

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
FLAIR AND CMS REPLACEMENT PROJECT

SSI Procurement Support Services
Revised December 2017

Statement of Work
and Request for Quote

CAUTION: Trade secrets are not solicited or desired, as submissions with Responses. Respondents **are advised to submit a redacted version of the Response if Respondent considers any portion of the documents, data or records submitted in response to this solicitation to be confidential, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority. This redacted copy shall be clearly titled “Redacted Copy.”** Failure to provide a redacted version when confidentiality is claimed by the Respondent may be cause for determination of non-conformance.

1. Purpose.

The Department of Financial Services (“DFS”), FLAIR and CMS Replacement (“FCR”) Project Team (“Customer”) is issuing this Statement of Work (“SOW”) to define the scope and requirements of this task order (“Task Order”) and to request quotes and responses (“Response” or “Proposal”) to this Request for Quotes (“RFQ”) pursuant to the State Term Contract for Management Consulting Services, No. 973-000-14-01 and Information Technology (“IT”) Consulting Services, No. 973-561-10-1, Project Area 1.

This Task Order is needed to provide software and system integrator (“SSI”) Procurement Support Services to the FLAIR and CMS Replacement Project Team.

2. Background.

Section 215.93, Florida Statutes (“F.S.”), establishes the Florida Financial Management Information System (“FFMIS”) for the State of Florida (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 Cash Management System (“CMS”) was modernized in August 2013.

The Florida Accounting Information Resource (“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, DFS began efforts to evaluate the options and best approach for replacing 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:

- **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.
- **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.
- **Payroll Accounting:** Processes the State’s payroll.
- **Information Warehouse:** Provides a reporting system that allows users to access Central Accounting information and most DFS Departmental Accounting information in FLAIR.

FLAIR is a mature subsystem, supported at the data center located within DFS. 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,

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.

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 System - CMS

The DFS Division of Treasury (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, and paying of warrants and other disbursements issued by the CFO. These functions or activities include exchanging information between FLAIR, 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”), DFS 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 FLAIR Study, completed by The North Highland Company in partnership with Grant Thornton and Thomas, Howell, Ferguson (the “North Highland Team”), included an assessment of implementing an Enterprise Resource Planning (“ERP”) System for the State of Florida and an inventory of agency systems interfacing with FLAIR.

Based on the analysis completed in the FLAIR Study, the recommendation is that the State of Florida 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:

- Alignment to Goals and Objectives
- Cost Comparison
- Benefits Comparison
- Risk Analysis

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

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

<http://www.myfloridacfo.com/Division/AA/FLAIRStudy.htm>

D. FLAIR and CMS Replacement Project Structure and Timeline

The multi-year FLAIR and CMS Replacement Project (the “Project”) will have four parts or “phases”:

1. Pre-DDI – this initial phase (the Pre-Design, Development and Implementation or “Pre-DDI” phase) includes planning, business process re-engineering, and procurement of the ERP solution
2. DDI Phase 1 – this phase will implement the ERP solution focusing on FLAIR’s core processes and select CMS functions
3. DDI Phase 2 – this phase will expand the State’s use of ERP functionality for improved business operations

4. Operations and Maintenance – this phase overlaps all other phases and will include support for existing FLAIR, support of ERP FLAIR, and the upgrade of the ERP

The Project is currently in the Pre-DDI phase. During the various phases, it is envisioned that the Project will have multiple “tracks” or work streams that are staffed to simultaneously support the mission of the Project. The Tracks that are planned for Pre-DDI vary from the FLAIR Study slightly and are:

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

Chapter 4 of the FLAIR Study provides more detail about the Implementation Strategy including the timelines, Tracks and the recommended approach for Pre-DDI and future phases. Chapter 5 of the FLAIR Study provides potential procurement approaches to support the Project phases and track activities.

The State Procurement Team seeks to leverage a consulting firm’s experience to bring demonstrated expertise, tools, and templates to create and support the procurement strategy as defined in the FLAIR Study (“SSI Procurement Strategy”) and solicitation documents for selecting the SSI for the state’s new financial management system. The consulting firm (“Contractor” or “SSI Procurement Contractor”) will be responsible for performing SSI procurement support services to help meet the following:

1. Develop a procurement process which follows Florida’s procurement laws
2. Develop a clearly written document and conduct a transparent procurement process to minimize the risk of protest
3. Develop a sound procurement process giving DFS the ability to choose the right software and system integrator who form the right partnership resulting in the implementation of a successful FLAIR and CMS replacement
4. Complete the procurement process in a reasonable timeframe to allow DFS the ability to secure funding and select the software and system integrator
5. Require the system integrator to conduct the demonstration and/or presentation of the software proposed and show their ability to modify the software
6. Develop the right procurement tools to facilitate DFS’ ability to manage a high volume of responses from the vendor community
7. Utilize the evaluation of the procurement to confirm how the software meets the Project’s requirements
8. Secure one contract with both the software vendor and the system integrator (“SSI Contractor”) while retaining the ability to have direct contact with the software vendor to include:
 - a. Obtaining direct input from the software vendor when there is a discrepancy between what the software integrator represents the software can do and what DFS understands the software can do
 - b. Creating contract requirements for the software vendor to confirm their products meet the Project’s requirements and any required customizations
 - c. Access to the software vendor’s training toolkits
9. Leverage economies of scale the vendors can bring for software licensing
10. Develop a fixed price contract with the SSI Contractor
11. Develop strong performance measures of the SSI to indicate when the implementation is on a path to success or to failure and checkpoints to evaluate the SSI’s progress and optimal protection to the State

The FLAIR Study considered several options to procure a software and system integrator. Based on market research, two procurement options were outlined in detail: unbundled (separate procurements for software and implementation services) and bundled (single procurement for software and implementation services). The bundled option, a single procurement where system integrators may propose more than one software, best meets the State's needs. Due to the complexity and costs associated with the SSI procurement as well as the need to have flexibility of negotiations, a formal competitive solicitation method, an Invitation to Negotiate ("ITN"), is recommended. The SSI Procurement Strategy should provide the approach and timeline for completing procurement activities associated with one ITN for bundled software and implementation services.

The FLAIR Study recommended three positions dedicated for the State Procurement Team. The State Procurement Team is responsible for all Project procurement activities.

In addition to the State Procurement Team, the Contractor is expected to work with all impacted stakeholders, including but not limited to, Project Team members in other tracks, Project Sponsors, DFS Purchasing, DFS Legal Services, and outside legal counsel, if applicable. The goals of the Business Process Standardization ("BPS") Track include the assessment and documentation of standardized business process models, standard business process workflows, and development of the Business Requirements for the procurement of the State of Florida's new financial management system. Details on the scope of work to be performed by the State BPS team and a BPS contractor can be found in RFQ IC 14/15-06.

The Contractor is responsible for the work products and activities outlined in the scope of work.

3. Scope of Work.

The following section describes the scope of work to be performed by the Contractor. The deliverables and performance standards associated with each task identified in the scope of work are further defined in Section 5. – Deliverables and Acceptance Criteria.

A. Definitions

The following are key terms included within the scope of work.

