

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
FLORIDA PALM PROJECT

1718-32 RFQ Florida PALM
Independent Validation and Verification Support Services

Statement of Work
and Request for Quote

**DEPARTMENT OF FINANCIAL SERVICES
REQUEST FOR QUOTES**

1. Purpose.

The Department of Financial Services (Department), through its Florida Planning, Accounting, and Ledger Management (PALM) Project, issues this Request for Quotes (RFQ) to request quotes (Responses) from vendors (Respondents) eligible to provide services under the State Term Contract (STC) No. 80101507-IVV-15-1, Information Technology Independent Verification and Validation, and are able and willing to provide the services in accordance with Attachment 2, Statement of Work. The purpose of this RFQ is to define the scope and requirements for the Information Technology Independent Verification and Validation (IV&V) services being provided to the Department.

2. Objectives.

The Department needs a qualified IV&V Contractor (i.e., selected Respondent) who will report to the Florida PALM Project Director. Day to day direction for the IV&V Contractor will be provided by the Deputy Florida PALM Project Director.

3. RFQ Overview.

The Department releases this RFQ to procure IV&V services using the above referenced STC. The Department intends to select one qualified Respondent based on the Responses. Responses will be evaluated for compliance with the Attachment 2, Statement of Work and the STC. Responses will only be accepted from Respondents who are properly licensed and insured to provide the services. The selected Respondent will enter into a contract with the Department through a PO completed in MyFloridaMarketPlace (MFMP). If the selected Respondent is required to register with the Florida Department of State, Division of Corporations, the registered name must exactly match the name that is registered in MFMP prior to issuance of the PO, otherwise the Respondent shall state the basis for its exemption in writing, prior to issuance of the PO.

4. Resulting PO.

The PO will incorporate the STC; the MFMP Terms and Conditions, available at http://www.dms.myflorida.com/content/download/117735/646919/Purchase_Order_Terms_Sept_1,_2015_.pdf, Attachment 1, Standard Terms and Conditions Applicable to All Purchase Orders; Attachment 2, Statement of Work; Addendum A, Public Records Requirements; Addendum B, Data Security Requirements; and the relevant portions of the awarded Respondent’s Response.

5. Submission of Responses.

- a. **Timeline:** The Department assumes no responsibility for missing or delayed Responses. This RFQ is not subject to the notice or challenge provisions of section 120.573(3), Florida Statutes (F.S.). Interested vendors (Respondents) should respond to this RFQ by submitting a Response through MFMP Sourcing as described in RFQ Section 6, Content of Responses.
- b. Responses are due according to the schedule below:

Activity	Anticipated Date
Issue RFQ	02/23/2018
Deadline to submit written questions via MFMP Sourcing	03/09/2018 at 2:00PM, Eastern Time (E.T.)
Answers to submitted questions	03/22/2018
Deadline to submit Response using MFMP Sourcing	04/05/2018 at 2:00PM, E.T.
Oral presentations or interviews	04/20/2018 – 5/03/2018
Anticipated Award date	05/08/2018
Anticipated Contract start date	06/04/2018

Face-to-Face team presentations/interviews will be conducted as part of the review process. The team presentations/interviews will address contractor experience, qualifications, roles, responsibilities and IV&V

methodology. Team presentations and interviews will be conducted in the Department's facilities in Tallahassee, Florida.

Questions must be in writing, and must be submitted via MFMP Sourcing by 2:00 p.m. eastern time (ET) in accordance with the timeline above.

Respondents must submit Responses electronically using MFMP Sourcing by 2:00 p.m. eastern time (ET) in accordance with the timeline above. The Department assumes no responsibility for missing or delayed Responses.

c. Confidential Response Materials and Redaction Requirements

If the Respondent considers any portion of its Response to be confidential and not subject to disclosure pursuant to Chapter 119, F.S., the Florida Constitution, or other authority (Confidential Information), then the Respondent must simultaneously provide the Department with an unredacted version of the materials and a separate redacted copy of the materials the Respondent claims as Confidential Information or exempt and briefly describe in writing the grounds for claiming exemption from the Chapter 119, F.S., the Florida Constitution, or other authority, including the specific statutory citation for such exemption. The Respondent shall mark the unredacted version of the document as "Unredacted Version – Contains Confidential Information" and place such information in an encrypted electronic form or a sealed separate envelope.

The Redacted copy will be used to fulfill public records and other disclosure requests and will be posted on the Florida Accountability Contract Tracking System (FACTS) website in accordance with section 215.985, F.S., "Transparency Florida Act." In addition, the Department will follow the procedures identified in Addendum A, Public Records Requirements, if the Department receives a further request for Confidential Information or exempt material that has been clearly identified as such in writing by the Respondent.

By submitting a Response, the Respondent agrees to protect, defend, and indemnify the Department for any and all claims arising from or relating to the Respondent's determination that the redacted portions of its Response are Confidential Information or otherwise not subject to disclosure. If the Respondent fails to submit a Redacted Copy of its Response, the Department is authorized to produce the entire unredacted Response submitted to the Department in response to a public records request.

If the Respondent is submitting a redacted version of its Response, mark the redacted copy with the Respondent's name, RFQ number, and the words "Redacted Copy." The Redacted Copy should only redact those portions of material that the Respondent claims are Confidential Information or not subject to disclosure. An entire Response should not be redacted. An entire page or paragraph which contains Confidential Information or exempt material should not be redacted unless the entire page or paragraph is wholly Confidential Information or not subject to disclosure. In the Redacted Copy, the Respondent shall redact and maintain in confidence any materials the Department provides or seeks regarding security of a proposed technology system or information subject to sections 119.011(14), 119.071(1)(f), and 119.071(3), F.S.

6. Content of Responses.

Responses must be submitted electronically through MFMP Sourcing. The Response must include:

- a. Pricing Format: The Respondent will propose a pricing approach that does not to exceed the Respondent's STC ceiling rates in accordance with RFQ Section 6, Content of Responses.
- b. Introductory Letter and Letter of Commitment. The letter(s) shall include:
 - 1) An executive summary that demonstrates the Respondent's and proposed IV&V team members previous experience with Financial Management Solutions and/or technology projects;
 - 2) The Respondent will include a bibliography and/or links to the company's public sponsored studies, published research, or similar analysis for another governmental entity related to IV&V of Financial Management Solutions.
 - 3) Confirmation that the identified full time Respondent staff will be dedicated to the Project full-time conducting their work on site Monday through Friday during the normal business hours of 8:00 AM to 5:00 PM ET;
 - 4) Confirmation that the Respondent can provide the services described in Attachment 2, Statement of Work, Section 4;
 - 5) The length of time the Response is valid, which shall be no less than 180 days;
 - 6) The STC name and number; and
 - 7) If applicable, a certification statement that the Respondent is not on the Scrutinized Companies list referenced in Attachment 1, Standard Terms and Conditions Applicable to All Purchase Orders (Attachment 1), in Section 23.d.
- c. IV&V Services Approach. The IV&V Services Approach shall:
 - 1) Include detailed information outlining the approach to support the Scope of Work defined in Attachment 2, Statement of Work.
 - 2) Define how IV&V team members will work together to provide IV&V services.
 - 3) Highlight anticipated milestones for IV&V services.
 - 4) Describe any proposed tools and templates to support IV&V services.
 - 5) Recommend additional IV&V services, not listed in Attachment 2, Statement of Work, that may bring value to the Project.
 - 6) Detail the Contractor's assumptions of State resources, including, but not limited to access to Project staff, Project leadership, State staff, subject matter advisors; tasks to be performed by State staff; office space and equipment at the Project site.
 - 7) Explain why the Contractor will provide best value to the State for these IV&V services.
- d. Cost Response. The Cost Response shall:
 - 1) Include a proposal for a pricing approach as fixed deliverable, fixed hourly or a combination of fixed deliverable/hourly to provide all services and deliverables specified in this RFQ;
 - 2) Adhere to the Respondent's STC rates;
 - 3) Include renewal pricing not to exceed the Respondent's STC rates; and,
 - 4) Use Attachment 3, Cost Response as a template.
- e. Resume. The Resume for each proposed IV&V team member shall:
 - 1) Include a detailed and accurate resume of the proposed IV&V team member experience and qualifications (limited to three (3) pages per team member); and
 - 2) Not become part of the PO.
- f. References. The References for the Respondent shall:
 - 1) Include three (3) references using Attachment 4 as a template;
 - 2) Use Attachment 4 as a template; and,
 - 3) Not become part of the PO. The Department reserves the right to contact references.

- g. Transition Plan. The Transition Plan shall:
 - 1) Include a description of the mechanism for continuing the service to include the transfer of activities back to the Project Team or successor contractor and the PO is terminated.
 - 2) Address training and transfer of data; and, Transfer of data; and
Include a certification statement that in the event that the PO expires or terminates for any reason, the Contractor agrees to cooperate in the transition to the Project Team or successor contractor.
- h. Respondent's Signed State Term Contract: A copy of the last signed page of the Contractor's STC with the Florida Department of Management Services (DMS) and all required certifications, if applicable.
- i. Proof of Required Insurance: Per the requirements of Attachment 1, Standard Terms and Conditions Applicable to All Purchase Orders, in section 8.c. Verification of Insurance, upon selection, the selected Respondent shall provide the Department written verification of the existence and amount for each type of applicable insurance coverage required.

7. Basis for Respondent Selection.

Responses will be evaluated for compliance with the Attachment 2 – Statement of Work that indicate the Respondent's ability to perform the activities specified in the RFQ. The Department intends to select a Contractor that provides the best overall value to the State.

8. Conflict of Interest, for the Awarding of this RFQ.

It is the position of the Department that a Respondent or its subcontractor who is selected for this RFQ is, or will be, precluded from bidding on or providing services directly or as a subcontractor during the term of this Contract for the following:

- 1) Software and System Integrator (SSI) Services;
- 2) Business Process Standardization Support Services;
- 3) Organizational Change Management Support Services;
- 4) Project Management Office Support Services; and,
- 5) Systems and Data Strategy Support Services.

