

**HUMAN RESOURCE OUTSOURCING - PEOPLE FIRST
CONTRACT NO: DMS 14/15-011**

**BETWEEN
THE STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
AND
NORTHGATEARINSO, INC.**

TABLE OF CONTENTS

1	DEFINITIONS	10
1.1	Definitions.....	10
1.2	Rules of Interpretation.....	16
2	TERM AND COMPENSATION	18
2.1	Initial Contract Term.....	18
2.2	Department's Right to Renew Contract.....	18
2.3	Contract Term Price.....	18
2.4	Renewal Term Price.....	19
2.5	Invoices.....	19
2.6	Overpayments.....	20
2.7	Disputed Invoices.....	20
2.8	Payment Upon Expiration or Termination.....	20
2.9	Transaction Fee.....	20
3	SCOPE OF WORK	22
3.1	Overview.....	22
3.2	Objectives.....	23
3.3	Deliverables.....	24
3.4	Ongoing System Operations Maintained by Service Provider.....	30
3.4.1	Description.....	30
3.4.2	System Functionality and Service Provider Responsibilities.....	31
3.4.3	Ongoing System Maintenance and Corrections.....	31
3.4.4	Service Provider System Testing Responsibilities.....	33
3.4.5	Scheduled System Downtime.....	34
3.4.6	Disaster Recovery.....	34
3.4.7	State of Florida Access.....	35
3.4.8	Service Provider Access.....	36
3.4.9	HR Software and Supporting Services.....	36
3.4.10	System Updates and Upgrades.....	36
3.4.11	Security Testing.....	37
3.4.12	Password Security Protocols.....	37
3.4.13	Testing Environments.....	38
3.4.14	Trade Secrets.....	39
3.4.15	System Staffing	39
3.4.16	Department's Access to Subcontractors.....	39

Human Resources Outsourcing – People First
 Florida Department of Management Services

3.4.17	Ownership of Work Product.....	40
3.5	Ongoing Service Delivery Maintained by Service Provider.....	41
3.5.1	Dedicated People First Service Center.....	41
3.5.2	Service Center Location.....	42
3.5.3	Language.....	42
3.5.4	Physical Space for Department Employees.....	42
3.5.5	Business Processes Documentation.....	43
3.5.6	Statistical Reports System.....	43
3.5.7	Hours of Operations.....	45
3.5.8	People First Service Center Integration.....	45
3.5.9	Voice Connectivity.....	45
3.5.10	Call Transfer Responsibilities.....	45
3.5.11	Call Recordings.....	46
3.5.12	IVR and Web Self-Service Availability.....	46
3.5.13	Customer Satisfaction Surveys.....	47
3.5.14	Service Provider’s Holidays.....	47
3.5.15	Service Center Staffing.....	47
3.5.16	Three-Call Escalation Process.....	48
3.5.17	Training.....	48
3.5.18	Lockbox Services.....	48
3.5.19	Health Savings Account Services.....	49
3.5.20	Vendor Discrepancy Reports.....	49
3.5.21	Fiscal Administration.....	49
3.5.22	Email Box and Online Submission.....	50
3.5.23	Other Resources.....	50
3.6	Optimization Initiatives and Major System Projects to be Deployed by Service Provider.....	51
3.6.1	Implementation Process and Deadlines.....	51
3.6.2	Escalation Process.....	52
3.6.3	Right to Extend Deadlines.....	52
3.6.4	Consequences of Service Provider Failing to Meet the Release to Production Due Date.....	53
3.6.5	Temporary Renewal of Services.....	54
3.7	Optional Service -- Payroll End-to-End Processing.....	54
3.8	Warranty.....	54
4	CONTRACT ADMINISTRATION.....	56
4.1	Organizational Contact Matrix.....	56
4.2	Contract Administrator.....	56

Human Resources Outsourcing – People First
Florida Department of Management Services

4.3	Contract Manager.....	56
4.4	Notice and Approval of Major Organizational Changes or Changes in Service Provider's Organization.....	57
4.5	State Information and Access.....	57
4.6	Meetings.....	57
4.7	Performance Metrics.....	59
4.7.1	Performance Metrics General Provisions.....	59
4.7.2	Performance Credits.....	59
4.7.3	Performance Metric Monthly Report.....	60
4.7.4	Review and Adjustment of Performance Metrics.....	60
4.7.5	Other Rights and Remedies.....	60
4.7.6	Performance Metric Default.....	60
4.7.7	Excused Performance Failures.....	61
4.8	System Enhancement Hours.....	61
4.8.1	Number of Hours.....	61
4.8.2	Recordkeeping.....	62
4.8.3	Change Process.....	62
4.9	Change Orders.....	63
4.9.1	Generally.....	63
4.9.2	Change Order Process.....	63
4.9.3	Time for Approval.....	64
4.10	Price Reduction.....	64
4.11	Open Enrollment.....	64
4.12	General Change Request Implementation Process.....	65
4.13	Audit Rights.....	66
4.14	Third Party Monitoring.....	67
5	INSURANCE.....	69
5.1	Insurance Coverage.....	69
5.1.1	Commercial General Liability.....	69
5.1.2	Workers' Compensation Insurance.....	69
5.1.3	Automobile Liability Insurance.....	70
5.1.4	Professional Indemnity Insurance.....	70
5.2	Subcontractor Provider Insurance Coverage.....	70
5.3	Proof of Insurance.....	70
5.4	Self-Insurance.....	71
5.5	Performance and Payment Bond.....	71

6	SECURITY	72
6.1	Security Officers.....	72
6.2	Background Checks.....	72
6.2.1	Background Screening Warranty.....	72
6.2.2	Disqualifying Offenses.....	73
6.2.3	Self-Disclosure.....	73
6.2.4	Refresh Screening.....	74
6.2.5	Background Screening Report.....	74
6.2.6	Department’s Ability to Audit Screening Compliance and Inspect Locations.....	75
6.2.7	Failure of Service Provider to Perform Obligations.....	75
6.3	SOF Production Data Access.....	75
6.4	No Offshoring.....	78
6.5	Security Breaches and Incidents.....	79
6.5.1	Service Provider’s Responsibility to Notify Department.....	79
6.5.2	Service Provider’s Responsibility to Notify Covered Population.....	80
6.5.3	Credit Monitoring and Notifications.....	81
6.5.4	Data Security Notification Letter.....	81
6.5.5	Credit for Late Notice.....	81
6.6	Encryption Requirements.....	82
6.7	Service Center Security Requirements.....	82
6.8	Confidentiality Obligations.....	84
6.9	Indemnification.....	85
7	TERMINATION, DEFAULT AND REMEDIES	86
7.1	Right of Termination.....	86
7.1.1	Termination for Cause.....	86
7.1.2	Termination for State’s Non-Appropriation of Funds.....	86
7.2	Department’s Right to Terminate for Convenience.....	86
7.3	Right to Equitable Relief.....	87
7.4	Events of Default.....	87
7.5	Opportunity to Cure Default.....	89
7.6	Consequences of Termination.....	90
7.7	The Department’s Default.....	91
7.8	Department’s Rights in Anticipation of Contract Expiration.....	91
7.9	Rights Cumulative, No Waiver.....	91
7.10	Department May Cure Service Provider Defaults.....	91
7.11	Third Party Satisfaction.....	92

8	TRANSITION	93
8.1	Duration.....	93
8.2	System Freeze.....	93
8.3	Transition Services.....	94
8.4	Interim Services.....	94
8.5	Transfer of Certain Assets.....	95
9	DISPUTE RESOLUTION	96
9.1	Overview.....	96
9.2	Informal Negotiations / Informal Resolution.....	96
9.3	Informal Executive Level Negotiations.....	96
9.4	Mediation.....	96
9.4.1	Mediation Procedure.....	97
9.4.2	Selection of a Neutral Mediator.....	97
9.4.3	Location of Mediation.....	97
9.4.4	Mediation Period.....	97
9.5	Obligation to Mediate.....	97
9.6	Performance to Continue.....	97
9.7	Confidentiality.....	97
9.8	Notice of Decision.....	97
9.9	Forum and Venue	98
9.10	Payment of Fees and Costs.....	98
10	GENERAL PROVISIONS	99
10.1	Advertising.....	99
10.2	Amendments.....	99
10.3	Americans with Disabilities Act Requirements / Unauthorized Aliens.....	99
10.4	Annual Appropriations.....	100
10.5	Assignment.....	100
10.6	Conflict of Interest.....	100
10.7	Department’s Responsibilities.....	100
10.8	Diversity – Service Provider’s Commitment.....	101
10.9	Documents and Data.....	102
10.10	Drug Free Workplace Program.....	102
10.11	Employment Eligibility Verification (E-Verify).....	102
10.12	Entire Contract.....	103
10.13	Force Majeure and No Damages for Delay.....	103
10.14	Further Assurances.....	104
10.15	Good Standing.....	104

Human Resources Outsourcing – People First
Florida Department of Management Services

10.16	Indemnity.....	105
10.16.1	General.....	105
10.16.2	Intellectual Property.....	105
10.17	Independent Service Provider.....	105
10.18	Cooperation with the Inspector General.....	106
10.19	Liability.....	106
10.20	Department Materials.....	106
10.20.1	License.....	106
10.20.2	Ownership.....	107
10.20.3	Termination of License.....	107
10.20.4	Disclaimer of Warranties.....	107
10.20.5	Non-disclosure.....	107
10.20.6	Notification of Unauthorized Disclosure.....	107
10.20.7	Audit.....	108
10.20.8	Liquidated Damages.....	108
10.21	Lobbying.....	108
10.22	Loss of Data.....	108
10.23	Non-discrimination and Equal Opportunity.....	108
10.24	Notices.....	109
10.25	Other Compliances.....	110
10.26	Public Entity Crime.....	110
10.27	Public Records and Access to Records.....	111
10.27.1	Service Provider Treatment of Public Records in Their Possession.....	111
10.27.2	Process.....	111
10.27.3	Access to Records.....	112
10.27.4	Service Provider’s Failure to Comply.....	112
10.27.5	Service Provider’s Responsibility to Retain Documentation.....	112
10.28	Representation of Ability to Perform.....	113
10.29	Service Provider’s Property.....	113
10.30	Severability Clause.....	113
10.31	Subcontractor Requirements.....	113
10.31.1	Subcontractor Approval.....	113
10.31.2	Subcontractor Agreements.....	114
10.31.3	Subcontractor Removal.....	114
10.31.4	Other Requirements.....	115
10.31.5	Failure to Perform.....	115
10.32	Survival Clause.....	116
10.33	Taxes.....	116
10.34	Waiver.....	116

Human Resources Outsourcing – People First
Florida Department of Management Services

10.35	Scrutinized Company List.....	116
10.36	Vendor Ombudsman.....	116
10.37	Credits and Financial Consequences	117
	Signature Page.....	117
	APPENDIX A – COVERED ENTITIES.....	118
	APPENDIX B – DELIVERABLES.....	120
	APPENDIX C – AFFIDAVITS OF COMPLIANCE.....	122
	APPENDIX D – PERFORMANCE METRICS.....	125
	APPENDIX E – SYSTEM ENHANCEMENT HOURS TRACKING REPORT.....	141
	APPENDIX F – PEOPLE FIRST MATERIALS.....	143
	APPENDIX G – OPTIMIZATION INITIATIVES AND MAJOR SYSTEM PROJECTS.....	150
	APPENDIX H – OPTIMIZATION INITIATIVES AND MAJOR SYSTEM PROJECTS SCHEDULE	151
	APPENDIX I – CHANGE ORDER FORM.....	152
	APPENDIX J – TRANSITION SERVICES.....	154
	APPENDIX K – FLEXIBLE SPENDING ACCOUNT (FSA) / HEALTH SAVINGS ACCOUNT (HSA) SYSTEM FUNCTIONALITY & SERVICES.....	156
	APPENDIX L – FUNCTIONAL GAP ANALYSIS & STRATEGY WORKSHOPS.....	169
	APPENDIX M – TECHNICAL & PORTAL UPGRADE.....	174
	APPENDIX N – SAP BO BI SUITE ON DATA WAREHOUSE.....	179
	APPENDIX O – TALENT MANAGEMENT SYSTEM.....	184

CONTRACT

This Contract is between the STATE OF FLORIDA, DEPARTMENT OF MANAGEMENT SERVICES (Department), an agency of the State of Florida with offices at 4050 Esplanade Way, Tallahassee, Florida 32399-0950, and NORTHGATEARINSO, INC. (Service Provider), 8880 Freedom Crossings Trail, Suite 100, Jacksonville, Florida 32256 (each, a “Party” and collectively, the “Parties”). The Service Provider responded to the Department’s Human Resource Outsourcing Solicitation No: DMS 14/15-011. The Department has accepted the Service Provider’s bid, proposal, or reply, as modified and enters into this Contract in accordance with the terms and conditions of the solicitation and subsequent negotiation.

RECITALS

WHEREAS, the Service Provider agrees to maintain an interactive web-based Human Resource Information System (known as “People First”) to provide an enterprise-wide suite of support services to manage human capital to include, but not limited to, appointments and status, attendance and leave, benefits administration, classification and organizational management, learning management, payroll preparation, performance management, recruitment, and reporting, in accordance with and pursuant to the terms of this Contract;

WHEREAS, the Service Provider agrees to provide personnel, where necessary, all in accordance with and pursuant to the terms of this Contract; and

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein, the Parties agree as follows:

Section

1

Definitions

1.1 Definitions

Capitalized terms used in this Contract without definition shall have the meanings ascribed below:

- (a) **Ancillary Support Services** – any internal support service used for the Service Provider’s general business operations. The term includes: (i) telephone, voicemail and email services and systems, (ii) call recording and call monitoring systems, (iii) LAN/WAN network services, (iv) data center monitoring, (v) legal and finance services, (vi) maintenance of email application/system, (vii) patch and antivirus management, (viii) configuration management, (ix) centralized Information Technology (IT) asset management, (x) Private Branch Exchange (PBX) / Automatic Call Distribution (ACD) and Interactive Voice Response (IVR) services, and (xi) disaster recovery exercises for any Ancillary Support Services system. The term does not include any Services provided specifically for the Department.
- (b) **Business Day** – 24 hours from time of receipt or 5:00 p.m. on the following day from time of receipt, whichever is later, excluding the hours in Saturdays, Sundays and State observed holidays.
- (c) **Business Requirements Document (BRD)** – details the business requirements for a system change that documents the State’s business needs and expectations. BRDs are used by the Service Provider to develop the Functional Design Document for Change Requests.
- (d) **Case** – a situation requiring investigation or action due to a Covered Population’s unresolved question, problem or concern.
- (e) **Case Management Tool** – a browser-based application supported by an integrated workflow process that tracks and routes information about Cases for resolution.
- (f) **Change Request** – includes all system changes approved by the Department to existing functionality, regardless of whether the change is a result of a system enhancement

request (as defined in Section 4.8 “System Enhancement Hours”), a System Defect resolution, maintenance (as defined in subsection 3.4.3 “Ongoing System Maintenance and Corrections”), change inquiries by the Department that will require a BRD, changes initiated by the Service Provider (e.g., changes to system access or functionality for HR Specialists, changes that benefit both the Service Provider and the Department), Major System Projects (as defined in Section 3.6 “Optimization Initiatives and Major System Projects to be Deployed by Service Provider”) and other changes that are handled outside the BRD process as mutually agreed.