1. **Business Requirements** – technical, functional, and reporting requirements for the State of Florida's new financial management system
2. **Business Process Standardization (BPS) Team** – the collective group of State staff and Contractor staff assigned to support the Business Process Standardization Track
3. **Contractor** – the vendor to whom the SSI procurement support services are awarded; the capitalized word "Contract," not otherwise identified, means the contract resulting from this RFQ
4. **Department of Financial Services (DFS)** – the state agency that oversees the fiscal functions of the State of Florida
5. **Division of Accounting and Auditing (A&A)** – the division within DFS that serves as the functional owner of the State's accounting system and which establishes, recommends and enforces fiscal policy for the State
6. **Division of Information Systems (DIS)** – the division within DFS that plans, manages and operates the information technology resources for DFS

7. **FLAIR Study** – the document delivered in March 2014 to the Department of Financial Services, which provides an evaluation and recommendations for the enhancement or replacement of the State’s current financial management systems
8. **Project Team** – the group of DFS employees dedicated to the FLAIR and CMS Replacement Project
9. **State Data** – any data or information of or concerning the State or DFS that is provided to or obtained by the Contractor or Contractor personnel in connection with the performance of the Contractor’s obligations under the Contract, 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 Contract, including data processing input and output, performance measurements, asset information, reports, third party service and product contracts, and the Contractor’s charges to DFS, or (ii) resides in or is accessed through DFS operating environment or the Contractor’s service delivery infrastructure; as well as any data and information derived from the foregoing
10. **Software & System Integrator (SSI)** – the vendor selected through procurement to implement the State’s new financial management system
11. **SSI Procurement** – the Project’s procurement event / phase dedicated to the selection of the software and the system integrator to implement the selected software
12. **SSI Procurement Support Team** – the group, made up of Project Team members and the Contractor, supporting the development and execution of the SSI procurement
13. **Standard Business Process Model** – the document that describes each Process Area in detail and that includes the standard business process workflows
14. **Standard Business Process Workflow** – the standardized flow diagram (such as a Visio diagram) that depicts the flows of activities in a Process Area
15. **State BPS Team** – the DFS employees assigned to support the BPS Track
16. **State Procurement Team** – the DFS employees assigned to support the SSI Procurement
17. **System and Data Strategy (SDS) Team** - the collective group of State staff and Contractor staff assigned to support the Systems and Data Strategy Track
18. **Treasury** – Treasury is a division within the DFS that performs the cash management and investing activities for the State

B. Activities

1. Develop and support a SSI Procurement Strategy by reviewing prior contracts with similar services and leveraging other state or industry experiences to identify a clear, precise, sound and transparent procurement process for DFS to select the right SSI to replace FLAIR and CMS. The SSI Procurement Strategy shall support the sourcing recommendation outlined in Chapter 5 of the FLAIR Study and the goals outlined in Section 2. The SSI Procurement Strategy must follow the established procurement guidelines outlined in the DFS Contract Management Lifecycle Guide, to be provided upon Contract award, and Florida Law. The strategy should include a single plan (with sections

specific to evaluation and negotiation activities) to maintain clear and complete documents throughout the procurement lifecycle. The strategy shall include a plan for the end of this Contract's transition activities.

2. Develop and support a schedule of procurement and contracting activities including milestones and dependencies that will allow flexibility and contingency for all necessary Project activities.
3. Develop and support evaluation preparation, methodology, planning and toolset collaborating with the Project Team and activities performed by other tracks. The methodology and any toolsets proposed should enforce consistency in the evaluation process.
4. Develop and support contract negotiation preparation, methodology, planning and toolset. The preparation shall include an approach for negotiation timing, how to manage negotiations depending on the number of respondents in the negotiation phase, and the SSI contract elements to be reviewed or negotiated.
5. Prepare draft and final SSI Procurement ITN documents, including the SSI scope of work, by collaborating with other members of the Project Team, DFS staff, and outside legal counsel, if applicable. The Contractor shall work with all identified stakeholders throughout the procurement lifecycle.
6. Provide management support after the SSI Procurement ITN is posted. The Contractor shall:
 - a. Assist with vendor question and answer (“Q&A”), including drafting and finalizing question responses and solicitation addenda as required
 - b. Facilitate and support vendor pre-bid conference, if applicable
7. Provide technical and management support for the evaluation process. The Contractor shall:
 - a. Support and/or train the evaluation team on evaluation methodology and toolset (including evaluation matrix)
 - b. Assist as needed in the review of submissions for responsiveness and minimum qualifications
 - c. Load vendor responses to requirements in Requirements Evaluation Matrix/Tool (Deliverable BPS14) developed by the BPS Contractor
 - d. Coordinate with the BPS Contractor for Review Evaluation Matrix Scoring, Reports, and Analysis (Deliverable BPS17)
 - e. Develop comparative analysis documents
 - f. Facilitate and support software and team presentations
 - g. Compile scoring metrics
 - h. Perform management and monitoring activities to confirm the evaluation team is adhering to the evaluation preparation and planning
8. Provide technical and management support for the SSI contract negotiation process. The Contractor shall:
 - a. Support and/or train the negotiation team on negotiation methodology and toolset
 - b. Facilitate and support internal strategy sessions for negotiations
 - c. Develop comparative analysis documents for short listed proposals
 - d. Prepare materials needed to support team development of schedule and agenda for negotiation meetings

- e. Serve as subject matter advisor during negotiations
 - f. Participate in negotiation sessions as subject matter experts
 - g. Facilitate and support the review of revised vendor responses including Interim Revised Replies (“IRR”) and Best and Final Offers (“BAFO”) including loading revised responses to the business requirements, if applicable.
 - h. Securely assess and document each iteration during negotiations of contract terms proposed by the Respondents selected for negotiation.
 - i. Perform management and monitoring activities to confirm the negotiation team is adhering to the negotiation preparation and planning
9. As needed, the Contractor shall be available upon request to address requests from legislative committees or others to explain the procurement approach, create requested documents, or answer questions.
10. Develop a contract management plan to identify the activities to be initiated or performed by Project staff to manage, track, amend, and close the SSI contract. The plan shall include the SSI activities and Project Team activities to facilitate an understanding of the complete process. Where applicable, this document shall reference specific detailed processes that are separate from this plan. This plan shall include the approach to managing the SSI contract for products and services.
11. Complete transition services including facilitating lessons learned meetings and creating a lessons learned document, which could be shared with other technology projects or ERP implementations in other states. Transition services shall include:
- Completion of all of the transition activities in the approved SSI Procurement Strategy (PROC2) including providing all of the documents, software, software licenses and other project artifacts to the Project Team.
 - Facilitation of lessons learned sessions and/or knowledge transfer sessions with the Project Team and others as needed.
 - Preparation of a procurement summary/lessons learned in Microsoft PowerPoint 2007 (or higher) to share with other states that describes the following:
 - Guiding Principles
 - Project Background
 - Pre-Procurement Process
 - SSI Procurement Process
 - Feedback & Lessons Learned, includes Respondents and State personnel
 - Summary Results
12. The Contractor shall provide written status reports beginning within three (3) weeks of the Contract execution, and weekly thereafter, until completion of the Contract.

4. Optional Services

In order to provide maximum value and flexibility to the State, the Project may utilize the Contractor awarded a Contract according to this RFQ to provide additional consulting services upon written request from DFS’ Contract Manager or designee. The additional services are limited to the following:

Option A: Fit-Gap During SSI Procurement - At this time, the Project Team has not yet determined if a fit-gap evaluation will occur during the SSI Procurement phase and/or which fit-gap methodology will be used. If the Project Team elects to include a fit-gap evaluation as part of SSI Procurement activities, the Contractor may be asked to support the Project Team to facilitate a fit-gap of software. The Contractor

should be prepared to participate in one of the following approaches or a combination thereof: simulation, brainstorming, or questionnaire. The Contractor’s responsibilities would include facilitating/participating in fit-gap meetings with one or more SSI Procurement respondents, developing comparative analysis documents and tools, documenting results of meetings, and delivering the final list of fits and gaps for Project Team review.

Option A Deliverables:

1. Documentation of the Comparative Analysis Toolset
2. Final List of Fits and Gaps for Project Team Review

Option B: IV&V Procurement – At this time, the Project team has not determined the timing to contract for Independent Verification and Validation (“IV&V”) Services. If the Project Team may elect to have the Contractor assist with the preparation of a draft and final IV&V Services solicitation document and IV&V contract collaborating with other members of the Project Team, DFS staff, and outside counsel if applicable.

