

Amendment No.

CHAMBER ACTION

Senate

House

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1 The Conference Committee on CS/HB 5509 offered the following:

2
3 **Conference Committee Amendment (with title amendment)**

4 Remove everything after the enacting clause and insert:

5 Section 1. Subsection (1), paragraphs (d) and (e) of
6 subsection (2), subsections (3) and (4), and paragraph (a) of
7 subsection (5) of section 282.201, Florida Statutes, are amended
8 to read:

9 282.201 State data center system; agency duties and
10 limitations.—A state data center system that includes all
11 primary data centers, other nonprimary data centers, and
12 computing facilities, and that provides an enterprise
13 information technology service as defined in s. 282.0041, is
14 established.

15 (1) INTENT.—The Legislature finds that the most efficient
16 and effective means of providing quality utility data processing
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17 services to state agencies requires that computing resources be
18 concentrated in quality facilities that provide the proper
19 security, infrastructure, and staff resources to ensure that the
20 state's data is maintained reliably and safely, and is
21 recoverable in the event of a disaster. Efficiencies resulting
22 from such consolidation include the increased ability to
23 leverage technological expertise and hardware and software
24 capabilities; increased savings through consolidated purchasing
25 decisions; and the enhanced ability to deploy technology
26 improvements and implement new policies consistently throughout
27 the consolidated organization. Unless otherwise exempt by law,
28 ~~Therefore~~ it is the intent of the Legislature that all agency
29 data centers and computing facilities be consolidated into a
30 primary data center ~~centers to the maximum extent possible by~~
31 2019.

32 (2) AGENCY FOR ENTERPRISE INFORMATION TECHNOLOGY DUTIES.-

33 The Agency for Enterprise Information Technology shall:

34 (d) By October 1 of each year ~~beginning in 2011~~, provide
35 recommendations to the Governor and Legislature relating to
36 changes to the schedule for the consolidations of state agency
37 data centers as provided in subsection (4).

38 1. The recommendations must be based on the goal of
39 maximizing current and future cost savings by:

- 40 a. Consolidating purchase decisions.~~†~~
41 b. Leveraging expertise and other resources to gain
42 economies of scale.~~†~~
43 c. Implementing state information technology policies more
44 effectively.~~† and~~

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45 d. Maintaining or improving the level of service provision
46 to customer entities.

47 2. The agency shall establish workgroups as necessary to
48 ensure participation by affected agencies in the development of
49 recommendations related to consolidations.

50 (e) Develop and establish rules relating to the operation
51 of the state data center system which comply with applicable
52 federal regulations, including 2 C.F.R. part 225 and 45 C.F.R.
53 ~~The agency shall publish notice of rule development in the~~
54 ~~Florida Administrative Weekly by October 1, 2011.~~ The rules must
55 address:

56 1. Ensuring that financial information is captured and
57 reported consistently and accurately.

58 2. Identifying standards for hardware, including standards
59 for a shared, virtualized server environment, and operations
60 system software and other operational software, including
61 security and network infrastructure, for the primary data
62 centers; requiring compliance with such standards in order to
63 enable the efficient consolidation of the agency data centers or
64 computing facilities; and providing an exemption process from
65 compliance with such standards, which must be consistent with
66 paragraph (5) (b).

67 3. Requiring annual full cost recovery on an equitable
68 rational basis. The cost-recovery methodology must ensure that
69 no service is subsidizing another service and may include
70 adjusting the subsequent year's rates as a means to recover
71 deficits or refund surpluses from a prior year.

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72 4. Requiring that any special assessment imposed to fund
73 expansion is based on a methodology that apportions the
74 assessment according to the proportional benefit to each
75 customer entity.

76 5. Requiring that rebates be given when revenues have
77 exceeded costs, that rebates be applied to offset charges to
78 those customer entities that have subsidized the costs of other
79 customer entities, and that such rebates may be in the form of
80 credits against future billings.

81 6. Requiring that all service-level agreements have a
82 contract term of up to 3 years, but may include an option to
83 renew for up to 3 additional years contingent on approval by the
84 board, and require at least a 180-day notice of termination.