- (g) **Confidential Information** – with respect to a Party hereto, all information or material which (i) gives that Party some competitive business advantage, gives that Party the opportunity of obtaining some competitive business advantage, or the disclosure of which could be detrimental to the interests of that Party; and (ii) is marked "Confidential," "Restricted," or "Proprietary" or similar marking. Notwithstanding the foregoing, the State’s Confidential Information shall only be those records that are deemed “exempt” or "confidential" by the Florida Public Records Law, Chapter 119, Florida Statutes, or any other provision of the Florida Statutes, or Article I, Section 24, Florida Constitution.
- (h) **Contract** – this Human Resources (HR) Outsourcing Contract between the Department and Service Provider resulting from Invitation to Negotiate Solicitation No.: DMS-14/15-011.
- (i) **Contract Effective Date** – August 21, 2016.
- (j) **Contract Expiration Date** – the date whereby the Contract period expires and the Service Provider is no longer responsible for providing Services.
- (k) **Contract Administrator** – those persons designated pursuant to Section 4.2 (“Contract Administrator”) of this Contract.
- (l) **Contract Manager** – those persons designated pursuant to Section 4.3 (“Contract Manager”) of this Contract.
- (m) **Covered Population** – active, retired and former employees, as well as survivors of former employees or retirees, of Covered Entities.
- (n) **Covered Entity** – entities, as identified in Appendix A, as amended from time to time by the Department upon reasonable notice to the Service Provider.
- (o) **Cut-Over** – the act of the Department, Service Provider, or the Department’s alternative service provider taking over operating responsibility for the Human Resource Information System (HRIS).

- (p) **Data Warehouse** – a centralized data repository for historical and current transactional data separately maintained and organized on a database server outside the SAP system that is accessed by State Agencies for gathering data for reporting purposes. The Data Warehouse is refreshed at least nightly for transactional changes within the SAP system and other external systems, and is used for reporting within the State of Florida.
- (q) **Deliverable** – the Deliverables as listed in Section 3.3 (“Deliverables”).
- (r) **Employee Self-Service (ESS)** – the capability of allowing the Covered Population access to their HR information and allowing the Covered Population to perform a number of transactions using an Interactive Voice Response (IVR) system or online system.
- (s) **Forced Disconnect** – a call received by the People First Service Center or the Flexible Spending Account / Health Savings Account (FSA / HSA) service center that is automatically disconnected due to heavy call volume. During periods of heavy call volumes, callers will receive a recorded message requesting that they call back at a later time. The system will then disconnect the call.
- (t) **Fulfillment Items** – any written materials described in the Letters, Forms and Inserts Listing that the Service Provider is obligated to send to the Covered Population pursuant to this Contract which shall include such Fulfillment Items that were included immediately prior to the Contract Effective Date. These Fulfillment Items may be modified by the Department upon reasonable notice to the Service Provider at no cost to the Department.
- (u) **Functional Design Documents (FDD)** – reflects the Service Provider’s proposed solution based on the State’s needs as described in the BRD or as agreed if a BRD was not required. Once signed off by both Parties, the FDD serves as the official requirements for the Change Request and is used to determine whether a System Defect exists with a newly implemented item.
- (v) **Human Resource Information System (HRIS)** – also referred to as “People First System,” used by Service Provider to provide Services under this Contract. The main website used to access the People First System is <https://peoplefirst.myflorida.com>. This HRIS includes all software, hardware, customizations, databases, interfaces, and third party software and hardware that were included immediately prior to the Contract Effective Date and during the term of the Contract.
- (w) **Human Resource Specialist (HR Specialist)** – a Service Provider or Subcontractor employee who handles User contacts and administers Services through the People First Service Center.

- (x) **Independent Contractor** – those Subcontractors who are single-employee entities (owned solely by such employee) who (i) provide personal, on site daily Services to the Service Provider which are similar to the Services provided by Service Provider employees; and (ii) are subject to the same security requirements that Service Provider imposes on its employees. Temporary employees hired through a temporary staffing company shall be treated as an Independent Contractor.
- (y) **Interactive Voice Response (IVR)** – an automated voice interface into certain Covered Population data accessible through any touch-tone telephone. The IVR is integrated with SAP to allow employees to perform selected Employee Self-Service activities through the IVR and to direct employees to the appropriate Service Center team.
- (z) **Intellectual Property Rights** - worldwide common law and statutory rights associated with (i) patents and patent applications of any kind; (ii) copyrights, copyright registrations and copyright applications, “moral”, “economic” rights and mask work rights; (iii) the protection of trade and industrial secrets and confidential information; (iv) logos, trademarks, trade names and service marks; (v) domain names and web addresses; and (vi) any other proprietary rights relating to technology, including any analogous rights to those set forth above.
- (aa) **Limited Special Access Group (LSAG)** – the limited number of highly specialized employees, managers and/or Subcontractors of Service Provider having special security rights under this Contract.
- (bb) **Manager Self-Service (MSS)** – the capability for managers of Covered Population to access and process HR changes based on the manager’s security level.
- (cc) **Open Enrollment** – annual event that allows Covered Population to modify their health and insurance elections for the new plan year that begins Jan. 1 of the next calendar year. To complete elections during the Open Enrollment period, the member of the Covered Population must be entitled to enroll in health and insurance Plans for the new plan year. The State’s Open Enrollment period includes a standard enrollment period where the Covered Population can make changes to their enrollments and a correction period where the Covered Population can correct enrollments. The Open Enrollment period (standard enrollment period plus the correction period) can last up to six weeks in total.
- (dd) **Participants** – members of the Covered Population who participate in at least one Plan and any other individuals who are covered under such Plan.
- (ee) **People First Data Center** – used to house the server landscape (servers, hardware, wiring, switches, etc.) for the People First application suite of products. The data center

includes typical data center physical attributes such as segregated secured areas, built in cooling system, raised floors, server cages, etc.

- (ff) **People First Service Center** (also referred to herein as **Service Center**) – the Service Provider location(s) staffed with HR Specialists that provide service support for the Users.
- (gg) **People First Materials** – those documents, files, manuals, databases, configurations, programming, customizations, templates or other items which are identified in Appendix F to this Contract.
- (hh) **Plan(s)** – those benefit Plans which are offered by the State and administered through the HRIS. The Plans change based on the State’s procurement cycle.
- (ii) **Qualifying Status Change (QSC)** – an occurrence that affects eligibility for insurance coverage and qualifies a member of the Covered Population to make a corresponding insurance coverage or tax deferred Plan change outside of Open Enrollment.
- (jj) **SAP (Systems, Applications and Products)** – integrated business software used to process transactions of an organization in a single software solution. SAP applications provide the capability to manage financial, asset, and cost accounting, production operations and materials, personnel, plants, and archived documents.
- (kk) **Secretary** – the Secretary of the Florida Department of Management Services.
- (ll) **Security Breach** – the proven unauthorized acquisition or use of computerized data or hard copy documents that compromises the security, confidentiality, or integrity of information maintained by the Service Provider.
- (mm) **Security Incident** – an act or event that has or had the potential to compromise the security, confidentiality, or integrity of information maintained by the Service Provider.
- (nn) **Security Plan** – describes the procedures and security measures for the protection of State of Florida (SOF) Production Data and related information that is processed and stored by the Service Provider, as well as safeguard the Service Provider’s and Department’s valuable IT resources and assets.
- (oo) **Services** – the Services to be provided by Service Provider as described in Section 3 (“Scope of Work”) of this Contract unless otherwise mutually agreed upon in writing pursuant to this Contract.
- (pp) **Service Provider** – NorthgateArinso, Inc.
- (qq) **SOF Production Data** – the data of Users involving unique personal information (such as name, address, telephone number, email address, social security number, date of

birth, driver's license number, financial information, medical records, User names or passwords) or other personnel information (such as position title, position number, Florida Accounting Information Resource Subsystem (FLAIR) codes, HR organization codes, time and attendance information, payroll information, training information, performance management information, job requisitions or applications), in the custody and control of the Service Provider and received by the Service Provider in the course of providing Services, regardless of whether it is a public record or considered confidential under any State or federal law. The term excludes software or systems used by the Service Provider which does not contain such data, or contains scrambled data which is inaccurate.

- (rr) **State** – the State of Florida (SOF).
- (ss) **State Agency** – an official, officer, commission, authority, council, committee, department, division, bureau, board, section, or another unit, branch or entity of State government. For purposes of this Contract, State Agencies are “full users” of the HRIS as denoted in Appendix A (“Covered Entities”).
- (tt) **Subcontractor** – any third party, agent, or Independent Contractor who the Service Provider seeks to engage to provide or assist in providing the Services under this Contract. The term also includes any third party, agent or Independent Contractor hired by a Subcontractor who provides or assists in providing Services under this Contract.

Notwithstanding the foregoing definition, the following are not Subcontractors and therefore are not subject to the terms of the applicable Sections of this Contract: (i) hardware providers, hardware maintenance providers, software providers (e.g., SAP, Oracle) telecommunications providers, providers of real estate / facilities, catering / cafeteria services, telecommunication infrastructure providers, providers of office supplies, and (ii) any person or entity providing labor or materials related to this Contract which do not have access to SOF Production Data.

- (uu) **Supplemental System Description** – those documents entitled People First System As Is Requirements -- updated Oct. 2, 2015, Letters, Forms and Inserts Listing -- updated Oct. 2, 2015, Reports Listing -- updated Oct. 2, 2015, System Interface File Listing -- updated Oct. 2, 2015, and System Alerts and Error Messages Listing -- updated Oct. 2, 2015, of which Service Provider hereby acknowledges receipt of, incorporated into this Contract by reference.
- (vv) **Supplemental Service Center Description** – the document entitled People First Service Center As Is Requirements -- updated Oct. 2, 2015, of which Service Provider hereby acknowledges receipt of, incorporated into this Contract by reference.

- (ww) **System Defect** – an error, flaw, or fault in the HRIS system that causes the system to produce an incorrect or unexpected result, or to behave in unintended ways contrary to the agreed upon design requirements of the system or the result of implementing new SAP functionality (support packs, enhancement packs, etc.) that unexpectedly changes an existing process.
- (xx) **System Enhancement Hours** – the work hours allocated to the Department for implementation of new system functionality / modules and enhancements to existing functionality / modules. System Enhancement Hours shall only be required and used for the development (design, coding, testing, implementation) of approved system enhancements that occur after Department approval of the item. Time required by the Service Provider to develop the cost estimate is considered a cost of doing business and shall not be counted as a reduction in System Enhancement Hours.
- (yy) **Technical Design Document (TDD)** – reflects the Service Provider’s technical solution based on the requirements defined in the FDD.
- (zz) **Transition Plan** – details the activities that will occur in the event of Contract termination or expiration as described in Sections 3.3 (“Deliverables”) and 8 (“Transition”) in order for the Services to be transferred back to the Department (or its alternative service provider).
- (aaa) **Transition Services** – the activities that are identified in the Transition Plan in Section 3.3 (“Deliverables”).
- (bbb) **User** – any member of the Covered Population, Participants, job applicants, or vendors gaining authorized access to Services.
- (ccc) **Warm Transfer** – occurs when a HR Specialist transfers a caller to a third party by introducing the caller or connecting with the third party’s IVR or voicemail and then disconnecting from the call.

1.2 Rules of Interpretation

In this Contract, unless otherwise indicated or otherwise required by the context, the following rules of interpretation shall apply:

- (a) reference to, and the definition of, any document (including any Appendices) shall be deemed a reference to such document as it may be amended, supplemented, revised or modified in the method prescribed herein.
- (b) all references to a “Section” or “Appendix” are to a Section or Appendix of this Contract.
- (c) the Table of Contents and Section headings and other captions are for the purpose of

reference only and do not limit or affect the content, meaning or interpretation of the text.

- (d) defined terms in the singular shall include the plural and vice versa, and the masculine, feminine, or neuter gender shall include all genders.
- (e) the words "hereof", "herein" and "hereunder" shall refer to this Contract as a whole and not to any particular provision of this Contract.
- (f) the words "include", "includes" and "including" are deemed to be followed by the phrase "without limitation".
- (g) any reference to a governmental entity or person shall include the governmental entity's or person's authorized successors and assigns.
- (h) any "Appendix" attached to or referenced by this Contract is made part of this Contract.
- (i) in the event of a dispute, the provisions hereof shall not be more strictly construed against either Party.

Section

2

Term and Compensation

2.1 Initial Contract Term

The initial Contract term shall begin on Aug. 21, 2016, and end on Aug. 20, 2021, unless terminated earlier as provided herein.

2.2 Department's Right to Renew Contract

At the Department's sole discretion, the Parties may renew the Contract in whole or in part, for up to five years upon at least six month's notice. The Contract may not be renewed beyond the end of the five-year renewal term. Temporary extensions to the Contract beyond the end of the term will be governed by Section 8.4 ("Interim Services") of this Contract and section 287.057(13), Florida Statutes. The Parties acknowledge: (i) under Florida law, the renewal is contingent upon satisfactory performance evaluations by the Department and subject to the availability of funds; and (ii) the Service Provider may not charge costs associated with renewal of the Contract.

2.3 Contract Term Price

The Department agrees to pay the Service Provider the monthly payments listed below until this Contract expires or is terminated in accordance with Section 7 ("Termination, Default and Remedies") of this Contract. For the month in which the Contract begins, expires or is terminated, the monthly payment will be prorated based on the following formula: <<Insert the number of calendar days Services were provided in the month divided by the total number of calendar days in the month>> multiplied by <<Insert the monthly payment>>.

Beginning	Through	Monthly Payment
August 2016	June 2017	\$2,471,335
July 2017	June 2018	\$2,471,335
July 2018	June 2019	\$2,471,335
July 2019	June 2020	\$2,471,335
July 2020	June 2021	\$2,471,335
July 2021	Contract Expiration Date	\$2,293,735

2.4 Renewal Term Price

If Section 2.2 (“Department’s Right to Renew Contract”) of this Contract is exercised, the Parties will agree to the renewal term pricing below. However, in exercising the renewal term provision of this Contract, the Department’s expectation of the Service Provider is a price reduction and improved Services and enhanced system functionality. For the month in which the Contract renewal term begins, expires or is terminated, the monthly payment will be prorated based on the following formula: <<Insert the number of calendar days Services were provided in the month divided by the total number of calendar days in the month>> multiplied by <<Insert the monthly payment>>.