Option B Deliverables:

1. IV&V Procurement Strategy
2. Evaluation Strategy for IV&V Procurement
3. Final IV&V Solicitation Document

To implement the optional services, the Project reserves the right to amend the Task Order to convert the hourly rate provided by the Contract in Exhibit B, Optional Future Deliverables Price Sheet, to a deliverable basis. This amendment would occur at a future date at the time the detailed deliverables and deadlines for the optional services are defined. Any amended Task Order will identify, or contain a cross-reference to, the applicable performance standards and consequences for non-performance under this RFQ.

5. Deliverables and Acceptance Criteria

The Project will use the following criteria to determine when each deliverable is considered complete and acceptable. The DFS’ Contract Manager or designee may provide additional acceptance criteria to be used for the Deliverables, and reserves the right to modify acceptance criteria. The Contractor will submit all deliverables electronically.

<p>Deliverables</p> <p>Deliverable: PROC1</p> <p>Description: SSI Procurement Support Schedule</p> <p>Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services</p> <p>Minimum Acceptance Criteria:</p> <p>The Contractor will create and maintain a Microsoft Project 2007 (or higher) Schedule to incorporate all activities for State Procurement Team resources to the agreed upon Work Breakdown Structure (“WBS”) level.</p> <ul style="list-style-type: none"> • At a minimum, the schedule shall include: <ul style="list-style-type: none"> ○ Firm task durations ○ Task start and finish dates ○ Task predecessors and successors ○ Task assignment – identify State vs. Contractor staff

- Work products and Deliverables
- The schedule shall incorporate the following targeted milestone dates:
 - Vendor Bid System Posting of the SSI Procurement ITN in November 2, 2015
 - Receive SSI Procurement responses in January 29, 2016
- The schedule shall incorporate the proposed submission and review schedule for solicitation document drafts.

The Contractor will meet with State Procurement Team to review the deliverable prior to delivery.

Deliverable: PROC2

Description: SSI Procurement Strategy

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria: A Microsoft Word 2007 (or higher) document will, at a minimum, address:

- Background - describes the background and purpose of the document.
- Procurement Vision - describes how the procurement process is supporting the goals and objectives (“solution goals”) of the FLAIR Study (reference FLAIR Study Section 1.5) and the procurement goals outlined in Chapter 5 of the FLAIR Study. Describes the objectives, constraints, priorities of the procurement.
- Sourcing Strategy – describes the scope of sourcing effort, risks and challenges, location requirements, and the approach for completing a fair and open competitive procurement. Describes how the approach will collaborate with the Project Team and activities performed by other tracks.
- Key Strategic Decisions- identifies key strategic decisions and decision makers that need to be identified and made prior to releasing the procurement and the approach for reaching and documenting the decisions.
- Timeline – graphic representation (i.e. Gantt chart) of the key activities associated with the procurement process.
- Procurement Communication Plan - identifies communication for internal and external stakeholders that have a significant stake in the procurement process. Outlines the content and timing of the anticipated procurement related communications.
- Procurement Roles and Responsibilities Matrix - Coordinate with DFS Purchasing, DFS Legal, and outside counsel, if applicable and the Project Team to establish the roles and responsibilities for procurement support throughout the procurement lifecycle.
- Procurement Document Management – plan for managing documents throughout the SSI procurement phase. Description of transition activities to be performed at the end of the SSI contract (Deliverable PROC11). Outlines approach for managing sensitive or protected information related to the procurement which includes emails and SharePoint in the Project.

Within 10 business days of the acceptance of PROC2 the Contractor shall deliver a revised Microsoft Project SSI Procurement Support Schedule (as submitted in PROC1) that reflects and supports the procurement activities and timelines outlined in PROC2. Any future changes to the SSI Procurement Support Schedule activities that do not affect deliverable due dates outlined in this RFQ will follow the Florida PALM Pre-DDI Project Management Plan change control process and will not require a contract amendment.

The Contractor will hold a series of meetings with the State Procurement Team to create this PROC2 document and revised Microsoft Project schedule, collaboratively.

Deliverable: PROC3

Description: SSI Procurement ITN Document(s) Part 1 – Procurement Content

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services:

A Microsoft Word 2007 (or higher) document(s) which will include at a minimum the applicable standard content sections found in a Florida ITN. The organization of the sections can be modified and will include the following:

- Introduction
- Definitions
- Overview of the Current Program
- Procurement Introduction, Process and placeholder for Timeline
- SSI contract term and renewal
- Specific Goals of the Project or ITN (if applicable)
- Questions Being Explored (if applicable)
- Pass/Fail Requirements and Certification (if applicable)
- General Contract Conditions (PUR1000)

This deliverable will include meeting facilitation and support to prepare the solicitation documents. DFS anticipates this deliverable will be prepared in close collaboration with the State Procurement Team, DFS Purchasing, DFS legal counsel, and outside counsel, if applicable. This deliverable will include the submission of draft solicitation documents for review and feedback as agreed upon in the project schedule.

Deliverable: PROC4

Description: SSI Procurement Evaluation Preparation

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

- A Microsoft Word 2007 (or higher) document or Microsoft PowerPoint which outlines the following:
 - Execution of the defined process, roles, responsibilities, and supporting toolset for evaluation of Replies to the SSI ITN for use by the Project Team. Documents the make-up and the skill set requirements for the evaluation team members and the approach to train them on the tools for scoring.
 - The methodology and any toolsets proposed should enforce consistency in the evaluation process.
 - Approach for reports that will be produced during the evaluation phase, including the reports developed by the BPS Contractor as part of Deliverable BPS12.

- Collaborate with BPS Team to incorporate Standard Business Process Strategic Plan Section 3 (Deliverable BPS9) which details the timeline and criteria for evaluating business requirements.

Deliverable: PROC5

Description: SSI Procurement ITN Document(s)

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

A Microsoft Word 2007 (or higher) document(s) and other agreed upon formats that represent the entire SSI Procurement solicitation document and attachments, which will include the applicable standard content found in a Florida ITN and information necessary to procure software and system integrator services. The organization of the solicitation document can be modified and will include the following:

- Incorporated text from the accepted PROC3 into the ITN document, including updates as needed
- Incorporated text from the accepted PROC13 into the ITN document, including updates as needed Scope of Work
- Special Instructions To Respondents
- All other required Attachments and Forms – including appropriate deliverables from the BPS Track (i.e. requirements matrix)
- Draft SSI contract (includes terms and conditions)

This deliverable will include meeting facilitation and support to prepare the solicitation documents. DFS anticipates this deliverable will be prepared in close collaboration with the State Procurement Team, DFS Purchasing, DFS legal counsel, and outside counsel, if applicable. This deliverable will include the submission of draft solicitation documents for review and feedback as agreed upon in the project schedule.

Deliverable: PROC6

Description: SSI Procurement – Solicitation Support

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

- Assist with vendor Q&A, including drafting and finalizing question responses and solicitation addenda as required.
- Facilitate and support vendor pre-bid conference(s), if applicable.
- All Solicitation Support activities will be documented in the weekly status reports.
- Create and deliver overall evaluation/scoring toolset.
- Support and/or facilitate orientation meeting(s) for the evaluation team on evaluation methodology and toolset (including evaluation matrix).
- Prepare any materials and correspondence needed to support the orientation meeting(s) of the evaluation team.
- Develop overall response comparative analysis documents/reports templates.

- Provide a summary description of services provided during the duration of Solicitation Support in the status report immediately following the start date of the SSI Procurement - Evaluation Support (PROC8). The Contract Manager will review the weekly status reports and this status report to validate completion of support services for final acceptance of this deliverable.