85 (3) STATE AGENCY DUTIES.—

86 (a) For the purpose of completing the its work activities
87 ~~as~~ described in subsections ~~subsection~~ (1) and (2), each state
88 agency shall provide to the Agency for Enterprise Information
89 Technology all requested information relating to its data
90 centers and computing facilities and any other information
91 relevant to the agency's ability to effectively transition its
92 computer services into a primary data center. The agency shall
93 also participate as required in workgroups relating to specific
94 consolidation planning and implementation tasks as assigned by
95 the Agency for Enterprise Information Technology and determined
96 necessary to accomplish consolidation goals.

97 ~~(b) Each state agency shall submit to the Agency for~~
98 ~~Enterprise Information Technology information relating to its~~
99 ~~data centers and computing facilities as required in~~

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100 ~~instructions issued by July 1 of each year by the Agency for~~
101 ~~Enterprise Information Technology. The information required may~~
102 ~~include:~~

- 103 ~~1. Amount of floor space used and available.~~
104 ~~2. Numbers and capacities of mainframes and servers.~~
105 ~~3. Storage and network capacity.~~
106 ~~4. Amount of power used and the available capacity.~~
107 ~~5. Estimated expenditures by service area, including~~
108 ~~hardware and software, numbers of full-time equivalent~~
109 ~~positions, personnel turnover, and position reclassifications.~~
110 ~~6. A list of contracts in effect for the fiscal year,~~
111 ~~including, but not limited to, contracts for hardware, software~~
112 ~~and maintenance, including the expiration date, the contract~~
113 ~~parties, and the cost of the contract.~~
114 ~~7. Service-level agreements by customer entity.~~

115 ~~(b)(e)~~ Each state agency customer of a primary data center
116 shall notify the data center, by May 31 and November 30 of each
117 year, of any significant changes in anticipated utilization of
118 data center services pursuant to requirements established by the
119 boards of trustees of each primary data center.

120 (4) SCHEDULE FOR CONSOLIDATIONS OF AGENCY DATA CENTERS.—

121 (a) Consolidations of agency data centers shall be made by
122 the date and to the specified primary data center as provided in
123 this section and in accordance with budget adjustments contained
124 in the General Appropriations Act.

125 (b) By December 31, 2011, the following shall be
126 consolidated into the Northwest Regional Data Center:

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127 1. The Department of Education's Knott Data Center in the
128 Turlington Building.

129 2. The Department of Education's Division of Vocational
130 Rehabilitation.

131 3. The Department of Education's Division of Blind
132 Services, except for the division's disaster recovery site in
133 Daytona Beach.

134 4. The FCAT Explorer.

135 5. FACTS.org.

136 (c) During the 2011-2012 fiscal year, the following shall
137 be consolidated into the Southwood Shared Resource Center:

138 1. By September 30, 2011, the Department of Corrections.

139 2. By March 31, 2012, the Department of Transportation's
140 Burns Building.

141 3. By March 31, 2012, the Department of Transportation's
142 Survey & Mapping Office.

143 (d) By July 1, 2012, the Department of Highway Safety and
144 Motor Vehicles' Office of Motor Carrier Compliance ~~During the~~
145 ~~2011-2012 fiscal year, the following~~ shall be consolidated into
146 the Northwood Shared Resource Center:

147 ~~1. By July 1, 2011, the Department of Transportation's~~
148 ~~Office of Motor Carrier Compliance.~~

149 ~~2. By March 31, 2012, the Department of Highway Safety and~~
150 ~~Motor Vehicles.~~

151 (e) By September 30, 2012, the Department of Revenue's
152 Carlton Building and Imaging Center locations shall be
153 consolidated into the Northwest Regional Data Center. ~~During the~~

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154 ~~2012-2013 fiscal year, the following shall be consolidated into~~
155 ~~the Southwood Shared Resource Center:~~

156 ~~1. By September 30, 2012, the Division of Emergency~~
157 ~~Management and the Department of Community Affairs, except for~~
158 ~~the Emergency Operation Center's management system in~~
159 ~~Tallahassee and the Camp Blanding Emergency Operations Center in~~
160 ~~Starke.~~

161 ~~2. By September 30, 2012, the Department of Revenue's~~
162 ~~Carlton Building and Imaging Center locations.~~

163 ~~3. By December 31, 2012, the Department of Health's Test~~
164 ~~and Development Lab and all remaining data center resources~~
165 ~~located at the Capital Circle Office Complex.~~

166 (f) During the 2012-2013 fiscal year, the following shall
167 be consolidated into the Northwood Shared Resource Center:

168 1. By July 1, 2012, the Agency for Health Care
169 Administration.

