

State of Florida

Department of Banking and Finance

FLAIR and CMS Replacement Project

**Invitation to Negotiate (ITN) for
Independent Project Manager**

BF-09/2001-2002

May 31, 2002

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1.0 INTRODUCTION AND SCOPE OF WORK

1.1 Purpose

The State is issuing this Invitation to Negotiate (ITN) to acquire a project manager to oversee the Florida Accounting Information Resource (FLAIR) and Cash Management Subsystem (CMS) Replacement Project.

The current accounting system used by the State of Florida (“the State”) was developed and implemented over twenty (20) years ago. The State has determined that its current and future financial applications needs will best be met through the implementation of a modern commercially available integrated suite of software. Therefore, the State intends to acquire an integrated statewide financial information system using Enterprise Resource Planning (ERP) software and associated implementation services. This project is known as the FLAIR and CMS Replacement Project.

More detail information about the FLAIR and CMS can be found in section 2.0 BACKGROUND INFORMATION. It is contemplated that this replacement project will be completed in two years and that all agencies will migrate to the new system in that time frame.

As the first step in initiating this project, the State is issuing this ITN to acquire a project manager to:

- Serve as the Independent Project Manager for the project’s duration;
- Develop detailed operational work plan analyzing the resources necessary and outlining a procurement strategy and describing the business objectives and expected outcomes to be attained, along with anticipated completion dates and total costs for the project;
- Develop the procurement process and documents for the FLAIR and CMS Replacement Project software and implementation services;
- Guide the selection process for Project software and implementation services;
- Assist the State in negotiating contracts for Project software and services; and
- Assist the State in evaluating and monitoring the performance and the deliverables of the vendor(s) selected to provide implementation services.

Because the selected Independent Project Manager for this project will be actively involved in the evaluation and selection process for the integrated system, it is critical that the project manager be independent and objective in fact and in appearance. Therefore, the Independent Project Manager selected to perform the services solicited in this ITN will not be eligible to provide implementation services or any other services associated with this project on behalf of the selected software, hardware or implementation services vendor. The Independent Project Manager may not have been within the past 12 months employed by, affiliated with, or had an ownership interest in any software, hardware or implementation services vendor submitting proposals. The Independent Project Manager may not have been within the past 12 months employed by, affiliated with, or had an ownership interest in any company which within the past 12 months, either directly or indirectly, owned, or was owned by, or was otherwise affiliated with a software, hardware or implementation services vendor submitting proposals.

The State's goal in acquiring independent project management services is to obtain experience in successfully implementing a large ERP, preferably in a government environment. The qualified candidate will also bring expert knowledge and assistance in software/implementation services evaluation and selection, contract negotiations and management, and ongoing project management implementation functions. The awarded Independent Project Manager shall, in all respects, be expected to conduct his/her duties in the best interest of the State.

1.2 Scope of Work

Independent project management services provided pursuant to this ITN are expected to be completed within two years. If the successful and satisfactory implementation of the system requires additional time, the State will have the option to extend the contract for incremental time periods to insure completion.

1.2.1 The selected Independent Project Manager will be expected to assist the State in the performance of the following primary tasks:

- A. Project management activities, including (but not limited to) analyzing resource requirements, providing overall project guidance and direction, developing a project plan, establishing project milestone reviews, managing project resources, managing project budget, attending critical project team meetings, monitoring actual progress against the project work plan, preparing project status reports, providing project briefings as necessary, and other general project administration activities;
- B. Selection and procurement of the ERP application, hardware platform, and data base platform;
- C. Development of a solicitation for acquiring the implementation services necessary to implement the selected ERP;
- D. Evaluation and selection of the implementation services vendor based on responses received from the procurement process;
- E. Contract negotiations with the software, hardware and services vendors;
- F. Project start-up activities, including organizing and initiating project infrastructure, coordinating project team logistics and facilities, and coordinating required start-up hardware procurements and installations;
- G. Project oversight and approval processes;
- H. Project issues resolution;
- I. Review and evaluation of project deliverables and general evaluation of implementation contractor performance, including advising the State on recommendations made by the contractor concerning system architectures and implementation strategies and plans;

J. Development and implementation of a change management plan including communications; and

K. Development and implementation of quality assurance efforts for the software.

1.2.2 In addition, the Independent Project Manager will be expected to perform the following tasks:

A. Coordination of training activities for the project team (and later on end users) by identifying training needs, establishing a training schedule and curriculum;

B. Periodic risk assessments and ongoing risk management;

C. Maintenance of detailed project plans with progress in Microsoft Project;

D. Preparation of written monthly progress reports to the State;

E. Meetings with an Advisory Committee on a regularly scheduled basis; and

F. Preparation of required reports as outlined in the General Appropriations Act (ATTACHMENT-A) and for Special Project Monitoring (ATTACHMENT-B) to include:

1) A detailed operational work plan submitted for review and approval by the Executive Office of the Governor in consultation with the chairs of the Senate Appropriations Committee and the House Fiscal Responsibility Council:

- outlining the procurement strategy,
- describing the business objectives and expected outcomes to be attained,
- and specifying planned project milestones, deliverables, and expenditures.

2) Quarterly update of detailed operational work plan submitted for review and approval by the Executive Office of the Governor in consultation with the chairs of the Senate Appropriations Committee and the House Fiscal Responsibility Council.

3) A monthly status report describing the progress made to date, actual completion dates, actual costs incurred, and current issues requiring resolution submitted to the chairs of the Senate Appropriations Committee and the House Fiscal Responsibility Council and to the Executive Office of the Governor.

4) Response to Special Monitoring Report filed every 90 days or within 20 days of completion of each project stage given to the State's project manager for the Comptroller/CFO.

Work Location. The selected project manager shall work on-site in Tallahassee, Florida for the duration of the contract.

The above list of tasks should be considered as the basis for the proposal and related pricing. Changes to the list and degrees of responsibility and involvement by the Independent Project Manager may be addressed during negotiations.

1.3 Minimum Qualifications

The state is committed to the successful implementation of this major project and requires a project manager with skills and previous experience commensurate with the project at hand.

Therefore, the state is seeking a project manager with the following qualifications:

- 1) Successful experience in managing the implementation of a large scale ERP; and
- 2) Successful management of a multi-year, multi-million dollar information technology project.

Proposals including a project manager who does not meet the qualifications listed above will **not** be considered favorably. In addition, public sector experience is desirable.

1.4 Resources Available

The delineation of duties between State personnel and the staff of the Independent Project Manager will be worked out during contract negotiations. For planning purposes, the following resources are available at this time:

A. The State will appoint a project manager for FLAIR and CMS Replacement Project. The Independent Project Manager shall report to the State’s appointed Project Manager who will define and refine the responsibilities of the Independent Project Manager. Other team members will be available to the Independent Project Manager including administrative support and subject area experts.

B. All equipment, office furniture, and office space necessary to perform the work will be determined in coordination with the Independent Project Manager and provided by the State.

1.5 Calendar of Events

This procurement process will utilize the following Calendar of Events. The State reserves the right to modify these dates at any time, with appropriate notice to prospective vendors.

<i>May 31, 2002</i>	Distribute ITN to prospective vendors for the Independent Project Manager
<i>June 5, 2002 5:00 p.m. EDT</i>	Last day to submit written questions or requests for changes to the ITN to be addressed at the vendor’s conference
<i>June 07, 2002 9:00 a.m. EDT</i>	Vendors Conference: 200 E. Gaines Street, Room 116, Larson Building Tallahassee, FL 32399 - 0350
<i>June 10, 2002 2:00 p.m. EDT</i>	Last day to submit written inquiries to: <i>Sherry Faircloth</i>

	<i>Department of Banking and Finance 101 E. Gaines Street Fletcher Building Room 117 Tallahassee, FL. 32399-0350 Email: new_flair@mail.dbf.state.fl.us FAX: 850-410-9747</i>
<i>June 13, 2002</i>	Written responses issued
<i>June 20, 2002 2:00 p.m. EDT.</i>	Proposals due and opened: The Department of Banking and Finance 101 E. Gaines Street, Room 117 Tallahassee, FL 32399 – 0350
<i>June 21 – June 24, 2002</i>	Evaluation of proposals
<i>June 26, 2002</i>	Interviews in Tallahassee
<i>June 26-27, 2002</i>	Recommendation of vendors for negotiations posted
<i>June 27, 2002</i>	Negotiations start

Vendors Conference: A Vendors Conference will be held at the time and place stated Section 1.5, the Calendar of Events.