In addition, the Contractor and any subcontractors performing services as part of this PO may be excluded from award of future procurements dealing with that specific subject matter based on section 287.057(17) (c), F.S., which states in part:

“[a] person who receives a contract that has not been procured pursuant to subsections (1)-(3) to perform a feasibility study of the potential implementation of a subsequent contract, who participates in the drafting of a solicitation or who develops a program for future implementation, is not eligible to contract with the agency for any other contracts dealing with that specific subject matter, and any firm in which such person has any interest is not eligible to receive such contract.”

ATTACHMENT 1

Standard Terms and Conditions Applicable to All Purchase Orders

DEPARTMENT OF FINANCIAL SERVICES STANDARD TERMS AND CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS

1. Entire PO.

This Purchase Order (PO), including any Attachments and Addenda referred to herein and attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter. Any pre-printed PO terms and conditions included on the Contractor's forms or invoices shall be null and void. This PO is intended to supplement and clarify the MFMP Terms and Conditions available at https://www.dms.myflorida.com/business_operations/state_purchasing/myfloridamarketplace/mfmp_agency_customers/purchase_order_terms_conditions. Where inconsistent with the MFMP Terms and Conditions, this document shall control.

2. PO Administration.

- a. Order of Precedence. If there are conflicting provisions between the documents that make up the PO, the order of precedence for the documents is as follows:
 - i) State Term Contract, if applicable
 - ii) Attachment 2 – Statement of Work
 - iii) The Purchase Order
 - iv) Attachments, other than the Statement of Work, in numerical order
 - v) The Addenda, in alphabetical order
 - vi) MFMP Terms and Conditions
 - vii) The Alternate Contract Source as approved by the Department of Management Services, if applicable
 - viii) Contractor's Response
- b. All written and verbal approvals referenced in this PO must be obtained from the parties' contract managers as designated in the Purchase Order or their designees, if designated in writing.
- c. Notices required to be in writing must be delivered to the intended recipient by hand delivery or sent to the intended recipient by email, certified mail, or receipted courier. Such notices shall be deemed received on the date received or the date of the certification of receipt.
- d. In the event that different contract managers are designated by either party after execution of this PO, notice of the name and contact information of the new contract manager shall be submitted in writing to the other party and maintained in the respective parties' PO records. Designation of a new contract manager shall not require a formal amendment to the PO.
- e. This PO may be amended only by agreement between the parties as evidenced by a change order.

3. Deliverables.

The Contractor agrees to render the services or other units of deliverables as set forth in the Attachment 2 – Statement of Work. The services or other units of deliverables specified in the above paragraph shall be delivered in accordance with the schedule and at the pricing outlined in the accepted Response to the Request for Quote, and, where applicable, the State Term Contract. Deliverables may be comprised of tasks or activities that must be completed prior to the Department making payment on that deliverable.

4. Acceptance of Deliverables.

- a. Acceptance Process. All deliverables must be received and accepted in writing by the Department of Financial Services' (Department's) contract manager (Contract Manager) before payment.
- b. Rejection of Deliverables. The Department reserves the right to reject deliverables as outlined in the Statement of Work as incomplete, inadequate, or unacceptable due in whole or in part to the Contractor's lack of satisfactory performance under the terms of this PO. Failure to use the appropriate technical requirements or complete all tasks or activities as identified in the Statement of Work will result in automatic deliverable

rejection and may not be invoiced or paid until correction of the deliverable. Failure to complete the required duties as outlined in the Statement of Work will result in the rejection of the invoice. The Department, at its option, may allow additional time within which the Contractor may remedy the objections noted by the Department and the Department may, after having given the Contractor a reasonable opportunity to complete, make adequate or acceptable said deliverables, declare this PO to be in default. If the Contract Manager rejects the deliverables, the Contractor shall work diligently to correct all deficiencies in the deliverable that remain outstanding, within a reasonable time, at the Contractor's expense. If the Contract Manager does not accept the deliverables within 30 days, the deliverable will be deemed rejected.

- c. **Status Reports.** If status reports are required as part of the PO, the Contractor shall timely submit status reports showing deliverables, tasks, or activities worked on, attesting to the level of services provided, hours spent on each deliverable/task/activity, and upcoming major deliverables, tasks, or activities.
- d. **Completion Criteria and Date.** The PO will be considered complete once all of the services under the PO have been provided and accepted. The final date for completion of the PO shall not exceed the PO duration, including any executed renewals or extensions, or, where applicable, the expiration date of any purchase orders made from the PO.

5. Financial Consequences for Nonperformance.

Withholding Payment. In addition to the consequences explained in the Attachment 2 – Statement of Work and STC Exhibit A, Section 1.23, the state of Florida (State) reserves the right to withhold payment when the Contractor has failed to perform/comply with provisions of this PO. These consequences for nonperformance shall not be considered penalties.

6. Dispute Resolution.

Any claim, counterclaim, or dispute between the Department and the Contractor relating to this PO shall be resolved as set forth herein. For all claims, the party with the dispute shall submit an affidavit executed by that party's Contract Manager or his or her designee certifying that:

- i.) The claim is made in good faith,
- ii.) The claim accurately reflects the adjustments for performance, and
- iii.) The supporting data provided with such an affidavit are current and complete to the Contract Manager's best knowledge and belief

The Contractor is obligated to address any cost related issues with the Department for which the Contractor believes the State is liable and address all costs of every type to which the Contractor is entitled from the occurrence of the claimed event. The Contractor shall not seek a claim under this PO for an increase in payment.

- a. **Informal Resolution Process.** If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Department's Chief Financial Officer (CFO), or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:
 - i.) The representatives of the Contractor and the Department shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.
 - ii.) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to this PO will be honored in order that each of the parties may be fully advised of the other's position.
 - iii.) The specific format for the discussions will be left to the discretion of the designated Department's and the Contractor's representatives but may include the preparation of agreed upon statements of fact or written statements of position.
 - iv.) Following the completion of this process, the Department, or designee, shall issue a written opinion regarding the issue(s) in dispute. The opinion regarding the dispute shall be considered the Department's final action.
- b. **Continued Performance.** Each party agrees to continue performing its obligations under this PO while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute with the Department over compensation shall not be deemed to preclude performance) and without limiting either party's right to terminate this PO for convenience or default.

7. Payment.

- a. **Taxes.** The Department is exempted from payment of Florida State sales and use taxes and Federal Excise Tax. The Contractor, however, shall not be exempted from paying Florida State sales and use taxes to the appropriate governmental agencies or for payment by the Contractor to suppliers for taxes on materials used to fulfill its contractual obligations with the Department. The Contractor shall not use the Department's exemption number in securing such materials. The Contractor shall be responsible and liable for the payment of all its FICA/Social Security and other taxes resulting from this PO. The Contractor shall provide the Department its taxpayer identification number upon request.
- b. **Payments and Interim Payments.** Payments shall be made according to Attachment 2 – Statement of Work, Section 10. Interim payments may be made by the Department at its discretion under extenuating circumstances if the completion of services to date have first been accepted in writing by the Department's Contract Manager.

8. Insurance.

- a. **Required Coverage.** In addition to any specific insurance required in STC Exhibit A, Section 1.4, at all times during the PO, the Contractor, at its sole expense, and its subcontractors, if any, shall maintain insurance coverage of such types and with such terms and limits as may be reasonably associated with the PO. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the PO. All insurance policies shall be through insurers licensed and authorized to write policies in Florida. Unless specifically exempted in the Statement of Work, the following are the minimum insurance requirements applicable to this PO:
 - i.) **Commercial General Liability Insurance.**

By execution of this PO, unless the Contractor is a state agency or subdivision as defined by subsection 768.28(2), F.S., the Contractor shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during the PO. A self-insurance program established and operating under the laws of the State may provide such coverage. The Department, its employees, and officers shall be named as an additional insured on any general liability policies.
 - ii.) **Workers' Compensation and Employer's Liability Coverage.**

The Contractor shall provide workers' compensation, in accordance with Chapter 440, F.S., and employer's liability insurance with minimum limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policies shall cover all employees engaged in any PO work.
 - iii.) **Other Insurance.**

At all times during the PO, the Contractor shall maintain any other insurance as required in the Statement of Work.
- b. **Deductibles.** The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Contractor providing such insurance.
- c. **Verification of Insurance.** Upon execution of this PO, the Contractor shall provide the Department written verification of the existence and amount for each type of applicable insurance coverage. Upon receipt of written request from the Department, the Contractor shall furnish the Department proof of applicable insurance coverage by standard form certificates of insurance.
- d. **Failure to Maintain Coverage.** In the event that any applicable coverage is cancelled by the insurer for any reason, the Contractor shall immediately notify the Department of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within fifteen (15) business days after the cancellation of coverage.

9. Public Records.

The Contractor shall comply with all applicable public records requirements outlined in Addendum A – Public Record Requirements, which is hereby incorporated by reference.

10. Termination.

- a. **Contractor Obligations upon Notice of Termination.** After receipt of a notice of termination or partial termination, the Contractor shall stop performing services on the date, and to the extent specified, in the notice. The Contractor shall accept no further work or new services related to the affected services, and shall, as soon as practicable, but in no event longer than thirty (30) calendar days after termination, terminate any orders

and/or subcontracts and settle all outstanding liabilities and all claims arising out of such termination of orders and/or subcontracts, with the approval or ratification of the Department to the extent required, which approval or ratification shall be final for the purpose of this section. The Contractor shall not perform any services after it receives the notice of termination or after PO expiration, except as necessary to complete the transition or continued portion of the PO, if any. Contractor shall submit to the Department within 90 calendar days of termination a request for payment of completed services. Requests submitted later than 90 calendar days after termination will not be honored and will be returned unpaid. All services for which the Department has paid prior to the termination date of this PO shall be professionally serviced to conclusion in accordance with the requirements of the PO. Should the Contractor fail to perform all services under the PO, the Contractor shall be liable to the Department for any fees or expenses that the Department may incur in securing a substitute provider to assume completion of those services.