170 2. By August 31, 2012, the Department of Highway Safety
171 and Motor Vehicles.

172 ~~3.2.~~ By December 31, 2012, the Department of Environmental
173 Protection's Palmetto Commons.

174 ~~4.3.~~ By December 31, 2012, the Department of Health's Test
175 and Development Lab and all remaining data center resources
176 located at the Capital Circle Office Complex ~~March 30, 2013, the~~
177 ~~Department of Law Enforcement's headquarters location.~~

178 (g) During the 2013-2014 fiscal year, the following
179 agencies shall be consolidated into the Southwood Shared
180 Resource Center ~~work with the Agency for Enterprise Information~~

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181 ~~Technology to begin preliminary planning for consolidation into~~
182 ~~a primary data center:~~

183 ~~1. The Department of the Lottery's headquarters location.~~

184 ~~2. The Department of Legal Affairs.~~

185 ~~1.3. By July 1, 2013,~~ the Fish and Wildlife Conservation
186 Commission, except for the commission's Fish and Wildlife
187 Research Institute in St. Petersburg.

188 ~~2. By October 31, 2013,~~ the Department of Economic
189 ~~Opportunity.~~

190 ~~3.4. By December 31, 2013,~~ the Executive Office of the
191 Governor, ~~to include the Division of Emergency Management except~~
192 ~~for the Emergency Operation Center's management system in~~
193 ~~Tallahassee and the Camp Blanding Emergency Operations Center in~~
194 ~~Starke.~~

195 ~~5. The Department of Veterans' Affairs.~~

196 ~~4.6. By March 31, 2014,~~ the Department of Elderly Affairs.

197 ~~7. The Department of Financial Services' Hartman, Larson,~~
198 ~~and Fletcher Building Data Centers.~~

199 ~~8. The Department of Agriculture and Consumer Services'~~
200 ~~Agriculture Management Information Center in the Mayo Building~~
201 ~~and Division of Licensing.~~

202 ~~(h) During the 2013-2014 fiscal year,~~ the following shall
203 ~~be consolidated into the Northwood Shared Resource Center:~~

204 ~~1. By July 1, 2013,~~ the Department of Veterans' Affairs.

205 ~~2. By December 31, 2013,~~ the Department of Legal Affairs.

206 ~~3. By March 31, 2014,~~ the Department of Agriculture and
207 ~~Consumer Services' Agriculture Management Information Center in~~
208 ~~the Mayo Building and the Division of Licensing.~~

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209 (i)~~(h)~~ During the 2014-2015 fiscal year, the following
210 agencies shall work with the Agency for Enterprise Information
211 Technology to begin preliminary planning for consolidation into
212 a primary data center:

213 1. The Department of Health's Jacksonville Lab Data
214 Center.

215 2. The Department of Transportation's district offices,
216 toll offices, and the District Materials Office.

217 3. The Department of Military Affairs' Camp Blanding Joint
218 Training Center in Starke.

219 4. The Department of Community Affairs' Camp Blanding
220 Emergency Operations Center in Starke.

221 5. The Department of Education's Division of Blind
222 Services disaster recovery site in Daytona Beach.

223 6. The Department of Education's disaster recovery site at
224 Santa Fe College.

225 ~~7. The Department of the Lottery's Disaster Recovery
226 Backup Data Center in Orlando.~~

227 ~~7.8.~~ The Fish and Wildlife Conservation Commission's Fish
228 and Wildlife Research Institute in St. Petersburg.

229 ~~8.9.~~ The Department of Children and Family Services'
230 Suncoast Data Center in Tampa.

231 ~~9.10.~~ The Department of Children and Family Services'
232 Florida State Hospital in Chattahoochee.

233 (j)~~(i)~~ During the 2015-2016 fiscal year, all computing
234 resources remaining within an agency ~~nonprimary~~ data center or
235 computing facility, to include the Department of Financial
236 Services' Hartman, Larson, and Fletcher Buildings data centers,

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237 shall be transferred to a primary data center for consolidation
238 unless otherwise required to remain in the agency for specified
239 financial, technical, or business reasons that must be justified
240 in writing and approved by the Agency for Enterprise Information
241 Technology. Such data centers, computing facilities, and
242 resources must be identified by the Agency for Enterprise
243 Information Technology by October 1, 2014.