Beginning	Through	Monthly Payment
July 2021	June 2022	\$2,293,735
July 2022	June 2023	\$2,229,237
July 2023	June 2024	\$2,208,403
July 2024	June 2025	\$2,187,570
July 2025	June 2026	\$2,166,737
July 2026	Renewal Contract Expiration Date	\$2,124,639

2.5 Invoices

Invoices shall be submitted to the Department in the format prescribed in advance by the Department and will contain reasonably sufficient detail (i) for a proper pre-audit and post-audit thereof in accordance with section 287.058 (1)(a), Florida Statutes; and (ii) to enable the Department to confirm that the amounts set forth on each invoice accurately reflect the amounts due and payable under this Contract (“Proper Invoice”). Service Provider shall submit a Proper Invoice by the fifth day of the month for Services provided during the previous month and the Department will pay the entire amount of such Proper Invoice, excluding only “Disputed Amounts” (as defined below) within 40 days after receipt of a Proper Invoice (the “Payment Date”), via electronic funds transfer to Service Provider’s account. If full payment for any non-disputed outstanding amount is not made by the Department on the Payment Date or if any Disputed Amount, as defined in Section 2.7 (“Disputed Invoices”) of this Contract, agreed to or determined to be owed to Service Provider is not paid within 40 days after the date of such agreement or determination, an interest payment will be due at a rate as established pursuant to section 55.03(1), Florida Statutes, on the unpaid balance from the time such amount was due until such time as Service Provider receives full payment on the unpaid balance. Invoice payment requirements do not start until a Proper Invoice is provided to the Department.

2.6 Overpayments

If the Department overpays the Service Provider, the Service Provider shall immediately credit to the Department such overpayments together with interest calculated at the rate set forth in section 55.03(1), Florida Statutes. Each Party will provide the other with timely notice of the nature of any error or inaccuracy made relating to an invoice or a payment, as soon as such Party becomes aware of the error or inaccuracy.

2.7 Disputed Invoices

If the Department reasonably disputes any portion of any amount due claimed by the Service Provider (“Disputed Amount”), then the Department will timely pay any undisputed portion of the amount and will provide the Service Provider with written notice of any Disputed Amount and the basis for the dispute in reasonable detail, within 20 days after receipt of the Proper Invoice. Disputed Amounts shall be handled in accordance with section 215.422, Florida Statutes.

2.8 Payment Upon Expiration or Termination

Upon expiration or termination of this Contract, the Department agrees to pay the Service Provider the amounts due and owing to Service Provider for Services rendered pursuant to this Contract. To be eligible for such payment, Service Provider shall submit to the Department, within 60 calendar days of termination, a request for payment of such amounts. However, the Department will pay any amounts previously invoiced and not paid and amounts due and owing pursuant to Section 7 (“Termination, Default and Remedies”) of this Contract. Requests submitted later than 60 calendar days after expiration or termination will not be honored and will be returned unpaid. Payment for Services requested and provided post-termination shall be paid as mutually agreed upon.

2.9 Transaction Fee

The State of Florida has instituted MyFloridaMarketPlace, a statewide eProcurement System. All payments to the Service Provider will be assessed a “Transaction Fee” which the Service Provider must pay to the State, unless an exemption has been requested and approved pursuant to Rule 60A-1.032, Florida Administrative Code (F.A.C.).

For payments within the State accounting system (FLAIR or its successor), the Transaction Fee will, when possible, be automatically deducted from payments to the Service Provider. If automatic deduction is not possible, the Service Provider must pay the Transaction Fee pursuant to Rule 60A-1.031(2), F.A.C. By submission of these reports and corresponding payments, Service Provider certifies their correctness. All such reports and payments will be subject to audit by the State or its designee.

The Transaction Fee is non-refundable when a Deliverable is rejected or returned, or declined, due to the Service Provider's failure to perform or comply with specifications or requirements of the Contract.

Failure to comply with these requirements will constitute grounds for declaring the Service Provider in default and recovering re-procurement costs from the Service Provider in addition to all outstanding fees.

Section

3

Scope of Work

3.1 Overview

The purpose of this Contract is to define the Services to be delivered to the State by the Service Provider, and the terms and conditions under which such Services will be provided. As more particularly described below, the objective of this Contract is to maintain an enterprise-wide suite of Services to support the management of the Covered Population to include appointments and status, attendance and leave, benefits administration, classification and organizational management, learning management, payroll preparation, performance management, recruitment, and reporting.

Section 3.3 (“Deliverables”) sets forth the Deliverables to be provided to the State by the Service Provider in relation to the Services. State Agencies that are not Covered Entities as of the Contact Effective Date may be added to this Contract as Covered Entities upon reasonable notice from the Department to the Service Provider at no additional cost, provided the same Services and business rules are delivered and applied to the added Covered Entities as to the original Covered Entities.

The Department currently maintains two classification systems; a broadband system that closely mirrors the Federal Standard Occupational Classification System, and a more traditional non-broadband classification system. The Service Provider shall support both of these classification systems and the pay plans associated with these systems.

The Department retains sole responsibility for establishing policy and promulgating rules concerning all aspects relating to its Covered Population and interpreting and administering those policies, rules, and other procedures or directives. The Department does not delegate any authority or discretion to the Service Provider in regards thereto.

The Parties agree that the Service Provider is not the State, or a board or commission of any State Agency, or, a county, district, authority, municipal, officer, department, division, board, bureau, commission, or other separate unit of government created or established by law or an

authority of any county, municipal corporation, or political subdivision (collectively, an “Agency of Government”), nor is the Service Provider an alter ego, agency or instrumentality of any Agency of Government; and nothing contained in this Contract shall be construed as creating in or conferring upon the Service Provider the rights, duties or obligations of an Agency of Government. The Department agrees to cooperate with and offer reasonable assistance to Service Provider in connection with any claim that Service Provider has the rights, duties, or obligations of an Agency of Government; provided, however, that the Service Provider shall comply with the applicable requirements of the Public Records Law, Chapter 119, Florida Statutes.

3.2 Objectives

The Parties’ objectives in entering into this Contract are as follows:

- (a) **Management Program** – Provide a highly innovative and efficient management program that formulates and implements high quality, timely, efficient and cost-effective HR Services. The program must embody sound financial concepts that result in appropriate costs while continuously focusing on improving customer support.
- (b) **Quality** – Apply quality concepts and performance monitoring through meaningful indicators that leads to continuous process improvement.
- (c) **Cooperative Relationship** – Form a cooperative relationship between the Department and the Service Provider that establishes a mutual understanding of the requirements, and roles and responsibilities of the Parties. This relationship will strive to draw on the strengths of each Party in an effort to achieve quality Services done right the first time, within budget and on schedule. The cooperative relationship will help prevent disagreements and differences from developing into formidable conflicts and disputes. The cooperative relationship and the other provisions of this Contract will not, however, create any partnership, joint venture or joint ownership between the Parties. Therefore, the Parties agree to the following principles:
 - 1. Promoting the timely transition of Services
 - 2. Ensuring the Services comply with all applicable laws and regulations
 - 3. Making timely review and decisions
 - 4. Effectively communicating and providing information promptly
 - 5. Maintaining quality control and ensuring quality Services
 - 6. Cooperating and being courteous, respectful, and honest with each other

- (d) **Self-Service Functions** – Provide the Covered Population with a means of self-service through a web-based approach that is supplemented by additional electronic means, including but not limited to email and IVR.
- (e) **Clear Goals and Measures** – Provide for clearly defined goals supported by detailed task requirements and performance measures.

3.3 Deliverables

The Service Provider shall provide the Department with the following Deliverables within the established due dates as described herein (see Appendix B) at no additional cost to the Department. These Deliverables are required from both Service Provider and Subcontractors if noted as such. Financial consequences are noted in Appendix B for Deliverables that are not delivered to the Department by the established due dates. For Affidavits of Compliance, Customer Satisfaction Survey Reports and SSAE-16 SOC 1 or SOC 2 (as applicable), Type 2 Reports, each Deliverable is required for both the Service Provider and Subcontractor and the financial consequence amount applies if the Service Provider or Subcontractor does not provide their Deliverable by the established due date. The Parties agree to work cooperatively to amend these Deliverables as necessary and appropriate during the remaining term of this Contract and no changes to the Deliverables may be made by the Service Provider without the Department's consent, which shall not be unreasonably withheld. In addition to the due dates provided in Appendix B, the Service Provider shall update and provide the Department the most current version of each Deliverable at Transition Period commencement and at the Contract Expiration Date. The following are the Deliverables:

- (a) **Affidavits of Compliance** – Provides certification of compliance with all Federal, State, and local laws, ordinances, rules and regulations applicable to Service Provider and its Subcontractors and their performance under this Contract substantially as prescribed in Section 10.25 ("Other Compliances") and in the form provided in Appendix C. In lieu of the foregoing, with respect to SuccessFactors by SAP (hereinafter "SuccessFactors"), Service Provider represents and will ensure that SuccessFactors, in its agreements with Service Provider, agrees to terms and conditions providing that, with respect to its services under this Contract, SuccessFactors is and will remain in compliance with this Contract and all applicable federal, state, local and international laws, rules, and regulations that may be in effect during the duration of its provision of Services under this Contract.
- (b) **Audited Financial Statements** – The Service Provider's company financial statements which have been prepared and certified by a Certified Public Accountant (CPA) in which the CPA certifies that the financial statements meet the requirements of the United States Generally Accepted Accounting Principles.

- (c) **Background Screening Report** – See subsection 6.2.5 (“Background Screening Report”) for a description of the information required to be contained in this Report.
- (d) **Business Continuity Plan (BCP)** – Describes the methodology and timelines associated with business continuity in the event of a disaster or major system or Service Center outage as prescribed in subsection 3.4.6 (“Disaster Recovery”). Service Provider shall: (i) maintain the BCP and keep it current; (ii) conduct an end-to-end BCP test annually and provide the Department a final report providing details on what was tested, the success status of tested processes, the resolution for items that failed during testing and a certification of completion of the annual test for all systems; and (iii) in lieu of the Department receiving BCPs for all Subcontractors, the Service Provider shall provide the Department a signed certification (included in the BCP) on an annual basis that the Service Provider reviewed and that either the Service Provider or the Subcontractor successfully tested all Subcontractor BCPs. Service Provider represents that SuccessFactors has agreed to test its disaster recovery procedures at least annually and that Service Provider’s certification shall include the results of SuccessFactors most recent testing. Subcontractor certification must include the same details as the BCP report for the Service Provider (i.e., what was tested, the success of the test, what items failed testing, the resolution for the items that failed the test and a certification of completion). The updated BCP, the report certifying testing completion and the Subcontractor certification shall all be submitted to the Department by the due date prescribed in Appendix B. At a minimum, the BCP shall address:
1. A plan of action for any unexpected interruption of business operations that is beyond the scope of daily operating response procedures.
 2. Maintenance of backup systems for all SOF Production Data maintained on Service Provider’s system.
 3. A determination of the general nature and potential range of adverse events, so that the BCP adequately addresses the risks.
 4. Procedures to activate an immediate, orderly response to emergency situations in order to protect and/or recover critical assets and functions.
 5. Procedures to obtain critical resources necessary for recovery, including hardware, software, space, files, human resources, power, and finances.
 6. Procedures for transferring operations to the secondary site in the event the primary site is not available and to the primary site in the event that the secondary site is not available.
 7. Procedures to promptly facilitate an orderly restoration of site operations.

8. Identification of key team personnel, with established and assigned team responsibilities, and training requirements for each team member to perform specific duties.
 9. A methodology and identification of current and future critical applications and Services.
- (e) **Customer Satisfaction Survey Reports** – Includes, at a minimum, annual survey results, related results analysis and improvement plans (where applicable) for Service Provider and FSA / HSA Subcontractor Customer Satisfaction Surveys (as prescribed in subsection 3.5.13 (“Customer Satisfaction Surveys”).
- (f) **Data Security Notification Letter** – Provides documentation and notification of any Security Breach or attempted Security Breach involving SOF Production Data, the HRIS, or any Subcontractor or Service Provider facility housing SOF Production Data. In the event no Security Breach or attempted Security Breach has occurred, the Service Provider shall provide written confirmation of such, as prescribed in subsection 6.5.4 (“Data Security Notification Letter”).
- (g) **Data Warehouse Tables, Views and Extracts Listing** – Lists all Data Warehouse tables and the derived views including the table title from which the view is derived, and data extracts. Data extracts are all integration points between the Data Warehouse and SAP regardless of direction.
- (h) **HR Software Update Assessment** – Provides confirmation that the Service Provider has applied each patch and upgrade (e.g., security patch, security upgrade, service / support patch, SAP patch and SAP enhancement pack and any other patch or update, as applicable to the HRIS) in a timely and thorough manner as prescribed in subsection 3.4.10 (“System Updates and Upgrades”).
- (i) **Interface Plan** – Describes all interfaces that are inbound to and outbound from the Service Provider or a Subcontractor. This plan shall include at a minimum the following elements:
1. File name (technical and common)
 2. File description
 3. Name of entity the file is sent to or received from
 4. Frequency of the interface
 5. File layout and detailed build / load specifications

6. For outbound files, where the file is generated from (SAP or Data Warehouse)
 7. For inbound files, where the file is loaded to (SAP or Data Warehouse)
-
- (j) **Internet Browser Matrix** – Lists the internet browsers that are fully supported (Service Provider or Subcontractor has validated that the browser version works within the system without any degradation of performance), permitted (access is allowed using the browser version, however the Service Provider or Subcontractor has not validated the browser version works within the system without any degradation of performance) and blocked (no access is allowed using the browser version) when accessing the People First System, third party software (e.g., talent management system and FSA / HSA system(s)) through single sign-on, or accessing the system functionality through a mobile application.
 - (k) **Letters, Forms, and Inserts Listing** – Lists all system generated and manual letters, forms and inserts maintained or used by the Service Provider and distributed to the Covered Population.
 - (l) **LSAG Master Listing** – Lists the limited number of highly specialized employees, managers and Independent Contractors of Service Provider and Subcontractors having special security rights under this Contract as described in Section 6.3 (c) (“SOF Production Data Access”).
 - (m) **Organizational Contact Matrix** – Denotes the “key personnel” for both Parties and their duties relating to this Contract as prescribed in Section 4.1 (“Organizational Contact Matrix”). Each Party agrees to promptly notify the other in the event of any change in “key personnel,” address or telephone number.
 - (n) **People First Materials Listing** – Materials identified in Appendix F that provide the functionality required to manage Services covered under this Contract. The People First Materials Listing is reviewed annually and amended as necessary.
 - (o) **Performance Metric Monthly Report** – Reports (i) whether the Service Provider met the performance standard for each Performance Metric set forth in Appendix D; and (ii) all supporting data including each Performance Metric name, the agreed upon performance standard, the percentage achieved, and a detailed explanation of each instance in which the Service Provider’s performance did not meet the defined standard as prescribed in subsection 4.7.3 (“Performance Metric Monthly Report”).
 - (p) **Recorded Calls Audit Log** – Identifies each time a person (other than employees in the Service Center) accesses a recorded call through the recording software. Unless

otherwise agreed, the audit log will show (i) the date/time of the recorded call, (ii) the ID of the person who received the call (e.g., the HR Specialist ID), (iii) the name of the person who accessed the recorded call, and (iv) the date and time the recorded call was accessed.