- b. Contractor Obligations after Termination. If at any time the PO is canceled, terminated, or expires, and a purchase order is subsequently executed with a provider other than the Contractor, the Contractor has the affirmative obligation to assist in the smooth transition of PO services to the subsequent contractor in accordance with Attachment 2 – Statement of Work, Section 12.
- c. Termination for Convenience. The Department, by written notice to the Contractor, may terminate the PO in whole or in part, by giving thirty (30) days' written notice, when the Department determines in its sole discretion that it is in the State's interest to do so. The Contractor shall not be entitled to recover any cancellation charges or lost profits.

11. Events of Default.

To supplement STC Exhibit A, Section 1.17, provided such failure is not the fault of the Department or outside the reasonable control of the Contractor, the following non-exclusive list of events, acts, or omissions, shall constitute events of default:

- a. The commitment of any material breach of this PO by the Contractor, including failure to timely deliver a service, discontinuance of the performance of the work, failure to resume work that has been discontinued within a reasonable time after notice to do so, or abandonment of the PO;
- b. Failure to maintain adequate progress, thus endangering performance of the PO;
- c. Failure to honor any material term of the PO,
- d. Failure to abide by any statutory, regulatory, or licensing requirement, including an entry of an order revoking the certificate of authority granted to the Contractor by the State or other licensing authority;
- e. Failure to pay any and all entities, individuals, and the like furnishing labor or materials, or failure to make payment to any other entities as required herein in connection with the PO;
- f. Employment of an unauthorized alien in the performance of the work, in violation of section 274 (A) of the Immigration and Nationality Act;
- g. One or more of the following circumstances, uncorrected for more than thirty (30) calendar days unless within the specified thirty (30) day period, the Contractor (or, if applicable, its receiver or trustee in bankruptcy) provides to the Department adequate assurances, reasonably acceptable to the Department, of its continuing ability and willingness to fulfill its obligations under the PO:
 - i) Entry of an order for relief under Title 11 of the United States Code;
 - ii) The making by the Contractor of a general assignment for the benefit of creditors;
 - iii) The appointment of a general receiver or trustee in bankruptcy of the Contractor's business or property;
or
 - iv) An action by the Contractor under any state insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation;
- h. The commitment of an intentional material misrepresentation or omission in any materials provided to the Department;
- i. Failure to comply with the E-Verify requirements of this PO; and
- j. Failure to maintain the insurance required by this PO.

12. Limitation of Liability.

The Department's liability for any claim arising from this PO is limited to compensatory damages in an amount no greater than the sum of the unpaid balance of compensation due for goods or services rendered pursuant to and in compliance with the terms of the PO. Such liability is further limited to a cap of \$100,000.

13. Remedies.

Notwithstanding any provisions to the contrary, written acceptance of a particular deliverable does not foreclose the Department's remedies in the event those performance standards that cannot be readily measured at the time of delivery are not met. Nothing in this PO shall be construed to make the Contractor liable for force majeure events. Nothing in this PO, including financial consequences for non-performance shall limit the Department's right to pursue its remedies for other types of damages under the PO, at law, or in equity. The Department may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against it. The Department may set off any liability or other obligation of the Contractor or its affiliates to the Department against any payments due the Contractor under any contract or purchase order with the State associated with the Project.

14. Intellectual Property and Ownership of Property.

The following supplements STC Exhibit A Section 1.9:

- a. All work materials developed by the Contractor under this PO and any prior agreement between the parties shall be deemed to be work made for hire and owned exclusively by the State, or the Department, unless otherwise stated in the Statement of Work.
- b. Title to all property furnished by the Department under this PO, Deliverables provided to the Department, and data collected or created for the Department (State Data) shall remain property of the Department and/or become property of the Department upon its receipt and acceptance. The Contractor shall perfect any transfer of all property of the Department and State Data upon completion, termination, or cancellation of the PO prior to payment of the final invoice. Data shall be provided in a standard format designated by the Department.
- c. The Contractor shall retain all ownership rights in any intellectual property rights to preexisting Contractor property proprietary methodologies, methods, processes, or procedures of the Contractor that pre-exist or were developed outside the scope of this PO. If any such property of the Contractor is contained in any of the deliverables, the Contractor grants to the Department a royalty-free, paid-up, non-exclusive, perpetual license to use such the Contractor intellectual property in connection with the Department's use of the deliverables.

15. Nonexclusive PO.

This PO is not an exclusive license to provide the services described in the solicitation or the resulting PO. The Department may, without limitation and without recourse by the Contractor, contract with other vendors to provide the same or similar services.

16. Storage of State Data.

All data centers used to process and store State Data under this PO shall only be located in the United States. No state data may be stored in a local machine of the Contractor, without the Department's authorization.

17. Applicable Law and Disputes.

Any dispute concerning performance of the PO shall be processed per Section 6 above unless stated otherwise in Attachment 2 – Statement of Work. Jurisdiction for any damages arising under the terms of the PO will be in the courts of the State, and venue will be in the Second Judicial Circuit, in and for Leon County. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of this PO.

18. Independent Contractor.

The Contractor is an independent contractor and is not an employee or agent of the Department.

19. Subcontracting.

The following supplements STC Exhibit A, Section 1.11:

- a. All Contractor employees, subcontractors, or agents performing work under the PO shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Contractor shall furnish a copy of technical certification or other proof of qualification.

- b. Unless otherwise specified in the Statement of Work, all services contracted for are to be performed solely by the Contractor and may not be subcontracted or assigned without the prior written consent of the Department.
- c. The Department may, for cause, require the replacement of any Contractor employee, subcontractor, or agent. For cause, includes, but is not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with an applicable Department policy or other requirement.
- d. The Department may, for cause, deny access to the Department's secure information or any facility by any Contractor employee, subcontractor, or agent.
- e. The Department's actions under paragraphs b. or c. shall not relieve the Contractor of its obligation to perform all work in compliance with the PO.
- f. The Department will not deny the Contractor's employees, subcontractors, or agents access to meetings within the Department's facilities, unless the basis of the Department's denial is safety or security considerations.

20. Survival.

The respective obligations of the parties, which by their nature would continue beyond the termination or expiration of this PO, including without limitation, the obligations regarding confidentiality, proprietary interests, records retention, and public records, shall survive termination, cancellation or expiration of this PO.

21. Third Parties.

The Department shall not be deemed to assume any liability for the acts, omissions to act or negligence of the Contractor, its agents, servants, and employees, nor shall the Contractor disclaim its own negligence to the Department or any third party. This PO does not and is not intended to confer any rights or remedies upon any person other than the parties. If the Department consents to a subcontract, the Contractor will specifically state in the subcontract that this PO does not create any third party rights. Further, no third parties shall rely upon any of the rights and obligations created under this PO.

22. Use of State Funds to Purchase or Improve Real Property.

Any State funds provided for the purchase of or improvements to real property are contingent upon the Contractor granting to the State a security interest in the property in the amount of State funds provided for five years from the date of purchase or the completion of the improvements or as further required by law.

23. Compliance with Federal, State and Local Laws.

- a. The Contractor and all its agents shall comply with all federal, State and local regulations, including, but not limited to, nondiscrimination, wages, social security, workers' compensation, licenses, and registration requirements.
- b. This PO shall be governed by and construed in accordance with the laws of the State.
- c. If applicable, the Contractor shall ensure that, as to its products and services it develops for the Department, electronic and information technology accessibility requirements of the Rehabilitation Act Amendments, 29 USC section 794 are met. Section 508 of the Rehabilitation Act Amendments, 29 USC section 794, compliance information on the supplies and services in this PO are available on a website indicated by the Contractor. The Electronic and Information Technology standard can be found at: <http://www.section508.gov/>.
- d. Scrutinized Companies. This provision applies only when the goods or services to be provided are \$1 million or more. section 287.135, F.S., requires the Contractor to certify that it is not: 1) on the Scrutinized Companies with Activities in Sudan List, 2) on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or 3) participating in a boycott of Israel. By entering into this PO, the Contractor certifies that it is not on either of these lists and that it is not participating in a boycott of Israel. A PO may be terminated if the Contractor submits a false certification regarding such matters or is placed on either list. In addition, a PO entered into on or after October 1, 2016, may be terminated if the Contractor is on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel. The State Board of Administration provides a link to the "Scrutinized List of Prohibited Companies" at the following link: <http://www.sbafla.com/fsb/FundsWeManage/FRSPensionPlan/GlobalGovernanceMandates.aspx>.

ATTACHMENT 2 – Statement of Work

1. Purpose.

The Department of Financial Services (Department) issues this Request for Quotes (RFQ) to request quotes (Responses) from vendors who are able and willing to provide IV&V services in accordance with Attachment 2 – Statement of Work. The Department is issuing this RFQ to define the scope and requirements of this contract for the Florida PALM (Planning, Accounting, and Ledger Management) Project (Project) and to request response (Response) to this RFQ for Information Technology Independent Verification and Validation services, using the State Term Contract (STC) No. 80101507-IVV-15-1.

This PO is needed to provide qualified IV&V services in accordance with the State Term Contract and this RFQ. The Contractor will report to the Project Director. Day to day direction for the IV&V Contractor will be provided by the Deputy Project Director.