Deliverable: PROC7

Description: SSI Procurement Negotiation Preparation

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria. Develop and provide the following:

- Negotiation approach, methodology, plan and toolset. The preparation shall include an approach for negotiation timing, how to manage negotiations depending on the number of responses received.
- Documents the make-up and the skill set requirements for the negotiation team members and the approach to train them on the tools for negotiation, if applicable.
- The methodology and any toolsets proposed should enforce consistency in the negotiation process.
- List and description of reports that will be produced during the negotiation phase.
- Create and deliver the toolset proposed to support negotiations
- Prepare materials to support the training of the negotiation team
- Negotiation Preparation activities will be documented.
- Provide a summary description of services provided during the duration of Negotiation Preparation in the status report following the completion of Negotiation Preparation activities. The Contract Manager will review the weekly status reports and this status report to validate completion of support services for final acceptance of this deliverable.

Deliverable: PROC8

Description: SSI Procurement - Evaluation Support

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

- Provide an updated project schedule to reflect the evaluation process and timing based on the number of responses received.
- Review submissions for responsiveness and minimum qualifications, as requested
- Review vendor responses to requirements in requirements evaluation tool (Deliverable BPS14) and coordinate with the BPS Contractor (Deliverable BPS17).
- Provide overall response comparative analysis documents/reports.
- Facilitate and support software and team presentations (if applicable).
- Attend and support any public meetings during evaluations (if applicable).
- Compile scoring metrics for the overall response.
- Perform management and monitoring activities to confirm the evaluation team is adhering to the evaluation preparation and planning and discuss with the State Procurement Team.

- All Evaluation Support activities will be documented in the weekly status reports.
- Provide a summary description of services provided during the duration of Evaluation Support in the status report following the completion of Evaluation Support activities. The Contract Manager will review the weekly status reports and this status report to validate completion of support services for final acceptance of this deliverable.

Deliverable: PROC9

Description: SSI Procurement – Initial Negotiation Support

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

- Support and/or train the negotiation team on negotiation methodology and toolset.
- Prepare any correspondence needed to support the training of the negotiation team.
- Support strategy sessions for negotiations.
- Develop comparative analysis documents.
- Develop agendas and coordinate logistics for negotiation meetings, as requested.
- Serve as subject matter advisor.
- Participate in negotiation sessions.
- Attend and support any public meetings during negotiations.
- Support the Program Lead as requested.
- If applicable, assist the Department in preparing materials to request revised vendor responses including Interim Revised Replies (“IRR”) distributed prior to December 31, 2017.
- If applicable, support the review of revised vendor responses including Interim Revised Replies (“IRR”) received by December 29, 2017.
- Prepare support materials as requested by negotiations team.
- Post requested documentation of negotiation support activities to the designated project SharePoint site for negotiations.
- Provide a summary description of services provided during the duration of initial negotiation support (defined to conclude December 29, 2017) for the Contract Manager to review and validate completion of support services for final acceptance of this deliverable.

Deliverable: PROC10

Description: SSI Procurement – Supplemental Negotiation Support

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

- Support strategy sessions for negotiations.
- Develop agendas and coordinate logistics for negotiation meetings, as requested.
- Serve as subject matter advisor.
- Participate in negotiation sessions.
- Support the Program Lead as requested.
- If applicable, assist the Department in preparing materials to request revised vendor responses including Interim Revised Replies (“IRR”) distributed prior to February 28, 2018.

- If applicable, support the review of revised vendor responses including Interim Revised Replies (“IRR”) received by February 28, 2018.
- Prepare support materials as requested by negotiations team.
- Post requested documentation of negotiation support activities to the designated project SharePoint site for negotiations.
- Provide a summary description of services provided during the duration of supplemental negotiation support (defined to conclude February 28, 2018) for the Contract Manager to review and validate completion of support services for final acceptance of this deliverable.

Deliverable: PROC12 - *Non-Invoiced deliverables.*

Description: Weekly Status Reports

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

A Microsoft Word 2007 (or higher) document shall be provided as written status reports beginning within five (5) weeks of the Contract execution and weekly thereafter, until completion of the Contract. Status reports are due via email to the PMO Manager by 5:00 pm Eastern Time (“ET”) each Thursday (unless instructed otherwise in writing by the Contract Manager) until completion of the Contractor’s services, and shall include:

- A narrative description of significant activities that have been conducted or are underway
- The progress-to-date on the SSI procurement activities
- An explanation of any tasks/activities that are behind schedule and a plan to bring them current
- Notification of any problems with deliverables that have been encountered and their resolution or plan for future resolution
- Goals or upcoming deadlines
- The contractor and the State Procurement Team will collaborate on the format for the status report prior to the first submission.

Deliverable: PROC13

Description: SSI Procurement ITN Document Part 2 – Standard Response Instructions

Due Date of Deliverable: See Section 6, Timeline for Procurement Support Services

Minimum Acceptance Criteria:

A Microsoft Word 2007 (or higher) document(s) which will include at a minimum the applicable standard content sections found in a Florida ITN. The organization of the sections can be modified and will include the following:

- MFMP Registration
- Who May Response
- How to Submit a Response – standard language only, references the Reply Instructions
- Cover Letter - standard language only, references the Reply Instructions
- Contents of Technical Response - standard language only, references the Reply Instructions
- Cost/Price Response - standard language only, references the Cost Instructions
- Other Documentation to be Provided with Response (if used)
- Redacted Submission

- Additional Information

This deliverable will include meeting facilitation and support to prepare the solicitation documents. DFS anticipates this deliverable will be prepared in close collaboration with the State Procurement Team, DFS Purchasing, DFS legal counsel, and outside counsel, if applicable. This deliverable will include the submission of draft solicitation documents for review and feedback as agreed upon in the project schedule.

6. Schedule

The following timeline and due dates for deliverables have been established with the selected SSI Procurement Support Services Contractor. Deliverables will be invoiced in arrears after approval and acceptance of deliverables and services specified in this RFQ. Services shall be completed by the dates below unless otherwise agreed to by the Department.

Timeline for Procurement Support Services

Deliverable		Due Date
PROC1	SSI Procurement Support Schedule	Within 45 days of Effective Date
PROC2	SSI Procurement Strategy	Within 75 Days of Effective Date
PROC3	SSI Procurement ITN Document(s)Part I	August 4 2015
PROC4	SSI Procurement Evaluation Preparation	Within 4 weeks of the ITN Release
PROC5	SSI Procurement ITN Document(s)	January 28, 2015
PROC6	SSI Procurement – Solicitation Support	Date SSI Procurement – Evaluation Support Begins
PROC7	SSI Procurement Negotiation Preparation	Upon appointment of SSI ITN Negotiation Team
PROC8	SSI Procurement – Evaluation Support	Upon Completion of Evaluation Support Activities
PROC9	SSI Procurement – Initial Negotiation Support	December 29, 2017
PROC10	SSI Procurement – Supplemental Negotiation Support	February 28, 2018
PROC12	Weekly Status Reports	Thursdays, starting within five (5) weeks of contract execution and weekly thereafter
PROC13	SSI Procurement ITN Document Part 2 – Standard Response Instructions	September 28, 2015

7. Acceptance of Work.

- 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. DFS 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.

DFS anticipates to complete their review of deliverables within 14 days after receiving the deliverable. DFS may return a deliverable for modification. The Contractor will have up to 14 calendar days after receiving request for modification to cure and return deliverable to DFS. If additional cure and review cycles are needed, the Contractor and DFS will have seven (7) to ten (10) calendar days to review, request revisions or make modifications. If either the Contractor or DFS 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. DFS may provide additional acceptance criteria during the contract period to be used for the deliverables. DFS reserves the right to require the Contractor to revise deliverables previously approved at no additional cost to DFS 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 DFS unless stated otherwise by the Contract Manager or designee in writing. See Section 17.O for additional financial consequences associated with deliverables.

- B. Any tools, templates, or applications developed and work conducted by the Contractor pursuant to this SOW shall be performed in accordance with the Division of Information Systems (“DIS”) standards and specifications. These standards will be strictly adhered to and are available at the following website: <http://www.myfloridacfo.com/dis/isdm/>. 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 DFS ISDM and DFS Application Development Standards unless prior written exemption is approved by DIS. The DFS ISDM Life Cycle Checklist is a roadmap to ensure critical checkpoints and deliverables are met.

