION  
(A COMPONENT UNIT OF THE STATE OF FLORIDA)  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - STATE FINANCIAL ASSISTANCE PROJECTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**Section I – Summary of Auditor's Results**

**Financial Statements**

Type of auditor's reports issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None
Noncompliance material to financial statements noted?	No

**State Financial Assistance**

Internal control over major projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None
Type of auditor's report issued on compliance for major projects?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.654(1)(h)4., <i>Rules of the Auditor General</i> ?	No

Identification of major projects:	<u>CSFA Number</u>	<u>Name of State Financial Assistance</u>
	79.001	State of Florida Department of Business and Professional Regulation Direct Program Florida Engineers Management Corporation (FEMC)

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 589,394
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**Section II – Financial Statement Findings**

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Section III – State Financial Assistance Findings and Questioned Costs**

- a.) We noted no matters involving noncompliance that are required to be reported in accordance with *Rules of the Auditor General of the State of Florida, Chapter 10.654(1)(h)4.*
- b.) No management letter is required because there were no findings required to be reported in the management letter.
- c.) No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to State projects

See independent auditor's report.