2. Definitions.

In this SOW, the following terms are defined as set forth below:

- a. **Business Days** – Monday through Friday, inclusive, except for holidays declared and observed by the state government of Florida. Whether capitalized or not, “day” means business day (defined as the Department’s normal working hours) unless otherwise described.
- b. **Business Process Standardization (BPS) Track** – The Florida PALM Project track responsible for developing and executing business process standardization activities. This is one of four Project tracks.
- c. **Design, Development and Implementation (DDI) Phase(s)**- The Project phases focused on implementation of the Financial Management Solution. DDI Phase 1 is intended to focus on core processes such as general ledger, payment processing, and budget and cash controls. DDI Phase 2 will expand the Financial Management Solution functionality.
- d. **Deliverable Expectation Document (DED)** - A record of a mutually agreed upon acceptance criteria in addition to or already communicated in contract documents. It also records the deliverable author’s general development approach to meeting the deliverable requirements. Deliverable acceptance criteria recorded must be clearly defined and absent of subjectivity and ambiguity wherever practical. The deliverable expectation document will identify the specific criteria for acceptance and any comment pertinent to further clarifying the criteria. All deliverables shall be provided in accordance with the Project’s deliverable management processes defined in the Project’s Project Management Plan.
- e. **Financial Management Solution** – A system that allows the state of Florida (State) to organize, define, and standardize its financial management business processes and that complies with sections 215.90-215.96,F.S.
- f. **FLAIR Study** – A document delivered in March 2014 to the Department that provides an evaluation and recommendations for the enhancement or replacement of the State’s current financial management systems. Option 3 to “replace FLAIR and CMS” was the ultimate recommendation of the FLAIR Study.
- g. **Key Staff** – Full time staff members proposed by the Respondent that will provide services under the contract resulting from this RFQ or other Respondent staff whose continuity in their assigned roles and participation are key to successful delivery of IV&V services. Replacement of key staff may be subject to financial consequences under the resulting contract.

- h. **Master Project Schedule** - A tool outlining the work to be performed, which resources of the organization will perform the work, and the timeframes during which the work will be performed. The project schedule should reflect the activities and tasks associated with delivering the project. The Florida PALM Project maintains a Master Project Schedule for all Project work.
- i. **Office of Information Technology (OIT)** – The division within the Department that plans, manages, and operates the Department’s information technology resources. OIT is the technical owner of all Department applications including FLAIR and the Cash Management System (CMS). The Chief Information Officer (i.e., the OIT Director) serves as a sponsor for the Florida PALM Project.
- j. **Organizational Change Management (OCM) Track** - The Florida PALM Project Track responsible for leading, delivering, and supporting the execution of organizational change management and workforce transition strategies, tools, programs, curriculum, training, and plans. This is one of four Project Tracks.
- k. **Project Management Office (PMO) Track** – The Florida PALM Project Track responsible for developing and executing project management strategies for all Project phases. The PMO Track is also responsible for managing procurement activities. This is one of four Project Tracks.
- l. **Project Team** - A group of Department employees and Contractors dedicated to the Florida PALM Project.
- m. **Respondent** - The entity that submits materials to the Department in response to this RFQ.
- n. **Response** - The materials submitted to the Department in accordance with the RFQ by Respondents.
- o. **System and Data Strategy (SDS) Track** – The Florida PALM Project Track responsible for developing and executing technical strategies for the new enterprise resource planning system. This is one of four Project Tracks.
- p. **Software and System Integrator (SSI)** – A vendor with specialization in planning, implementing, coordinating, scheduling, testing, improving, and sometimes maintaining a computing operation.
- q. **State Data** – Any data or information of or concerning the State or the Department that is provided to or obtained by the Contractor or Contractor personnel in connection with the performance of the Contractor’s obligations under the PO, including any such data and information that either (i) is created, generated, collected or processed by Contractor personnel in the performance of the Contractor’s obligations under the PO, including data processing input and output, performance measurements, asset information, reports, third party service and product contracts, and the Contractor’s charges to the Department, or (ii) resides in or is accessed through the Department operating environment or the Contractor’s service delivery infrastructure; as well as any data and information derived from the foregoing.
- r. **System and Data Strategy (SDS) Track** – The Florida PALM Project Track responsible for developing and executing technical strategies for the new enterprise resource planning system. This is one of four Project Tracks.
- s. **Track** – One of four Project critical dimensions:
 - 1) BPS: Process (supported by BPS Team)
 - 2) OCM: People (supported by OCM Team)
 - 3) PMO: Project Management (supported by PMO Team)
 - 4) SDS: Technology (supported by SDS Team)

- t. **Treasury** – A division within the Department that performs the cash management and investing activities for the State. The Treasury is the functional owner of CMS. The Treasury Division Director serves as a sponsor for the Florida PALM Project.

3. Background.

Section 215.93, F.S., establishes the Florida Financial Management Information System (FFMIS) for the State. FFMIS is comprised of the accounting, budgeting, cash management, human resources and procurement subsystems. For nearly two decades, all of the FFMIS subsystems ran on legacy technology. To date, only the human resources and procurement subsystems have been fully modernized. A portion of the CMS was modernized in August 2013.

FLAIR has been performing the State’s accounting and payroll functions for thirty years. Although it has been maintained and modified over the years to accommodate state and federal mandates, it is becoming increasingly unable to meet the State’s changing and growing needs. Issues and concerns with FLAIR include limited integration with the other subsystems (batch vs. transactional processing), incomplete reporting capabilities, inability to perform offsets, inability to schedule and consolidate payments, and insufficient information to perform state-level cash forecasting.

In 2002, the Legislature appropriated funding for the then Department of Banking and Finance¹ to undertake a project to replace the accounting and cash management subsystems, FLAIR and CMS, respectively. Project Aspire, as it was called, suffered insurmountable challenges and was ultimately cancelled in 2007. In 2013, the Department of Financial Services began efforts to evaluate the options and best approach for replacing the FLAIR and CMS.

a. **Florida Accounting Information Resource – FLAIR.**

FLAIR is a double entry, computer-based general ledger accounting system consisting of the following four components:

- 1) **Departmental Accounting:** Maintains agencies’ 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 Chief Financial Officer (CFO) to ensure that expenditures are made in accordance with the legislative appropriations.
- 3) **Payroll Accounting:** Processes the State’s payroll.
- 4) **Information Warehouse:** Provides a reporting system that allows users to access Central Accounting information and most Departmental Accounting information in FLAIR.

FLAIR is a mature subsystem, supported at the data center located within the Department. FLAIR is fully implemented in 35 state agencies with approximately 12,000+ individual users at 400+ accounting office sites throughout the State. FLAIR typically processes 95+ million accounting transactions, accounting for a \$90+ billion budget, and pays 180,000+ State personnel, annually. Not all agencies use FLAIR exclusively for their accounting functions. Further, there are numerous specialized accounting methods and compensating systems used by state agencies in addition to FLAIR.

b. **Cash Management Subsystem - CMS.**

The Treasury) receives and disburses funds, invests available balances, performs related accounting functions, cash management operations, and consultations. The Treasury operates separate systems (collectively known as the CMS) 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,

¹ Effective January 7, 2003, the Department of Banking and Finance and the Department of Insurance merged into the new Florida Department of Financial Services.

and paying of warrants and other disbursements issued by the Department's Chief Financial Officer. These functions or activities include exchanging information between FLAIR, the state of Florida Department of Revenue, other State agencies, and business partners, i.e., financial institutions.

c. **The FLAIR Study.**

In accordance with proviso language in section 42 of the 2013 General Appropriations Act (GAA), the Department procured the services of an independent consulting firm to complete a study (the FLAIR Study) to recommend either replacement or remediation of FLAIR and CMS. The Study, completed by The North Highland Company in partnership with Grant Thornton and Thomas, Howell, Ferguson, included an assessment of implementing an Enterprise Resource Planning (ERP) System for the State and an inventory of agency systems (Compensating Systems) interfacing with FLAIR.

Based on the analysis completed in the FLAIR Study, the recommendation was that the State should replace FLAIR and CMS with a commercial off-the-shelf ERP solution. This option was selected based on information collected from the market conditions and trends and the analysis of both qualitative and quantitative factors, including:

- 1) Alignment to Goals and Objectives
- 2) Cost Comparison
- 3) Benefits Comparison
- 4) Risk Analysis

The cost model of the FLAIR Study was a projection based on a series of assumptions to provide the Department with a way to compare the options and provide an estimate for total cost of ownership. The estimate was provided for the Department to consider when making the initial legislative budget request.

For full details, the FLAIR Study can be found at:

<https://www.myfloridacfo.com/floridapalm/resources/flair-study/>

d. **Florida PALM Project Structure and Timeline.**

The multi-year Florida PALM Project is planned to have at least three parts or "phases":

- 1) Pre-DDI – This initial phase includes planning, business process standardization, and procurement of the financial management software solution.
- 2) DDI Phase 1 – This phase will implement the financial management software solution focusing on core functionality (functionality currently performed by Central FLAIR, Departmental FLAIR, Information Warehouse, and selected CMS functions).
- 3) Future DDI Phases – Subsequent phases beyond what is defined for DDI Phase 1 will include the implementation of the remaining functionality necessary to meet the solution goals.

Currently the Project is organized into the following multiple "Tracks" or work streams that are staffed to simultaneously support the mission of the Project:

- 1) BPS – Business Process Standardization
- 2) OCM – Organizational Change Management (will include Workforce Transformation)
- 3) PMO – Project Management Office (includes Procurement)
- 4) SDS – Systems and Data Strategy

The IV&V Contractor is expected to work with the Project Director, Deputy Project Director, Track Managers, Project team members, contractors providing services to the Florida PALM Project, and Project stakeholders. The IV&V Contractor is responsible for the work products and activities outlined in this Attachment 2, Statement of Work.

4. Contractor Responsibilities/Scope of Work.

The IV&V Contractor will work in direct coordination with the Project Director and Deputy Project Director to provide IV&V Support Services. All tasks and deliverables will be directed and communicated to the IV&V Contractor by the Deputy Project Director. The Deputy Project Director will utilize regular status meetings as well as the Master Project Schedule to prioritize and document assignments.