The purpose of the conference is to discuss questions and requests for changes received by the date and time in the Calendar of Events. Other questions or requests for changes arising from the discussion will be addressed to the extent possible in the time allotted and with the information available at the conference. Responses to questions and/or requests for changes discussed at the conference shall not be binding. Only responses and changes issued by the Department in writing as addenda to this ITN shall be binding.

2.0 BACKGROUND INFORMATION

2.1 Overview

NOTE: The following background information is being given to educate prospective vendors about the systems being replaced and the associated data migration and employee training considerations.

For most of the past two decades, the State of Florida has accomplished its budgeting, cash management, accounting, purchasing, payroll, and human resource functions using five stand-alone, legacy information subsystems. Collectively, these five subsystems are known as the Florida Financial Management Information System (FFMIS). Although these subsystems have been maintained and incrementally upgraded, the State of Florida has neither modernized nor replaced the subsystems in a structured and coordinated manner to meet its changing and growing needs.

Issues and concerns with the FFMIS subsystems, including the lack of integration and incomplete reporting capabilities, have developed over the years since the systems were implemented. After several years of research and assessment, the State decided to pursue implementation of a commercial-off-the-shelf (COTS), Enterprise Resource Planning (ERP) system to support its core business functions. The implementation of a purchased ERP system anticipates extensive reengineering of State agencies' business processes to ensure that the benefits of the system would be realized.

The 1999 Legislature authorized a Business Case Study (BCS) to provide the information necessary to make an informed decision regarding the future direction of the State's financial management systems. Information regarding the BCS may be found at: <http://bcs.state.fl.us/>.

After a thorough analysis that included measurement of costs, benefits and risks, the BCS recommended that the State pursue an ERP system to replace the majority of the functionality currently provided by the FFMIS subsystems. Because of the funding deficit, however, this has not occurred. The State is currently moving toward the outsourcing of the human resources and purchasing functions of state government. The replacement of FLAIR and the CMS subsystems will remain a core government function but with the implementation of a purchased ERP system.

In February 2001 the State requested KPMG Consulting to provide a report with an estimate of cost and time to replace only the FLAIR and CMS subsystems. KPMG Consulting based its replacement estimates for these two subsystems upon the information contained in the BCS. The estimate assumes that the universities will not be users of the new system. KPMG Consulting estimated it would cost approximately \$35,884,000 in the first fiscal year and another \$38,582,000 in the second fiscal year to develop a statewide replacement system for FLAIR and the CMS subsystems. The operating costs for the replacement system were estimated to be \$12,000,000 for 4 fiscal years. The report stated that given the size and complexity of the State's information systems, the major enterprise resource planning (ERP) vendors are the most viable candidates for providing application software to replace FLAIR and the CMS subsystems.

One of the key findings of the report was that the State can deploy an ERP accounting and cash management system that serves as the foundation for an enterprise-wide, integrated solution

without incurring significant additional costs associated with the implementation of the entire ERP software solution suite. A key conclusion of the report was that failure to replace FLAIR and the CMS subsystems will leave the state reliant on aging information technology systems which will increasingly limit the ability of the State to implement and manage new programs.

To download a PDF copy of the KPMG Consulting report see the following URL:

http://www.dbf.state.fl.us/flair_replacement

The 2002 Legislature provided within the General Appropriations Act for Fiscal Year 2002-2003 the first year funding for the replacement of FLAIR and the CMS subsystems. The appropriation was based upon the cost estimates from the KPMG Consulting study. The appropriation also assumes the state will finance the cost of the software, hardware, project management and implementation services. The proviso language for the appropriation of funds for FY 2002/2003 for the replacement of FLAIR and the CMS subsystems is included in Attachment A.

2.2 A Brief Description of FLAIR and CMS Subsystems

A. FLAIR – Formerly known as the State Automated Management Accounting Subsystem (SAMAS), FLAIR is a double entry, computer-based general ledger accounting system consisting of four components as follows:

- 1) Departmental Accounting - Maintains agency accounting records and is utilized at the end of each fiscal year to prepare financial statements in accordance with generally accepted accounting principles.
- 2) Central Accounting - Maintains cash basis records and is used by the Comptroller to ensure that expenditures are made in accordance with the legislative appropriations.
- 3) Payroll Accounting - Processes the State's payroll.
- 4) Information Warehouse – A reporting system that allows users to access Central Accounting information and limited Departmental Accounting information in FLAIR.

As with other subsystems developed for statewide use, not all agencies use FLAIR exclusively for their accounting functions. Further, there are numerous specialized accounting methods and systems used by state agencies in addition to FLAIR. FLAIR is a mature subsystem, twenty (20) years old, running on an IBM 9672 RX6 Z/OS platform at the State Comptroller's Data Center (SCDC). FLAIR is fully implemented in 50 state agencies with approximately 14,000+ individual users at 370+ accounting office sites throughout the State. The FLAIR subsystem typically processes 95+ million accounting transactions accounting for a \$50+ billion budget and pays 180,000+ State personnel annually.

B. CMS – The Treasurer receives and disburses funds, invests available balances, performs related accounting functions, cash management operations and consultations. The Treasurer operates separate systems to carry out its responsibilities of monitoring cash levels and activities in State bank accounts, for keeping detailed records of cash transactions and investments for State agencies, and paying of warrants and other payments issued by the State Comptroller.

All of these functions are accomplished utilizing client server applications developed by Treasury staff. These applications run on an IBM AS400 platform purchased in 1994 and upgraded in 1998 to a 64 bit, 620 model; an IBM 730 AS400 is utilized for cash management transactions on the Web. File transfer protocol is used to exchange information with the

Comptroller's Office, Department of Revenue, other State agencies and business partners, i.e., financial institutions. The CMS has 26 individual users in the Treasury.

Effective January 7, 2003, the Office of Comptroller and the Office of Treasurer are merged into a new Constitutional office of Chief Financial Officer (CFO). The CFO will then be responsible for ownership and operation of the FLAIR and CMS subsystems.

2.3 Inadequacies of FLAIR and CMS Subsystems

Currently FLAIR and the CMS subsystems are not integrated. They are both stand-alone systems. Data is transferred between the two systems through interfaces.

The FLAIR and the CMS subsystem are outmoded and need to be replaced with modern software. The existing financial management systems with which the State of Florida conducts its payroll, accounting, and cash management functions were developed using 1970's and 1980's technology. They are not meeting the State's needs. For example, the current state accounting system and its chart of accounts were designed to capture expenditure information by organizational entity and object of expenditure rather than by activity or unit of output. FLAIR cannot provide policy makers information on how state agencies expend appropriated funds on their activities or how state services costs vary between program components or between state agencies.

In addition, these systems lack modern financial management tools thus causing the users to establish shadow systems to manage their financial responsibilities as best as they can. State agencies that receive federal funds find themselves increasingly unable to satisfy federal grant and other reporting requirement requirements. FLAIR and the CMS cannot fully exploit the use of the Internet to conduct the high volume day-to-day data transactions input by their users.

