

1 A bill to be entitled
2 An act relating to the state data center system;
3 amending s. 282.201, F.S.; revising duties of the
4 Agency for Enterprise Information Technology and state
5 agencies relating to consolidation of agency data
6 centers into a primary data center; removing a
7 requirement for publishing notice of rule development;
8 removing a requirement that agencies submit certain
9 information to the Agency for Enterprise Information
10 Technology; revising the schedule of consolidations;
11 providing a timeframe for specified agency facilities
12 to be consolidated; providing exemptions for specified
13 agencies and facilities; requiring an agency and
14 primary data center to submit a report to the
15 Executive Office of the Governor and the chairs of the
16 legislative appropriations committees if they are
17 unable to execute a service-level agreement within a
18 certain time period; requiring agencies to submit a
19 transition plan to the appropriate primary data center
20 by a certain date; providing for content of the plan;
21 requiring the primary data centers to develop and
22 submit transition plans to the Agency for Enterprise
23 Information Technology, the Executive Office of the
24 Governor, and the chairs of the legislative
25 appropriations committees by a certain date; providing
26 for content of the plans; requiring an agency that is
27 consolidating facilities into a primary data center to
28 submit certain information concerning adjustments of

29 resources with its legislative budget request;
30 removing a requirement that the Agency for Enterprise
31 Information Technology develop comprehensive
32 transition plans; revising restrictions on agencies
33 relating to technology facilities and services;
34 amending s. 282.203, F.S.; revising duties of primary
35 data centers and boards of trustees of such centers;
36 requiring the centers to provide agencies with
37 projected costs for inclusion in the agencies' budget
38 requests; requiring boards to provide a plan for
39 consideration by the Legislative Budget Commission
40 under certain conditions; providing that certain
41 administrative overhead costs require a specific
42 appropriation in the General Appropriation Act;
43 amending s. 1004.649, F.S.; revising responsibilities
44 of the Northwest Regional Data Center; revising the
45 date by which the center must provide agencies with
46 projected costs; requiring the center to submit a plan
47 to the Legislative Budget Commission when a billing
48 rate schedule is revised after the beginning of the
49 fiscal year and increases an agency's costs; providing
50 an effective date.

51
52 Be It Enacted by the Legislature of the State of Florida:

53
54 Section 1. Subsection (1), paragraphs (d) and (e) of
55 subsection (2), subsections (3) and (4), and paragraph (a) of
56 subsection (5) of section 282.201, Florida Statutes, are amended

57 | to read:

58 | 282.201 State data center system; agency duties and
59 | limitations.—A state data center system that includes all
60 | primary data centers, other nonprimary data centers, and
61 | computing facilities, and that provides an enterprise
62 | information technology service as defined in s. 282.0041, is
63 | established.

64 | (1) INTENT.—The Legislature finds that the most efficient
65 | and effective means of providing quality utility data processing
66 | services to state agencies requires that computing resources be
67 | concentrated in quality facilities that provide the proper
68 | security, infrastructure, and staff resources to ensure that the
69 | state's data is maintained reliably and safely, and is
70 | recoverable in the event of a disaster. Efficiencies resulting
71 | from such consolidation include the increased ability to
72 | leverage technological expertise and hardware and software
73 | capabilities; increased savings through consolidated purchasing
74 | decisions; and the enhanced ability to deploy technology
75 | improvements and implement new policies consistently throughout
76 | the consolidated organization. Unless otherwise exempt by law,
77 | ~~Therefore~~ it is the intent of the Legislature that all agency
78 | data centers and computing facilities be consolidated into a
79 | primary data center ~~centers to the maximum extent possible by~~
80 | 2019.

81 | (2) AGENCY FOR ENTERPRISE INFORMATION TECHNOLOGY DUTIES.—
82 | The Agency for Enterprise Information Technology shall:

83 | (d) By October 1 of each year ~~beginning in 2011~~, provide
84 | recommendations to the Governor and Legislature relating to

85 changes to the schedule for the consolidations of state agency
 86 data centers as provided in subsection (4).

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

89 a. Consolidating purchase decisions.†

90 b. Leveraging expertise and other resources to gain
 91 economies of scale.†

92 c. Implementing state information technology policies more
 93 effectively.†~~and~~

94 d. Maintaining or improving the level of service provision
 95 to customer entities.