The Contractor shall perform ongoing project IV&V services including, but not limited to:

- a. Providing an independent, objective, third-party view of project efforts with the intent of protecting the State's interests.
- b. Providing personnel, processes, approaches and tools to perform IV&V services.
- c. Providing recommendations to address concerns identified through observations.
- d. Assessing and reporting overall project performance, extrapolating future project progress and success, and identifying any possible impediments to successful project completion.
- e. Examining project deliverables and work products to evaluate the effectiveness of the project management controls, procedures and methodology.
- f. Assessing the effectiveness of project communication and agency involvement.
- g. Advocating the Project's established change readiness initiatives.
- h. Developing performance metrics that facilitate the tracking of progress / completion of project tasks and milestones.
- i. Reviewing project spend plan documentation.
- j. Reviewing project Legislative Budget Requests for the future fiscal years.
- k. Reviewing project budget amendment documentation for request of release.
- l. Validating identified risks and issues and proposed response(s) and assessing impact to the project progress or success.
- m. Identifying risks and assisting the Project in the development of mitigation plans to address those identified risks.
- n. Reviewing contracts to verify successful delivery of contracted terms.
- o. Ensuring Project teams follow required standards, including, but not limited to, the Project Management Plan, Administrative Rule, Florida Statutes, and federal requirements.
- p. Participating in ongoing lessons learned Project activities.
- q. Providing input for the Project's schedule management processes related to IV&V activities, tasks, and deliverables which will be included in the master Project schedule.
- r. Providing regular status to Project leadership and supporting documentation as requested.
- s. Providing completion updates for IV&V tasks identified on the master Project schedule.
- t. Providing interim updates as follow-up to and anticipation of Monthly Project Assessment Report(s).
- u. Communicating concerns that could put the scope, budget, schedule, or viability of the project at significant risk to Project leadership in a timely manner, and documenting within the Monthly Project Assessment Report(s), if appropriate.
- v. Documenting assessment of status for Project phase gates within the Monthly Project Assessment Report(s).
- w. Participating in the review of agreed upon Project deliverables following the Project's deliverable management processes.
- x. Providing feedback for the agreed upon Project solicitation and procurement activities identified on the master Project schedule.
- y. Providing presentations and oral reports in Project meetings or other Project initiated events.
- z. Maintaining records in accordance with Project procedures.
- aa. Maintaining open and effective communication with the Project Director, Deputy Project Director, Sponsor(s), Executive Steering Committee, and oversight entities.
- bb. Completing transition services providing all of the documents, software, software licenses and other Project work products as it relates to the work performed under this IV&V services contract.
- cc. Performing other duties as assigned by the Deputy Project Director, Project Director and/or their designee(s).

5. Deliverables and Acceptance Criteria.

All deliverables shall be submitted in accordance with the General Appropriations Act, if applicable, and as specified in the table below.

Deliverable Number	Deliverable Description	Deliverable Acceptance Criteria
IV&V2-1	IV&V Management Plan	<p><u>Minimum Acceptance Criteria:</u></p> <p>A Microsoft Word document which will include:</p> <ul style="list-style-type: none"> • A detailed description of how the Contractor plans to perform the IV&V services. This description must include modifications or clarification to Respondent’s State Term Contract Exhibit C, Work Plan and IV&V Methodology. This description must also include strategies, standards, and approaches employed by the Contractor for executing each of the IV&V activities. • An organizational structure which demonstrates, among other things, coordination activities among the Contractor, the Project’s Project Director and project team, the Sponsor, stakeholders, and any oversight entities involved in the project. • A description of the approach for completing deliverables. • A description of resources assigned to Contractor activities, tasks, and deliverables. • A description of assessment criteria for use in future assessment reports and the process for modifying assessment criteria. <p><u>Due Date of Deliverable:</u> Fifteen (15) business days after Contract Effective Date.</p>
IV&V2-2	Monthly Project Assessment Reports	<p><u>Minimum Acceptance Criteria:</u></p> <p>A Microsoft Word document which will include:</p> <ul style="list-style-type: none"> • Summary of the results of ongoing project monitoring and provide findings and recommendations for improvement of project management and processes • Assessment of the Project’s ability to meet future milestones and deliverables, and recommendations on readiness to proceed to the next phase within the Monthly Project Assessment Report(s). <p><u>Due Date of Deliverable:</u> The Contractor shall provide a monthly assessment by the 8th business day of each month. The initial monthly assessment report is expected for the July 2018 reporting period.</p>

6. Acceptance of Work.

This Attachment 2, Statement of Work includes daily and ongoing tasks, and as listed above in section 4, Scope of Work. Ongoing and daily work will be evaluated on a monthly basis as follows. Acceptance criteria for deliverables are listed with each deliverable in this Attachment 2, Statement of Work, section 5, Deliverables and Acceptance Criteria. Requests for payment of accepted deliverables will be submitted in a consolidated monthly billing for all deliverables and services.

- a. All deliverables shall be submitted to the Contract Manager for review and approval (“Acceptance”) in accordance with the agreed upon schedule unless otherwise approved by the Contract Manager in writing. The Department will only accept each deliverable when it has been reviewed and signed off that it meets the applicable criteria specified in this SOW, including the standards and guidelines referenced herein.

The Department anticipates completing its review of deliverables within fourteen (14) days after receiving the deliverable. The Department may return a deliverable for modification. The Contractor will have up to fourteen (14) calendar days after receiving request for modification to cure and return deliverable to the Department. If additional cure and review cycles are needed, the Contractor and the Department will have seven (7) to ten (10) calendar days to review, request revisions or make modifications. If either the Contractor or the Department needs additional time to review, modify, or cure the deliverables, the request will be submitted in writing by email to the Contract Manager for consideration. The Department may provide additional acceptance criteria during the contract period to be used for the deliverables. The Department reserves the right to require the Contractor to revise deliverables previously approved at no additional cost to the Department for any inadequate or insufficient information. The invoices will not be paid for deliverables that fail to meet specifications until acceptable corrective action has been completed.

Failure to accept a deliverable within thirty (30) calendar days of an original or revised deliverable submission means automatic non-acceptance by the Department unless stated otherwise by the Contract Manager or designee in writing. See Section 13. J for additional financial consequences associated with deliverables.

- b. The IV&V Contractor’s performance will be evaluated on an ongoing basis; however, approval of services will be performed in accordance with monthly billing. The IV&V Contractor’s performance will be evaluated on a pass/fail basis in the following five areas. A “no” response to any evaluation question will result in a fail for that measure, while a “yes” response will count as a pass for that measure. Performance criteria will be applied to all team members who are part of the IV&V Contractor resources, therefore, a “no” response on any staff (or category of staff with multiple staff members) would result in a fail for that measure.

#	Measure	Evaluation Question
1	Communication	<p>Does the Contractor demonstrate clear communication skills and keep the Project up to date with key activities and issues?</p> <ul style="list-style-type: none"> • The Contractor demonstrates acceptable: <ul style="list-style-type: none"> ○ Written communication skills. (ex: Provides clear and comprehensible written material.) ○ Verbal communication skills. (ex: Provides clear and comprehensible ideas and thought leadership.) ○ Listening communication skills. (ex: Acknowledges input/feedback and incorporates that information into Project artifacts.) • The Contractor passes along feedback and other information heard related to the Project to the appropriate Project Team member based on the content of the information. • The Contractor follows established Project communication standards including email, meeting scheduling, calendaring, and status updates. • The Contractor responds timely and thoroughly to requests from Project Team Members, Track Managers, and Project Management.

#	Measure	Evaluation Question
2	Availability	Is the Contractor available for meetings and to answer questions as agreed to and expected? <ul style="list-style-type: none"> The Contractor provides continuity of resources and knowledge throughout the engagement. The Contracted Firm manages turnover (if it occurs) to minimize the impact to the Project.
3	Recommendations which have a Positive Value	Do the Contractor's recommendations and deliverable content provide a positive value to the Project? <ul style="list-style-type: none"> The Contractor provides solutions which are practical within the constraints of the State and Project environment.
4	Timeliness	Does the Contractor complete assigned tasks by the agreed completion dates?
5	Professionalism	Does the Contractor respect other Project Team Members and their roles, adapt to the Florida PALM environment, and demonstrate a positive and cooperative attitude?

The IV&V Contractor must receive a pass for each of the five measures to achieve a "Pass" during the monthly invoicing period. See Section 13 for financial consequences for non-performance of work.

- c. Any tools, templates, or applications developed and work conducted by the IV&V Contractor pursuant to this Attachment 2, Statement of Work shall be performed in accordance with the OIT standards and specifications. These standards will be strictly adhered to and are available at the following website: <http://www.myfloridacfo.com/Division/OIT/ISDM/default.htm>. New application development activities are defined as "activities that result in the creation of new source code with the expected outcome of satisfying a business need for the first time in the chosen development language." New application development and technology upgrade activities are required to follow the Department Information Systems Development Methodology (ISDM) and the Department Application Development Standards unless prior written exemption is approved by OIT. The Department ISDM Life Cycle Checklist is a roadmap to ensure critical checkpoints are met.

7. Facilities and Equipment.

- a. The Department shall provide necessary access to the Department's network upon completion of security awareness training by the Contractor.
- b. The work will be conducted primarily onsite in the Tallahassee Project office. Requests for offsite work will require approval from the Contract Manager.
- c. The Department will provide work space and furniture for Contractor staff to use while on the Project site. Access to a network printer and copier will also be provided for use by Contractor.
- d. The Contractor will be required to supply their own computer hardware and telephone.

8. Qualification Requirements for the IV&V Team.

a. Minimum Experience.