244 (k) The Department of Law Enforcement, the Department of
245 the Lottery's Gaming System, Systems Design and Development in
246 the Office of Policy and Budget, and the State Board of
247 Administration, state attorneys, public defenders, criminal
248 conflict and civil regional counsel, capital collateral regional
249 counsel, the Florida Clerks of Court Operations Corporation, and
250 the Florida Housing Finance Corporation are exempt from data
251 center consolidation under this section.

252 (l)~~(j)~~ Any agency that is consolidating agency data
253 centers into a primary data center must execute a new or update
254 an existing service-level agreement within 60 days after the
255 specified consolidation date, as required by s. 282.203, in
256 order to specify the services and levels of service it is to
257 receive from the primary data center as a result of the
258 consolidation. If an agency and primary data center are ~~is~~
259 unable to execute a service-level agreement by that date, the
260 agency and the primary data center shall submit a report to the
261 Executive Office of the Governor and to the chairs of the
262 legislative appropriations committees within 5 working days
263 after that date which explains the specific issues preventing

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264 execution and describing the ~~its~~ plan and schedule for resolving
265 those issues.

266 ~~(m)-(k)~~ Beginning September 1, 2011, and every 6 months
267 thereafter until data center consolidations are complete, the
268 Agency for Enterprise Information Technology shall provide a
269 status report on the implementation of the consolidations that
270 must be completed during the fiscal year. The report shall be
271 submitted to the Executive Office of the Governor and the chairs
272 of the legislative appropriations committees. The report must,
273 at a minimum, describe:

274 1. Whether the consolidation is on schedule, including
275 progress on achieving the milestones necessary for successful
276 and timely consolidation of scheduled agency data centers and
277 computing facilities. ~~and~~

278 2. The risks that may affect the progress or outcome of
279 the consolidation and how these risks are being addressed,
280 mitigated, or managed.

281 ~~(n)-(l)~~ Each agency identified in this subsection for
282 consolidation into a primary data center shall submit a
283 transition plan to the appropriate primary data center ~~Agency~~
284 ~~for Enterprise Information Technology~~ by July ~~September~~ 1 of the
285 fiscal year before the fiscal year in which the scheduled
286 consolidation will occur. Transition plans shall be developed in
287 consultation with the appropriate primary data centers and the
288 Agency for Enterprise Information Technology, and must include:

289 1. An inventory of the agency data center's resources
290 being consolidated, including all hardware and its associated
291 life cycle replacement schedule, software, staff, ~~and~~ contracted

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292 services, and ~~the~~ facility resources performing data center
293 management and operations, security, backup and recovery,
294 disaster recovery, system administration, database
295 administration, system programming, job control, production
296 control, print, storage, technical support, help desk, and
297 managed services, but excluding application development, and the
298 agency's costs supporting these resources.

299 2. A list of contracts in effect, including, but not
300 limited to, contracts for hardware, software, and maintenance,
301 which identifies the expiration date, the contract parties, and
302 the cost of each contract.

303 ~~3.2.~~ A detailed description of the level of services
304 needed to meet the technical and operational requirements of the
305 platforms being consolidated. ~~and an estimate of the primary~~
306 ~~data center's cost for the provision of such services;~~

307 ~~4.3.~~ A description of resources for computing services
308 proposed to remain in the department.

309 ~~5.4.~~ A timetable with significant milestones for the
310 completion of the consolidation. ~~and~~

311 ~~5.~~ ~~The specific recurring and nonrecurring budget~~
312 ~~adjustments of budget resources by appropriation category into~~
313 ~~the appropriate data processing category pursuant to the~~
314 ~~legislative budget instructions in s. 216.023 necessary to~~
315 ~~support agency costs for the transfer.~~

316 ~~(o) (m)~~ Each primary data center shall develop a transition
317 plan for absorbing the transfer of agency data center resources
318 based upon the timetables for transition as provided in this
319 subsection. The plan shall be submitted to the Agency for

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320 Enterprise Information Technology, the Executive Office of the
321 Governor, and the chairs of the legislative appropriations
322 committees by September 1 ~~30~~ of the fiscal year before the
323 fiscal year in which the scheduled consolidations will occur.