- (q) **Reports Listing** – Lists all standard reports maintained by the Service Provider in the HRIS available to the Covered Population, all reports provided to the Department, and all other reports Service Provider uses to provide Services under this Contract. This includes all SAP-generated reports (SAP, Oracle, Web Dynpro) and Data Warehouse-generated reports, as well as all reports delivered through Subcontractor products and third party software.
- (r) **Security Plan** – Describes the standards and guidelines that apply to all Users' information when providing Services. The Security Plan is reviewed annually and amended as necessary. With respect to SuccessFactors, the Department acknowledges receipt of the SAP Cloud: Security Framework document (most recent version) and its provisions addressing SuccessFactor's security policies, measures and processes. The Service Provider represents that the SAP Cloud: Security Framework document satisfies the Service Provider's obligations under this Contract with respect to provision of a security plan for SuccessFactors, provided that SuccessFactors complies with such plan. When amended by SuccessFactors, Service Provider shall promptly provide to the Department a copy of all such amendments.
- (s) **Security Role Code Matrices** – Denotes the role codes available and their User-access capabilities.
- (t) **Service Center Business Processes Workbook** – Comprises the Service Center Knowledge Management System (KMS) (including related process flows) which includes the steps, activities, roles, and measures of standard business processes at the People First Service Center and FSA / HSA service center, and the Service Center process review documents and maps as prescribed in subsection 3.5.5 ("Business Processes Documentation"). The format and template for the Service Center Business Processes Workbook shall be agreed to by both Parties.
- (u) **SSAE-16 SOC 1 / SOC 2, Type II Report** – See Section 4.13 ("Audit Rights") for a description of the information required to be contained in this Report.
- (v) **System Alerts and Tasks Listing** – Lists all alerts and tasks maintained by the Service Provider that are provided to Users through the People First System homepage and talent management dashboard and any other tools provided to the State as part of this Contract.

- (w) **Systems Design Workbook** – Describes each instance where SAP software, SAP Portal, Data Warehouse, talent management system, FSA / HSA system(s) or any other SAP software system code was implemented, modified, configured or customized for systems used to support the HRIS. The Workbook shall be organized by functional area, business process and include the name of the business process, a description of the customization or configuration (e.g., Business Server Pages, Web Dynpro, SAP GUI, master data files within SAP, Data Warehouse reports, materialized views, Data Warehouse extracts, talent management system, FSA / HSA system(s)), the reason or source of the customization or configuration, the BRD, the FDD, the TDD, Change Requests, and any other information necessary to properly document the change. In addition for SAP software, SAP Portal and Data Warehouse, the Workbook shall include all system specifications, settings, rules, test scripts, audit tracking, error detection, User role code access, scripts, routines, schedules, reports, extracts, transports, files, logs, libraries, directories, batch processes, system errors and messages, system architecture diagrams (e.g., servers, links, hardware, software), and hardware, software and operating system security set-up and complete specification, including their related attributes, settings and capacities (e.g., usage, model, number of, switches, disk space, virtualized or not, product vendor, type of license, release version, support pack version, security pack version).
- (x) **System Enhancement Hours Tracking Report** – Includes a summary spreadsheet and a detailed spreadsheet as prescribed in subsection 4.8.2 (“Recordkeeping”). The summary spreadsheet shall include, but not be limited to, a summary of hours earned, used and available for use per quarter, per year and over the life of the contract. The detailed spreadsheet shall include a separate breakout per quarter, per year, per enhancement and must include the number of hours approved and a running total of available hours per quarter (quarterly allotment minus the approved hours), per year and over the life of the Contract (Appendix E).
- (y) **System Errors and Messages Listing** – Lists all errors and messages maintained by the Service Provider that are provided to the Covered Population through various means (e.g., presented on People First transactional screens, sent to a User’s notification email).
- (z) **Tables of Organization (Service Provider)** – Describes all Service Provider and Subcontractor employees who provide or assist in providing Services as prescribed in Section 4.1 (“Organizational Contact Matrix”).
- (aa) **Training Plan** – Describes how the Service Provider will train its HR Specialists on the State’s rules, policies and procedures as prescribed in subsection 3.5.17 (“Training”).

- (bb) **Transition Plan** – Includes, at a minimum, addressing changes in: the affected business processes; People First System and Service Center hardware, software, and application support; system knowledge transfer (including without limitation delivery to the Department of all Work Products and Department Materials); Service Center business processes and institutional knowledge transfer; and communication with affected stakeholders, such as employees, retirees, legislative staff, and the public. As part of the Transition Plan, the Service Provider shall (i) cooperate with the Department (and the Department’s consultants and vendors) as the Department makes plans for the transition of Services and systems at the end of this Contract, and (ii) revise the dates, schedules and lists within the Transition Plan as needed to reflect any changes as prescribed in Section 8.3 (“Transition Services”).
- (cc) **Vendor Discrepancy Reports** – Lists all discrepancy reports received from vendors supporting the State of Florida through this Contract, frequency of reports, and the data elements to be reviewed as described in subsection 3.5.20 (“Vendor Discrepancy Reports”).

3.4 Ongoing System Operations Maintained by Service Provider

The Service Provider shall fully support the following system operations and requirements as defined in the following subsections 3.4.1 – 3.4.17.

3.4.1 Description

The People First System is a self-service, secure, interactive, web-based HRIS comprised of the following modules: appointments and status, attendance and leave, benefits administration, classification and organizational management, payroll preparation, performance management, recruitment, and reporting. The main website used to access the People First System is <https://peoplefirst.myflorida.com>. In addition to this system functionality, Service Provider agrees to implement the additional optimization initiatives and Major System Projects set forth in Appendix G that may enhance, and potentially replace, existing system functionality.

At the time of the Contract Effective Date, the system performs on SAP version ECC 6.0 HCM on Net Weaver 7.0 that operates in a SuSE Linux Enterprise Server 11 with a Sun Solaris 10 operating system. The system utilizes a three-tiered architecture (web, application and database) and its data (over 3.75 terabytes) is maintained in an Oracle 11.2.0.3.0 database, which extracts data to an Oracle Data Warehouse (over 4.20 terabytes) on a nightly basis. The system platform (back-end solution) and web application servers (front-end solution) are highly customized, and over 600 interfaces have been built to exchange data between the People First System and external systems (e.g., State of Florida Department of Financial Services (DFS), university personnel systems, insurance carriers). The system has integrated talent management and

Flexible Spending Account / Health Savings Account solutions. These solutions use single sign-on technology to ensure transparency to the User. The current People First System includes, but is not limited to, the software, hardware, licensing and other technology. The Service Provider is responsible for purchasing, owning, configuring and maintaining the software license, hardware and all infrastructure components to support the HRIS.

The Service Provider shall maintain a single tenant server model whereby SOF Production Data is maintained and secured separately from other Service Provider client data. However, talent management and FSA / HSA Subcontractors are not required to maintain a single tenant server model, but the talent management and FSA / HSA data shall be partitioned separately from all other client data in a manner that ensures SOF Production Data is not accessible by any other client. The Department shall own all data associated with the People First System and Services regardless of where the data resides.

The Department's preference is for the People First Data Center to be located within the State of Florida; however, the Department acknowledges that the Service Provider's business model may result in the People First Data Center being located outside of the State of Florida. Under no circumstance will the Department allow the Service Provider to locate the People First Data Center outside the continental United States (U.S.). The Department reserves the right to inspect the People First Data Center(s) during the Term of the Contract.

3.4.2 System Functionality and Service Provider Responsibilities

The Service Provider will provide the People First System functionality throughout the term of this Contract as described in the Supplemental System Description, Section 3 ("Scope of Work"), the Systems Design Workbook, including the optimization initiatives and Major System Projects described in Appendices G, H, K, L, M, N, O, and any enhancements implemented in accordance with Section 4 ("Contract Administration"). In the event of a conflict between the Supplemental System Description and Section 3 ("Scope of Work") or Section 4 ("Contract Administration"), Section 3 ("Scope of Work") or Section 4 ("Contract Administration") will control. For existing FSA / HSA, recruitment, and performance management system functionality, the Service Provider will be responsible for maintaining these systems as described in the Supplemental System Description between the Contract Effective Date and such time that the Service Provider successfully deploys the new system functionality described in Appendices K and O.

3.4.3 Ongoing System Maintenance and Corrections

The Service Provider shall have an ongoing obligation under the Contract to perform customary maintenance on the People First System and to correct all newly identified or mutually agreed upon System Defects, at no additional cost to the Department. The Parties may agree to the system change through email between designated and authorized personnel of the Parties, and

may not require a formal implementation process as described in subsection 3.6.1 (“Implementation Process and Deadlines”) and Section 4.12 (“General Change Request Implementation Process”). For purposes of this Section, customary maintenance of the HRIS includes all work customarily performed with respect to:

- (a) adding/deleting and updating Covered Entities, as defined in Appendix A
- (b) adding/deleting Insurance Plans, providers, levels and coverage types
- (c) changing applicable premium and contract Insurance Plan rates
- (d) mapping employee coverage from one Insurance Plan to another Insurance Plan as directed by the Department
- (e) implementing annual Open Enrollments
- (f) developing, updating and mailing annual benefits and confirmation statements, and State provided inserts that are included with these documents
- (g) creating and managing wage types
- (h) developing and implementing new mass data templates and programs, updating existing mass data templates and programs and processing mass data entries on behalf of the State
- (i) suppressing system generated messages, letters, alerts, tasks and reports
- (j) updating language, format, headers and footers on existing system generated letters
- (k) suppressing and updating labels and format for field names within detail screens, dropdown menus, table menus, overview tables, reports (all formats), report filters, buttons, quick links, tasks, alerts, login page(s) and landing pages (home page for each module) and any similar editorial changes
- (l) adding / removing State Agency decision to allow employees to accrue Fair Labor Standards Act compensatory leave in place of earning overtime pay
- (m) adding / removing State Agency decision to allow use of disaster pay codes on eligible employee timesheets
- (n) adding / removing pay plans and collective bargaining units from the forced use of accrued leave balances in a sequential order
- (o) making configuration changes to the talent management suite of Services
- (p) developing cost estimates for potential system enhancements

- (q) maintaining customary calendar, fiscal and federal fiscal year-end activities and processes (e.g., creating and updating timesheet views in the Data Warehouse, loading available labor market data, updating the annual Social Security maximums)
- (r) implementing new and updating existing file-transfer protocols to create and send secure file transmissions on behalf of the State
- (s) implementing existing interface files with additional Users
- (t) implementing additional access for Department employees within SAP GUI that is fully encrypted with the ability to run SAP transactions in view-only mode
- (u) adding / updating materialized views to the Data Warehouse
- (v) publishing reports developed by the Department within the SAP Business Objects Business Intelligence Suite on Data Warehouse (SAP BO BI Suite), to make the reports available based on Users' security access

3.4.4. Service Provider System Testing Responsibilities

The Service Provider shall be responsible for developing and maintaining test scripts for all system changes to SAP, Portal, DW, interface files, the talent management system and the FSA / HSA system(s). Test scripts shall include regression scripts, as well as new scripts for the Change Request, patches, updates, upgrades, support packs and enhancement packs being implemented. The Service Provider shall be responsible for conducting all quality assurance (QA) testing, including full regression testing for the impacted area, for all Change Requests, patches, updates, upgrades, support packs and enhancement packs and for ensuring System Defects are not created as part of the release being implemented. The Service Provider shall be responsible for providing an automated testing tool to manage the testing process and shall provide to the Department copies of all relevant results and reports within this tool.

If a System Defect is created by the implementation of a Change Request, the Service Provider shall be responsible for expeditiously correcting the System Defect and for deploying work around solutions to prevent the Covered Population from being negatively impacted. If any portion of the Covered Population is impacted due to a System Defect solely caused by Service Provider during the implementation of a Change Request, the Service Provider shall be responsible for all costs to notify the Covered Population and to make the impacted individuals whole (e.g., if the System Defect results in an employee insurance premium not being payroll deducted, the Service Provider shall pay the employee insurance premium for the coverage month(s) impacted). However, if, for example, Service Provider were to make an individual whole by paying a missed deduction or other sum which was to be withheld (but for whatever reason was not) on an individual's behalf, Service Provider may be entitled at any time to recoup the sum paid by any available lawful means and to otherwise mitigate its expenses and potential losses

with regard to its obligations in this subsection 3.4.4 (“Service Provider System Testing Responsibilities”).

3.4.5. Scheduled System Downtime

Scheduled system releases and maintenance will be performed by the Service Provider and Subcontractors on Saturdays between the hours of 12:01 a.m. and 12:00 p.m. Eastern Time (ET). For system enhancements, Major System Projects and for all system maintenance and releases that will occur outside the defined window, the Service Provider and applicable Subcontractor shall coordinate with the Department regarding the required downtime window to minimize the impact in providing Services.

Provided, however, the following shall serve as exceptions to the foregoing: (a) the release schedule for SuccessFactors North American based data centers (Standard or Premium Release) is Saturdays between the hours of 12:01 a.m. to 7:00 a.m. ET, and non-production learning environments will be updated Fridays between the hours of 4:00 p.m. - 11:00 p.m. ET, and the Recruiting Marketing product will be updated Saturdays between the hours of 7:00 a.m. - 11:00 a.m. ET, and (b) the routine maintenance window for Chard Snyder & Associates Inc.’s hardware and software maintenance and upgrades shall be defined as nightly between the hours of 8:00 p.m. until 7:00 a.m. Central Time (CT), and Saturdays at 7:00 p.m. through 7:00 a.m. CT, Monday morning, and all day on bank holidays. Routine maintenance and upgrades are scheduled to avoid business interruptions whenever practical. The routine maintenance window will be utilized for each release.

3.4.6 Disaster Recovery

The Service Provider shall maintain a BCP, keep it current, and conduct an end-to-end BCP test annually. The Service Provider shall activate the BCP (as defined in Section 3.3 (“Deliverables”)) to restore SAP application, online availability and database functionality (includes front-end) for Services provided to the Covered Population within the Recovery Time Objective (RTO) of 24 hours of a disaster, and ensure the Recovery Point Objective (RPO) is no more than fifteen minutes of data lost (no more than one hour for Subcontractor systems). The RTO is defined as the maximum acceptable (tolerable) period in which the system may be down for an unexpected, unplanned event and the period includes applying transaction iterations to the disaster recovery system to bring the system up to the point the production system was at when it went offline. RPO is defined as the maximum acceptable (tolerable) period in which data might be lost from an IT system due to a major incident.

In addition, Service Provider shall make the information stored in the Data Warehouse and related tools available within 48 hours. The Department will cooperate with Service Provider and will make available the necessary State resources and system access in order for Service Provider to update, maintain and activate the BCP. The Service Provider shall provide the

Department an initial cause assessment within one Business Day and a more detailed root cause analysis report within 10 Business Days of any system outage, delays in completing integration jobs, delays in completing the Data Warehouse refresh or unscheduled downtime.

3.4.7 State of Florida Access

User data will be viewed through a web browser. The State shall use its best efforts to ensure its Users have access to the Internet and sufficient computer processing capability for purposes of engaging in ESS and MSS. Notwithstanding anything to the contrary in this Contract, the Service Provider shall:

- (a) provide the Department with ten User licenses that will provide statewide view and limited update access to SAP Graphical User Interface (GUI) for all info types, tables, custom and standard SAP programs, and all other applicable functions that contain SOF Production Data or are otherwise used to support the People First System.
- (b) provide access to ten Department employees for the purposes of viewing QSC documentation.
- (c) provide ten Department employees SAP Technical Network account access, as well as access to third party vendor customer support sites.
- (d) allow for and fully support single sign-on capability with other websites as agreed upon by the Parties and in a format to be defined by Service Provider. Service Provider shall be responsible for hosting and maintaining the single sign-on database and engine.
- (e) support Internet Explorer, Firefox-Mozilla, Safari, and Google Chrome upon completion of the Technical and Portal Upgrade described in Appendix M and to the extent supported by affected Subcontractors and third parties. Microsoft Edge will be supported once made compatible by affected Subcontractors and third parties. Subsequent releases will be reviewed by Service Provider for compatibility with the People First System, and certified if compatible within 30 days of release. If a newly released version cannot be supported within 30 days, the Service Provider shall notify the Department within 10 days of the release: (i) when the release will be fully supported (ii) the activities that will occur to become fully supported, and (iii) the barriers that prevent the Service Provider from fully supporting the new version within 30 days of release. The intent is for the People First System to be browser agnostic.
- (f) permit other internet browsers for use in the HRIS only to the extent practicable within the underlying systems.
- (g) Purchase / renew and apply Secure Socket Layer (SSL) Certificates from Verisign (or comparable vendor using leading SSL certification and encryption) for accessing the

People First System prior to expiration or termination, at no additional cost to the Department.