- 1) Experience providing IV&V services to public sector entity through the implementation of a financial management solution or similar information technology project.
- 2) Demonstrable experience in providing independent and objective third party reviews of projects with the intent of protecting the public sector entity's interest.
- 3) Developed and supported validation and verification monitoring processes, tools, and methodologies that establish consistency in the delivery of IV&V services.
- 4) Experience in conducting IV&V services to provide assessments throughout the lifecycle of a project.
- 5) Experience participating in deliverable management processes.

- 6) Experience monitoring contracts for successful delivery of contractual terms.
- 7) Experience with industry standard best practices and methodologies in risk and issue analysis and management.
- 8) Knowledge of State and Federal laws applicable for the implementation of Florida PALM as well as project management processes.

b. Preferred Experience.

- 1) Experience working with public sector entities similar in size in terms of annual budget and full-time equivalent (FTE) employee count.
- 2) Knowledge and demonstrated application of state of Florida procurement and contract monitoring requirements.
- 3) Experience implementing a quality management system(s) for public sector entities.
- 4) Knowledge of the separation of duties for IV&V and the Florida Agency for State technology as it relates to project oversight.

c. Staff Commitment.

The Contractor will not remove any Key Staff from their assigned roles or the PO without four (4) weeks prior notification and approval of the Department's Contract Manager. The Contractor is responsible for training any replacement personnel. Replacement personnel for any removed person shall have equal or superior experience and qualifications. The Project reserves the right to require the removal from the Project any Contractor personnel found, in the judgment of the Project, to be unacceptable. Contractor staff who work on the Project must successfully complete the Department's security awareness training and have an understanding as to how procurements are handled within 30 days of the date the staff member is assigned to a solicitation project or earlier at the Department's Contract Manager's or designee's discretion. The Contractor's staff assigned to this project shall use information available in any format only for the purpose of carrying out the provisions of the PO. Information contained in Project documents such as deliverables, drafts, e.g., draft schedules and strategies, PO artifacts, and State Data will be treated as confidential and will not be divulged by the Contractor or made known in any manner to any person except as may be necessary in the performance of this PO. Disclosure to anyone other than an officer or employee of the Department is prohibited, except with express direction or consent of the Department. Refer to Section 13Jiv for financial consequences in relation to staff commitment.

d. Background checks.

A level 2 background check shall be completed and reviewed before Contractor staff may work on this Project. The Contractor must advise its staff that: (1) the fingerprints will be used to check the criminal history records of the Federal Bureau of Investigations (FBI); and (2) procedures for obtaining a change, correction, or updating of an FBI identification record are described in 28 CFR 16.34. In the event records reveal evidence of a crime that is unacceptable as determined by the Department, the Contractor agrees to remove the employee from the Project and replace the employee with someone with comparable knowledge, skills and abilities.

The Department will provide instructions for providing fingerprints and other information needed for obtaining background checks and submitting them to the Department upon award.

9. Conflict of Interest, Subsequent to the Awarding of the RFQ.

It is essential to the proper conduct and operation that the Contractor and its personnel are independent and impartial and that the implementation of decisions made as it relates to the procurement is not used for private gain or other remuneration. The Contractor and its personnel shall refuse any override commissions or any other valuable consideration, in any and all forms, from any involved party. Fees earned relating to this agreement will be limited exclusively to payments by the Department to the Contractor under the PO issued subsequent to the awarding of this RFQ.

10. Pricing and Invoicing.

- a. The Contractor will be paid on a fixed rate basis (either fixed priced deliverables, fixed hourly or a combination) in accordance with the applicable STC, subject to the conditions for acceptance of work set forth in this Attachment 2, Statement of Work.
- b. Pricing shall not to exceed the Respondent STC rates.
- c. Rates are effective for work on a 24x7 basis.
- d. No travel expenses shall be paid.
- e. The Contractor shall maintain a timesheet in Microsoft Excel 2016 (or higher), showing the tasks/ activities worked on each day and the hours spent on each.
- f. Invoicing shall be in arrears after the Department's Contract Manager has reviewed monthly timesheets and, if applicable, obtained acceptance of deliverables.
- g. The Contractor shall submit a consolidated monthly invoice for all work performed and/or accepted during the previous month.
- h. Invoices shall be submitted to the Department's Contract Manager by the 10th Business Day of each month.

11. Purchase Order.

The PO period for the Statement of Work begins upon issuance of the PO and will end no later than June 30, 2019.

However, prior to the expiration of the PO, the Department may elect to amend the PO with renewal(s) for a period that may not exceed 12 months after the term of the STC. Any renewal shall be contingent upon availability of funds and satisfactory performance by the Contractor. Any renewal is subject to the same terms and conditions.

The Department reserves the right to require the successful Respondent to execute a two-party contract, to be attached to the PO that incorporates this solicitation and the Respondent's Response promptly after award.

12. Department's Contract Manager.

All services will be performed under the direction and control of:
Danielle Kosberg
Department of Financial Services, Florida PALM Project
111 W. Madison Street, G08 Pepper Building
Tallahassee, FL 32399-0365

The Department reserves the right to change the Department's Contract Manager without a formal amendment to the PO. The Department will notify the Contractor by email of any change.

13. State Term Contract Special Conditions.

The following supplements the STC:

- a. **Precedence.**
Pursuant to the STC, any additional terms and conditions outlined in this Attachment 2, Statement of Work are supplemental to those set forth in the STC. The Attachment 2, Statement of Work and accepted portions of the Response are included in the PO under the STC and, with the STC provisions, shall constitute the PO between the parties; however, the Attachment 2, Statement of Work will supersede the Response in the event of any conflicting provisions. The STC can be viewed at the following Florida Department of Management Services website [http://www.dms.myflorida.com/contract_search/\(contractType\)/4110](http://www.dms.myflorida.com/contract_search/(contractType)/4110).

- b. **Limitation of Liability.** Attachment 1, Section 12 is modified by the following: No provision in the PO shall require the Department to hold harmless or indemnify the Contractor, insure or assume liability for the Contractor's negligence, waive the Department's sovereign immunity under the laws of Florida, or otherwise impose liability on the Department for which it would not otherwise be responsible. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of the PO. The Department's maximum liability for any damages, regardless of form of action, shall in no event exceed the fees actually paid to the Contractor for the relevant products or services giving rise to the liability, prorated over a term from the date of performance of the applicable services.
- c. **Governing law.** Attachment 1, Section 23b is modified by adding the following: With regard to limitation of actions, section 95.11, F.S., shall govern.
- d. **Change Process.** The Contractor shall contact the Department's Contract Manager or designee to request any changes to the PO (i.e., Change Order Process). If the Contractor fails to notify and obtain approval from the Department before commencing performance of activities relating to changes in the PO, such activities will be considered to be performed gratuitously by the Contractor, and the Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities.
- e. **Asset Usage.** To the extent applicable, the Department may, upon termination or expiration of the PO, purchase any assets used by the Contractor in performance of the PO, at their depreciated value, or if not depreciated, then the Department retains the right to negotiate to purchase such assets at an agreed-upon cost, not to exceed the price offered in any STC.
- f. **Termination.** Attachment 1, Section 10 is modified by the following:
- 1) **Default, Cancellation, or Suspension** -The Department may, in its sole discretion, provide notice and an opportunity to cure the default rather than exercise the remedy of termination. If the default or breach is not cured within thirty (30) calendar days after written notice is given to the Contractor specifying the nature of the alleged default or breach, then the Department, upon giving written notice to the Contractor, shall have the right to terminate the PO effective as of the date of receipt of the default notice. The Department shall have the right to unilaterally cancel or suspend the PO, by providing the Contractor thirty (30) days written notice.
 - 2) **Exit Transition** - Upon the earlier of six (6) months before the expiration of the PO or upon any notice of termination of the PO, the Contractor shall provide transition services (Exit Transition Services) to the Department without regard to the reason for termination, as stated herein. Exit Transition Services will be limited to activities involving knowledge transfer for such services and all reasonable termination assistance requested by the Department to facilitate the orderly transfer of such services to the Department or its designees.
- g. **Records Retention.** The Contractor shall retain records demonstrating its compliance with the terms of the PO for the longer of five years after the expiration of the PO and all pending matters, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>), whichever is longer. If the Contractor is required to comply with section 119.0701, F.S., then compliance with the retention of records in accordance with section 119.0701(2)(b)4., F.S., will fulfill the above stated requirement. If the Contractor's record retention requirements terminate prior to the requirements stated herein, the Contractor may meet the Department's record retention requirements for the PO by transferring its records to the Department at that time, and by destroying duplicate records in accordance with section 501.171, F.S., and, if applicable, section 119.0701, F.S. The Contractor shall adhere to established information destruction standards such as those

established by the National Institute of Standards and Technology Special Publication 800-88, "Guidelines for Media Sanitization" (2014). See <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf>.

- h. **Insurance.** Attachment 1, Section 8a. is modified by the following: At all times during the PO term, the Contractor, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits as may be reasonably associated with the PO. The Contractor shall submit appropriate proof of insurance. Such proof of insurance will become part of the PO.

The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Contractor providing such insurance. At a minimum, amounts reasonably associated with the PO include the following types of insurance for anyone directly or indirectly employed by the Contractor and the amount of such Insurance shall be the minimum limits as follows, unless otherwise approved by the Department's Contract Manager or designee:

- 1) Commercial general liability coverage, bodily injury, property damage: \$1,000,000 per occurrence/\$2,000,000 aggregate.
- 2) Workers' compensation and employer's liability insurance covering all employees engaged in any PO work, in accordance with Chapter 440, F.S.
- 3) Submit appropriate proof of computer crime insurance and coverage against intentional acts as well as negligent acts or omissions in connection with its activities under the PO.
- 4) Such coverage may be reduced with the consent of the Department's Contract Manager or designee. Except as agreed in a separate writing, no self-insurance coverage shall be acceptable unless the Contractor is licensed or authorized to self-insure for a particular coverage listed above in the State, or is an insured member of a self-insurance group that is licensed to self-insure in the State.