The volume of transactions processed by FLAIR far exceeds its original design capabilities. The number of transactions processed in FY 2000-2001 was 99,866,822. The number of transactions processed in FY 1983-84 (the first year of full implementation) was 23,624,086. This represents a 322.7% increase in the number of transactions processed by FLAIR since its inception.

FLAIR and the CMS are fragile legacy systems that have been patched and repaired many times. There is a shortage of skilled technical staff to support these two legacy systems. It is very difficult to recruit, train and retain qualified staff because FLAIR and the CMS subsystems are not state-of-the-art systems. Some of the key staff that provide support to these legacy systems are nearing retirement age. As the staff retires or moves on to other job opportunities, they take with them years of institutional knowledge that cannot be replaced. The State is in jeopardy of suffering a catastrophic failure of these systems if they are not soon replaced.

3.0 PROPOSAL PROCESS

3.1 Submittal Procedure

Vendors are invited to submit SEALED proposals in accordance with the requirements outlined in this document. The proposals are required to address all aspects of this ITN. The vendor must submit:

- One (1) original proposal in hard copy form - clearly marked “Original”;
- Ten (10) paper copies; and
- One (1) copy on disk using Microsoft Word, Version 7.0 or higher to the procurement administrator below:

*Sherry Faircloth
Department of Banking and Finance
101 E. Gaines Street
Room 117, Fletcher Building
Tallahassee, FL. 32399-0350
FAX: (850) 410-9747*

Only one paper copy needs to contain original signatures of company representatives on the document titled “State of Florida Invitation to Negotiate Form PUR 7105.” Form may be found at <http://www.myflorida.com/myflorida/business/getitdone/pur7105.pdf>.

Packages/boxes containing the ITN’s should be clearly marked as follows: “Proposal for Independent Project Manager, ITN BF-09/2001-2002”.

Proposals must be received by *the date and time noted on the Calendar of Events*. Proposals received after this deadline will not be considered. Vendors may submit their proposal any time prior to the above stated deadline.

Vendor inquiries concerning this ITN should be submitted to the aforementioned authorized state representative by e-mail at new_flair@mail.dbf.state.fl.us on or before the deadline shown in Section 1.5 Calendar of Events.

3.2 Proposal Format

Proposals submitted in response to this ITN should comply with the following format.

3.2.1 Letter of Transmittal

The letter of transmittal should be limited to two (2) pages and include:

- A brief statement of the vendor’s understanding of the work to be done;
- The names, titles, addresses (including e-mail), and telephone numbers of the individuals who are authorized to make representations on behalf of the vendor;
- A statement that the person signing the transmittal letter is authorized to legally bind the vendor;
- Signature of person(s) authorized to legally bind the vendor; and

- A statement that this proposal and the total dollar cost bid contained therein shall remain firm for a period of one year from receipt.

3.2.2 Forms

Two forms must be completed and included. Only the one original proposal needs an original signature; the ten copies can be photocopies of the original forms.

- PUR 7105 (<http://www.myflorida.com/myflorida/business/getitdone/pur7105.pdf>) must be returned and signed by the appropriate authorized representative. General conditions of the PUR 7105 will become terms and conditions of contract.
- The Vendor Contact, available in Attachment C, should be filled out and included in the proposal.

3.2.3 Title Page

The title page should include:

“FLAIR and CMS Replacement Project Independent Project Manager, ITN BF-09/2001-2002”;
and

Name and address of the vendor.

3.2.4 Table of Contents

A table of contents should be included to reference proposal contents by section to the appropriate pages.

3.2.5 Executive Summary

The executive summary should be limited to no more than five (5) pages and should provide a concise summarization of the services being offered to meet the State’s needs, the vendor’s approach to providing the services, and documentation as to why the vendor is best qualified to perform this engagement.

3.2.6 Project Management Approach

The vendor should describe their approach to addressing the requirements identified in paragraph 1.2, Scope of Work including the composition of the vendor’s team (if applicable) and their various duties, the approach to working with the State staff and other information necessary for understanding how the vendor will accomplish the requested work.

Include a staffing plan to accomplish the following activities:

ACTIVITY	PROPOSED COMPLETION DATE
• Develop procurement strategy	08/05/02
• Develop detailed operational plan	09/17/02
• Selection and procurement of software and implementation services	12/31/02
• Implementation (including design and configuration, data conversion, etc.)	01/01/04
• User training and agency transition	06/30/04

Innovative ideas: The Department does not want to limit the vendor's innovations or creativity in preparing a proposal to accomplish the tasks outlined in Section 1.2 Scope of Work. Innovative ideas, new concepts and arrangements other than those requested here will be considered. For example, these might include unique business features, special services, discounts or terms and conditions specific to each vendor. The cost associated with each shall be fully disclosed in the price proposal.

3.2.7 Personnel and Qualifications

The vendor shall provide information to indicate that both the responding organization **and** the staff proposed for this project have experience in providing services requested in the ITN. Specifically, the vendor shall provide:

1. An overview and brief history of the vendor;
2. A narrative description documenting how the proposed individual(s) meet the minimum qualifications, including:
 - Proposed individual's experience with a fully integrated ERP projects;
 - Proposed individual's experience in performing requirements studies and developing procurement instruments for ERP projects;
 - Proposed individual's experience in software evaluation and contract negotiations for an ERP system; and
 - Proposed individual's experience in both independent project management and quality assurance in an ERP system.
3. A resume for the project manager and/or each team member to include, but not limited to:
 - Proposed individual's certifications and/or any special designations;
 - Proposed individual's relevant previous work experiences (documenting their qualifications to meet the state's minimum requirements);
 - Proposed individual's educational backgrounds; and
 - Proposed individual's experience in dealing with diverse groups of people including internal and external customers.
4. A narrative describing major public sector Information Technology management experience.

Any proposed individuals who are not employees of the vendor and who would be serving as subcontractors should be clearly identified as such.

3.2.8 References

The vendor must provide references for similar projects performed both by the vendor and by the individual(s) being proposed within the last five years and all projects used to meet the minimum qualifications. Information to be provided should include, but not be limited to:

- Customer name;
- Project description;
- Name of staff assigned to the customer's engagement that are being proposed and his/her role and responsibilities at the reference account;
- Customer contact name, title, telephone number, and e-mail;
- Original project schedule and actual completion/final implementation date;
- Original Project budget and total cost with savings/over expenditures documented; and
- Lessons learned (what worked or didn't work, and what to do or not to do next time).

References may be contacted and their comments considered in conjunction with the evaluation of the proposal. References that we are unable to reach or negative references may be cause to reject a proposal.

3.2.9 Financial Stability

Provide information on your company's financial strength and capabilities.

A. Include evidence of sufficient financial resources and stability to provide the services sought, including e.g., audited financial statements, that includes balance sheets and income statements for the past two fiscal years. Break out subsidiary data if the proposer is part of a larger entity.

B. The proposer must provide information on any pending litigation, investigation or proceedings in which a court or administrative agency is addressing any question relating to the professional activities of the proposer within the last five years and as to any litigation or administrative proceeding in which the proposer was a party in any matter related to the professional activities of the proposer during the three years prior to the date of this ITN.

3.2.10 Cost Proposal - Separate SEALED Envelope

The State desires a fixed price contract for the requested services. Vendors must provide the total dollar cost to perform the services identified in this ITN.

For the purposes of proposal, assume the period will be a two year period starting upon execution of the contract and running through June 30, 2004. This includes all activities described in paragraph 1.2. For the purposes of pricing, assume that the following activities take place during this period:

- Selection of the software and implementation vendors,
- Design work for the ERP implementation,
- Configuration and testing,
- Completion of Project team training and development of end user training ,
- Technical infrastructure design and implementation, and

- Change management process.

Prices and contract terms beyond June 30, 2004 will be negotiated according to section C. below.