3.4.8 Service Provider Access

The State will allow Service Provider system access into the State's systems, applications, web sites, time reporting system, and other systems, as needed, to support the Services described in this Contract. If the State's systems become inaccessible for any reason, the Service Provider's technical help desk shall coordinate with the State's technical help desk to determine the course for problem identification and resolution.

3.4.9 HR Software and Supporting Services

Service Provider shall use the Department Materials and the third party vendor software products (or similar third party vendor products as approved in writing by the Department) identified in Appendix F to provide the functionality required to manage Services covered under this Contract ("HR Software"). Service Provider shall be responsible for any licenses, customizations of source and object code, file interfaces, and reports, as well as configuration of rules, system settings, parameters, master data files, and maintenance of the HR Software. System customizations and configuration shall include all training manuals, user manuals, specifications, and other materials in written form prepared by the Service Provider, including any updates or modifications thereto.

3.4.10 System Updates and Upgrades

The Service Provider shall use versions of the components of the HR Software that are currently maintained and supported by their third party vendors. The Service Provider shall notify the Department within 30 days after a patch or upgrade has been released by the third party vendor. The Service Provider shall install each patch or upgrade (e.g., security patch, security upgrade, service / support patch, SAP patch, and SAP enhancement pack and any other patches or updates as applicable, of the HR Software, talent management and FSA / HSA Systems) at its sole expense, within 120 days after such item has been released by the third party vendor. If the patch or upgrade includes a critical security fix, the Service Provider shall take all necessary actions to implement within 30 days of such release. If a newly released version cannot be supported within 120 days (or 30 days for a critical security fix), the Service Provider shall notify the Department within 30 days after such item has been released by the third party vendor, of: (i) when the patch or upgrade will be fully supported, (ii) the activities that will occur to fully support the patch or upgrade, and (iii) the barriers that prevent the Service Provider from fully supporting the patch or upgrade within 120 days of release (or 30 days for a critical security fix).

The Service Provider shall be excused from installing such patches or upgrades only to the extent it has a commercially reasonable basis for not doing so (other than cost), and the Department is advised of those reasons and is in agreement. The Service Provider shall provide

the Department on an annual basis a copy of an HR Software Update Assessment from an independent auditor (Section 3.3 (“Deliverables”)) showing that the Service Provider has performed security testing and applied all patches and upgrades.

The Service Provider is responsible for all costs associated with the Technical and Portal Upgrade described in Appendix M (and all related security patches, security upgrades, service / support patches, SAP patches and any other patches or updates) and for ensuring the People First suite of products is updated timely and accurately in accordance with this Section. However, if the Technical and Portal Upgrade includes new functionality or provides the ability to enhance existing functionality, the Service Provider shall make the Department aware of this opportunity and shall provide the Department with the cost estimate (in hours) to implement the functionality change. The Department will then determine if System Enhancement Hours, per Section 4.8 (“System Enhancement Hours”) will be used to implement the functionality change.

For avoidance of doubt, the term “upgrade,” as used in this subsection 3.4.10 means the update or revision of an existing software product provided under this Contract but not to the next major stand-alone version. Upgrades typically provide bug fixes for existing features and minor software enhancements, and may include new drivers to support printers or other hardware. Upgrades are intended to keep the installed version in line with the most recent fixes, features and enhancements, and are not characterized as major, stand-alone versions of a software product which may be indicated by a new version number or name, and constitute a substantial change to the software.

3.4.11 Security Testing

The Service Provider shall implement automated system monitoring that effectively ensures the People First System is not exposed to data security threats and known security risks (e.g., must conduct routine penetration testing, internet vulnerability testing and other types of security testing on the portal, mobile application, database and all other appropriate layers of the HRIS and the Subcontractor systems) and is protected against all known threats at all times. System monitoring must ensure that newly introduced threats are quickly identified and once identified; protective steps (if required) are immediately taken to ensure security of the People First System.

3.4.12 Password Security Protocols

The Service Provider shall implement and enforce secure password requirements that meet or exceed industry standards, including, but not limited to:

- (a) requiring use of a secure password that is at least eight characters in length, requires at least one upper case letter, one lower case letter and at least one number, and supports the use of special characters

- (b) presenting Users with a real time indicator of how strong their password is when establishing a new password
- (c) expiring passwords, requiring Users to update their password on a routine basis (e.g., quarterly)
- (d) locking User accounts based on incorrect login attempts
- (e) changing passwords
- (f) resetting passwords
- (g) requiring at least three security questions to be established per User account prior to allowing access to the People First System
- (h) unlocking User accounts based on correct response to identifying information and security questions
- (i) providing email notification to Users showing the remaining life of their current password (e.g., your password expires in 15-days)
- (j) providing email notification to Users when their password has expired
- (k) providing email notification to Users when their password has been changed
- (l) providing email notification to Users when their account has been locked
- (m) providing email notification to Users when their account is unlocked with the password being changed
- (n) providing the ability to recover the User ID (e.g., email the User ID or provide on screen based on a correct response to security questions)

3.4.13 Testing Environments

The Service Provider shall be responsible for implementing, securing, hosting and maintaining separate sandbox, development, QA, User-acceptance testing (UAT) and production clone environments for development and testing for SAP, SAP GUI and the Data Warehouse. Additionally, the Service Provider shall ensure that at a minimum a UAT environment is available for all Subcontractor systems (i.e., talent management system and FSA / HSA system).

The Department shall have view access into the QA and the production clone environments. The State will have the same full update access into the UAT environments as they have in the production environment. The Department will ensure the State access to UAT will be controlled

in a manner which avoids performance issues recognizing the UAT environment landscape is a copy of production at a point in time. The Service Provider will ensure that the UAT environment will have, at a minimum, connectivity to the Data Warehouse, the talent management system and the FSA / HSA system. The UAT environment will be fully automated except for the following automated programs: payroll processing and inbound/outbound file interfaces.

The Service Provider shall ensure that UAT environments (including Subcontractor test environments) are refreshed quarterly by applying the latest production data to the environments, except for direct deposit data which shall not be loaded into any test environment unless the Service Provider is so directed by the Department. All environments shall be secured at all times.

3.4.14 Trade Secrets

Software, systems or applications that are provided and identified by the Service Provider as confidential trade secrets, as defined in section 812.081, Florida Statutes, and qualify as such, are exempt from disclosure under Chapter 119, Florida Statutes.

3.4.15 System Staffing

The Service Provider shall maintain an experienced and competent staff of IT professionals (which may include Independent Contractors) who are familiar with the People First System. The IT staff shall be maintained at a level sufficient to perform all ongoing maintenance to the system in accordance with Section 3.4 (“Ongoing System Operations Maintained by Service Provider”), complete all Major System Projects in accordance with Section 3.6 (“Optimization Initiatives and Major System Projects to be Deployed by Service Provider”), complete system enhancements in accordance with Section 4.8 (“System Enhancement Hours”) and complete all Change Orders in accordance with Section 4.9 (“Change Orders”) of the Contract. The IT staff shall be managed by a dedicated, director-level position that possesses an extensive background in IT and project management. To optimize the Service Provider’s resources, the Parties will cooperate in the scheduling of work assignments for the IT staff at least one month in advance or more frequently if necessary. With reasonable notice and justification, the Department has the right to remove any Service Provider or Subcontractor employee from directly performing Services under the Contract at its discretion. The Department has the right to request and receive system staffing numbers at any time during the term of this Contract.

3.4.16 Department’s Access to Subcontractors

The Department shall have direct access to Subcontractors, but not interfere with the Service Provider’s relationship with its Subcontractors regarding the Services provided under this Contract. The Service Provider shall ensure the FSA / HSA Subcontractor has a support unit dedicated to the State of Florida, and shall coordinate quarterly business review meetings between the Subcontractor and the Department. In order for the Department to maintain the

SAP and talent management system knowledge necessary to effectively provide system oversight, the Department may have up to four employees attend and participate at one SAP consortium and up to four employees attend and participate at one talent management consortium annually. The Service Provider shall pay or waive the cost of the registration for the Department. The Department has the right to request and receive Subcontractor staffing numbers at any time during the term of this Contract.

3.4.17 Ownership of Work Product

- (a) Unless otherwise expressly set forth in Appendix B with respect to particular Deliverables, all results of the Services created or developed by or on behalf of Service Provider, by itself or jointly with the Department or others, including the Deliverables, any software developed pursuant to this Contract, modification and improvements to the Department Materials, business methods or processes, programs, systems, processes, data development, modification and enhancement of systems, computer programs, operating instructions, specifications, technical information, ideas, inventions, drawings, works of authorship, designs, concepts and all other documentation developed for or relating to the Deliverables or this Contract, and all documents, data and other information of any kind, including information incorporating, based upon, or derived from the foregoing, and reports and notes prepared by Service Provider or any Service Provider personnel (any of the foregoing whether or not completed), together with all modifications, revisions, changes, copies, translations, compilations, and Derivative Works of the foregoing (collectively, the “Work Product”) are, shall be and shall remain the property of the Department and may not be used by Service Provider or any Service Provider personnel for any other purpose except for the benefit of the Department.

During the Contract term, Service Provider shall disclose promptly to the Department any Work Product. Service Provider represents it does not have any commitments to others under which Service Provider is obligated to assign to such others Work Products or rights therein in conflict with Service Provider’s obligations to the Department pursuant to this Contract.

- (b) The Department shall have all right, title and interest, including worldwide ownership of all Intellectual Property Rights in and to the Work Product and all copies made from it. To the extent any of the Work Product is not deemed a “work for hire” by operation of law, Service Provider hereby irrevocably assigns, transfers and conveys to the Department, and shall cause the Service Provider personnel to assign, transfer and convey to the Department, without further consideration, all of its and their right, title and interest in and to such Work Product, including all Intellectual Property Rights in and to such Work Product. Service Provider acknowledges, and shall cause the Service Provider personnel to acknowledge, that the Department and its successors and

permitted assigns shall have the right to obtain and hold in their own name any Intellectual Property Rights in and to such Work Product, unencumbered by any claim by Service Provider and any Service Provider personnel.

Service Provider agrees to execute, and shall cause the Service Provider personnel to execute, any documents or take any other actions as may reasonably be necessary, or as the Department may reasonably request, to evidence, perfect, maintain and enforce the Department's ownership of any such Work Product, whether during the Contract term or thereafter. The territorial extent of the rights in the Work Product assigned to the Department by Service Provider and the Service Provider personnel under this Contract shall extend to all the countries in the world. The assignment of the Work Product and all Intellectual Property Rights therein by Service Provider and the Service Provider personnel to the Department shall be royalty-free, absolute, irrevocable and perpetual.

- (c) Service Provider agrees, and shall require that its Subcontractors agree, that the Department shall have the right to have an independent accounting firm conduct an audit at Service Provider's and its Subcontractors' premises during normal business hours to verify that neither Service Provider, nor any of its affiliates or Subcontractors, are furnishing any of the Work Product to any third party. The cost of such audit shall normally be at the Department's expense, except that Service Provider will bear the cost of the audit if the audit reveals that Service Provider or any of its Service Provider representatives are furnishing, or have furnished, any such Work Product to any third party.

3.5 Ongoing Service Delivery Maintained by Service Provider

The Service Provider will provide the People First Service Center Services throughout the term of this Contract as described in the Supplemental Service Center Description, including without limitation the Service Center Business Process Workbook, and any improvements implemented in accordance with Section 4 ("Contract Administration"). In the event of a conflict between the Supplemental Service Center Description and Section 3 ("Scope of Work") or Section 4 ("Contract Administration"), Section 3 ("Scope of Work") or Section 4 ("Contract Administration") will control. For FSA / HSA Services, the Service Provider will be responsible for maintaining these Services as described in the Supplemental Service Center Description between the Contract Effective Date and such time that the Service Provider successfully transitions Services to the new FSA / HSA Services described in Appendix K ("Flexible Spending Account (FSA) / Health Savings Account (HSA) System Functionality & Services").

3.5.1 Dedicated People First Service Center

The Service Provider shall answer calls from the Covered Population and maintain a People First Service Center staffed by HR Specialists dedicated solely to providing Services under the

Contract. Except as otherwise permitted in this Contract, it is expected that the dedicated People First Service Center shall handle all Services identified in this Contract. Service Provider shall be entitled to temporarily and infrequently utilize any other personnel to supplement staffing needs, provided such personnel are subject to the security requirements provided in this Contract. In addition, Service Provider shall be entitled to temporarily and infrequently utilize dedicated HR Specialists to support other Service Provider HR accounts upon notice to the Department and approval by the Department. The Department will provide to the Service Provider throughout the term of the Contract any available information, which could reasonably be expected to have a material impact on contact volumes, handling and staffing to support the Service Provider in its efforts to staff and effectively perform the Services.

The Service Provider shall host quarterly Service Center tours. The Service Provider shall prepare a presentation for these tours that the Department shall approve in advance of any tours, and annually thereafter.

3.5.2 Service Center Location

The People First Service Center shall be located in Tallahassee, Florida. The intent of this requirement is to provide more effective Contract oversight and better opportunity for collaboration. Upon notice to the Department and approval by the Department, the Service Provider may temporarily and infrequently utilize a back-up location to supplement staffing needs, provided such personnel are subject to the security requirements provided in this Contract. The Department reserves the right to inspect the People First Service Center(s) during the Term of the Contract.

3.5.3 Language

The language support shall be provided in English as a primary language; however, the Service Provider shall ensure there is a Spanish speaking HR Specialist on staff during the Open Enrollment period. At all other times, the Service Provider shall agree to respond to Spanish speaking Covered Population calls into the Service Center as soon as reasonably possible but in no more than 24 hours of the contact. The Service Center shall also have the ability to support callers with hearing impairments.

3.5.4 Physical Space for Department Employees

The Service Provider shall make space available to accommodate Department employees during visits to the People First Service Center. These employees will not be permitted to disrupt normal business operations but, consistent with Service Provider's security requirements, may interact with Service Provider employees and generally monitor the provisioning of the Services.

3.5.5 Business Processes Documentation

People First Service Center standard processes and the standard processes of the FSA / HSA service center shall be documented by the Service Provider and provided to the Department on an annual basis. This documentation shall be consolidated into the Service Center Business Processes Workbook as described in Section 3.3 (“Deliverables”) and the format and template shall be agreed to by both Parties. The Service Provider shall advise the Department in advance of any changes to the processes.