324 Each plan must include:

325 1. ~~An estimate of~~ The projected cost to provide data
326 center services for each agency scheduled for consolidation. ~~†~~

327 2. A staffing plan that identifies the projected staffing
328 needs and requirements based on the estimated workload
329 identified in the agency transition plan. ~~†~~

330 3. The fiscal year adjustments to budget categories in
331 order to absorb the transfer of agency data center resources
332 pursuant to the legislative budget request instructions provided
333 in s. 216.023. ~~†~~

334 4. An analysis of the cost effects resulting from the
335 planned consolidations on existing agency customers. ~~†~~ ~~and~~

336 5. A description of any issues that must be resolved in
337 order to accomplish as efficiently and effectively as possible
338 all consolidations required during the fiscal year.

339 (p) Each agency identified in this subsection for
340 consolidation into a primary data center shall submit with its
341 respective legislative budget request the specific recurring and
342 nonrecurring budget adjustments of resources by appropriation
343 category into the appropriate data processing category pursuant
344 to the legislative budget request instructions in s. 216.023.

345 ~~(n) The Agency for Enterprise Information Technology shall~~
346 ~~develop a comprehensive transition plan, which shall be~~
347 ~~submitted by October 15th of the fiscal year before the fiscal~~

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348 ~~year in which the scheduled consolidations will occur to each~~
349 ~~primary data center, to the Executive Office of the Governor,~~
350 ~~and the chairs of the legislative appropriations committees. The~~
351 ~~transition plan shall be developed in consultation with agencies~~
352 ~~submitting agency transition plans and with the affected primary~~
353 ~~data centers. The comprehensive transition plan must include:~~

354 ~~1. Recommendations for accomplishing the proposed~~
355 ~~transitions as efficiently and effectively as possible with~~
356 ~~minimal disruption to customer agency business processes;~~

357 ~~2. Strategies to minimize risks associated with any of the~~
358 ~~proposed consolidations;~~

359 ~~3. A compilation of the agency transition plans submitted~~
360 ~~by agencies scheduled for consolidation for the following fiscal~~
361 ~~year; and~~

362 ~~4. Revisions to any budget adjustments provided in the~~
363 ~~agency or primary data center transition plans.~~

364 ~~(e) Any agency data center scheduled for consolidation~~
365 ~~after the 2011-2012 fiscal year may consolidate into a primary~~
366 ~~data center before its scheduled date contingent upon the~~
367 ~~approval of the Agency for Enterprise Information Technology.~~

368 (5) AGENCY LIMITATIONS.—

369 (a) Unless authorized by the Legislature or as provided in
370 paragraphs (b) and (c), a state agency may not:

371 1. Create a new computing facility or data center, or
372 expand the capability to support additional computer equipment
373 in an existing computing facility or nonprimary data center;

374 2. Spend funds before the agency's scheduled consolidation
375 into a primary data center to purchase or modify hardware or

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376 operations software that does not comply with hardware and
377 software standards established by the Agency for Enterprise
378 Information Technology pursuant to paragraph (2) (e) for the
379 efficient consolidation of the agency data centers or computing
380 facilities;

381 3. Transfer existing computer services to any data center
382 other than a primary data center;

383 4. Terminate services with a primary data center or
384 transfer services between primary data centers without giving
385 written notice of intent to terminate or transfer services 180
386 days before such termination or transfer; or

387 5. Initiate a new computer service ~~if it does not~~
388 ~~currently have an internal data center~~ except with a primary
389 data center.

390 Section 2. Subsection (1) and paragraphs (e) and (1) of
391 subsection (3) of section 282.203, Florida Statutes, are amended
392 to read:

393 282.203 Primary data centers.—

394 (1) DATA CENTER DUTIES.—Each primary data center shall:

395 (a) Serve customer entities as an information-system
396 utility.

397 (b) Cooperate with customer entities to offer, develop,
398 and support the services and applications as defined and
399 provided by the center's board of trustees and customer
400 entities.

401 (c) Comply with rules adopted by the Agency for Enterprise
402 Information Technology, pursuant to this section, and coordinate
403 with the agency in the consolidation of data centers.

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404 (d) Provide to each agency head by September 1 of the
405 fiscal year before the fiscal year in which the agency's
406 consolidation is scheduled to occur the projected costs to
407 provide data center services. Each agency head shall use the
408 projected cost for inclusion in his or her respective
409 legislative budget request for budget adjustments necessary to
410 fund the agency's data center services.