A. Total Cost

The total dollar cost shall be submitted in a separately sealed envelope and shall contain a fixed price relative to performing the services as described in this ITN. The state will not reimburse any travel expenses unless approved by the State Project Manager. All travel will be reimbursed will be according to Section 112.061. The State will not pay for any travel or per diem for trips between a person's home or office and Tallahassee.

The first page of the total dollar cost shall include the following information:

1. Name of vendor.
2. Certification that the person signing the proposal is entitled to represent the vendor, empowered to submit the, and authorized to sign a contract with the State.
3. A total dollar cost (contract inception through June 30, 2004)

B. Cost Worksheet

The second page of the total dollar cost should be a cost work sheet similar to Attachment E which includes a schedule of professional fees and expenses that supports the total dollar cost. The schedule should contain a detail of hourly or daily rates charged for each individual multiplied by the hours or days anticipated for each.

It should be noted that this is to be considered a salaried position/fixed-price project. More than 40 hours per week are anticipated in order to successfully implement the project.

C. Rates for Additional Professional Services

If it should become necessary for the State to request the vendor to render any additional services to either supplement the services requested in this ITN or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an amendment to the contract between the State and the vendor. Any such additional work agreed to between the State and the vendor shall be performed at rates equal to or less than those set forth in the schedule of fees and expenses included in the total dollar cost bid.

D. Manner of Payment

Progress payments will be made during the course of the project in accordance with the negotiated contract. Interim billing shall cover a period of not less than a calendar month.

The State reserves the right to withhold a portion of each payment based on the negotiated contract.

3.2.11 State Proposed Contract

A final agreement will be negotiated with the Department resulting from a response to this ITN. This ITN does not provide a complete understanding of the Department business environment, nor does it contain all matters upon which an agreement must be reached. The Department reserves the right to include additional or modified legal terms and conditions. Terms and conditions of the proposed Contract are attached as Attachment I.

3.3 Alternate Proposals

A vendor may submit more than one proposal. Each alternate proposal must be separately sealed and identified as an alternate proposal, and its technical and cost sections must be identified and packaged in accordance with the instructions in this section.

3.4 Procurement Rules

3.4.1 This ITN will be conducted according to Rules 28-110 and 60A-1, Florida Administrative Code.

3.4.2 The vendor must sign the PUR 7105 (cover form). Signing the form indicates that the vendor agrees to the terms and conditions of the ITN.

3.4.3 The vendor is solely responsible for the accuracy and completeness of the response. Errors or omissions may be grounds for rejection of the proposal.

3.4.4 A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids 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 in excess of the threshold amount provided in Section 287.017, Florida Statutes for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

3.4.5 The employment of unauthorized aliens by any contractor is considered a violation of section 274A(e) of the Immigration and Nationalization Act. If the contractor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of the contract.

3.4.6 The State reserves the right to accept or reject all or part of any proposal, waive minor irregularities and award the contract to the contractor or contractors which best meets the State's unique requirements. The State reserves the right to negotiate issues it discovers at any step in the process.

3.4.7 The vendor is responsible for all costs associated with developing its proposal, participating in presentations and interviews, and negotiations.

3.4.8 Certain meetings of the evaluation team may fall under the provisions of Section 286.011, Florida Statutes (Open Meetings). These meetings will be noticed on the Department of Banking and Finance Web page at http://www.dbf.state.fl.us/flair_replacement or shall be posted as otherwise provided by law. The vendor will not hold discussions or seek information about this ITN from any evaluation team member or the Department, except in public meetings or through the Authorized State Representative, prior to negotiations.

3.4.9 Identical Tie Proposal Certification

If the vendor qualifies for a tie proposal preference under Sections 287.082, 287.092, 287.087, and 287.057(11), Florida Statutes, the vendor must sign and return the attached Certification. (Attachment F).

In addition to the requirements of the Conditions of this ITN, the State shall not be obligated to pay for information obtained from or through any vendor.

3.5 Amendment to the ITN

If it becomes necessary to amend any part of this ITN, amendment(s) will be posted on the Florida Vendor Bid System at http://fcn.state.fl.us/owa_vbs/owa/vbs_www.search.criteria_form using BF-09/2001-2002 in the NUMBER field on the search screen. It is the responsibility of all participants to monitor this site for new and changing information.

3.6 Vendor Inquiries

3.6.1 The vendor shall examine this ITN to determine if the State's requirements are clearly stated. If, after examination of the conditions and requirements of this ITN, there are any requirements which remain unclear or which restrict competition, the vendor, in writing, may request of the State that the specifications be clarified or changed. Such inquiries must be submitted in accordance with the time criteria specified in paragraph 5 of the General Conditions in PUR 7105. This is reflected in the "Calendar of Events."

3.6.2 The vendor who requests such changes to the State specifications must provide the Section(s), Subsection(s), Paragraph(s), and page number(s) that identify and describe the vendor's difficulty in meeting the State specifications. The vendor must provide detailed justification for a change, and must recommend specific changes to the State's requirements.

3.6.3 A vendor's failure to request changes by the time described above shall be considered to constitute vendor's acceptance of State's specifications. The State shall determine what requested changes to this ITN are acceptable. The State shall issue an addendum reflecting any changes to this ITN, which shall be sent to all vendors.

3.7 Protest

Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

3.8 Addition/Deletion of Items

The State reserves the right to add or delete any commodity or service from this ITN or resulting contract when deemed to be in the State's best interest.

3.9 Proposal Due Date and Submission

3.9.1 Proposals shall be prepared in accordance with Section 3, PROPOSAL PROCESS and submitted in sealed envelopes.

3.9.2 Proposals are due at the time and date specified in Section 1.5 "Calendar of Events." Proposals will be accepted up to, and no proposals may be withdrawn after, the deadline for Proposal submission time and date shown in the "Calendar of Events."

3.10 Proposal Opening Date

Proposals will be opened in the room on the date and at the time shown in the "Calendar of Events."

3.11 Late Proposals

Proposals and modifications received after the date and time set for submission will not be considered and will be returned unopened.

3.12 Proposal Validity Period

Any submitted proposal, including costs, shall remain a valid proposal for twelve months after the proposal submission date.

3.13 Posting of Recommended Selection

The recommended selection(s) for negotiation and intent to award will be posted in the Department of Banking and Finance, Room 117, Fletcher Building and on the Department's Web page at http://www.dbf.state.fl.us/flair_replacement and will remain posted for a period of seventy-two (72) hours.

3.14 Economy of Presentation

Each proposal shall be prepared simply and economically, providing a straightforward, concise description of the vendor's capabilities to satisfy the requirements of this ITN. Fancy bindings, colored displays, and promotional material are not desired. Emphasis in each proposal must be on completeness and clarity of content.

4.0 EVALUATION PROCEDURES

4.1 Evaluation Process

Written proposals will be reviewed and evaluated by the Evaluation Committee. The Evaluation Committee will be comprised of State personnel. The Evaluation Committee will evaluate proposers based on the written proposals, interviews and reference checks, and other verifications as required.

Based on the evaluation criteria, some vendors will be selected for an interview.

The Evaluation Committee may recommend one or more vendors for negotiation based upon the criteria set forth in the ITN. The Department of Banking and Finance will conduct negotiations. The State Comptroller will make the final selection based on the outcome of negotiations.