- i. **State Property.** Attachment 1, Section 14 is modified by the following: Where activities supported by the PO produce original writing, sound recordings, pictorial reproductions, drawings or other graphic representation and works of any similar nature, the Department has the right to use, duplicate and disclose such materials in whole or in part, in any manner, for any purpose whatsoever and to have others acting on behalf of the Department to do so. If the materials so developed are subject to copyright, trademark, or patent, legal title and every right, interest, claim or demand of any kind in and to any patent, trademark or copyright, or application for the same, will vest in the State's Department of State for the exclusive use and benefit of the state. Pursuant to section 286.021, F.S., no person, firm or corporation, including parties to the PO, shall be entitled to use the copyright, patent, or trademark without the prior written consent of the Department of State. The Department shall have unlimited rights to use, disclose or duplicate, for any purpose' whatsoever, all information and data developed, derived, documented, or furnished by the Contractor under the PO. All computer programs and other documentation produced as part of the PO shall become the exclusive property of the State's Department of State and may not be copied or removed by any employee of the Contractor.

- j. **Financial Consequences for Non-Performance.** Attachment 1, Section 5 is modified to add: To the extent that financial consequences are not further specified in the Attachment 2, Statement of Work, the following apply:

- 1) **Quality of Service** - If the IV&V Contractor fails to achieve a "Pass" performance on any of the five criteria areas, or other criteria determined by the Department's Contract Manager during any billing cycle, the Department will retain ten (10%) percent of the monthly invoice. The total withheld amount shall be paid upon satisfactory performance in the following month. However, two consecutive substandard months may result in commencement of replacement procedures as specified herein and will not have the ability to earn back the hold back amounts.
- 2) **Deliverable Quality** – Deliverable quality will be measured. Failure to meet the acceptance criteria as identified in the Attachment 2, Statement of Work Section 5 will result in automatic

Deliverable rejection and may not be invoiced or paid until correction of the Deliverable. Failure to complete the required duties not associated with a Deliverable as outlined in the Attachment 2, Statement of Work may also result in the rejection of the invoice.

- 3) **Deliverable Timeliness** – The sanction for untimely delivery of a deliverable is that payment may not be made until successful deliverable acceptance in writing. Additionally, if a deliverable is not submitted on time, Financial Consequences in the amount of 8 x the aggregate total contractual hourly rates for positions provided under the Contract will apply for each day late.
- 4) **Removal of Staff** – The Department will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Contractor personnel. Before assigning an individual to any position of the Project, the Contractor will notify the Department’s Contract Manager of the proposed assignment, will introduce the individual to the appropriate Project representatives, and will provide the Department’s Contract Manager with a resume and any other information about the individual reasonably requested by the Project, three weeks before the individual is assigned. The Department’s Contract Manager reserves the right to interview the individual before granting written approval.
 - a) The Contractor shall not remove any resource from their assigned roles during the term of the PO. An unauthorized removal (Unauthorized Removal) is a removal at any point in the PO period. It shall not be considered an Unauthorized Removal if personnel must be replaced for reasons beyond the reasonable control of the Contractor, including illness, and disability. However, the Contractor is to identify a replacement approved by the Department’s Contract Manager and assign the replacement to the PO to shadow the personnel he or she is replacing for a period of at least two weeks prior to such removal. There will be no increase in cost and no change in due date as a result of the replacement personnel. Any Unauthorized Removal may be considered by the Department to be a material breach of the PO, and entitle the Department to terminate the PO.
 - b) It is acknowledged that any Unauthorized Removal may interfere with the timely and proper completion of the Project, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, the Contractor and the Department agree that in the case of any Unauthorized Removal, the Department may assess liquidated damages against the Contractor as specified below. For amounts due to the Department as liquidated damages, the Department may at its option deduct the amount due from any money payable to the Contractor by the Department or may bill the Contractor as a separate item.
 - c) In the event of an Unauthorized Removal of any personnel, and Contractor failure to identify a replacement approved by the Department pursuant to subsection “a.” above, financial consequences will be applied using this formula (contractual hourly rate/20) x 2080:
 - 1) If the Contractor fails to assign an agreed upon replacement to shadow the removed personnel for at least two weeks (10 business days), the Contractor shall pay per day, for each day of the ten (10) day shadow period that the replacement personnel does not shadow the removed personnel,
 - 2) In the alternative, in the event of the Unauthorized Removal of any personnel, the Department reserves the right to recruit, hire, or otherwise contract directly with any personnel who have performed services under the PO in the event such reassignment is proposed or occurs. In the event such reassignment is proposed, the Contractor releases personnel from any non-compete agreement intended to bar such personnel from employment with Department. The Contractor’s failure to replace personnel subsequent to such personnel’s Unauthorized Removal shall be deemed to be a material breach of the PO.
 - d) The Department reserves the right to require the removal from the Project of the Contractor personnel found, in the judgment of the Department, to be unacceptable; this basis for removal will be considered an Unauthorized Removal and therefore financial consequences will apply.

Replacement personnel for the removed person shall have equal or superior experience and qualifications.

- k. **Step-in Rights.** For discontinuance of the performance of the work, failure to resume work that has been discontinued within a reasonable time after notice to do so, abandonment of the PO, or for noncompliance by the Contractor with tasks related to public records, the Department at its option may enforce these provisions by exercising “Step-In” rights as described below:
- 1) If the Department exercises its Step-In rights, the Contractor must cooperate fully with the Department (including its personnel and any third parties acting on behalf of the Department) and shall provide, at no additional charge to the Department, all assistance reasonably required by the Department as soon as possible, including:
 - 2) Providing access to all relevant equipment, premises and software under the Contractor’s control as required by the Department (or its nominee); and
 - 3) Ensuring that the Contractor personnel normally engaged in the provision of the public records tasks are available to the Department to provide assistance which the Department may reasonably request.
 - 4) The Department Step-In rights will end, and the Department will hand back the responsibility to the Contractor, when the Contractor demonstrates to the reasonable satisfaction of the Department that the Contractor is capable of resuming provision of the tasks in accordance with the requirements of the Attachment 2 – Statement of Work and that the circumstances giving rise to the Step-In right cease to exist and will not recur.
 - 5) The Contractor must reimburse the Department for all reasonable costs incurred by the Department (including reasonable payments made to third parties) in connection with exercise of the Department Step-In rights (Step-In Costs); and provision of the affected public records tasks shall be in accordance with Addendum A to the extent applicable.
 - 6) The Department will continue to pay the Contractor the charges (including that portion which relates to the affected public records tasks) due for the products or services, provided that the Contractor reimburses the Department for the Step-In Costs. If the Contractor fails to reimburse the Department within 30 days of receipt of a demand from the Department for payment of Step-In Costs, the Department is entitled to set off such Step-In Costs against a subsequent invoice.
- l. **Data Security, Recovery, and Damages for Non-Performance.** See Addendum B – Data Security Requirements, attached and incorporated by reference.
- m. **Other Work.**
The Department may undertake or award other contracts, statements of work, or other arrangements for additional or related work, and the Contractor shall reasonably cooperate with such other contractors and pertinent Department personnel. The Contractor shall not commit or permit any act that shall interfere with the performance of work by any other contractors or by Department personnel.

ATTACHMENT 3 - Cost Response

Respondents to this RFQ shall propose a pricing approach as fixed deliverable, fixed hourly, or a fixed deliverable/hourly combination for the Contract resulting from the RFQ using the templates below. Use the templates below as applicable to propose fixed prices for the numbered deliverables provided in Attachment 2, Section 5, Deliverables and Acceptance Criteria and/or fixed hourly rate contract pricing. Also, propose fixed hourly rate(s) if renewed, for providing all services outlined in this RFQ and in the Respondent’s Response. Pricing shall not exceed the Respondents State Term Contract No. 80101507-IVV-15-01, Information Technology Independent Verification and Validation Services ceiling rates (if applicable) for the term of the PO.

Fixed Deliverable Price Proposed

Deliverable Number	Deliverable Description	Proposed Fixed Price	Pricing Calculation Based on STC terms (estimated hours and associated rates by role)
IV&V2-1	IV&V Management Plan		
IV&V2-2	Monthly Assessment Report (Initial)		
IV&V2-2	Monthly Assessment Report (Month 2)		
IV&V2-2	Monthly Assessment Report (Month 3)		
IV&V2-2	Monthly Assessment Report (Month 4)		
IV&V2-2	Monthly Assessment Report (Month 5)		
IV&V2-2	Monthly Assessment Report (Month 6)		
IV&V2-2	Monthly Assessment Report (Month 7)		

Deliverable Number	Deliverable Description	Proposed Fixed Price	Pricing Calculation Based on STC terms (estimated hours and associated rates by role)
IV&V2-2	Monthly Assessment Report (Month 8)		
IV&V2-2	Monthly Assessment Reports (Month 9)		
IV&V2-2	Monthly Assessment Reports (Month 10)		
IV&V2-2	Monthly Assessment Reports (Month 11)		
IV&V2-2	Monthly Assessment Reports (Month 12)		

Fixed Hourly Rates Proposed

Job Title	Anticipated # of Hours Per Month:	Hourly Rate:	Total Cost

Renewal or Extended Hourly Rates Proposed

Job Title	Anticipated # of Hours Per Month:	Hourly Rate:	Total Cost

Respondent Name:

STC Number:

Person Submitting Quote:

Signature:

Date:

ATTACHMENT 4 – References

Include a detailed and accurate resume of the proposed IV&V Contractor’s experience and qualifications,

Use the template below to list three (3) separate and verifiable clients in the format below. The references listed shall be for whom similar projects were completed as requested.