411 (e)-(d) Provide transparent financial statements to
412 customer entities, ~~the center's board of trustees,~~ and the
413 Agency for Enterprise Information Technology. The financial
414 statements shall be provided as follows:

415 1. Annually, by July 30 for the current fiscal year and by
416 December 1 for the subsequent fiscal year, the data center must
417 provide the total annual budgeted costs by major expenditure
418 category, including, but not limited to, salaries, expense,
419 operating capital outlay, contracted services, or other
420 personnel services, which directly relate to the provision of
421 each service and which separately indicate the administrative
422 overhead allocated to each service.

423 2. Annually, by July 30 for the current fiscal year and by
424 December 1 for the subsequent fiscal year, the data center must
425 provide total projected billings for each customer entity which
426 are required to recover the costs of the data center.

427 3. Annually, by January 31, the data center must provide
428 updates of the financial statements required under subparagraphs
429 1. and 2. for the current fiscal year.

430 ~~4. By February 15, for proposed legislative budget~~
431 ~~increases, the data center must provide updates of the financial~~
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432 ~~statements required under subparagraphs 1. and 2. for the~~
433 ~~subsequent fiscal year.~~

434
435 The financial information required under subparagraphs 1., 2.,
436 and 3. must be based on current law and current appropriations.

437 (f)~~(e)~~ Annually, by October 1, submit to the board of
438 trustees cost-reduction proposals, including strategies and
439 timetables for lowering customer entities' costs without
440 reducing the level of services.

441 (g)~~(f)~~ Maintain the performance of the facility, which
442 includes ensuring proper data backup, data backup recovery, an
443 effective disaster recovery plan, and appropriate security,
444 power, cooling and fire suppression, and capacity.

445 (h)~~(g)~~ Develop a business continuity plan and conduct a
446 live exercise of the plan at least annually. The plan must be
447 approved by the board and the Agency for Enterprise Information
448 Technology.

449 (i)~~(h)~~ Enter into a service-level agreement with each
450 customer entity to provide services as defined and approved by
451 the board. A service-level agreement may not have a term
452 exceeding 3 years but may include an option to renew for up to 3
453 years contingent on approval by the board.

454 1. A service-level agreement, at a minimum, must:

455 a. Identify the parties and their roles, duties, and
456 responsibilities under the agreement.†

457 b. Identify the legal authority under which the service-
458 level agreement was negotiated and entered into by the parties.†

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- 459 c. State the duration of the contractual term and specify
460 the conditions for contract renewal.†
- 461 d. Prohibit the transfer of computing services between
462 primary data center facilities without at least 180 days' notice
463 of service cancellation.†
- 464 e. Identify the scope of work.†
- 465 f. Identify the products or services to be delivered with
466 sufficient specificity to permit an external financial or
467 performance audit.†
- 468 g. Establish the services to be provided, the business
469 standards that must be met for each service, the cost of each
470 service, and the process by which the business standards for
471 each service are to be objectively measured and reported.†
- 472 h. Identify applicable funds and funding streams for the
473 services or products under contract.†
- 474 i. Provide a timely billing methodology for recovering the
475 cost of services provided to the customer entity.†
- 476 j. Provide a procedure for modifying the service-level
477 agreement to address changes in projected costs of service.†
- 478 k. Provide that a service-level agreement may be
479 terminated by either party for cause only after giving the other
480 party and the Agency for Enterprise Information Technology
481 notice in writing of the cause for termination and an
482 opportunity for the other party to resolve the identified cause
483 within a reasonable period.†~~and~~
- 484 1. Provide for mediation of disputes by the Division of
485 Administrative Hearings pursuant to s. 120.573.
- 486 2. A service-level agreement may include:

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487 a. A dispute resolution mechanism, including alternatives
488 to administrative or judicial proceedings;

489 b. The setting of a surety or performance bond for
490 service-level agreements entered into with agency primary data
491 centers established by law; or

492 c. Additional terms and conditions as determined advisable
493 by the parties if such additional terms and conditions do not
494 conflict with the requirements of this section or rules adopted
495 by the Agency for Enterprise Information Technology.