8. Facilities and Equipment.

- A. Upon completion of Security Awareness Training by the Contractor’s personnel who will be assigned to this Project, DFS shall provide necessary access to the DFS network.
- B. The work will be conducted on-site in the Tallahassee Project Office. The Project will provide work space and furniture for Contractor staff to use while on site. Access to a network printer and copier will also be provided for use by Contractor staff.

9. Qualification Requirements for the Contractor.

A. Contractor

- 1. Minimum Experience
 - a. Experience developing project timelines and plans for complex, multi-phase, multi-year projects
 - b. Experience developing strategic plans or operational work plans
 - c. Experience developing solicitation and supporting a State of Florida Agency through the procurement process
- 2. Preferred Experience
 - a. Experience managing large, multi-year projects to successful completion
 - b. Experience working on an ERP or large-scale information technology project, with particular experience with financial ERP applications
 - c. Experience in developing strategic plans or operational work plans for similar projects
 - d. Experience in State of Florida core financial processes

B. Contractor Staff

- 1. Required Knowledge and Experience
 - Experience must be verifiable in resume and via references*

- a. Knowledge and demonstrated application of State of Florida procurement laws and rules
 - b. Experience supporting complex information technology and implementation services procurements in the public sector
 - c. Experience with and ability to apply lessons learned from other states and agencies
 - d. Developed and supported evaluation tools and methodologies that enforce consistency in the evaluation process
 - e. Experience developing solicitations and contracts for applications and implementation services
 - f. Coordinated with a government entity to define an appropriate procurement strategy
 - g. Experience negotiating complex information technology and implementation services contracts
 - h. Supported vendor selection and award
 - i. High level competence with Microsoft Office
2. Preferred Experience
- a. Hold certification as a procurement professional
 - b. Experience at a management level with financial ERP application procurement

C. Staff Commitment.

The Contractor will not remove any key staff (to be identified prior to Contract execution) from their assigned roles or the Contract without three (3) weeks prior notification and approval of the Contract Manager (an “Unauthorized Removal”), which consent will not be unreasonably withheld. It shall not be considered an Unauthorized Removal if key staff must be replaced for reasons beyond the reasonable control of the Contractor, including illness, disability, and resignation or for cause termination of the key staff’s employment. Before assigning any new individual to any position on the Project, the Contractor will notify the Contract Manager of the proposed assignment, will introduce the individual to the appropriate Project representatives, and will provide the Contract Manager with a resume and any other information about the individual reasonably requested by the Project, three (3) weeks before the individual is assigned. The Project understands reasons beyond the reasonable control of the Contractor, including illness, disability, or resignation or for cause termination of the personnel’s employment. There will be no increase in cost or change in deliverable due dates as a result of replacement personnel. 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 requires all Contractor personnel to maintain in confidence all information that they receive or provide pursuant to the Contract as confidential during the term of the Contract. **Information available in any format shall be used only for the purpose of carrying out the provisions of the Contract. Information contained in Project documents such as deliverables, drafts, e.g., draft schedules and strategies, Contract artifacts, and State Data will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Disclosure to anyone other than an officer or employee of DFS is prohibited, except with express direction or consent of DFS.** DFS 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 DFS public records and procurement training within 30 days of the date the staff member is assigned to a solicitation project or earlier at the DFS Contract Manager’s or designee’s discretion.

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 candidates that: (1) the fingerprints will be used to check the criminal history records of the 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 DFS, the Contractor agrees to remove the employee from the Project and replace the employee with someone with comparable knowledge, skills and abilities.

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

E. Scrutinized Companies.

If the Proposal is for goods or services of \$1 million or more, the Respondent shall certify that the Respondent, as a company as defined in section 287.135, F.S., is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. (See <http://www.state.gov/s/ct>). Notice: Section 287.135, F.S., would operate to make businesses ineligible to contract with the State of Florida in specified circumstances. Currently, the 2012 changes to this section were enjoined by a court of law and upheld by an appellate court. The State has determined to not pursue enforcement of the enjoined portion of the law related to refusing to contract with vendors who engage in business operations in Cuba or Syria.

10. Submission of Proposal/Response

Interested vendors should respond to this RFQ by submitting a response that includes, at a minimum, the Respondent’s qualifications and proposed methodology for performing the above described services and the cost associated with providing the services. The response shall not exceed 75 pages, including any required reference forms.

Respondents are to identify the State Term Contract on which they base their Response. Refer to the applicable State Term Contract number within the Response. Responses will only be accepted from vendors with a valid and current State Term Management Consulting or IT Consulting Contract.

Responses are due according to the schedule below:

Activity	Anticipated Date
Issue RFQ	December 11, 2014
Deadline to submit questions via email	December 19, 2014 by 12:00 p.m., ET
DFS will respond to questions	January 5, 2015
Deadline to submit Proposals	January 20, 2015 by 2:00 p.m., ET
Oral Presentations - <i>tentative</i>	Week of February 2-4, 2015
Anticipated award	February 24, 2015

DFS assumes no responsibility for missing or delayed Proposals.

Oral presentations outlining the Respondent’s proposed approach and methodology for completing the contract services may be required. These presentations should address the project plan and include key milestones for each deliverable, as well as Contractor experience, qualifications, and staff roles and responsibilities. The oral presentations would be tentatively scheduled for three (3) hour periods and shall be provided by members of the Respondent’s proposed team.

Please send questions via email to the address shown below by the respective deadlines:

Dustin Stroud
DIS.Procurement@myfloridacfo.com

Respondents shall submit seven (7) bound, hard copies of their proposal to DFS by 2:00 p.m. ET, January 20, 2015. An electronic copy in Microsoft Word 2007 (or higher) or .PDF format shall also be provided

by CD or DVD. If any of the proposal contains trade secrets or other confidential information, Respondents are advised to submit a redacted version of the response clearly titled "Redacted Copy." The unredacted CD or DVD copies will need to have highlighted in yellow the specific Response content that is REDACTED from the redacted version described below. See Section 17D for additional information.

Deliver hard copies of the Proposal to:

Dustin Stroud
Division of Information Systems
Florida Department of Financial Services
101 E. Gaines Street
Tallahassee, Florida 32399-0316

Responses shall be concise and shall follow the outline below:

A. Tab A - Introductory Letter and Letter of Commitment.

The letter shall include an executive summary that demonstrates previous experience with creating procurement strategies, providing procurement support, and statewide, public sector ERPs and the ERP project lifecycle (experience with the full ERP project lifecycle does not have to come from a single engagement). This shall include an overview of the recommended approach; a point of contact for all RFQ communications; and the length of time the Proposal is valid, which shall be no less than 180 days. Tab A should also include all required certifications; proof of insurance as required in Section 17.

B. Tab B - Approach, Proposed Work Plan and Schedule.

This section shall include detailed information outlining the methodology and approach for creating tools, and templates to develop and support the SSI Procurement Strategy and solicitation documents for selecting the SSI for the state's new financial management system. This section shall include a high-level project schedule timeline for accomplishing the all required tasks and deliverables set forth in Section 5. This section shall include a description and adequate detail of software being proposed to support any deliverables to allow for technical evaluation for consistency with Department information technology standards. This section shall also detail the Contractor's requirements of the State's resources, including, but not limited to: access to Project staff, leadership, and subject matter advisors; availability of State staff; tasks to be performed by State staff; office space and equipment at the Project Office, etc. Any responses to Department requests for or questions about security of a proposed technology system or software tool to be used by the Department, sensitive or protected information, or information subject to sections 119.071(1)(f) and (3), F.S., must be: (1) REDACTED in the redacted version of the Respondent's applicable response or deliverable; and (2) maintained in confidence.