4.2 Review of Proposals

The State reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

4.3 Evaluation Criteria

Proposals shall be evaluated using three sets of criteria:

- Preliminary Qualifications
- Technical Qualifications
- Total Dollar Cost Bid

4.3.1 Preliminary Qualifications

- The vendor submits all forms and signatures outlined in Section 3.2.
- The vendor has no conflict of interest. A signed statement must also be included indicating that the provider does not possess a conflict of interest as described in Chapter 112, Florida Statutes. The Provider must disclose the name of any officer, director, stockholder, or agent who is also an employee of the State of Florida, or any of its agencies. Further, the Provider must disclose the name of any State employee who also, directly or indirectly, has an interest of five percent (5%) or more in the Provider's firm or any of its subsidiaries. No Department staff shall have any interest in or receive directly or indirectly, any compensation from the Provider's firm or any of its subsidiaries. This shall be an ongoing requirement, and failure to comply will subject the contract to cancellation or reimbursement of all dollars paid under the contract. (Attachment D)
- The vendor is not on the Public Entity Crimes list as outlined in Section 3.4.4 above.
- The vendor is not on the discriminatory vendor list as outlined in accordance with Section 287.34, Florida Statutes, which provides that an entity of affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on lease of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or

consultant under contract with any public entity, and may not transact business with any public entity.

- Satisfactory financial stability pursuant to Section 3.2.9.

Vendors failing to meet the “Preliminary Qualifications” will receive no further evaluation.

4.3.2 Technical Qualifications

Each evaluator will assign a maximum of seventy five (75) points for technical qualifications (see Attachment G for Evaluation Criteria). Points will be awarded based on the vendor’s experience and performance on comparable engagements, and the vendor’s approach to the project, work plan and deliverables.

4.3.3 Total Dollar Cost

The maximum points to be awarded for cost are twenty-five (25) points. A total of twenty-five (25) points will be assigned to the vendor with the lowest costs for performing the activities listed in Section 1.2 Scope of Work as presented in the Sealed Cost Proposal. The other vendors will receive a weighted score determined by multiplying twenty-five (25) times the ratio of the lowest cost to the other vendor’s cost. For example, vendor A submits the lowest cost of \$1,000,000 and vendor B submits a cost of \$2,000,000. Vendor A is awarded 25 points and vendor B is awarded 12.5 points ($25 * (\$1,000,000 / \$2,000,000)$).

4.3.4 Ranking

Each member of the evaluation committee will rank candidates based on 4.3.2 and 4.3.3 above. Initial or tentative rankings will be assigned, based on a review of written proposals. It is expected that tentative or initial rankings will be updated and revised during the evaluation process, prior to a determination of final rankings. Based on initial rankings some candidates (but not necessarily all candidates) will be interviewed by the evaluation committee. Ordinal rankings for proposed vendors will be determined upon completion of candidate interviews. Ordinal rankings by each evaluator shall be based on the evaluation criteria (and assigned point scores) in 4.3.2 and 4.3.3 above. Final rankings shall be determined by the sum of the ordinal rankings of all committee members.

4.4 Right to Reject Proposals

The State reserves the right, without prejudice, to reject any or all proposals at any time during the submission and evaluation process. The Department reserves the right to conduct any investigation of the qualifications of any vendor submitting a proposal, request additional information or waive any minor irregularity in proposals received.

5.0 ADDITIONAL REQUIREMENTS

5.1 State Licensing Requirements

All corporations seeking to do business with the State shall, at the time of submitting a proposal in response hereto, either be on file or apply for registration, with the Florida Department of State in accordance with the provisions of Chapter 607, Florida Statutes. A copy of the registration/application must be furnished when submitting the proposal. Similarly partnerships seeking to do business with the State shall, at the time of submitting such a proposal, have complied with the applicable provisions of Chapter 620, Florida Statutes. A statement shall be required indicating that the vendor is a corporation or other legal entity. If subcontractors are used, a statement is required indicating that all subcontractors are registered with the State in accordance with Chapter 607 or 620, Florida Statutes, providing their corporate charter numbers. For additional information contact the Authorized State Representative as listed in Section 3.1.

5.2 Performance Bond Required of Selected Vendor

No proposal bond is required. No later than 30 days after final contract execution, the selected vendor shall provide a performance bond issued by a bonding company acceptable to the State. The performance and payment bond is to protect State against any loss sustained through failure of vendor or any of its employees to faithfully perform the services required by the Agreement.

5.3 ADA Requirements

If a special accommodation is needed, please advise the Authorized State Representative identified in Section 3.1 of this ITN, no later than two working days prior to the event. If you are hearing or speech impaired, please contact the above office by using the Florida Relay Services which can be reached at (800) 955-8771 (TDD).

5.4 Criminal Records Check

The contractor's staff assigned to support this project shall be subject, at the State's discretion and expense, to a Florida Department of Law Enforcement (FDLE) Florida Crime Information Center/National Crime Information Center (FCIC/NCIC) criminal records check. This records check may be conducted at any time during the contract period. The State has full discretion to disqualify, prevent, or remove any staff from any work under the contract. The State is under no obligation to inform the contractor of the records check findings or the criteria for disqualification or removal. In order to carry out this records check, the contractor shall provide, upon request, the following data for any individual contractor or subcontractor's staff assigned to the contract resulting from this ITN: full name, race, sex, date of birth, Social Security Number, and driver's license number and state of issue. Information provided shall be in compliance with disclosure requirements permitted by State and Federal law.

5.5 Governing Law

Florida law will govern any disputes that may arise in connection with this solicitation. Any causes of action whether administrative or judicial (State or Federal) shall be brought in the

appropriate forum located within Leon County, Florida or the forum nearest to Tallahassee, Florida.

5.6 Confidential Information

In connection with any contract, which results from this negotiation, each party may have access to confidential information made available by the other. Each party shall protect such confidential information in the same manner as it protects its own confidential information of like kind. Disclosure of any confidential information received by the State of Florida will be governed by the provisions of the Florida Public Records Act, Chapter 119, Florida Statutes.

5.7 Changes in Personnel

In the event it becomes necessary for the contractor to substitute key personnel, such substitution will take place in consultation with the State and will be made upon the State's prior approval, which will not be unreasonably withheld.

5.8 Intellectual Property

Any ideas, concepts, know-how, data processing techniques, software, documentation, diagrams, schematics or blueprints developed by contractor personnel in connection with Services provided to the State will be the exclusive property of the State. Any joint or future software development effort will be subject to a separate agreement signed by State and the contractor, wherein all ownership and license rights to such developed product shall be specified in detail. In the absence of such agreement, each party shall maintain sole ownership of its own protectable proprietary materials, which are developed or owned solely by State or the contractor, respectively. Nothing in this Agreement shall affect in any way the contractor, or third party, ownership of all right, title and interest in and to any existing contractor, or third party, system software, application software, routines, techniques, ideas or formulae which may be utilized in whole or in part by the contractor in performing services for State, or any modifications, enhancements or derivative works thereof, which shall remain solely the property of the contractor.

5.9 Insurance, Worker's Compensation

The contractor shall take out and maintain during the life of this agreement, Worker's Compensation Insurance for all of his employees connected with the work of this project and, in case any work is sublet, the contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the contractor. Such insurance shall comply fully with the Florida Worker's Compensation law.

5.10 Public Records

The department may unilaterally cancel this agreement for refusal by the contractor to allow public access to all documents, papers, letters, or other material made or received by the contractor in conjunction with the contract, unless the records are exempt from s. 24(a) of Art. I of the State Constitution and s. 119.07(1)F.S.

ATTACHMENT–A - FISCAL YEAR 2002-2003 GENERAL APPROPRIATIONS ACT

FUNDING FOR THE FLAIR AND CASH MANAGEMENT SYSTEM REPLACEMENT PROJECT

2168B Lump Sum State Automated Accounting System

Positions 4

From General Revenue Fund \$1,989,000

From Trust Funds \$34,145,000

Funds and positions provided in Specific Appropriation 2168B are for the Statewide Accounting System (FLAIR) and Cash Management System Replacement Project. This appropriation represents the first year funding for a project that is estimated will take two years to implement. The appropriation contemplates that third party financing will be utilized to fund the two year project costs associated with the software, hardware, and implementation services for the FLAIR and Cash Management System Replacement Project. Up to 25% of the General Revenue Funds provided in Specific Appropriation 2168B may be released prior to the development of a detailed operational work plan so that the Department of Banking and Finance may hire staff and contract for the services of an Independent Project Manager. Prior to release of the remaining funds, the Department of Banking and Finance must prepare a detailed operational work plan outlining the procurement strategy, describing the business objectives and expected outcomes to be attained, and specifying planned project milestones, deliverables, and expenditures. The operational work plan shall be updated quarterly and submitted for review and approval by the Executive Office of the Governor in consultation with the chairs of the Senate Appropriations Committee and the House Fiscal Responsibility Council. Funds released for this project may not exceed the amounts needed for Fiscal Year 2002-2003 pursuant to the approved operational work plan.