96 2. The agency shall establish workgroups as necessary to
 97 ensure participation by affected agencies in the development of
 98 recommendations related to consolidations.

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

105 1. Ensuring that financial information is captured and
 106 reported consistently and accurately.

107 2. Identifying standards for hardware, including standards
 108 for a shared, virtualized server environment, and operations
 109 system software and other operational software, including
 110 security and network infrastructure, for the primary data
 111 centers; requiring compliance with such standards in order to
 112 enable the efficient consolidation of the agency data centers or

113 computing facilities; and providing an exemption process from
 114 compliance with such standards, which must be consistent with
 115 paragraph (5) (b).

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

121 4. Requiring that any special assessment imposed to fund
 122 expansion is based on a methodology that apportions the
 123 assessment according to the proportional benefit to each
 124 customer entity.

125 5. Requiring that rebates be given when revenues have
 126 exceeded costs, that rebates be applied to offset charges to
 127 those customer entities that have subsidized the costs of other
 128 customer entities, and that such rebates may be in the form of
 129 credits against future billings.

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

134 (3) STATE AGENCY DUTIES.—

135 (a) For the purpose of completing the ~~its~~ work activities
 136 ~~as~~ described in subsections ~~subsection~~ (1) and (2), each state
 137 agency shall provide to the Agency for Enterprise Information
 138 Technology all requested information relating to its data
 139 centers and computing facilities and any other information
 140 relevant to the agency's ability to effectively transition its

141 computer services into a primary data center. The agency shall
142 also participate as required in workgroups relating to specific
143 consolidation planning and implementation tasks as assigned by
144 the Agency for Enterprise Information Technology and determined
145 necessary to accomplish consolidation goals.

146 ~~(b) Each state agency shall submit to the Agency for~~
147 ~~Enterprise Information Technology information relating to its~~
148 ~~data centers and computing facilities as required in~~
149 ~~instructions issued by July 1 of each year by the Agency for~~
150 ~~Enterprise Information Technology. The information required may~~
151 ~~include:~~

- 152 ~~1. Amount of floor space used and available.~~
- 153 ~~2. Numbers and capacities of mainframes and servers.~~
- 154 ~~3. Storage and network capacity.~~
- 155 ~~4. Amount of power used and the available capacity.~~
- 156 ~~5. Estimated expenditures by service area, including~~
157 ~~hardware and software, numbers of full-time equivalent~~
158 ~~positions, personnel turnover, and position reclassifications.~~
- 159 ~~6. A list of contracts in effect for the fiscal year,~~
160 ~~including, but not limited to, contracts for hardware, software~~
161 ~~and maintenance, including the expiration date, the contract~~
162 ~~parties, and the cost of the contract.~~
- 163 ~~7. Service level agreements by customer entity.~~

164 (b)(e) Each state agency customer of a primary data center
165 shall notify the data center, by May 31 and November 30 of each
166 year, of any significant changes in anticipated utilization of
167 data center services pursuant to requirements established by the
168 boards of trustees of each primary data center.

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

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

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

176 1. The Department of Education's Knott Data Center in the
 177 Turlington Building.

178 2. The Department of Education's Division of Vocational
 179 Rehabilitation.

180 3. The Department of Education's Division of Blind
 181 Services, except for the division's disaster recovery site in
 182 Daytona Beach.

183 4. The FCAT Explorer.

184 5. FACTS.org.

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

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

188 2. By March 31, 2012, the Department of Transportation's
 189 Burns Building.

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

192 (d) By July 1, 2012, the Department of Highway Safety and
 193 Motor Vehicles' Office of Motor Carrier Compliance ~~During the~~
 194 ~~2011-2012 fiscal year, the following~~ shall be consolidated into
 195 the Northwood Shared Resource Center.