The Service Provider shall perform, in consultation with the Department, process reviews of all processes, including KMS content, in all current functional areas of the People First Service Center Services (Section 3.5, “Ongoing Service Delivery Maintained by Service Provider”) as well as all future Services functional areas (e.g., Learning Management System). The process reviews shall be in a format as agreed to by both Parties.

The Service Provider shall utilize an experienced Quality Assurance Director and rigorous QA program that includes Service Provider oversight and customer service support outside of the day-to-day People First Service Center staff and management team to audit and evaluate business processes and KMS content for all service centers providing Services for continuous improvement, necessary additional business processes to be documented and applicable industry best practice implementation.

3.5.6 Statistical Reports System

The Service Provider shall maintain a system for, and the Department shall have access to in real-time or near real-time, data collection and analysis in connection with its provision of the Services. The system shall be designed in consultation with the Department to ensure data collection and reporting meets the Department’s needs. The system shall produce reports (system generated and manual) that track and measure Service Center and other operational statistics. These reports are in addition to the monthly performance metric data and statistics that are provided within the Performance Metric Monthly Report. Below is a listing of the minimum required reports and their frequency:

IVR Reports:

- IVR Process Flow (annually, or as revised)
- IVR Self-Service Interactions - by type, and reason for call and call volume by HR functional area (monthly)

Key Performance Indicator (KPI) Reports:

- University Errors (monthly)
- Performance Management Evaluation Completion (annually)
- Performance Management Expectation Setting Completion (annually)

Open Enrollment Reports:

- Open Enrollment Summary To Date Report (daily during Open Enrollment)
- Open Enrollment Statistics Report - by Participant Type (e.g., active, retiree) (daily during Open Enrollment)
- Open Enrollment Statistics Report - by Plan (e.g., State PPO, HMOs) (daily during Open Enrollment)
- Open Enrollment Statistics Report - by each User Group and Contact Type (i.e., online, Service Center) (daily during Open Enrollment)
- Online Open Enrollment Statistics Report, by Agency (weekly during Open Enrollment)
- Open Enrollment Final Report (annually)

Password and User ID Reports (Password reset call volumes shall be segregated for reporting purposes.):

- Password Reset and Recovery Statistics Report (i.e., online, Service Center) (monthly)
- User ID Recovery Statistics Report (i.e., online, Service Center) (monthly)

Service Center Reports:

- Average Hold Time Statistics (monthly)
- Average Length of Call Statistics (monthly)
- Average Speed to Answer Call Statistics (monthly)
- Caller Customer Satisfaction Survey Results (monthly)
- Inter-day and Interval Call Volumes for Tier-1 Support (broken out by tower (e.g., Benefits) and Function (e.g., reinstatements, password resets, call redirects)) (daily and monthly)
- Number of Non-English Speaking Callers Report (monthly)
- Outbound Calls (broken out by each tier level) (monthly)
- Service Center Attrition Rate (annually)
- Total Number of Inquiries per Inquirer (monthly)
- TTY Calls and Callers Report (monthly)
- Listing of all Cases (including Case details, date opened, date closed, days pending) (monthly)

System Reports:

- Concurrent Users Report (monthly)
- Number of Custom Objects Report (annually, or as updated)

Other Reports:

- myMRA Utilization Report (monthly)
- Special Compensation Report (monthly)

3.5.7 Hours of Operations

The Service Provider shall have and will continue to maintain toll-free numbers available to receive calls and faxes from the Covered Population. The Service Provider shall answer and respond to calls, voicemails, and email inquiries Monday through Friday between 8:00 a.m. and 6:00 p.m., ET excluding observed holidays described in subsection 3.5.14 (“Service Provider’s Holidays”) below. HR Specialists shall respond to all voicemails or email inquiries received after business hours from the Covered Population no later than the next Business Day for responses that do not require a Case. Voicemail or email inquiries resulting in a Case will be resolved within the standard for the corresponding Case type.

3.5.8 People First Service Center Integration

The Service Provider shall provide its HR Specialists with the desktop configuration necessary to support the Contract and efficiently provide Services to the Covered Population. Service Provider desktops will include a telephone, personal computer, Internet access, and Local Area Network (“LAN”) connectivity and emulation software for access into the State’s system. When applicable, a computer based unit which routes telephone calls to the HR Specialist will accept information through an interface subsystem that will produce a “screen pop” that displays information such as the last five digits of the User social security number, name, address, Covered Entity, and status (e.g., active employee, retiree) of the User. The HR Specialist shall enter information about the Case into the Case Management Tool for resolution by the Service Provider or State, as applicable. The Department shall have near real-time, read-only access to existing Cases and the ability to create Cases within the Case Management Tool.

3.5.9 Voice Connectivity

The Service Provider shall receive calls in support of the Services on Service Provider-paid, toll-free lines (and toll-free TTY and facsimile) and will provide a front end IVR for the Covered Population’s use. The Service Provider shall assign to the Department the right to use certain toll-free telephone numbers. Upon the expiration or termination of the Contract, the Department shall be authorized and have the right to continue use of such toll-free telephone numbers. The intent is for the State to continually use the existing toll-free telephone lines to minimize User confusion, additional communication efforts, and system changes (e.g., letters with the existing toll-free telephone lines in the header).

3.5.10 Call Transfer Responsibilities

The Service Provider shall provide call transfer capabilities to other toll-free numbers and a Warm Transfer of callers to the appropriate resource at the State (including Plan providers, Chard Snyder & Associates, Inc., the Division of State Group Insurance, the Division of Retirement, the Bureau of State Payrolls, the Bureau of Deferred Compensation and, to the extent practicable, State Agency HR offices). The Service Provider’s call management system shall manage and route calls to the appropriate Service Center team. The Service Provider shall

review the Warm Transfer list and associated telephone numbers for accuracy, and update annually, or more frequently when necessary.

3.5.11 Call Recordings

The Service Provider shall record all calls received in the Service Center in support of the Services. This includes the initial call, transferred calls, or any calls made by Service Center staff (e.g., HR Specialists, supervisors, managers) outbound to Covered Population. Service Provider agrees to provide the Department remote access to the call recording platform owned or licensed by the Service Provider and used for State of Florida calls. The Department shall provide the Service Provider a list of all intended Users prior to receiving access and shall identify only those Users who have a legitimate business need to receive access. The Department shall notify the Service Provider of any Users who should no longer be granted access. Upon receipt of such notice, the Service Provider, as soon as reasonably possible, shall remove User access. The Service Provider shall also provide screen capturing call recording technology to synchronize voice and video of an HR Specialist's customer interactions. The intent is to capture not only the call itself but the activity that took place on the HR Specialist's screen.

The Service Provider shall maintain the calls for a minimum of two years with an internal Service Provider policy in place ensuring the criteria for which recordings should be retained for further investigation. However, calls less than 90 days old shall be readily available (i.e., accessible to the Department within 30 minutes.)

3.5.12 IVR and Web Self-Service Availability

The hours of operation for the IVR and web self-service shall be seven days a week, 24 hours a day, with the exception of scheduled system downtime as defined in subsection 3.4.5 ("Scheduled System Downtime"). The IVR shall provide callers an estimated wait time to speak to a live HR Specialist and an option to opt-out to a live HR Specialist at any time during the call. The IVR shall provide automatic caller identification, intelligent call routing, and on hold messaging by function, to be developed in coordination with the Department that provides information (e.g., Open Enrollment deadlines) to callers when they are placed on hold and waiting for an HR Specialist to answer. If either the IVR or web self-service is unavailable, the Users shall be presented with a message advising the system is unavailable. When reasonable, the message shall include the reason for the downtime (e.g., maintenance, upgrade) and shall include when the function is expected to be back online. The Parties shall evaluate the effectiveness of the IVR on an annual basis and the Service Provider shall make modifications to the IVR to improve the customer experience.

3.5.13 Customer Satisfaction Surveys

The Service Provider shall offer callers an automated survey at the end of each call, whereby the HR Specialist does not have the ability to determine whether the caller receives the survey. The survey results shall be provided to the Department on a quarterly basis or more frequently, as determined by the Department. The results should be used to identify continuous improvement opportunities and should be discussed at the quarterly business review and executive leadership meetings. If SAP or third party software provides autonomous customer satisfaction survey functionality, the Service Provider shall offer an instant customer satisfaction survey at no cost to the Department via a window or screen dialog box (or similar methodology) to gauge real-time, anonymous system User satisfaction.

The raw data associated with the customer satisfaction survey results shall be made available to the Department upon request. The Service Provider shall submit a calendar year-end summary of the survey results.

The Service Provider shall require the FSA / HSA Subcontractor to conduct a customer satisfaction survey at least annually with respect to the Services provided by the FSA / HSA Subcontractor, and the results of any surveys will be shared with the Department (as described in Section 3.3 (“Deliverables”).

If the Department performs its own customer satisfaction survey, the Department may provide the results to the Service Provider for analysis and development of a corrective action plan, when deemed necessary by the Department.

3.5.14 Service Provider’s Holidays

The Service Center (and any Subcontractor service centers) shall only be closed during all State observed holidays as established by section 110.117, Florida Statutes. The Service Provider must obtain the Department’s approval prior to any change to holiday schedules.

3.5.15 Service Center Staffing

The Service Provider shall provide sufficient number of staff whose skills and experience match specific job requirements in this Contract. The Service Center staff shall be managed by a dedicated, director-level position that possesses an extensive background in Service Center delivery. The Service Provider shall designate teams of HR Specialists to deal with unique issues and assist unique groups within the Covered Population. At a minimum, the Service Provider shall implement and maintain designated teams of highly skilled and knowledgeable HR Specialists for retirees, State university HR staff, spouse program Participants, surviving spouses, COBRA inquiries, injured in the line of duty, vested Legislators and layoff inquiries. The Service Provider shall ensure that the Service Center has at least one supervisor available to assist HR Specialists at all times during normal operating hours (including lunch breaks and

special events). With reasonable notice and justification, the Department has the right to remove any Service Provider or Subcontractor employee from directly performing Services under the Contract. The Department has the right to request and receive Service Center staffing numbers at any time during the term of this Contract, including the number of Spanish speaking HR Specialists supporting People First.

The Service Provider shall ensure that a process is established and followed whereby when a non active Participant (e.g., retiree, layoff Participant) calls, the HR Specialist will verify and update, if necessary, the caller's contact information (e.g., mailing address(es), email address, phone number(s)).

The Service Provider shall ensure that all payroll related items received by 2:00 p.m. ET on the day of payroll cut-off are processed prior to payroll being processed in SAP.

3.5.16 Three-Call Escalation Process

The Service Provider shall implement a process whereby when a member of the Covered Population calls the Service Center three times on the same issue, that call is immediately escalated to a supervisor or manager for review and handling. The intent of this provision is to ensure the member's issue is resolved accurately and timely, and to identify if an underlying system issue or Service Center process deficiency exists.

3.5.17 Training

The Service Provider and FSA / HSA Subcontractor staff who perform the Services under this Contract shall be trained and demonstrate sufficient knowledge about the Services to be provided by the Service Provider. The Service Provider shall monitor its HR Specialists for QA (includes call handling skills, Case handling and required follow-up) and the Department strongly encourages the Service Provider to integrate screen capturing functionality as part of the QA process. The Service Provider shall establish a training schedule for all HR Specialists. The schedule shall include, at a minimum, new hire trainings, 90-day follow-up training for new hires, refresher trainings, soft skills training and specialized trainings (e.g., Open Enrollment, Privacy and Security). The Department has the right to review all training materials used to train the Service Provider and FSA / HSA Subcontractor staff who perform the Services under this Contract in advance and to attend the trainings upon reasonable advance notice. The Service Provider shall provide the Department a Training Plan as described in Section 3.3 ("Deliverables").

3.5.18 Lockbox Services

The State of Florida (Division of State Group Insurance) has a contractual relationship with a lockbox provider for the purpose of receiving and posting insurance premiums mailed from Participants and for the purpose of receiving checks submitted by State of Florida Medical

Reimbursement Account (MRA) Participants to repay debit card claims for ineligible MRA purchases. The Service Provider shall be responsible for paying the monthly fees directly to the lockbox provider on behalf of the Department, and shall provide the Department proof of payment on a monthly basis.

3.5.19 Health Savings Account Services

Service Provider shall maintain Services to support all functions of Health Savings Account (HSA) enrollment and premium contribution management. Services shall include providing a qualified public depository (QPD) as defined in Chapter 280, Florida Statutes, for the purpose of establishing employee HSA custodial accounts and initiating and transmitting credit entries for the processing of employee and employer HSA contributions through the network of the Automated Clearing House Network. The State will fund the HSA contributions on a weekly basis direct to the QPD based on employee and employer contributions processed by the Service Provider. Service Provider and QPD shall comply with all State and federal regulations pertaining to HSA administration. The Service Provider shall be responsible for paying the monthly HSA administration fees directly to the HSA custodial bank on behalf of the Department, and shall provide the Department proof of payment on a monthly basis.

3.5.20 Vendor Discrepancy Reports

The Service Provider shall be responsible for receiving discrepancy reports from vendors supporting the State of Florida through this Contract, analyzing report data to determine whether errors exist, and for correcting errors in the People First System. The Service Provider shall submit to the Department a Vendor Discrepancy Report Listing on an annual basis that identifies all discrepancy reports received, frequency of reports, and the data elements to be reviewed as prescribed in Section 3.3 (“Deliverables”).

3.5.21 Fiscal Administration

The Service Provider shall be responsible for timely identifying overpayments for members of the Covered Population who are no longer enrolled in the insurance Plan type and for processing a refund for these individuals. This process shall be completed for all members of the Covered Population who have an overpayment and are no longer actively enrolled in the Plan type.

The Service Provider shall be responsible for timely identifying underpayments for Participants caused by a People First System Defect or incorrect information given by an HR Specialist, and shall reimburse the Department on behalf of the Participant the amount necessary to correct the underpayment and hold the Participant harmless. However, if, for example, Service Provider were to correct the underpayment by paying a missed deduction or other sum which was to be withheld (but for whatever reason was not) on an individual’s behalf, Service Provider may be

entitled at any time to recoup the sum paid by any available lawful means and to otherwise mitigate its potential losses.

3.5.22 Email Box and Online Submission

The Service Provider shall provide an email box located on the People First System for Covered Population questions or assistance (“inquiries”). The email box shall include a dropdown for the functional area, a section for the question / comment, a section for Covered Population contact information, and the ability to transmit real-time and to view the status of open and closed Cases. The system shall send an automated, immediate reply to the sender that would show that the inquiry was received by the Service Provider. The Service Provider shall respond in detail to all email inquiries within one Business Day of receiving the inquiry. The Service Provider and Department shall work cooperatively in the development of the email box to ensure it meets the customer service expectations of the Department.

In addition, the Service Provider shall develop a secure online submission functionality to receive forms and documents normally sent by Covered Population via fax. This process must be contained within the People First System, requiring members of the Covered Population to securely log into the People First System to submit forms and documents. Access to this online submission process must be easily accessible for employees. Process must include the ability to select the document type and the ability to attach multiple documents at one time. Documents must be encrypted within the applicable databases and accessible through the People First System. The Service Provider and Department shall work cooperatively in the development of the online submission functionality to ensure it meets requirements of Section 6 (“Security”) and the customer service expectations of the Department and Covered Population.