The Department of Banking and Finance must submit to the chairs of the Senate Appropriations Committee and the House Fiscal Responsibility Council and to the Executive Office of the Governor a monthly status report describing the progress made to date, actual completion dates, actual costs incurred, and current issues requiring resolution.

Of the trust funds provided in Specific Appropriation 2168B, \$500,000 shall be transferred to the Legislative Technology Review Workgroup for project monitoring pursuant to s. 282.322, Florida Statutes after the approval of the detailed operational work plan.

ATTACHMENT- B - SPECIAL PROJECTS MONITORING

282.322 Special monitoring process for designated information resources management projects. --

(1) For each information resources management project which is designated for special monitoring in the General Appropriations Act, with a proviso requiring a contract with a project monitor, the Technology Review Workgroup established pursuant to s. 216.0446, in consultation with each affected agency, shall be responsible for contracting with the project monitor. Upon contract award, funds equal to the contract amount shall be transferred to the Technology Review Workgroup upon request and subsequent approval of a budget amendment pursuant to s. 216.292. With the concurrence of the Legislative Auditing Committee, the office of the Auditor General shall be the project monitor for other projects designated for special monitoring. However, nothing in this section precludes the Auditor General from conducting such monitoring on any project designated for special monitoring. In addition to monitoring and reporting on significant communications between a contracting agency and the appropriate federal authorities, the project monitoring process shall consist of evaluating each major stage of the designated project to determine whether the deliverables have been satisfied and to assess the level of risks associated with proceeding to the next stage of the project. The major stages of each designated project shall be determined based on the agency's information systems development methodology. Within 20 days after an agency has completed a major stage of its designated project or at least 90 days, the project monitor shall issue a written report, including the findings and recommendations for correcting deficiencies, to the agency head, for review and comment. Within 20 days after receipt of the project monitor's report, the agency head shall submit a written statement of explanation or rebuttal concerning the findings and recommendations of the project monitor, including any corrective action to be taken by the agency. The project monitor shall include the agency's statement in its final report, which shall be forwarded, within 7 days after receipt of the agency's statement, to the agency head, the inspector general's office of the agency, the Executive Office of the Governor, the appropriations committees of the Legislature, the Joint Legislative Auditing Committee, the Technology Review Workgroup, the President of the Senate, the Speaker of the House of Representatives, and the Office of Program Policy Analysis and Government Accountability. The Auditor General shall also receive a copy of the project monitor's report for those projects in which the Auditor General is not the project monitor.

(2) The Enterprise Project Management Office of the State Technology Office shall report any information technology projects the office identifies as high-risk to the Executive Office of the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriations committees. Within the limits of current appropriations, the Enterprise Project Management Office shall monitor and report on such high-risk information technology projects, and assess the levels of risks associated with proceeding to the next stage of the project.

ATTACHMENT-C – VENDOR CONTACT FORM

Company Name: _____

Contact Person: _____

Street Address: _____

City, State, Zip: _____

Telephone: _____

Email Address: _____

Fax: _____

ATTACHMENT-D – NOTICE OF CONFLICT OF INTEREST

Company or Entity Name _____

For the purpose of participating in the Invitation to Negotiate process and complying with, the provisions of Chapter 112, Florida Statutes, the undersigned corporate officer states as follows:

The persons listed below are corporate officers, directors or agents and are currently employees of the State of Florida or one of its agencies:

_____	_____
_____	_____
_____	_____

The persons listed below are current State employees who own an interest of five percent (5%) or more in the company/entity named above:

_____	_____
_____	_____
_____	_____

The above information is true and correct to the best of my knowledge. Signed on this _____, day of, _____, 2002.

Signature

Print Name and Title

ATTACHMENT-E - SAMPLE COST WORKSHEET

Vendor Name: _____

For each fiscal year, July 1 to June 30, reflect the number of hours and other costs that make up the Total Cost for the services delineated in the Scope of Work, Section 1.2, including the implementation procurement, project management including reports such as the workplan for the Legislature and Executive Office of the Governor, status reports (monthly), quarterly workplan updates and major stages reports.

Type of Personnel and Rates:

Independent Project Manager (lead)	\$____/hour
_____	\$____/hour
_____	\$____/hour
_____	\$____/hour

Fiscal year 2002-2003

Independent Project Manager (lead)	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____

Miscellaneous costs:

_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____

TOTAL for FY 2002-2003

TOTAL _____

Fiscal year 2003-2004

Independent Project Manager (lead)	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____

Miscellaneous costs:

_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____
_____	\$____/hour	_____ hours	TOTAL _____

TOTAL for FY 2003-2004

TOTAL _____

TOTAL for Project

TOTAL _____

ATTACHMENT-F - IDENTICAL TIE PROPOSAL CERTIFICATION

**DEPARTMENT OF BANKING AND FINANCE
IDENTICAL TIE PROPOSAL CERTIFICATION**

Preference shall be given to the vendor, in the event of identical tie bids, who (check the applicable block) certifies one or more of the following:

- 1. the response is from a certified minority-owned firm or company;
- 2. the commodities are manufactured, grown, or produced within this state;
- 3. businesses with drug-free workplace programs. Whenever two (2) or more bids/RFP's which are equal with respect to price, quality and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid/RFP received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie bids/RFPs will be followed if none of the tied vendors have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:
 - 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
 - 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs and the penalties that may be imposed upon employees for drug abuse violations.
 - 3) Give each employee engaged in providing the commodities or contractual services that are under bid/RFP's a copy of the statement specified in subsection (1).
 - 4) In the statement specified in subsection (1), notify the employees, as a condition of working on the commodities or contractual services that are under bid/RFP's, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any State, for a violation occurring in the workplace no later than five (5) days after such conviction.
 - 5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community by any employee who is so convicted.
 - 6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above-selected requirements. (If item 3 above is selected, subsections "1" through "6" have been met.)

Contractor's Name: _____

Authorized Signature: _____

ATTACHMENT-G - EVALUATION CRITERIA

TECHNICAL CRITERIA	POINTS
Experience	MAXIMUM 40
(reference sections 3.2.7 and 3.2.8 of ITN)	
Project Management Approach	MAXIMUM 30
(reference sections 3.2.5 and 3.2.6 of ITN)	
Innovative Ideas	MAXIMUM 5
(reference section 3.2.6 of ITN)	
TOTAL TECHNICAL CRITERIA	MAXIMUM 75
TOTAL COST POINTS CALCULATED	MAXIMUM 25
GRAND TOTAL EVALUATION POINTS	MAXIMUM 100

ATTACHMENT-H - ITN PROPOSAL PREPARATION CHECKLIST

This checklist is provided to assist the vendors in preparation of the responses. Because this checklist is just a guideline, the vendor must read and comply with the ITN in its entirety.