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

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

200 (e) By September 30, 2012, the Department of Revenue's
 201 Carlton Building and Imaging Center locations shall be
 202 consolidated into the Northwest Regional Data Center. ~~During the~~
 203 ~~2012-2013 fiscal year, the following shall be consolidated into~~
 204 ~~the Southwood Shared Resource Center:~~

205 ~~1. By September 30, 2012, the Division of Emergency~~
 206 ~~Management and the Department of Community Affairs, except for~~
 207 ~~the Emergency Operation Center's management system in~~
 208 ~~Tallahassee and the Camp Blanding Emergency Operations Center in~~
 209 ~~Starke.~~

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

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

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

217 1. By July 1, 2012, the Agency for Health Care
 218 Administration.

219 2. By August 31, 2012, the Department of Highway Safety
 220 and Motor Vehicles.

221 ~~3.2.~~ By December 31, 2012, the Department of Environmental
 222 Protection's Palmetto Commons.

223 ~~4.3.~~ By December 31, 2012, the Department of Health's Test
 224 and Development Lab and all remaining data center resources
 225 located at the Capital Circle Office Complex ~~March 30, 2013~~, the
 226 Department of Law Enforcement's headquarters location.

227 (g) During the 2013-2014 fiscal year, the following
 228 ~~agencies~~ shall be consolidated into the Southwood Shared
 229 Resource Center ~~work with the Agency for Enterprise Information~~
 230 ~~Technology to begin preliminary planning for consolidation into~~
 231 ~~a primary data center:~~

- 232 1. ~~The Department of the Lottery's headquarters location.~~
- 233 2. ~~The Department of Legal Affairs.~~

234 ~~1.3.~~ By July 1, 2013, the Fish and Wildlife Conservation
 235 Commission, except for the commission's Fish and Wildlife
 236 Research Institute in St. Petersburg.

237 2. By October 31, 2013, the Department of Economic
 238 Opportunity.

239 ~~3.4.~~ By December 31, 2013, the Executive Office of the
 240 Governor, to include the Division of Emergency Management except
 241 for the Emergency Operation Center's management system in
 242 Tallahassee and the Camp Blanding Emergency Operations Center in
 243 Starke.

- 244 5. ~~The Department of Veterans' Affairs.~~

245 ~~4.6.~~ By March 31, 2014, the Department of Elderly Affairs.

- 246 7. ~~The Department of Financial Services' Hartman, Larson,~~
 247 ~~and Fletcher Building Data Centers.~~

- 248 8. ~~The Department of Agriculture and Consumer Services'~~
 249 ~~Agriculture Management Information Center in the Mayo Building~~
 250 ~~and Division of Licensing.~~

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

- 253 1. By July 1, 2013, the Department of Veterans' Affairs.
- 254 2. By December 31, 2013, the Department of Legal Affairs.
- 255 3. By March 31, 2014, the Department of Agriculture and
 256 Consumer Services' Agriculture Management Information Center in
 257 the Mayo Building and the Division of Licensing.

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

- 262 1. The Department of Health's Jacksonville Lab Data
 263 Center.
- 264 2. The Department of Transportation's district offices,
 265 toll offices, and the District Materials Office.
- 266 3. The Department of Military Affairs' Camp Blanding Joint
 267 Training Center in Starke.
- 268 4. The Department of Community Affairs' Camp Blanding
 269 Emergency Operations Center in Starke.
- 270 5. The Department of Education's Division of Blind
 271 Services disaster recovery site in Daytona Beach.
- 272 6. The Department of Education's disaster recovery site at
 273 Santa Fe College.
- 274 ~~7. The Department of the Lottery's Disaster Recovery~~
 275 ~~Backup Data Center in Orlando.~~
- 276 7.8. The Fish and Wildlife Conservation Commission's Fish
 277 and Wildlife Research Institute in St. Petersburg.

278 ~~8.9.~~ The Department of Children and Family Services'
 279 Suncoast Data Center in Tampa.

280 ~~9.10.~~ The Department of Children and Family Services'
 281 Florida State Hospital in Chattahoochee.

282 (j)(i) During the 2015-2016 fiscal year, all computing
 283 resources remaining within an agency ~~nonprimary~~ data center or
 284 computing facility, to include the Department of Financial
 285 Services' Hartman, Larson, and Fletcher Buildings data centers,
 286 shall be transferred to a primary data center for consolidation
 287 unless otherwise required to remain in the agency for specified
 288 financial, technical, or business reasons that must be justified
 289 in writing and approved by the Agency for Enterprise Information
 290 Technology. Such data centers, computing facilities, and
 291 resources must be identified by the Agency for Enterprise
 292 Information Technology by October 1, 2014.