3.5.23 Other Resources

The Service Provider shall maintain other resources sufficient and necessary for it to perform Services to develop, in consultation with the Department, the functional rules and requirements for the Service Provider’s systems in order for the Service Provider to provide the Services. The functional rules and requirements include system connectivity, interface requirements, Plan rules and procedural requirements.

The Service Provider shall work with the Department to identify, track and monitor the benefits of Covered Entity officials moving into, or between Covered Entities.

The Service Provider shall develop web-chat capabilities within the employee portal in consultation with the Department, available during the Service Center hours of operation identified in Section 3.5.7 (“Hours of Operation”).

In addition, the Service Provider shall work cooperatively with the Department and the Department's vendors that could potentially provide the following Services to the State of Florida in the future:

- (a) A health reimbursement arrangement (HRA) that is funded solely by the employer. Employees are reimbursed tax free for qualified medical expenses up to a maximum dollar amount for a coverage period. An HRA may be offered with other Plans, including flexible spending accounts.
- (b) An Employee Assistance Program (EAP) with a health management wrap that provides traditional substance and alcohol abuse counseling, mental health counseling, as well as lifestyle assistance programs (e.g., locating a daycare) to all employees. For employees enrolled in a State-sponsored Plan, the EAP also provides total health management services (e.g., reminders for preventive screenings, health coaching).
- (c) Dependent Eligibility Verification Services to validate the eligibility of all covered dependents in a one-time "cleanup" effort. Thereafter, validation would occur on an ongoing basis before dependents can be enrolled in coverage.

3.6 Optimization Initiatives and Major System Projects to be Deployed by Service Provider

In addition to the Services required elsewhere in this Contract, Service Provider agrees to implement the optimization initiatives and major system projects ("Major System Project" or "Major System Projects") set forth in Appendix G at no additional charge to the Department.

3.6.1 Implementation Process and Deadlines

The implementation process and deadlines for each Major System Project shall be as follows:

- (a) The Service Provider shall submit to the Department the applicable FDDs on or before the "FDD to DMS Due Date" stated in Appendix H. The FDDs shall, to the extent feasible, include artistic designs and computer screen mockups, and include any checklists or instructions for the UAT process. The Service Provider shall use standard SAP code when possible and minimize system customization. However, if the State's business requirements necessitate customization as the only option, the Service Provider shall explain in full detail the customization and the justification for the customization in the FDD.
- (b) The Department will accept the FDDs (or request any desired modifications) on or before the "FDD Sign Off Due Date" stated in Appendix H. The Department will accept a FDD by the FDD Sign Off Due Date if the FDD meets the scope of work as defined in

Appendices K, M, N and O, and any mutually approved modification and the FDDs are received on or before the “FDD to DMS Due Date.”

- (c) The Service Provider shall release the Major System Project to the Department for UAT on or before the “Release to UAT Due Date” stated in Appendix H. The released Major System Project shall meet the requirements of the signed FDD(s). The Department will provide regular and timely feedback to Service Provider until it accepts or rejects the Major System Project.
- (d) The Department will accept or reject the Major System Project on or before the “UAT Sign Off Due Date” stated in Appendix H. The Department will accept a Major System Project by the UAT Sign Off Due Date if the enhancement meets the requirements of the approved FDD. If the Major System Project is rejected, each Party will diligently proceed to develop, approve and implement the necessary changes.
- (e) The Service Provider shall implement the Major System Project on or before the “Release to Production Due Date” stated in Appendix H.

If the Department rightfully rejects a FDD or a Major System Project in UAT, the Department will promptly advise the Service Provider of the reasons for the rejection and a description of the requested modifications. The Service Provider will then work diligently to produce the necessary modifications and the Department will be given reasonably sufficient time to review the re-submitted FDD or Major System Project in UAT. Each Party will work cooperatively to avoid extensions to the Release to Production Due Date.

The Service Provider shall provide a collaboration tool whereby all documents related to Change Requests are captured and shared between both Parties.

3.6.2 Escalation Process

To minimize unnecessary costs and delays in the implementation of Major System Projects, the Parties mutually agree to escalate all disputes relating to these processes and deadlines (including any patterns of delay or any instances where a deadline is missed by more than seven calendar days) immediately to the Service Provider’s Project Executive and the Secretary or the Secretary’s designee.

3.6.3 Right to Extend Deadlines

A Party may extend the deadlines in a fair and reasonable manner (i) if the other Party (or the other Party’s Subcontractors or agents) fails to provide in a timely manner any of the documents or information needed to meet a deadline or otherwise causes a delay in the implementation process, (ii) mutual agreement, or (iii) in accordance with Section 10.13 (“Force Majeure and No Damages for Delay”) of the Contract. To obtain such an extension, the Party must provide a reasonably detailed justification for the extension in writing to the other Party promptly but no

later than 30 calendar days after the reason for the extension arose. Except as set forth in subsection 3.6.4 (“Consequences of Service Provider Failing to Meet the Release to Production Due Date”) below, such extensions shall be the sole and exclusive remedy for a Party’s failure to adhere to the process and deadlines in subsection 3.6.1 (“Implementation Process and Deadlines”).

3.6.4 Consequences of Service Provider Failing to Meet the Release to Production Due Date

If the Service Provider fails to implement a Major System Project by the “Release to Production Due Date” (as extended), the Department will have the option of (i) stopping all work on that Major System Project and receiving a price reduction (invoice credit) based on the Service Provider’s projected cost, or (ii) extending the Release to Production Due Date. Prior to electing to receive a credit, the Department will give the Service Provider a “grace period” of 30 calendar days to implement the Major System Project or propose an equitable alternative to the issuance of the credit (e.g., acceptance of partially completed work together with a partial credit). The Department shall accept the proposed alternative if the Department determines, in its reasonable discretion, that the alternative is in the State’s best interest. The Service Provider shall be entitled to only one “grace period” per Major System Project, and any System Freeze under Section 8.2 (“System Freeze”) of the Contract will, at the Department’s discretion, be delayed until the grace period expires.

If the Release to Production Due Date (as extended) occurs after the System Freeze commences in a Transition Period under Section 7.6 (“Consequences of Termination”) of the Contract, then the Service Provider shall stop work on the Major System Project and issue the cost reduction (invoice credit) to the Department. If the Release to Production Due Date (as extended) occurs after the System Freeze commences in a Transition Period under subsection 7.1.2 (“Termination for State’s Non-Appropriation of Funds”), Section 7.7 (“The Department’s Default”) or Section 7.8 (“Department’s Rights in Anticipation of Contract Expiration”) of the Contract, then the Service Provider shall have no obligation to implement the Major System Project and no credit will be due for that Major System Project. This paragraph shall supersede any conflicting provisions of this subsection 3.6.4.

The Service Provider’s failure to implement a Major System Project by the Release to Production Due Date (as extended) will constitute an Event of Default. In no event will the Department issue a Termination Notice for failure to implement a Major System Project by the Release to Production Due Date if the Department failed to meet any of its deadlines at no fault of the Service Provider for that Major System Project or if the Service Provider implemented the item before the end of an applicable grace period.

3.6.5 Temporary Renewal of Services

In the event the transition of talent management or FSA / HSA Services extends past Aug. 20, 2016, as a result of Service Provider or Subcontractor delay, Service Provider, at no additional cost to the Department, shall arrange for continuation of the applicable Services, inclusive of supporting software, for the duration of the delay.

3.7 Optional Service -- Payroll End-to-End Processing

The Service Provider will be responsible for payroll preparation as it currently exists at the Contract Effective Date; however, the Department reserves the right to execute a Change Order pursuant to Section 4.8 (“System Enhancement Hours”) or Section 4.9 (“Change Orders”) to require the Service Provider to provide Payroll End-to-End Processing. In determining the charges or System Enhancement Hours associated with a Change, the Service Provider shall not include the time of the Contract Manager, the Contract Administrator, any Ancillary Support Services personnel, or any management-level employees. The goal for payroll end-to-end processing is to complete all payroll activities, calculations and create payroll distribution files using the People First System (SAP).

Currently, parts (gross salary calculations, miscellaneous deductions, etc.) of the biweekly, monthly, supplemental and Criminal Justice Incentive Payment (CJIP), and other payrolls are completed within the existing People First solution. However, DFS owns the payroll process for the State and manages the recording and payment execution, creation and maintenance of employee payment records, and taxation accounting (including federal and local tax reporting and payments; e.g., Forms W-2, 941) for State officers and employees, computes employer cost (calculating to gross salary charge) and net pay and initiates all accounting entries, including payroll distribution files. The Service Provider shall partner in good faith with the Department and DFS to identify such business requirements, costs, risks, and operational activities upon the Department’s request.

3.8 Warranty

Service Provider shall provide the Deliverables, Services, Major System Projects and system enhancements in a professional, workmanlike manner in accordance with the requirements of this Contract and standards and quality prevailing among first-rate nationally recognized firms in the industry and in accordance with this Contract and warrants that it will remain in such condition during the Contract term. If during the Contract term, the Department discovers that the Deliverables, Services, Major System Projects and system enhancements are not in such condition, the Service Provider shall promptly correct, cure, replace, or otherwise remedy the condition at no cost to the Department. This provision does not affect any other rights or remedies of the Department, including the Department’s right to terminate all or a portion of the Contract for breach or default.

Service Provider warrants that for a period of 180 days from delivery of the HRIS to the Department (or its applicable service provider) at the conclusion of this Contract, the HRIS will operate in all material respects in the manner in which it operated while the Service Provider performed the Services; provided however, the Department has not modified the system customizations or configurations as delivered and the Department (or its alternative service provider) has properly replicated Service Provider's environment to the extent such environment is defined in the BRDs, FDDs and TDDs and is necessary to operate the HRIS.

This section will survive termination and expiration of the Contract.

Section

4

Contract Administration

4.1 Organizational Contact Matrix

The Parties agree that in order for efficient and effective communication to occur, clear lines of authority and areas of responsibility need to be identified for each Party. The Parties shall maintain an organizational contact matrix that denotes the “key personnel” and their duties relating to this Contract, and Tables of Organization as described in Section 3.3 (“Deliverables”). Each Party agrees to promptly notify the other in the event of any change in “key personnel,” address, or telephone number. The Service Provider shall provide the Department 30 days’ advance notice prior to removing “key personnel” from the State of Florida People First account. The Department shall have the right to interview proposed candidates under consideration to fill the anticipated vacancy and provide final approval prior to hire.

4.2 Contract Administrator

Each Party shall have a Contract Administrator who will be responsible for maintaining this Contract during the term of this Contract. The Contract Administrator for the Department shall be designated as Contract Administrator, 4050 Esplanade Way, Suite 235, Tallahassee, Florida 32399-0950. The Contract Administrator for NorthgateArinso, Inc. shall be designated as Contract Administrator, 8880 Freedom Crossings Trail, Suite 100, Jacksonville, Florida 32256. Each Party will provide written notice to the other Party of any changes to the Contract Administrator.

4.3 Contract Manager

Each Party will designate a Contract Manager during the term of this Contract whose responsibility shall be to oversee the Party's performance of its duties and obligations pursuant to the terms of this Contract. Each Party will provide prompt written notice to the other Party of any changes to the Party's Contract Manager or his or her contact information. The Department's Contract Manager will be designated to be the Director, People First, 4050 Esplanade Way, Suite 235, Tallahassee, Florida 32399-0950. NorthgateArinso's Contract Manager shall be designated as SOF Contract Manager, 3800 Esplanade Way, Suite 200, Tallahassee, Florida 32311.

4.4 Notice and Approval of Major Organizational Changes or Changes in Service Provider's Organization

The Parties recognize and agree that award of the Contract is predicated upon features of the Service Provider's business organization as set forth in this Contract. During the term of this Contract, Service Provider shall not allow a transfer or sale of more than 49.9% of its equity shareholder interests or allow a sale of substantially all of its assets without the prior written consent of the Department, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Service Provider shall provide a minimum of 60 Business Days' notice to the Department of a transfer or sale to a wholly owned subsidiary.

4.5 State Information and Access

Upon execution of the Contract, the Department will, in accordance with this Contract, provide the Service Provider, with timely information and access to the State's operating guidelines, policies, procedures, information systems and databases, leadership, management and employees in order for the Service Provider to perform the Services contemplated in this Contract, including providing Deliverables.

4.6 Meetings

The Parties will mutually determine an appropriate set of periodic meetings to be held between them ("Meetings") and calendar those Meetings at least 30 days' in advance of the date of applicable Meetings. These Meetings will include:

- (a) A weekly system release meeting to discuss the success and lessons learned of the most recent system release as well as discussion on future Change Requests. The Service Provider shall ensure that the Subcontractor will attend the two weekly meetings prior to a system release, and the weekly meeting immediately following a system release related to their product. The Service Provider shall be responsible for maintaining the log of Change Requests. The Department will have final approval on what is contained on the monthly meeting log, which approval shall not unreasonably be withheld or delayed.
- (b) A quarterly business review meeting to review and discuss various operational issues.
- (c) A quarterly security review meeting to discuss any past, current, or new security issues, policies, processes, or audits, whether it be at the Service Center, on-line, software, or data related. Topics may include, but are not limited to: Security Plan review, policies, processes, security threats, Security Incidents, Security Breaches, penetration and vulnerability testing and results, software security patches, SOC report/bridge letter, and any other audits with security impacts.

- (d) A quarterly executive leadership meeting to review status of ongoing tasks, schedules, changes, challenges and such other matters as appropriate (e.g., the Service Provider shall include information on strengths, potential areas for improvements and related improvement plans, cost reduction proposals, a two-year outlook addressing anticipated initiatives and proposals, and other industry best practices).

The Service Provider shall also coordinate and participate in quarterly business review and product roadmap meetings between the Subcontractor and the Department to review and discuss various operational issues.

The quarterly meetings shall be held at the State offices in Tallahassee, Florida, or via conference call, as determined by the Department. For the quarterly and other Meetings scheduled monthly or less frequently, the Service Provider shall provide to the Department a proposed agenda for its approval which will not be unreasonably withheld or delayed, at least five Business Days in advance of the scheduled Meeting dates. Service Provider shall publish and distribute an agenda and related documents and/or handouts within two Business Days prior to the Meeting dates. For weekly meetings, the proposed agenda requirement mentioned above is not required, but the Service Provider shall provide the Department meeting documents and/or handouts no later than two Business Days prior to the Meeting dates.

The Service Provider shall provide detailed and well-documented minutes for all Meetings. Draft Meeting minutes shall be distributed by the Service Provider to individuals who attended the Meetings on behalf of the Department within five Business Days after the subject Meetings so that any errors can be corrected and items not included can be added by the Service Provider prior to final issuance. Within three Business Days after receipt of the Department's written approval of the draft Meeting minutes, the Service Provider shall provide the Department with final Meeting minutes.

The Service Provider shall cooperate with the Department regarding legislative or Governor's Office meetings and provide information requests or legislative bill analyses related to Services. The Service Provider shall be available to attend meetings or present requested information, as directed by the Department.

The Service Provider shall not be entitled to additional compensation for any such meeting preparation or attendance.