Check off each of the following:

- 1. The ITN has been manually signed and completed, with sufficient copies and disk copy in a SEPARATE SEALED ENVELOPE.
- 2. The SPURS Vendor Number has been entered in the space provided on PUR 7105.
- 3. The following have been included and signed if required:
 - Letter of Transmittal
 - Title Page
 - Table of Contents
 - Executive Summary
 - Project Management Approach
 - Staffing Plan
 - Personnel and Qualifications
 - References
 - Financial Statements (previous 2 fiscal years)
 - PUR 7105 ITN Acknowledgement Form
 - Attachment C –Vendor Contact Form
 - Attachment D- Conflict of Interest Form
 - Attachment E-Cost Proposal and Cost Worksheet in SEPARATE SEALED ENVELOPE
 - Attachment F- Identical Tie Proposal Certification has been read and signed if appropriate
- 4. The price proposal has been reviewed for accuracy and all price corrections have been initialed.
- 5. Format for submission of bid section has been reviewed for compliance with requirements
- 6. Lower left corner of Response Envelope transmitting Technical Proposal and Cost proposal, write in the following information:
 - “ITN No. BF-09/2001-2002
 - Title: FLAIR and CMS Replacement Project
 - Opening Date and Time: _____ [for official use only]”
- 8. Proposal submitted in sufficient time to assure receipt prior to bid opening

This checklist need not be returned with your bid.

ATTACHMENT-I – PROPOSED AGREEMENT

AGREEMENT

THIS AGREEMENT is made and entered into by and between the State of Florida Department of Banking and Finance, Department of Banking and Finance, 101 E. Gaines St., Tallahassee, Florida 32399-0350 ("Department"), and _____, _____, _____, ("CONTRACTOR") on the last date executed below.

WHEREAS, the Department issued its Invitation to Negotiate ("ITN") for FLAIR and CMS Replacement Project-Independent Project Manager, and published notice of the ITN in accordance with current directives; and

WHEREAS, the CONTRACTOR timely submitted its Proposal ("Proposal"), wherein it agreed to provide services as required by the ITN; and

WHEREAS, the Department has determined, after evaluating CONTRACTOR proposal, that it would be in the best interests of the State to award the contract to the CONTRACTOR.

NOW, THEREFORE, in consideration of the foregoing covenants, the parties hereto agree as follows:

1. **Incorporation of ITN and Proposal:** The terms and conditions of the Department's ITN and CONTRACTOR's Proposal, which are attached as Exhibits A and B respectively, are incorporated by reference as if fully rewritten herein. In the event of a conflict between the provisions of the Department's ITN No. BF-09/2001-2002, including PUR 7105, addenda, and any other provisions that may become a part of this Agreement, the terms and conditions of this Agreement and the Department's ITN shall take precedence and govern.

2. **Services to be Provided to the Department:** CONTRACTOR agrees to provide services as the Independent Project Manager for the FLAIR and CMS Replacement Project as required by the ITN and as set forth in its Proposal.

3. **Payment for Services Provided:** The Department will pay CONTRACTOR as provided in the ITN and CONTRACTOR'S PROPOSAL for its Services. The CONTRACTOR shall submit an invoice for its Services in detail sufficient for a proper pre-audit and post-audit thereof. The CONTRACTOR shall be responsible for all services or expenses that it authorizes and incurs. The payment for all such services shall be the sole responsibility of the CONTRACTOR. Fifteen (15%) percent of the payment otherwise due to CONTRACTOR shall be withheld by State until all the services delineated in the scope of work ("Deliverables") have been accepted by State.

4. **Termination of Agreement**

4.1. Default: A party shall be deemed to have defaulted on its obligations under this Agreement if any of the following events occur:

(a) If a party fails to fulfill in a timely and proper manner its obligations under this Agreement, or if a party violates any of the terms of this Agreement, which remain unremedied for a period of 30 days after written notice is provided by the non-breaching party, the non-breaching party shall have the right to terminate this Agreement immediately.

(b) Contractor initiates a proceeding in any court, seeking liquidation, reorganization, debt arrangement, dissolution, winding up, appointment of trustee, receiver, custodian, or the like for substantially all of its assets, and such case or proceeding shall continue undismissed, unstayed and in effect for a period of 60 consecutive days; or an order for relief shall be entered in an involuntary case under the federal bankruptcy laws or other similar laws now or hereafter in effect.

(c) Contractor shall not be deemed to be in default under this Agreement for matters attributable to the Department.

4.2 Public Access: This Agreement may be unilaterally canceled by the Department for refusal by CONTRACTOR to allow public access to all documents, papers, letters, or other materials subject to the provisions of Chapter 119, Florida Statutes, and made or received by CONTRACTOR in conjunction with this Agreement.

4.3 Termination for Convenience: The State, at its option and discretion, may terminate Services to be provided under this Agreement at any time, without default on the part of the parties, by giving a written notice to CONTRACTOR of at least thirty (30) days prior to the effective date of termination stated in the notice. In the case of any termination under this Section CONTRACTOR shall be paid for all satisfactory Services and transitional services performed in accordance with 215.422, Florida Statutes, prior to such termination. In order to receive such payment, CONTRACTOR must provide all work product then in progress to the State. In the event of such termination, CONTRACTOR will be paid the Holdback Amounts withheld to the time of such termination.

5. **Term of Agreement:** This Agreement is for an initial term of two (2) years. This Agreement may be renewed for a maximum of two (2) years. Any renewal of this agreement shall be contingent upon satisfactory performance evaluations by the Department and subject to the appropriation of funds for renewal periods.

6. **State's Performance and Obligation to Pay:** The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature, and consistent with provisions of the Proviso requirements of Attachment A to the ITN.

7. **Acceptance of Deliverables:** The Contractor shall permit persons duly authorized by the Department to inspect any records, papers, documents, facilities, goods and services of the Contractor, which are relevant to this Agreement, and interview any clients and employees of the Contractor to be assured of satisfactory performance of the terms and conditions of this Invitation to Negotiate. The Department shall be permitted access to such records only as authorized or permitted by federal law and the laws of the State of Florida. Following such inspection, if any, the Department will accept the services delineated in the scope of work ("Deliverable") in writing or deliver to the Contractor within 15 days, or provide in writing a list of its comments with regard to the deficiencies in the manner in which said goods or services are being provided. The Contractor will rectify all noted deficiencies provided by the Department within 15 days or provide the Department with a reasonable and acceptable justification for not correcting the noted shortcomings. The Contractor's failure to correct or justify within fifteen (15) days may result in the withholding of payments, being deemed in breach or default, or termination of this Agreement. The Department shall have 15 days to inspect the Deliverables and comment, in writing, on any deficiencies; absent which the Deliverables shall be deemed accepted.

Once accepted, Contractor shall be entitled to rely on such approval for subsequent stages of work performed hereunder.

8. **Contract Modification:** This Agreement, the Department's ITN, and CONTRACTOR's Proposal set forth the entire agreement of the parties. No verbal understanding between the parties that is at variance with the printed terms of this Agreement, the Department's ITN, and CONTRACTOR's Proposal that in any way changes, modifies, deletes, or adds such terms or conditions shall be binding unless reduced to writing, made a part hereof, and signed by an authorized representative of both of the parties.

9. **Interpretation of Agreement:** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. In all cases, venue shall be in Leon County, Florida.

10. **Compliance with Federal, State and Local Laws:** CONTRACTOR and all its agents shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, worker's compensation, licenses and registration requirements. CONTRACTOR and its agents, in performing contract work, shall not discriminate against any worker, employee, application or any member of the public because of race, creed, color, age, sex or national origin or otherwise commit an unfair

employment practice. Employment of unauthorized aliens by any contractor is considered a violation of section 247A(e) of the Immigration and Nationalization Act. If the contractor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of the contract.

11. Contract Manager: _____, Department of Banking and Finance, 101 E. Gaines St, Room _____, Tallahassee, Florida 32399-0350, (850) 850/410-_____, or any successor or designee, shall be responsible for enforcing the performance of this agreement and shall serve as liaison with CONTRACTOR. _____, _____, _____, or a successor or designee, shall be the contract manager for the CONTRACTOR. All notices must be given to the parties' Contract Managers. Notices required to be in writing must be delivered or sent to the intended recipient by hand delivery, certified mail or receipted courier and shall be deemed received on the date received or the date of the certification or receipt.