293 (k) The Department of Law Enforcement, the Department of
 294 the Lottery's Gaming System, Systems Design and Development in
 295 the Office of Policy and Budget, and the State Board of
 296 Administration, state attorneys, public defenders, criminal
 297 conflict and civil regional counsel, capital collateral regional
 298 counsel, the Florida Clerks of Court Operations Corporation, and
 299 the Florida Housing Finance Corporation are exempt from data
 300 center consolidation under this section.

301 (l)(j) Any agency that is consolidating agency data
 302 centers into a primary data center must execute a new or update
 303 an existing service-level agreement within 60 days after the
 304 specified consolidation date, as required by s. 282.203, in
 305 order to specify the services and levels of service it is to

306 receive from the primary data center as a result of the
 307 consolidation. If an agency and primary data center are ~~is~~
 308 unable to execute a service-level agreement by that date, the
 309 agency and the primary data center shall submit a report to the
 310 Executive Office of the Governor and to the chairs of the
 311 legislative appropriations committees within 5 working days
 312 after that date which explains the specific issues preventing
 313 execution and describing the ~~its~~ plan and schedule for resolving
 314 those issues.

315 (m) ~~(k)~~ Beginning September 1, 2011, and every 6 months
 316 thereafter until data center consolidations are complete, the
 317 Agency for Enterprise Information Technology shall provide a
 318 status report on the implementation of the consolidations that
 319 must be completed during the fiscal year. The report shall be
 320 submitted to the Executive Office of the Governor and the chairs
 321 of the legislative appropriations committees. The report must,
 322 at a minimum, describe:

323 1. Whether the consolidation is on schedule, including
 324 progress on achieving the milestones necessary for successful
 325 and timely consolidation of scheduled agency data centers and
 326 computing facilities. ~~and~~

327 2. The risks that may affect the progress or outcome of
 328 the consolidation and how these risks are being addressed,
 329 mitigated, or managed.

330 (n) ~~(l)~~ Each agency identified in this subsection for
 331 consolidation into a primary data center shall submit a
 332 transition plan to the appropriate primary data center ~~Agency~~
 333 ~~for Enterprise Information Technology~~ by July ~~September~~ 1 of the

334 fiscal year before the fiscal year in which the scheduled
335 consolidation will occur. Transition plans shall be developed in
336 consultation with the appropriate primary data centers and the
337 Agency for Enterprise Information Technology, and must include:

338 1. An inventory of the agency data center's resources
339 being consolidated, including all hardware and its associated
340 life cycle replacement schedule, software, staff, ~~and~~ contracted
341 services, and ~~the~~ facility resources performing data center
342 management and operations, security, backup and recovery,
343 disaster recovery, system administration, database
344 administration, system programming, job control, production
345 control, print, storage, technical support, help desk, and
346 managed services, but excluding application development, and the
347 agency's costs supporting these resources.

348 2. A list of contracts in effect, including, but not
349 limited to, contracts for hardware, software, and maintenance,
350 which identifies the expiration date, the contract parties, and
351 the cost of each contract.

352 ~~3.2.~~ A detailed description of the level of services
353 needed to meet the technical and operational requirements of the
354 platforms being consolidated. ~~and an estimate of the primary~~
355 ~~data center's cost for the provision of such services;~~

356 ~~4.3.~~ A description of resources for computing services
357 proposed to remain in the department. ~~.~~

358 ~~5.4.~~ A timetable with significant milestones for the
359 completion of the consolidation. ~~.~~ ~~and~~

360 ~~5.~~ ~~The specific recurring and nonrecurring budget~~
361 ~~adjustments of budget resources by appropriation category into~~

362 ~~the appropriate data processing category pursuant to the~~
 363 ~~legislative budget instructions in s. 216.023 necessary to~~
 364 ~~support agency costs for the transfer.~~