Reference # _____

Project Title	
Client Organization	
Client Contact or Reference	
Client Phone	
Client Email Address	
Period of Performance (initial and final). Explain any delay in project completion	
Contract Value (initial and final). Explain any growth in contract value.	
Degree of project success – customer acceptance, success in meeting organization goals, on-budget delivery of services.	
Describe how services are similar to the services requested in this RFQ.	

I authorize the Department to contact this reference.

Respondent Name:

STC Number:

Person Submitting Quote:

Signature:

Date:

DEPARTMENT OF FINANCIAL SERVICES
Public Records Requirements
Addendum A

1. Public Records Access Requirements.

- a. If the Contract exceeds \$35,000.00, and if the Contractor is acting on behalf of the Department in its performance of services under the Contract, the Contractor must allow public access to all documents, papers, letters, or other material, regardless of the physical form, characteristics, or means of transmission, made or received by the Contractor in conjunction with the Contract (Public Records), unless the Public Records are exempt from section 24(a) of Article I of the Florida Constitution or section 119.07(1), F.S.
- b. The Department may unilaterally terminate the Contract if the Contractor refuses to allow public access to Public Records as required by law.

2. Public Records Requirements Applicable to All Contractors.

- a. For purposes of the Contract, the Contractor is responsible for becoming familiar with Florida's Public Records law, consisting of Chapter 119, F.S., section 24(a) of Article I of the Florida Constitution, or other applicable state or federal law (Public Records Law).
- b. All requests to inspect or copy Public Records relating to the Contract must be made directly to the Department. Notwithstanding any provisions to the contrary, disclosure of any records made or received by the State in conjunction with the Contract are governed by Public Records Law.
- c. If the Contractor has a reasonable, legal basis to assert that any portion of any records submitted to the Department are confidential, proprietary, trade secret, or otherwise not subject to disclosure ("Confidential" or "Trade Secret") under Public Records Law or other authority, the Contractor must simultaneously provide the Department with a separate redacted copy of the records the Contractor claims as Confidential or Trade Secret and briefly describe in writing the grounds for claiming exemption from the Public Records Law, including the specific statutory citation for such exemption. The unredacted copy of the records must contain the Contract name and number, and must be clearly labeled "Confidential" or "Trade Secret." The redacted copy of the records should only redact those portions of the records that the Contractor claims are Confidential or Trade Secret. If the Contractor fails to submit a redacted copy of records it claims are Confidential or Trade Secret, such action may constitute a waiver of any claim of confidentiality.
- d. If the Department receives a Public Records request, and if records that have been marked as "Confidential" or "Trade Secret" are responsive to such request, the Department will provide the Contractor-redacted copies to the requester. If a requester asserts a right to the portions of records claimed as Confidential or Trade Secret, the Department will notify the Contractor that such an assertion has been made. It is the Contractor's responsibility to assert that the portions of records in question are exempt from disclosure under Public Records Law or other authority. If the Department becomes subject to a demand for discovery or disclosure of the portions of records the Contractor claims as Confidential or Trade Secret in a legal proceeding, the Department will give the Contractor prompt notice of the demand, when possible, prior to releasing the portions of records the Contractor claims as Confidential or Trade Secret (unless disclosure is otherwise prohibited by applicable law). The Contractor shall be responsible for defending its determination that the redacted portions of its records are Confidential or Trade Secret. No right or remedy for damages against the Department arises from any disclosure made by the Department based on the Contractor's failure to promptly legally protect its claim of exemption and commence such protective actions within ten days of receipt of such notice from the Department.
- e. If the Contractor claims that the records are "Trade Secret" pursuant to section 624.4213, F.S., and all the requirements of section 624.4213(1), F.S. are met, the Department will respond to the Public Records Request in accordance with the provisions specified in that statute.
- f. The Contractor shall ensure that exempt or confidential and exempt Public Records are not disclosed except as permitted by the Contract or by Public Records Law.

3. Additional Public Records Duties of Section 119.0701, F.S., if Applicable.

If the Contractor is a “contractor” as defined in section 119.0701(1)(a), F.S., the Contractor shall:

- (1) Keep and maintain Public Records required by the Department to perform the service.
- (2) Upon request, provide the Department with a copy of requested Public Records or allow the Public Records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- (3) A Contractor who fails to provide the Public Records to the Department within a reasonable time may be subject to penalties under section 119.10, F.S.
- (4) Ensure that Public Records that are exempt or confidential and exempt from Public Records disclosure requirements are not disclosed except as authorized by law for the duration of the Contract term and following completion of the Contract if the Contractor does not transfer the Public Records to the Department.
- (5) Upon completion of the Contract, transfer, at no cost, to the Department all Public Records in possession of the Contractor or keep and maintain Public Records required by the Department to perform the service. If the Contractor transfers all Public Records to the Department upon completion of the Contract, the Contractor shall destroy any duplicate Public Records that are exempt or confidential and exempt from Public Records disclosure requirements. If the Contractor keeps and maintains Public Records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining Public Records. All Public Records stored electronically must be provided to the Department, upon request from the Department’s custodian of Public Records, in a format specified by the Department as compatible with the information technology systems of the Department. These formatting requirements are satisfied by using the data formats as authorized in the Contract or Microsoft Word, Outlook, Adobe, or Excel, and any software formats the Contractor is authorized to access.

(6) IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, F.S., TO THE CONTRACTOR’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE CONTRACT, CONTACT PUBLIC RECORDS AT:

Telephone: (850) 413-3149
Email: PublicRecordsInquiry@myfloridacfo.com
Mailing Address: The Department of Financial Services
Office of the General Counsel, Public Records
200 E. Gaines Street, Larson Building
Tallahassee, Florida 32399-0311

DEPARTMENT OF FINANCIAL SERVICES

Data Security Requirements

Addendum B

1. Data Security, Recovery, and Damages for Non-Performance.

- a. Data Security. The Contractor, its employees, subcontractors, and agents, shall comply with Rule Chapter 74-2, Florida Administrative Code (F.A.C.), which contains information technology (IT) procedures and requires adherence to the Department's security policies, in performance of this Contract. The Contractor shall provide immediate notice to the Department's Information Security Office (ISO), within the Office of Information Technology, in the event it becomes aware of any security breach or any unauthorized transmission or loss of any or all of the data collected, created for, or provided by the Department (State Data), and provide immediate notice to the ISO, of any allegation or suspected violation of Rule Chapter 74-2, F.A.C. Except as required by law or legal process, and after notice to the Department, the Contractor shall not divulge to third parties any Confidential Information obtained by the Contractor or its agents, distributors, resellers, subcontractors, officers, or employees in the course of performing Contract work according to applicable rules, including, but not limited to, Rule Chapter 74-2, F.A.C. "Confidential Information" means information in the possession or under the control of the state of Florida (State) or the Contractor that is exempt from public disclosure pursuant to Chapter 119, Florida Statutes (F.S.), or to any other applicable provision of State or federal law that serves to exempt information from public disclosure. This includes, but is not limited to, the security procedures, business operations information, or commercial proprietary information in the possession of the State or the Department. The Contractor shall not be required to keep confidential any information that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the State's Confidential Information, or information that is otherwise obtainable under State law as a public record. Failure to maintain security that results in certain data release will subject the Contractor to the administrative sanctions for failure to comply with section 501.171, F.S., together with any costs to the Department of such breach of security caused by the Contractor. If State Data will reside in the Contractor's system, the Department may conduct, or request the Contractor conduct at the Contractor's expense, an annual network penetration test or security audit of the Contractor's system(s) on which State Data resides. If the Contract is less than a year in duration, the right to conduct the network penetration test or security audit of the Contractor's system(s) on which State Data resides can be exercised at any time.
- b. Data Protection. No State Data will be transmitted, processed, or stored outside of the United States of America regardless of method, except as required by law. Access to State Data shall only be available to staff approved and authorized by the Department, that have a legitimate business need. Access to State Data does not include remote support sessions for devices that might contain the State Data; however, during the remote support session the Department requires the Contractor to escort the remote support access and maintain visibility of the support personnel's actions. Requests for remote access shall be submitted to the Department's Help Desk. With approval, third parties may be granted time-limited terminal service access to IT resources as necessary for fulfillment of related responsibilities. Remote connections are subject to detailed monitoring via two-way log reviews and the use of other tools. When remote access is no longer needed, the ISO shall be promptly notified and access shall be promptly removed.
- c. Encryption and Remote Access. The Contractor shall encrypt all data transmissions containing Confidential Information utilizing a protocol approved by the Department.
- d. Breach and Negligence. The Contractor agrees to protect, indemnify, defend, and hold harmless the Department from and against any and all costs, claims, demands, damages, losses, and liabilities arising from or in any way related to the Contractor's breach of this Section 1 or the negligent acts or omissions of the Contractor related to this addendum.
- e. Separate Security Requirements. Any Criminal Justice Information Services-specific and/or Health Information Portability and Accountability Act-specific security requirements are attached in a separate addendum, if applicable.
- f. Ownership of State Data. State Data will be made available to the Department upon its request, in the form and format reasonably requested by the Department. Title to all State Data shall remain property of the Department

and/or become property of the Department upon receipt and acceptance. The Contractor will not possess or assert any lien or other right against or to any State Data in any circumstances.

2. Data Access.

- a. Background Checks and Screening. All Contractor personnel who will have direct query access to State Data will undergo the background checks and screenings described in the Statement of Work.
- b. Cooperation with the State and Third Parties. The Contractor agrees to cooperate with the following entities: (i) the State; (ii) the State's other contractors; (iii) the State's agents, including properly authorized governmental entities; (iv) the State's authorized third parties, such as technology staff under contract with the State; and (v) other properly authorized individuals who directly or indirectly access State Data on behalf of any of the entities listed in this section. The Contractor shall also provide reasonable access to the Contractor's Contract personnel, systems, and facilities to these same entities, when reasonably requested by the Department. The Contractor agrees to impose these same requirements on all subcontractors performing the work of this Contract.