12. Prohibition from Lobbying: CONTRACTOR agrees that no funds received by it under this contract will be expended for the purpose of lobbying the Legislature or a state agency pursuant to Section 216.347, Florida Statutes.

13. Vendor's Rights: Vendors providing goods and services to an agency should be aware of the following time frames. Section 215.422, Florida Statutes, provides that agencies have five (5) working days to inspect and approve goods and services, unless bid specifications or the purchase order specifies otherwise. If payment is not available within forty (40) days, measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, a separate interest penalty set by the Comptroller pursuant to Section 55.03, Florida Statutes, will be due and payable in addition to the invoice amount. To obtain the applicable interest rate, please contact the Agency's Fiscal Section at (850) 410-9401 or Purchasing Office at (850) 410-9961. Invoices returned to a vendor due to preparation errors will result in a payment delay. Invoice payment requirements do not start until a properly completed invoice is provided to the agency. A Vendor Ombudsman, whose duties include acting as an advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a State agency, may be contacted at (850) 410-2924 or by calling the State Comptroller's Hotline at 1-800-848-3792.

14. Additional Services: CONTRACTOR agrees it will provide and will obtain the consent of its Consultants, agents, partners, principals, officers or employees to provide, supporting testimony for litigation purposes, and at a reasonable fee, supporting testimony for any legislative purposes arising from this Agreement.

15. Performance Bond: CONTRACTOR shall furnish State a performance bond in the amount of this Agreement, within thirty days after the effective date of this Agreement. Such bond shall be maintained

throughout the term of the Agreement, issued by a reliable surety which is licensed to do business in the State of Florida and, and must include the following conditions:

(a) Beneficiary - State shall be named as the beneficiary of the bond. CONTRACTOR's bond shall provide that the insurer or bonding company shall pay losses suffered by State directly to State.

(b) Notice of Attempted Change - State shall receive thirty (30) days prior written notice of any attempt to cancel or to make any other material change in the status, coverage or scope of the required bond or of CONTRACTOR's failure to pay bond premiums.

(c) Premiums - State shall not be responsible for any premiums or assessments of the bond.

(d) Purpose of Bond - The performance and payment bond is to protect State against any loss sustained through failure of CONTRACTOR or any of its employees to faithfully perform the services required by the Agreement. No payments shall be made to CONTRACTOR until the performance bond is in place.

16. Records Maintenance: The Contractor shall comply with the record access provisions of Chapter 119, Florida Statutes, and the recordkeeping standards of the Rules of the Department of the State, Division of Library and Information Services, Chapter 1B-26.

17. Warranties: Contractor covenants and warrants as follows:

17(a) It is lawfully organized and constituted under all federal, state and local laws, ordinances, and other authorities of its domicile and is otherwise in full compliance with all legal requirements of its domicile.

17(b) It is possessed of the legal authority and capacity to enter into and perform the Agreement.

17(c) It has been duly authorized to operate and do business in the state of Florida in all places where it will be required to conduct business under the Agreement; that it has obtained, at no cost to the state of Florida, all necessary licenses and permits required in connection with the Agreement and that it will fully comply with all laws, decrees, labor standards, and regulations of its domicile and such other location where performance may occur during the term of the Agreement.

17(d) It has no present interest and shall not acquire any interest, which would conflict in any manner with Contractor's duties and obligations under the Agreement. The commodities and services rendered shall in all respects conform to, and function in accordance with, the specification and designs requested in the scope of work.

18. Confidential Information: In connection with any contract, which results from this Agreement, each party may have access to confidential information made available by the other. Each party shall protect such confidential information in the same manner as it protects its own confidential information of like kind. Disclosure of any confidential information received by the State of Florida will be governed by the provisions of the Florida Public Records Act, Chapter 119, Florida Statutes.

19. Independent Contractor: In the performance of its contract with the Department, the Contractor will be acting in the capacity of an independent contractor, and not as an agent, employee, partner, joint venturer or associate of the Department. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures utilized by the Contractor in the performance of the contract.

20. Assignment: This Agreement shall be binding upon and shall be in benefit of and enforceable by the parties in agreement. Neither the rights nor the obligations of Contractor may be assigned or delegated in whole or in part without the prior written consent of the Department. This agreement may be transferred in the event that the Department is transferred, moved or absorbed by another State of Florida entity, to such succeeding entity.

21. Insurance: CONTRACTOR, its consultants, subcontractors, successors, agents and assigns, shall not commence any work in connection with the Agreement until CONTRACTOR has obtained all of the following types of insurance and submitted insurance certificates to the State. All insurance policies shall be with insurers qualified and doing business in Florida. The Contract Manager shall be furnished proof of coverage of insurance by certificates of insurance accompanying the Agreement documents or with fifteen (15) consecutive business days after execution by both parties of the Agreement naming the State of Florida as additional insured. The policies for Bodily Injury and Property Damage Liability Insurance shall be written to include Contractual Liability Insurance to protect CONTRACTOR against claims from the operations of subcontractors. Certificates of CONTRACTOR's insurance containing evidence of the Hold Harmless Clause protecting the State shall be filed with the State and shall be subject to its approval for adequacy of protection.

21.1 Workers' Compensation Insurance. CONTRACTOR shall take out and maintain during the life of the agreement Workers' Compensation Insurance for all of CONTRACTOR's employees connected with the work of this project and, in case any work is sublet, CONTRACTOR shall require the subcontractor(s) similarly to provide Workers' Compensation Insurance for all of the latter employees

unless such employees are covered by the protection afforded by CONTRACTOR. Such insurance shall comply fully with the Florida's Workers' Compensation Law, under Chapter 440, Florida Statutes. Proof of insurance shall be provided within fifteen (15) consecutive days after the execution of the contract(s) (including amount of coverage, effective date, ending period, and policy number).

21.2 Contractor's Public Liability and Property Damage Insurance. CONTRACTOR shall take out and maintain during the life of this agreement(s) COMPREHENSIVE GENERAL LIABILITY AND COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE as shall protect CONTRACTOR from claims for damage for personal injury, including accidental death, as well as an agreement for anyone directly or indirectly employed by CONTRACTOR and the amount of such Insurance shall be the minimum limits as follows:

- 1) COMPREHENSIVE GENERAL LIABILITY COVERAGE, BODILY INJURY, PROPERTY DAMAGE, \$1,000,000 Combined Single Limits.
- 2) AUTOMOBILE LIABILITY COVERAGE, BODILY INJURY, PROPERTY DAMAGE, \$1,000,000 Combined Single Limits.
- 3) Insuring clause for both BODILY INJURY and PROPERTY DAMAGE shall be amended to provide coverage on an OCCURRENCE BASIS.

21.3 Subcontractor's Public Liability and Property Damage Insurance. CONTRACTOR and/or any subcontractor shall secure and maintain during the term of the Agreement, Comprehensive General Liability and Comprehensive Automobile Liability Insurance and shall provide the State with a certificate of insurance naming the State as an additional insured and shall require the insurance carrier to provide the department thirty (30) days prior notification if any policy is to be canceled or terminated. Such insurance shall protect the State from claims for personal injury, including accidental death, as well as claims for property damages which may arise from operations under this contract whether such operations be by the State or by anyone directly or indirectly employed by the State and or any subcontractor.

21.4 Loss Deductible Clause. The State shall be exempt from and in no way liable for any sums of money which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of CONTRACTOR.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed by their respective representatives on the dates indicated below:

State of Florida
Department of Banking and Finance

Contractor

By: _____

By: _____

William H. Huffcut, Jr.
Assistant Comptroller

_____ [Typed name]
_____ [Title]

Dated: _____

Dated: _____