C. Tab C - Contractor Experience, Qualifications and References.

This section shall include Contractor experience, qualifications and references pertinent to this SOW. The Respondent should include a bibliography and/or links to the company's public sponsored studies, published research, or similar analysis for another governmental entity related to business process standardization, process mapping, requirements documentation, and ERP or ERP-Financials solutions. The Respondent shall include information in this section that will clearly outline why their experience and qualifications separate them from other respondents.

At a minimum, the Respondent should include three (3) references² that are relevant to the requirements of this RFQ. Use Exhibit C, Client References, to provide references. A current project is acceptable as long as the services are currently being provided. Exhibit C will not become part of the Contract.

² Contact information shall be provided for each engagement cited. References will be checked.

D. Tab D - Proposed Staff.

This section shall include staff assignments and their proposed roles and whether they are considered a key role, resumes for all staff, and staff's allocation to this Project including Process Area and phase, i.e., full-time, half-time, as-needed, etc. Resumes will not become part of the Contract. The Project expects that the key staff identified in the Proposal will remain on the Project for the duration of the Contract, and, if needed, shall be replaced with staff of equal or greater experience and knowledge and approved in advance by the Contract Manager. The Contractor shall include information in this section for any proposed subcontractors, including company information, proposed roles, and staff resumes. References may be requested to verify experience for proposed staff. Any personnel evaluations submitted as part of the Proposal are not intended to become part of the resulting Contract but will be used in evaluating the Proposal.

E. Tab E – Pricing.

The Respondent shall provide for a firm fixed-price using Exhibit A, Cost Proposal. Additionally, Exhibit A, Cost Proposal, shall include the name and job title of personnel assigned to the Project, number of hours anticipated and hourly rates. The hourly rates in Exhibit A, Cost Proposal reflect costs that are included in the firm fixed price, and establish hourly rates for any amendments that address any modifications in scope that require a change in pricing.

Also, DFS is requesting an extended pricing plan as allowed by both State Term Contracts. If an extended pricing plan is offered in the agency contract and is selected by the ordering entity, the Contract terms on pricing plans and renewals shall govern the maximum duration of purchase orders reflecting such pricing plans and renewals.

F. Tab F – Optional Future Deliverables.

This section shall include the Respondent's written Proposal and costs to provide the additional optional support services as described in Section 4. Costs shall be based on the pricing provided in Exhibit B, Optional Future Deliverables Price Sheet.

The hourly rates in Exhibit B reflect pricing in addition to the firm fixed prices in Exhibit A, and will apply only upon DFS' election of the option.

11. Basis for Award

DFS intends to award a contract to the Respondent that provides the overall best value to the State. DFS will consider the Respondent's full Proposal when making an award recommendation, including the Respondent's ability, Contractor experience, proposed work plan, resource availability, experience, and references in addition to the Respondent's price Proposal as outlined in Section 10.

Respondents will be evaluated based on their qualifications as documented in the materials provided as required in Section 10. All other factors being equal, price will be the determining factor.

12. Use of Subcontractors

In providing services under the prospective Contract, Contractor is permitted to utilize subcontractors. However, in its response to this RFQ, Respondent shall identify all subcontractors Respondent will utilize and what services they will provide. During the term of the prospective Contract, subcontractors may be substituted with the prior written approval of the Contract Manager. Please see section 32 of the PUR 1000 for additional requirements regarding utilization of employees, subcontractors and agents.

13. Conflict of Interest

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 from this agreement 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 DFS to the Contractor under the purchase order issued subsequent to the awarding of this RFQ.

In addition, the Contractor and any subcontractors performing services as part of this Contract may be excluded from award of future procurements dealing with that specific subject matter based on Section 287.057(17)(b) and (c), Florida Statutes, 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.”

14. Pricing and Invoicing.

- A. The Contractor will be paid a fixed price for each deliverable in accordance with the applicable State Term Contract, subject to the conditions for Acceptance of Work set forth in this SOW.
- B. No travel expenses shall be paid.
- C. Invoicing shall be in arrears after acceptance and approval of deliverables and services.
- D. Invoices shall be submitted as final deliverables are completed and accepted. Invoices shall be processed in accordance with section 215.422, Florida Statutes.
- E. Invoices are submitted to the Contract Manager:

Stuart Potlock
Department of Financial Services, Florida PALM Project
111 W. Madison Street, G08 Pepper Building
Tallahassee, FL 32399-0365

15. Contract.

DFS will enter into a contract with the awarded respondent in the form of a Purchase Order. The contract period for this RFQ begins upon issuance of the Purchase Order and ends the later of June 30, 2017 or upon acceptance of the final deliverable. However, prior to the expiration of the Purchase Order, DFS may elect to amend the Purchase Order to add the Optional Services in Section 4 based on the pricing plan in Exhibit B, Optional Future Deliverables Price Sheet, and revise the contract period. 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 as the original contract.

DFS reserves the right to require the successful Respondent to execute a two-party contract that incorporates this solicitation and the Respondent’s Proposal as soon as possible after award.

16. Contract Manager.

All services will be performed under the direction and control of:

Stuart Potlock
Department of Financial Services, Florida PALM Project
111 W. Madison Street, G08 Pepper Building
Tallahassee, FL 32399-0365

DFS reserves the right to change the Contract Manager without a formal amendment to the Contract. DFS will notify the Contractor by email, of any change.

17. State Term Contract Special Conditions.

- A. **Precedence.** The provisions of the applicable State Term Contract supersede all other Contractor terms and conditions with regard to this Task Order. Pursuant to the STC, any additional terms and conditions outlined in this SOW are supplemental to those set forth in the STC. Notwithstanding the above, consistent with Management Consulting STC Exhibit A section 19B or IT Consulting STC section 5.2, respectively, section 17P of this SOW shall supersede any like terms set forth in the STC, and specifically supersede Management Consulting STC Exhibit A section 4. The SOW and Proposal may serve as a Task Order under the STC and with the STC provisions shall constitute the contract between the parties; however, the SOW will supersede the Proposal in the event of any conflicting provisions.
- B. **Taxes.** DFS is exempted from payment of Florida state sales and use taxes and Federal Excise Tax. DFS will provide its tax exemption certification upon request.
- C. **Limitation of Liability.** No provision in this Contract shall require DFS to hold harmless or indemnify the Contractor, insure or assume liability for the Contractor's negligence, waive DFS' sovereign immunity under the laws of Florida, or otherwise impose liability on DFS 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 this contract. DFS' 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.
- D. **Public Records.** Notwithstanding any provisions to the contrary, disclosure of any confidential information received by the State of Florida will be governed by the provisions of the Florida Public Records Act, Chapter 119, F.S.
1. Trade secrets are not solicited or desired, as submissions with Responses. Pursuant to section 812.081, F. S., a person who claims that information is a trade secret must take measures to protect such information and to prevent it from becoming generally available. As such, if Respondent includes in its Response information that Respondent considers to be a trade secret that meets the definition provided in section 812.081, F. S., Respondent shall file a notice of trade secret or other confidential information with DFS that puts DFS on notice that Respondent has included trade secret or other confidential information in its Response. Furthermore, if a Respondent reserves the right to assert that a portion of its response is confidential, Respondent shall provide DFS with an additional copy of its Response that has been redacted to conceal only that information that Respondent claims to be confidential (Redacted Copy); and the unredacted copy is clearly identified as having had trade secrets or other confidential information, that is labeled "CONFIDENTIAL."
 2. The provision of redacted contract information on a website for public viewing does not alleviate the duty of DFS nor a state contractor to respond to a public records request. The response to the requestor may include referral to the website for viewing the identical (redacted) version. Should the Proposer or Contractor provide information deemed confidential or exempt from the Florida Public Records Act, then the Proposer or Contractor shall place such information in an encrypted electronic form or a sealed separate envelope and provide DFS with an additional copy of its documentation containing such information that has been redacted to conceal only that information that the Contractor claims to be confidential. The awarded Proposer (Contractor) is responsible for becoming familiar with the Florida Public Records Act with regard to records associated with the Contract. If a public records request is made to the Contractor, the Contractor will: immediately notify DFS of such request; process the request as approved by DFS' Public Records section; and provide DFS progress status reports; and provide a copy of its intended redacted version in case there is a public records request. For noncompliance by the Contractor with section 119.0701, F.S.,