365 (o) ~~(m)~~ Each primary data center shall develop a transition
 366 plan for absorbing the transfer of agency data center resources
 367 based upon the timetables for transition as provided in this
 368 subsection. The plan shall be submitted to the Agency for
 369 Enterprise Information Technology, the Executive Office of the
 370 Governor, and the chairs of the legislative appropriations
 371 committees by September 1 ~~30~~ of the fiscal year before the
 372 fiscal year in which the scheduled consolidations will occur.
 373 Each plan must include:

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

376 2. A staffing plan that identifies the projected staffing
 377 needs and requirements based on the estimated workload
 378 identified in the agency transition plan. ~~†~~

379 3. The fiscal year adjustments to budget categories in
 380 order to absorb the transfer of agency data center resources
 381 pursuant to the legislative budget request instructions provided
 382 in s. 216.023. ~~†~~

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

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

388 (p) Each agency identified in this subsection for
 389 consolidation into a primary data center shall submit with its

390 respective legislative budget request the specific recurring and
391 nonrecurring budget adjustments of resources by appropriation
392 category into the appropriate data processing category pursuant
393 to the legislative budget request instructions in s. 216.023.

394 ~~(n) The Agency for Enterprise Information Technology shall~~
395 ~~develop a comprehensive transition plan, which shall be~~
396 ~~submitted by October 15th of the fiscal year before the fiscal~~
397 ~~year in which the scheduled consolidations will occur to each~~
398 ~~primary data center, to the Executive Office of the Governor,~~
399 ~~and the chairs of the legislative appropriations committees. The~~
400 ~~transition plan shall be developed in consultation with agencies~~
401 ~~submitting agency transition plans and with the affected primary~~
402 ~~data centers. The comprehensive transition plan must include:~~

403 ~~1. Recommendations for accomplishing the proposed~~
404 ~~transitions as efficiently and effectively as possible with~~
405 ~~minimal disruption to customer agency business processes;~~

406 ~~2. Strategies to minimize risks associated with any of the~~
407 ~~proposed consolidations;~~

408 ~~3. A compilation of the agency transition plans submitted~~
409 ~~by agencies scheduled for consolidation for the following fiscal~~
410 ~~year; and~~

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

413 ~~(o) Any agency data center scheduled for consolidation~~
414 ~~after the 2011-2012 fiscal year may consolidate into a primary~~
415 ~~data center before its scheduled date contingent upon the~~
416 ~~approval of the Agency for Enterprise Information Technology.~~

417 (5) AGENCY LIMITATIONS.—

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

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

423 2. Spend funds before the agency's scheduled consolidation
 424 into a primary data center to purchase or modify hardware or
 425 operations software that does not comply with hardware and
 426 software standards established by the Agency for Enterprise
 427 Information Technology pursuant to paragraph (2) (e) for the
 428 efficient consolidation of the agency data centers or computing
 429 facilities;

430 3. Transfer existing computer services to any data center
 431 other than a primary data center;

432 4. Terminate services with a primary data center or
 433 transfer services between primary data centers without giving
 434 written notice of intent to terminate or transfer services 180
 435 days before such termination or transfer; or

436 5. Initiate a new computer service ~~if it does not~~
 437 ~~currently have an internal data center~~ except with a primary
 438 data center.

439 Section 2. Subsection (1) and paragraphs (e) and (1) of
 440 subsection (3) of section 282.203, Florida Statutes, are amended
 441 to read:

442 282.203 Primary data centers.—

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

444 (a) Serve customer entities as an information-system
 445 utility.

446 (b) Cooperate with customer entities to offer, develop,
447 and support the services and applications as defined and
448 provided by the center's board of trustees and customer
449 entities.

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

453 (d) Provide to each agency head by September 1 of the
454 fiscal year before the fiscal year in which the agency's
455 consolidation is scheduled to occur the projected costs to
456 provide data center services. Each agency head shall use the
457 projected cost for inclusion in his or her respective
458 legislative budget request for budget adjustments necessary to
459 fund the agency's data center services.

460 (e)~~(d)~~ Provide transparent financial statements to
461 customer entities,~~the center's board of trustees,~~ and the
462 Agency for Enterprise Information Technology. The financial
463 statements shall be provided as follows:

464 1. Annually, by July 30 for the current fiscal year and by
465 December 1 for the subsequent fiscal year, the data center must
466 provide the total annual budgeted costs by major expenditure
467 category, including, but not limited to, salaries, expense,
468 operating capital outlay, contracted services, or other
469 personnel services, which directly relate to the provision of
470 each service and which separately indicate the administrative
471 overhead allocated to each service.