496 3. The failure to execute a service-level agreement within
497 60 days after service commencement shall, in the case of an
498 existing customer entity, result in a continuation of the terms
499 of the service-level agreement from the prior fiscal year,
500 including any amendments that were formally proposed to the
501 customer entity by the primary data center within the 3 months
502 before service commencement, and a revised cost-of-service
503 estimate. If a new customer entity fails to execute an agreement
504 within 60 days after service commencement, the data center may
505 cease services.

506 ~~(j)-(i)~~ Plan, design, establish pilot projects for, and
507 conduct experiments with information technology resources, and
508 implement enhancements in services if such implementation is
509 cost-effective and approved by the board.

510 ~~(k)-(j)~~ Enter into a memorandum of understanding with the
511 agency where the data center is administratively located if the
512 data center requires the agency to provide any administrative
513 services to the data center and the cost of such services. Any

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514 administrative overhead costs charged shall require a specific
515 appropriation in the General Appropriation Act.

516 (1)-(k) Be the custodian of resources and equipment that
517 are located, operated, supported, and managed by the center for
518 the purposes of chapter 273.

519 (m)-(l) Assume administrative access rights to the
520 resources and equipment, such as servers, network components,
521 and other devices that are consolidated into the primary data
522 center.

523 1. Upon the date of each consolidation specified in s.
524 282.201, the General Appropriations Act, or the Laws of Florida,
525 each agency shall relinquish all administrative access rights to
526 such resources and equipment.

527 2. Each primary data center shall provide its customer
528 agencies with the appropriate level of access to applications,
529 servers, network components, and other devices necessary for
530 agencies to perform their core business activities and
531 functions.

532 (3) BOARD DUTIES.—Each board of trustees of a primary data
533 center shall:

534 (e) Ensure the sufficiency and transparency of the primary
535 data center financial information by:

536 1. Establishing policies that ensure that cost-recovery
537 methodologies, billings, receivables, expenditure, budgeting,
538 and accounting data are captured and reported timely,
539 consistently, accurately, and transparently and, upon adoption
540 of rules by the Agency for Enterprise Information Technology,
541 are in compliance with such rules.

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542 2. Requiring execution of service-level agreements by the
543 data center and each customer entity for services provided by
544 the data center to the customer entity.

545 3. Requiring cost recovery for the full cost of services,
546 including direct and indirect costs. The cost-recovery
547 methodology must ensure that no service is subsidizing another
548 service without an affirmative vote of approval by the customer
549 entity providing the subsidy.

550 4. Establishing special assessments to fund expansions
551 based on a methodology that apportions the assessment according
552 to the proportional benefit to each customer entity.

553 5. Providing rebates to customer entities when revenues
554 exceed costs and offsetting charges to those who have subsidized
555 other customer entity costs based on actual prior year final
556 expenditures. Rebates may be credited against future billings.

557 6. Approving all expenditures committing over \$50,000 in a
558 fiscal year.

559 7. Projecting costs and revenues at the beginning of the
560 third quarter of each fiscal year through the end of the fiscal
561 year. If in any given fiscal year the primary data center is
562 projected to earn revenues that are below costs for that fiscal
563 year after first reducing operating costs where possible, the
564 board shall implement any combination of the following remedies
565 to cover the shortfall:

566 a. The board may direct the primary data center to adjust
567 current year chargeback rates through the end of the fiscal year
568 to cover the shortfall. The rate adjustments shall be
569 implemented using actual usage rate and billing data from the
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570 first three quarters of the fiscal year and the same principles
571 used to set rates for the fiscal year.

572 b. The board may direct the primary data center to levy
573 one-time charges on all customer entities to cover the
574 shortfall. The one-time charges shall be implemented using
575 actual usage rate and billing data from the first three quarters
576 of the fiscal year and the same principles used to set rates for
577 the fiscal year.

578 c. The customer entities represented by each board member
579 may provide payments to cover the shortfall in proportion to the
580 amounts each entity paid in the prior fiscal year.

581 8. Providing a plan for consideration by the Legislative
582 Budget Commission if a billing rate schedule is used after the
583 start of the fiscal year which increases any agency's costs for
584 that fiscal year.

585 (1) Contract with other primary data centers for the
586 provision of administrative services or with the agency within
587 which the primary data center is housed, whichever is most cost-
588 effective. Any administrative overhead costs requires a specific
589 appropriation in the General Appropriations Act.