or the above requirements regarding response to public records requests (collectively Public Records Tasks), DFS at its option may enforce these provisions by exercising “Step-In” rights as described in the contract section regarding financial consequences for non-performance or according to the termination provisions of the contract or both. If a public record request is made to DFS for documentation related to this solicitation and the resulting Contract, DFS will notify the Proposer or Contractor of such request if the Proposer or Contractor has provided DFS with a notice of trade secret or other confidentiality as noted above. If a public record request is made to either party, the Proposer or Contractor shall be solely responsible for taking whatever action it deems appropriate to legally protect its claim of exemption from the public records law. The Proposer or Contractor acknowledges that the protection afforded by section 815.045, F.S., is incomplete, and it is hereby agreed that no right or remedy for damages against DFS arises from any disclosure based on the Contractor’s failure to promptly legally protect its claim of exemption and commence such protective actions within ten (10) days of receipt of such notice from DFS. The Contractor shall retain such records for the longer of (3) three years after the expiration of the Contract or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at: http://dlist.dos.state.fl.us/recordsmgmt/gen_records_schedules.cfm).

3. The Contractor, and any approved subcontractor, shall, to the extent required by section 119.0701, F.S., perform the following tasks to comply with section 119.0701, F.S., (a) maintain public records required by DFS to perform the service; (b) provide access on the same conditions and at a cost not exceeding that provided in section 119.07, F.S., (c) ensure exempt or confidential documents are not disclosed and (d) transfer public records at no cost to the public agency on termination, destroy confidential duplicates, and provide electronic records in a format compatible with the public agency systems at no cost to the agency. The requirements are designed to avoid requiring unconventional data formats since the Proposer will be required at termination to transfer records to DFS at no cost and ensure that electronic records are in a format compatible with that of DFS to comply with section 119.0701, F.S.: using the data formats as noted in deliverables above.
4. The parties shall not be required to disclose to the public any materials protected by law, and disclosure of any confidential information received by the State of Florida will be governed by the provisions of Article I, section 24 of the Florida Constitution, and the Florida Public Records Act, Chapter 119, F.S., and exceptions thereto. The following records are specifically excluded from inspection, copying, and audit rights under the Contract:
 - a. Records of the Contractor (and subcontractors) that are unrelated to the Contract;
 - b. Documents created by and for DFS or other communications related thereto that are confidential attorney work product or subject to attorney-client privilege, unless those documents would be required to be produced for inspection and copying by DFS under the requirements of Chapter 119, F.S., and, Article I section 24 of the Florida Constitution; and
 - c. The Contractor's (and subcontractors) internal cost and resource utilization data, or data related to employees, or records related to other customers of the Contractor, or any subcontractor who is not performing services under this Contract.

E. Governing law. The Contractor and all its agents shall comply with all federal, state and local regulations applicable to this Contract. With regard to limitation of actions, section 95.11, F.S., shall govern. Florida law shall govern the Contract and jurisdiction shall be in Leon County, FL.

F. Change Process. The Contractor shall contact the DFS Contract Manager or designee to request any changes to the Task Order (Change Order Process). If the Contractor fails to notify and obtain approval from DFS before commencing performance of activities relating to changes in the Task Order, 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.

- G. Asset Usage.** The Customer may, upon termination or expiration of the Contract, purchase any assets used by the Contractor in performance of the Contract, at their depreciated value, or if not depreciated, then Customer retains the right to negotiate to purchase such assets at an agreed-upon cost, not to exceed the price offered in any state term contract.
- H. Default.** The Customer reserves the right to perform the service or activity, directly or with another Contractor, if service levels are not being achieved. Customer 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 the Contractor as may be necessary to satisfy any claim for damages, costs and the like asserted by or against them.
- I. Termination.** All services performed by the Contractor prior to the termination date of this Contract shall be professionally serviced to conclusion in accordance with the requirements of the Contract. Should the Contractor fail to perform all services under the Contract, the Contractor shall be liable to DFS for any fees or expenses that DFS may incur in securing a substitute provider to assume completion of those services. DFS 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 DFS, upon giving written notice to the Contractor, shall have the right to terminate the Contract effective as of the date of receipt of the default notice. DFS shall have the right to unilaterally cancel or suspend the Contract, by providing the Contractor thirty (30) days written notice. The Contractor shall not perform any Services after it receives the notice of termination, except as necessary to complete the transition or continued portion of the Contract, if any.
- J. Electronic Accessibility.** The Electronic and Information Technology standard can be found at: www.section508.gov. If applicable, section 508 compliance information on the supplies and services in this Contract are available on a website indicated by the Contractor.
- K. Employment Eligibility Verification.**
1. The Chief Financial Officer has directed, in cooperation with the Governor's Executive Order 11-116, that the Contractor must participate in the federal E-Verify Program for Employment Verification under the terms provided in the "Memorandum of Understanding" with the federal Department of Homeland Security governing the program if any new employees are hired to work on this Contract during the term of the Contract. The Contractor agrees to provide to DFS, within thirty days of hiring new employees to work on this Contract, documentation of such enrollment in the form of a copy of the E-Verify "Edit Company Profile" screen, which contains proof of enrollment in the E-Verify Program. Information on "E-Verify" is available at the following website: www.dhs.gov/e-verify.
 2. The Contractor further agrees that it will require each subcontractor that performs work under this Contract to enroll and participate in the E-Verify Program if the subcontractor hires new employees during the term of this Contract. The Contractor shall include this provision in any subcontract and obtain from the subcontractor(s) a copy of the "Edit Company Profile" screen indicating enrollment in the E-Verify Program and make such record(s) available to DFS upon request.
 3. Compliance with the terms of this Employment Eligibility Verification provision will be an express condition of the Contract and DFS may treat a failure to comply as a material breach of the Contract.
 4. In the event legislation authorizes an alternative option as proof of legal status, the Contractor may use the process authorized by such legislation upon its passage.
- L. Insurance.** The Contractor shall submit appropriate proof of insurance. Such proof of insurance will become part of the Contract. At a minimum, amounts reasonably associated with the Contract 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 DFS Contract Manager or designee:

1. Commercial general liability coverage, bodily injury, property damage: \$1,000,000 per occurrence/\$2,000,000 aggregate.
2. Automobile liability coverage, bodily injury, property damage: \$1,000,000 Combined Single Limits. Insuring clause for both bodily injury and property damage shall be amended to provide coverage on an occurrence basis.
3. Workers' compensation and employer's liability insurance covering all employees engaged in any Contract work, in accordance with Chapter 440, F.S.
4. 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 Contract.
5. Such coverage may be reduced with the consent of the DFS Contract Manager or designee since certain subcontractors have potentially less exposure in liability than other subcontractors. Except as agreed in a separate writing, no self-insurance coverage shall be acceptable unless Contractor is licensed or authorized to self-insure for a particular coverage listed above in the State of Florida, or is an insured member of a self-insurance group that is licensed to self-insure in the State of Florida.

M. Ownership and Rights. Any intellectual property contained in a Deliverable and developed as a result of this Contract will belong to and be the sole property of the State of Florida. This provision will survive the termination or expiration of the Contract. The Contractor retains all ownership rights in any proprietary methodologies, methods, processes, or procedures of the Contractor that pre-exist or were developed outside the scope of this Contract. If any such property of Contractor is contained in any of the Deliverables hereunder, the Contractor grants to DFS a royalty-free, paid-up, non-exclusive, perpetual license to use such Contractor intellectual property in connection with DFS' use of the Deliverables.