472 2. Annually, by July 30 for the current fiscal year and by
473 December 1 for the subsequent fiscal year, the data center must

474 provide total projected billings for each customer entity which
475 are required to recover the costs of the data center.

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

479 ~~4. By February 15, for proposed legislative budget~~
480 ~~increases, the data center must provide updates of the financial~~
481 ~~statements required under subparagraphs 1. and 2. for the~~
482 ~~subsequent fiscal year.~~

483

484 The financial information required under subparagraphs 1., 2.,
485 and 3. must be based on current law and current appropriations.

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

490 (g)~~(f)~~ Maintain the performance of the facility, which
491 includes ensuring proper data backup, data backup recovery, an
492 effective disaster recovery plan, and appropriate security,
493 power, cooling and fire suppression, and capacity.

494 (h)~~(g)~~ Develop a business continuity plan and conduct a
495 live exercise of the plan at least annually. The plan must be
496 approved by the board and the Agency for Enterprise Information
497 Technology.

498 (i)~~(h)~~ Enter into a service-level agreement with each
499 customer entity to provide services as defined and approved by
500 the board. A service-level agreement may not have a term

501 exceeding 3 years but may include an option to renew for up to 3
 502 years contingent on approval by the board.

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

504 a. Identify the parties and their roles, duties, and
 505 responsibilities under the agreement.†

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

508 c. State the duration of the contractual term and specify
 509 the conditions for contract renewal.†

510 d. Prohibit the transfer of computing services between
 511 primary data center facilities without at least 180 days' notice
 512 of service cancellation.†

513 e. Identify the scope of work.†

514 f. Identify the products or services to be delivered with
 515 sufficient specificity to permit an external financial or
 516 performance audit.†

517 g. Establish the services to be provided, the business
 518 standards that must be met for each service, the cost of each
 519 service, and the process by which the business standards for
 520 each service are to be objectively measured and reported.†

521 h. Identify applicable funds and funding streams for the
 522 services or products under contract.†

523 i. Provide a timely billing methodology for recovering the
 524 cost of services provided to the customer entity.†

525 j. Provide a procedure for modifying the service-level
 526 agreement to address changes in projected costs of service.†

527 k. Provide that a service-level agreement may be
 528 terminated by either party for cause only after giving the other

529 party and the Agency for Enterprise Information Technology
 530 notice in writing of the cause for termination and an
 531 opportunity for the other party to resolve the identified cause
 532 within a reasonable period. ~~and~~

533 1. Provide for mediation of disputes by the Division of
 534 Administrative Hearings pursuant to s. 120.573.

535 2. A service-level agreement may include:

536 a. A dispute resolution mechanism, including alternatives
 537 to administrative or judicial proceedings;

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

541 c. Additional terms and conditions as determined advisable
 542 by the parties if such additional terms and conditions do not
 543 conflict with the requirements of this section or rules adopted
 544 by the Agency for Enterprise Information Technology.

545 3. The failure to execute a service-level agreement within
 546 60 days after service commencement shall, in the case of an
 547 existing customer entity, result in a continuation of the terms
 548 of the service-level agreement from the prior fiscal year,
 549 including any amendments that were formally proposed to the
 550 customer entity by the primary data center within the 3 months
 551 before service commencement, and a revised cost-of-service
 552 estimate. If a new customer entity fails to execute an agreement
 553 within 60 days after service commencement, the data center may
 554 cease services.

555 (j)~~(i)~~ Plan, design, establish pilot projects for, and
 556 conduct experiments with information technology resources, and

557 | implement enhancements in services if such implementation is
558 | cost-effective and approved by the board.

559 | ~~(k)-(j)~~ Enter into a memorandum of understanding with the
560 | agency where the data center is administratively located if the
561 | data center requires the agency to provide any administrative
562 | services to the data center and the cost of such services. Any
563 | administrative overhead costs charged shall require a specific
564 | appropriation in the General Appropriation Act.