590 Section 3. Subsection (1) of section 1004.649, Florida
591 Statutes, is amended to read:

592 1004.649 Northwest Regional Data Center.—

593 (1) For the purpose of serving its state agency customers,
594 the Northwest Regional Data Center at Florida State University
595 is designated as a primary data center and shall ~~comply with the~~
596 ~~following:~~

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597 (a) Operate ~~Operates~~ under a governance structure that
598 represents its customers proportionally.

599 (b) Maintain ~~Maintains~~ an appropriate cost-allocation
600 methodology that accurately bills state agency customers based
601 solely on the actual direct and indirect costs of the services
602 provided to state agency customers, and prohibits the
603 subsidization of nonstate agency customers' costs by state
604 agency customers.

605 (c) Enter ~~Enters~~ into a service-level agreement with each
606 state agency customer to provide services as defined and
607 approved by the governing board of the center. At a minimum,
608 such service-level agreements must:

609 1. Identify the parties and their roles, duties, and
610 responsibilities under the agreement;

611 2. State the duration of the agreement term and specify
612 the conditions for renewal;

613 3. Identify the scope of work;

614 4. Establish the services to be provided, the business
615 standards that must be met for each service, the cost of each
616 service, and the process by which the business standards for
617 each service are to be objectively measured and reported;

618 5. Provide a timely billing methodology for recovering the
619 cost of services provided; and

620 6. Provide a procedure for modifying the service-level
621 agreement to address any changes in projected costs of service.

622 (d) Provide ~~Provides~~ to the Board of Governors the total
623 annual budget by major expenditure category, including, but not
624 limited to, salaries, expenses, operating capital outlay,

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625 contracted services, or other personnel services by July 30 each
626 fiscal year.

627 (e) Provide ~~Provides~~ to each state agency customer its
628 projected annual cost for providing the agreed-upon data center
629 services by September ~~August~~ 1 each fiscal year.

630 (f) Provide a plan for consideration by the Legislative
631 Budget Commission if the governing body of the center approves
632 the use of a billing rate schedule after the start of the fiscal
633 year that increases any state agency customer's costs for that
634 fiscal year.

635 Section 4. This act shall take effect July 1, 2012.

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639 **T I T L E A M E N D M E N T**

640 Remove the entire title and insert:

641 A bill to be entitled

642 An act relating to the state data center system;
643 amending s. 282.201, F.S.; revising duties of the
644 Agency for Enterprise Information Technology and state
645 agencies relating to consolidation of agency data
646 centers into a primary data center; removing a
647 requirement for publishing notice of rule development;
648 removing a requirement that agencies submit certain
649 information to the Agency for Enterprise Information
650 Technology; revising the schedule of consolidations;
651 providing a timeframe for specified agency facilities
652 to be consolidated; providing exemptions for specified

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653 agencies and facilities; requiring an agency and
654 primary data center to submit a report to the
655 Executive Office of the Governor and the chairs of the
656 legislative appropriations committees if they are
657 unable to execute a service-level agreement within a
658 certain time period; requiring agencies to submit a
659 transition plan to the appropriate primary data center
660 by a certain date; providing for content of the plan;
661 requiring the primary data centers to develop and
662 submit transition plans to the Agency for Enterprise
663 Information Technology, the Executive Office of the
664 Governor, and the chairs of the legislative
665 appropriations committees by a certain date; providing
666 for content of the plans; requiring an agency that is
667 consolidating facilities into a primary data center to
668 submit certain information concerning adjustments of
669 resources with its legislative budget request;
670 removing a requirement that the Agency for Enterprise
671 Information Technology develop comprehensive
672 transition plans; revising restrictions on agencies
673 relating to technology facilities and services;
674 amending s. 282.203, F.S.; revising duties of primary
675 data centers and boards of trustees of such centers;
676 requiring the centers to provide agencies with
677 projected costs for inclusion in the agencies' budget
678 requests; requiring boards to provide a plan for
679 consideration by the Legislative Budget Commission
680 under certain conditions; providing that certain

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681 administrative overhead costs require a specific
682 appropriation in the General Appropriation Act;
683 amending s. 1004.649, F.S.; revising responsibilities
684 of the Northwest Regional Data Center; revising the
685 date by which the center must provide agencies with
686 projected costs; requiring the center to submit a plan
687 to the Legislative Budget Commission when a billing
688 rate schedule is revised after the beginning of the
689 fiscal year and increases an agency's costs; providing
690 an effective date.