N. State property. Title to all property furnished by DFS under this Contract shall remain in DFS, and the Contractor shall surrender to DFS all property of DFS prior to settlement upon completion, termination, or cancellation. All deliverables shall become and remain DFS' property upon receipt and acceptance. All work materials developed or provided by the Contractor under this Contract and any prior agreement between the parties shall be deemed to be work made for hire and owned exclusively by the State of Florida, Department of Financial Services.

O. Financial Consequences for Non-Performance.

1. To the extent that financial consequences are not further specified in the Statement of Work, the following apply:
 - a. Failure to meet the acceptance criteria as identified in the Statement of Work will result in automatic Deliverable rejection and shall 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 Statement of Work shall also result in the rejection of the invoice. Notwithstanding any provisions to the contrary, written acceptance of a particular Deliverable does not foreclose DFS' remedies in the event those performance standards that cannot be readily measured at the time of delivery are not met. DFS shall reject any and all invoices containing deliverables that have not been reviewed and accepted in accordance to Section 5 of the Statement of Work, unless the reason for the incompleteness, in the sole determination of DFS, is not the fault of the vendor. Nothing within the SOW shall be misconstrued to limit this consequence for non-performance as required by section 287.058 (h), Florida Statutes.

- b. To the extent liquidated damages are assessed on the Contractor according to the Statement of Work, the Contractor acknowledges that its failure to meet the agreed upon deadline for delivery of Deliverables will damage DFS but that by their nature such damages are impossible to ascertain presently and will be difficult to ascertain in the future. Accordingly, the parties agree upon a reasonable amount of liquidated damages which are not intended to be a penalty and are solely intended to compensate for unknown and unascertainable damages. Accordingly, liquidated damages shall be assessed on the Contractor as follows: Failure to meet the deliverable deadlines as identified in the Statement of Work will result in a reduction of 1% of the price of the Deliverable for each day that any Deliverable is received after its due date or not meeting a standard after the cure period, as specified in Section 6. Price reductions will be assessed up to a maximum of 15% for each Deliverable. Non-invoiced Deliverables will be assessed \$50 per day for each day the Deliverable is late up to a maximum of \$500 for each Deliverable for each missed due date. If damages are assessed on non-invoiced Deliverable, they will be deducted from the next invoiced Deliverable.
- c. Nothing in this section shall be construed to make the Contractor liable for delays that are beyond its reasonable control. Nothing in this section shall limit DFS' right to pursue its remedies for other types of damages.

2. 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 Contract, or for noncompliance by the Contractor with tasks related to public records, DFS at its option may enforce these provisions by exercising "Step-In" rights as described below:

- a. If DFS exercises its Step-In rights, the Contractor must cooperate fully with DFS (including its personnel and any third parties acting on behalf of DFS) and shall provide, at no additional charge to DFS, all assistance reasonably required by DFS as soon as possible, including:
 - i. providing access to all relevant equipment, premises and software under the Contractor's control as required by DFS (or its nominee); and
 - ii. ensuring that the Contractor personnel normally engaged in the provision of the public records tasks are available to DFS to provide assistance which DFS may reasonably request.
- b. DFS' Step-In rights will end, and DFS will hand back the responsibility to the Contractor, when the Contractor demonstrates to DFS' reasonable satisfaction that the Contractor is capable of resuming provision of the affected public records tasks in accordance with the requirements of the Statement of Work Section 17D3 and that the circumstances giving rise to the Step-In right cease to exist and will not recur.
- c. The Contractor must reimburse DFS for all reasonable costs incurred by DFS (including reasonable payments made to third parties) in connection with DFS's exercise of Step-In rights and provision of the affected public records tasks (Step-In Costs).
- d. DFS 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 DFS for the Step-In Costs. If the Contractor fails to reimburse DFS within 30 days of receipt of DFS' demand for payment of Step-In Costs, DFS is entitled to set off such Step-In Costs against a subsequent invoice.

P. Data Security and Confidentiality.

- 1. The Contractor, its employees, subcontractors and agents shall comply with all security procedures of DFS in performance of this Contract. The Contractor shall provide immediate notice to the DFS Information Security Office (ISO) in the event it becomes aware of any security breach and any

unauthorized transmission of State Data as described below or of any allegation or suspected violation of security procedures of DFS. Except as required by law or legal process and after notice to DFS, 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, including, but not limited to, Rule Chapter 71A-1, Florida Administrative Code, security procedures, business operations information, or commercial proprietary information in the possession of the state or DFS. After the conclusion of the Contract, the Contractor shall not be required to keep confidential 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.

2. **Loss of Data.** In the event of loss of any State Data or record where such loss is due to the negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by DFS at the Contractor's sole expense, in addition to any other damages DFS may be entitled to by law or the Contract. Further, 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 DFS of such breach of security caused by the Contractor. If State Data will reside in the Contractor's system, DFS may conduct, or request the Contractor to 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. The Contractor shall:
 - a. **COPIES:** At Contract termination or expiration--submit copies of all finished or unfinished documents, data, studies, correspondence, reports and other products prepared by or for the Contractor under the Contract; submit copies of all State Data to DFS in a format to be designated by DFS in accordance with section 119.0701, F.S.; shred or erase parts of any retained duplicates containing personal information (as defined by section 501.171, F.S.) or other information made exempt or confidential and exempt under the Florida Statutes, or protected from disclosure by federal law so that such information is unreadable;
 - b. **ORIGINALS:** At Contract termination or expiration--retain its original records, and maintain (in confidence to the extent required by law) the Contractor's original records in UNREDACTED form, until the records retention schedule expires (according to General Contract Condition PUR 1000-18 or any like terms set forth in the STC) and to reasonably protect such documents and data during any pending investigation or audit;
 - c. **Both Copies and Originals:** Upon expiration of all retention schedules and audits or investigations--with notice to DFS, destroy all State Data from the Contractor's systems including, but not limited to, electronic data and documents containing personal information or other information that is exempt or confidential and exempt under the Florida Statutes or protected from disclosure under federal law.
3. **Data Protection.** No state data or information will be transmitted to, stored in, processed in, or shipped to offshore locations or out of the United States of America, regardless of method, except as required by law. Examples of these methods include (but are not limited to): FTP transfer, DVD, tape, or drive shipping; regardless of level of encryption employed. Access to State Data shall only be available to approved and authorized staff, including remote/offshore personnel, that have a legitimate business need. Requests for remote access shall be submitted to DFS' Help Desk. With approval, third parties may be granted time-limited terminal service access to IT resources as necessary for fulfillment of related responsibilities. Third parties shall not be granted remote access via VPN, private line, or firewall holes. Requests for exceptions to this provision may be submitted to DFS for approval. All remote connections are subject to detailed monitoring via two-way log reviews and the use of other tools, as deemed appropriate. When remote access needs change, the ISO shall be promptly notified and access shall be removed promptly. The Contractor shall encrypt all data transmissions containing confidential or confidential and exempt information. Remote data

access must be provided via a trusted method such as SSL, TLS, SSH, VPN, IPsec or a comparable protocol approved by DFS. Confidential information must be encrypted using an approved encryption technology when transmitted outside of the network or over a medium not entirely owned or managed by DFS.

The Contractor agrees to protect, indemnify, defend and hold harmless DFS 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 data security or the negligent acts or omissions of the Contractor related to this subsection.

All employees, subcontractors, or agents performing work under the Contract must comply with all security and administrative requirements of DFS. 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, including, but not limited to, security procedures, business operations information, or commercial proprietary information in the possession of the state or DFS.

Q. Other Work

The Customer 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 Customer personnel. The Contractor shall not commit or permit any act that shall interfere with the performance of work by any other Contractors or by Customer personnel.