565 | ~~(l)-(k)~~ Be the custodian of resources and equipment that
566 | are located, operated, supported, and managed by the center for
567 | the purposes of chapter 273.

568 | ~~(m)-(l)~~ Assume administrative access rights to the
569 | resources and equipment, such as servers, network components,
570 | and other devices that are consolidated into the primary data
571 | center.

572 | 1. Upon the date of each consolidation specified in s.
573 | 282.201, the General Appropriations Act, or the Laws of Florida,
574 | each agency shall relinquish all administrative access rights to
575 | such resources and equipment.

576 | 2. Each primary data center shall provide its customer
577 | agencies with the appropriate level of access to applications,
578 | servers, network components, and other devices necessary for
579 | agencies to perform their core business activities and
580 | functions.

581 | (3) BOARD DUTIES.—Each board of trustees of a primary data
582 | center shall:

583 | (e) Ensure the sufficiency and transparency of the primary
584 | data center financial information by:

585 1. Establishing policies that ensure that cost-recovery
586 methodologies, billings, receivables, expenditure, budgeting,
587 and accounting data are captured and reported timely,
588 consistently, accurately, and transparently and, upon adoption
589 of rules by the Agency for Enterprise Information Technology,
590 are in compliance with such rules.

591 2. Requiring execution of service-level agreements by the
592 data center and each customer entity for services provided by
593 the data center to the customer entity.

594 3. Requiring cost recovery for the full cost of services,
595 including direct and indirect costs. The cost-recovery
596 methodology must ensure that no service is subsidizing another
597 service without an affirmative vote of approval by the customer
598 entity providing the subsidy.

599 4. Establishing special assessments to fund expansions
600 based on a methodology that apportions the assessment according
601 to the proportional benefit to each customer entity.

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

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

608 7. Projecting costs and revenues at the beginning of the
609 third quarter of each fiscal year through the end of the fiscal
610 year. If in any given fiscal year the primary data center is
611 projected to earn revenues that are below costs for that fiscal
612 year after first reducing operating costs where possible, the

613 board shall implement any combination of the following remedies
 614 to cover the shortfall:

615 a. The board may direct the primary data center to adjust
 616 current year chargeback rates through the end of the fiscal year
 617 to cover the shortfall. The rate adjustments shall be
 618 implemented using actual usage rate and billing data from the
 619 first three quarters of the fiscal year and the same principles
 620 used to set rates for the fiscal year.

621 b. The board may direct the primary data center to levy
 622 one-time charges on all customer entities to cover the
 623 shortfall. The one-time charges shall be implemented using
 624 actual usage rate and billing data from the first three quarters
 625 of the fiscal year and the same principles used to set rates for
 626 the fiscal year.

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

630 8. Providing a plan for consideration by the Legislative
 631 Budget Commission if a billing rate schedule is used after the
 632 start of the fiscal year which increases any agency's costs for
 633 that fiscal year.

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

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

641 1004.649 Northwest Regional Data Center.—

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

646 (a) Operate ~~Operates~~ under a governance structure that
647 represents its customers proportionally.

648 (b) Maintain ~~Maintains~~ an appropriate cost-allocation
649 methodology that accurately bills state agency customers based
650 solely on the actual direct and indirect costs of the services
651 provided to state agency customers, and prohibits the
652 subsidization of nonstate agency customers' costs by state
653 agency customers.

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

658 1. Identify the parties and their roles, duties, and
659 responsibilities under the agreement;

660 2. State the duration of the agreement term and specify
661 the conditions for renewal;

662 3. Identify the scope of work;

663 4. Establish the services to be provided, the business
664 standards that must be met for each service, the cost of each
665 service, and the process by which the business standards for
666 each service are to be objectively measured and reported;

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

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

671 (d) Provide ~~Provides~~ to the Board of Governors the total
672 annual budget by major expenditure category, including, but not
673 limited to, salaries, expenses, operating capital outlay,
674 contracted services, or other personnel services by July 30 each
675 fiscal year.

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

679 (f) Provide a plan for consideration by the Legislative
680 Budget Commission if the governing body of the center approves
681 the use of a billing rate schedule after the start of the fiscal
682 year that increases any state agency customer's costs for that
683 fiscal year.

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