4.7 Performance Metrics

4.7.1 Performance Metrics General Provisions

In addition to the requirements set forth elsewhere in the Contract, the Service Provider shall meet the “Performance Metrics” set forth in Appendix D. The Service Provider shall work collaboratively with the Department to develop the performance metric methodology used to measure each performance metric (e.g., greater detail on the criteria, descriptions, calculations, and methodology used). Except where indicated, these Performance Metrics will be measured each month. For Performance Metrics requiring a random sample, the Service Provider shall use a random sampling methodology that is mutually agreed upon with the Department. The Service Provider shall not pull more than one random sample per metric, per month. The random sampling documents shall be made available upon the Department’s request.

4.7.2 Performance Credits

For each month and for each Performance Metric that the Service Provider fails to meet the Performance Metric Standard established in Appendix D, the Service Provider shall issue a performance credit of \$7,500 against the Department's next monthly invoice, except for: (i) Performance Metric 17 (“Benefits Eligibility Files Accuracy Percentage”), 18 (“Benefits Eligibility Files Timeliness Percentage”), 20 (“Payroll Administration Files Accuracy Percentage”), 21 (“Payroll Administration Files Timeliness Percentage”) and 24 (“System Availability Percentage”), whereby the performance credit shall be \$15,000.

If Service Provider's performance falls below the minimum level of performance for the same Performance Metric set forth in this Contract for three or more consecutive months, the Service Provider shall issue a performance credit of \$15,000 against the Department's next monthly invoice, except for (i) Performance Metric 17 (“Benefits Eligibility Files Accuracy Percentage”), 18 (“Benefits Eligibility Files Timeliness Percentage”), 20 (“Payroll Administration Files Accuracy Percentage”), and 21 (“Payroll Administration Files Timeliness Percentage”), whereby the performance credit shall be \$30,000; and (ii) Performance Metric 24 (“System Availability Percentage”), whereby the performance credit shall be \$50,000.

At the end of the fiscal year (June 30), performance metric results will be calculated to determine the average performance over the preceding 12 month period. If the 12 month average result for any metric is more than 2% below the standard, the Service Provider shall issue a performance credit of \$50,000 for each missed metric against the Department's next monthly invoice. This \$50,000 credit shall be in addition to any other monthly credits.

Notwithstanding anything in the Contract to the contrary, the total of any and all performance credits paid or to be paid by the Service Provider pursuant to this Contract shall not exceed \$450,000 for any calendar quarter.

4.7.3 Performance Metric Monthly Report

Unless otherwise mutually agreed, the Service Provider shall provide the Department with a report for all Performance Metrics, by the 15th day of each month for the previous month as required by Section 3.3 (“Deliverables”). The Performance Metric Monthly Report shall (i) indicate whether the Service Provider met the performance standard for each Performance Metric set forth in Appendix D; and (ii) include all supporting data including each Performance Metric name, the agreed upon performance standard, the percentage achieved, and a detailed explanation of each Case in which the Service Provider’s performance did not meet the defined standard. The Department has the right to audit the information in the Report and the Service Provider shall provide the Department with sufficient access and information to perform such audits.

4.7.4 Review and Adjustment of Performance Metrics

Each year, beginning on March 31, or at any other time as mutually agreed, the Parties shall evaluate the effectiveness and relevance of each Performance Metric. In the event the Parties mutually agree upon changes, additions or deletions to the Performance Metrics or the performance standards, the Contract shall be amended accordingly no later than June 30 of the same year. Notwithstanding the foregoing, the Parties shall negotiate in good faith to amend one or more of the Performance Metrics or the performance standards, if the Service Provider is taking all reasonable actions to promptly remedy the cause of persistent failure to achieve the performance standards.

4.7.5 Other Rights and Remedies

The performance credits are intended only to cover the Department’s internal staffing and administrative costs and the diminished value of the Services provided under the Contract. In accepting a performance credit, the Department does not waive its right to pursue other remedies for cost and damages not covered by the performance credit.

4.7.6 Performance Metric Default

The inclusion of Performance Metrics and the related performance credits in this Contract is intended to address unsatisfactory performance in the context of ongoing operations without resort to the Default Remedies set forth in Section 7 (“Termination, Default and Remedies”) of this Contract. If Service Provider's performance falls below the minimum level of performance for the same Performance Metric set forth in this Contract for three consecutive months or fails to meet a total of five or more Performance Metrics in six out of 12 months (regardless of metric), and such failure is not otherwise excused, then the Department may follow the process outlined in Section 7.4 (“Events of Default”) in lieu of accepting any performance credits.

4.7.7 Excused Performance Failures

The Service Provider shall be excused for failing to meet any Performance Metric to the extent such failure is caused directly and solely by the Department not performing one or more of its obligations under the Contract or the acts or omissions of the Department, any Covered Entity, Users, or third parties, other than the Subcontractors, providing Services to or for the Department (including telecommunications carriers), including:

- (a) The Department's or a third party's system is down or performance is degraded
- (b) The Department's or a third party's infrastructure fails
- (c) The Service Provider is unable to access the Department or a third party's system and/or process transactions because of the Department or third party's systems

In addition, relevant Performance Metrics shall not apply during scheduled system maintenance down times, major system enhancements and during Force Majeure events or occurrences.

The Service Provider shall advise the Department in writing as soon as possible of any circumstance or occurrence which would excuse or affect the Service Provider's ability to achieve any of the Performance Metrics. In all such instances, the Service Provider will continue to make all reasonable efforts to handle the call volume and transaction activity to achieve the Performance Metrics.

4.8 System Enhancement Hours

4.8.1 Number of Hours

The Department will be allotted 1,750 System Enhancement Hours per quarter to be used for implementation of new system functionality / modules and enhancements to existing functionality / modules that are not covered under Section 3.4 (“Ongoing System Operations Maintained by Service Provider”) or Section 3.6 (“Optimization Initiatives and Major System Projects to be Deployed by Service Provider”) of this Contract. System Enhancement Hours shall only be required and used for the development (design, coding, testing, implementation) of approved system enhancements that occur after approval of the enhancement. Time required by the Service Provider to develop the cost estimate is considered a cost of doing business and shall not be counted as a reduction in System Enhancement Hours.

Any unused System Enhancement Hours shall be carried forward to the next calendar year. However, no more than 3,500 hours may be carried forward in one year and the Department is not required to advise the Service Provider of the intent to carry forward. Only hours that have not been committed for use shall be classified as unused System Enhancement Hours. For this purpose, once the hours are committed, they are considered used, regardless of when the

Service Provider completes the development. The Department will be charged for the estimated hours as agreed to in the FDD to implement the enhancement. The Department may receive an advance of future System Enhancement Hours upon reasonable terms to be mutually agreed upon by the Parties.

System Enhancement Hours will be consumed as follows: IT developers, IT specialists, and senior consultants performing system, strategy or plan development will consume one system enhancement hour per hour of effort provided; learning developers, trainers, and business analysts performing User training or business / data gathering and analysis, and any other resources performing business operational or repetitive tasks, will consume one half system enhancement hour for every hour of effort provided.

4.8.2 Recordkeeping

The Parties must agree in advance on how and when the System Enhancement Hours will be used. The Service Provider shall keep a ledger of all activity on the account and will provide a System Enhancement Hours Tracking Report, as required by Section 3.3 (“Deliverables”) of this Contract.

4.8.3 Change Process

The Parties recognize that changes (including additions and deletions) to the Services or Deliverables (“Changes”) are normal and that an orderly process should be established for those occasions. At the Department’s sole discretion, the Department may choose to use its allotted System Enhancement Hours to require the Service Provider to take prompt and reasonable measures to analyze, design, develop, test and implement a Change.

The Parties will confirm in writing all relevant aspects of the Change; however, it is expressly agreed and understood that Changes will not require the formal execution of a Change Order Form (Appendix I) or an amendment to the Contract. Instead, the Department shall propose the Change in a BRD and the Service Provider shall estimate the total number of System Enhancement Hours to implement the Change. The System Enhancement Hours are committed by both Parties once the Department has approved the FDD. If the Service Provider is the Party to propose the Change, the proposal can start with the FDD, and the BRD is not required. Once the item is committed, the Department and the Service Provider shall agree on the due dates for all key deliverables. To the extent the Parties cannot agree on any aspect of the Change, the disagreement will be escalated to the Service Provider’s Project Executive and the Secretary or the Secretary’s designee.

4.9 Change Orders

4.9.1 Generally

It is the Parties' intent that this Contract addresses Services the Department seeks to outsource to the Service Provider. However, the Parties recognize that changes (including additions and deletions) to the Services or Deliverables ("Changes") are normal and that an orderly process should be established for those occasions. In some cases, the Department may choose not to use its allotted System Enhancement Hours for a Change (e.g., a Covered Entity-specific enhancement, number of estimated hours to perform a Change exceeds the Department's allotted number of hours), and instead, pay the Service Provider for the Change. The Service Provider's hourly rate of pay for IT development (design, coding, testing, implementing) and learning development activities shall be those rates provided in Appendix I ("Change Order Form"). Time required by the Service Provider to develop the cost estimate is considered a cost of doing business and shall not be counted in the cost of the Change Order. A Change Order is used to document the requirements and costs.

4.9.2 Change Order Process

To propose any Change other than changes described in Section 4.8 ("System Enhancement Hours"), a Party's Contract Manager shall deliver a written proposal (the "Change Order Proposal") to the Contract Manager of the other Party specifying (i) the proposed Change, (ii) the objective or purpose of such Change, and (iii) the requirements and specifications of the Services or deliverables to be delivered pursuant to such Change.

The Parties shall cooperate in discussing the scope and nature of the Change Order Proposal, the availability of Service Provider personnel, expertise and resources to provide such proposed Change, and the time period during which such proposed Change will be implemented. Within 10 Business Days of receipt of the Change Order Proposal, the other Party shall, at its expense, prepare a written assessment of the Change Order Proposal (the "Change Assessment") (i) describing any changes in deliverables, services, assignment of personnel and other resources that the other Party believes will be required, (ii) specifying how the proposed Change would be implemented, (iii) describing the impact, if any, such proposed Change would have on the Contract, including time for performance, (iv) estimating all costs and resources (other than existing dedicated staff) required to implement such Change, (v) describing the delivery risks and associated risk mitigation plans relating to the proposed Change, and (vi) providing such other information as may be relevant to the proposed Change.

To the extent that a proposed Change is of such magnitude or complexity that it is not feasible for the other Party to produce a detailed Change Assessment within 10 Business Days, the other Party shall prepare a summary Change Assessment outlining such details regarding the proposed Change as the other Party can ascertain within 10 Business Days, and the Parties

shall agree upon a schedule for the production of a more detailed Change Assessment. The Party proposing the Change will timely provide any information or cooperation reasonably requested by the other Party that is necessary to prepare a Change Assessment and any delay in providing such information or cooperation may delay the delivery of the Change Assessment.

4.9.3 Time for Approval

The Party submitting the Change Order Proposal shall review the Change Assessment and respond within 10 Business Days, indicating whether it desires the Change pursuant to the Change Assessment and, if so, the Parties shall execute a Change Order, in the form set forth in Appendix I, based upon the Change Assessment. The Change Order, which describes the Changes to be made to the scope of Services and the manner or method of providing the Services, shall include the fees with the Change, the assumptions upon which the fees were determined, the performance schedule, start and expiration dates, and any other terms and conditions the Parties mutually agreed upon. The Change Order shall be made in writing, executed by the Parties' authorized representatives and otherwise in accordance with the terms of the Contract. A Party will have no obligation or authority to commence work in connection with any Change Order Proposal until the written Change Order is signed by the Parties with the same formality of signing this Contract. Once the Change Order has been executed, the Change Order shall follow the established formats for BRDs and FDDs under Section 4.12 ("General Change Request Implementation Process") of this Contract.

4.10 Price Reduction

If a change is expected to result in net savings to the Service Provider over the remaining Term and Renewal Term, there will be an equitable reduction to the price set forth in Section 2.3 ("Contract Term Price") of this Contract. The price reduction will be credited to the monthly invoice. The Service Provider is not required to pass along any savings resulting from internal cost efficiency measures implemented by the Service Provider that are unrelated to a particular change.

4.11 Open Enrollment

Service Provider shall administer the State's annual benefits Open Enrollment period and staff at a sufficient level to meet the Performance Metrics during the Open Enrollment period or carrier transition periods (e.g., Pharmacy Benefits Management). The Parties agree to meet each year prior to the end of the January that immediately precedes the annual enrollment period to discuss any known changes to the Plans. Service Provider agrees to use every reasonable effort to accommodate all Change Requests within its existing staff. To the extent such changes cannot be handled by Service Provider's existing staff, such changes will be addressed pursuant to Section 4.8 ("System Enhancement Hours") or Section 4.9 ("Change Orders"). In determining the charges or System Enhancement Hours associated with a Change,

the Service Provider shall not include the time of the Contract Manager, the Contract Administrator, any Ancillary Support Services personnel, or any management-level employees. Additionally, the Service Provider shall not include time for routine Open Enrollment activities that include, but are not limited to:

- (a) updating the format, layout, content, messages, triggers and Plan designs for the benefits statements and benefits confirmation statements
- (b) implementing new email messages and email triggers for Open Enrollment and for Plan elections
- (c) implementing and modifying benefits related reports based on Open Enrollment and/or Plan changes
- (d) updating the related interface files (carrier, benefits only entities, etc.) based on Open Enrollment, carrier and/or Plan changes
- (e) modifying the Address Verification and Dependent Certification Processes and related screens, edits, messages, emails, tasks and triggers
- (f) modifying the enrollment summary process and related screens, edits, messages and emails
- (g) implementing Open Enrollment items in subsection 3.4.3 (“Ongoing System Maintenance and Corrections.”)

The Service Provider and its applicable Subcontractors responsible for Services related to benefits administration shall attend and participate in all Open Enrollment benefit fairs, as determined by the Department. The Service Provider shall also assist with the Department’s development of an Open Enrollment tool that is housed on myBenefits website to forecast medical, dental, vision, and day care expenses; such activities include developing appropriate requirements for calculations and testing the estimator. If the Department proceeds with an active enrollment (i.e., requires the Covered Population to affirmatively select a new Plan in order to maintain coverage), the portion of this work effort that is in excess of the standard changes included in this section and in subsection 3.4.3 (“Ongoing System Maintenance and Corrections”) shall be handled in accordance with Sections 4.8 (“System Enhancement Hours”) or 4.9 (“Change Orders”) of the Contract.

4.12 General Change Request Implementation Process

The following implementation process should be followed for all Change Requests except for those items where an implementation process is already defined elsewhere in this Contract (e.g., routine maintenance items in subsection 3.4.3 (“Ongoing System Maintenance and

Corrections”) and Major System Projects in subsection 3.6.1 (“Implementation Process and Deadlines”)), the following implementation process shall be followed:

- (a) The Department will submit to the Service Provider all applicable BRDs containing sufficient detail to allow Service Provider to prepare any applicable FDDs.
- (b) The Service Provider shall submit to the Department the applicable FDDs and shall, to the extent feasible, include artistic designs and computer screen mockups, and include any checklists or instructions for the UAT process. The Service Provider shall use standard SAP code when possible and minimize system customization. However, if the State’s business requirements necessitate customization as the only option, the Service Provider shall explain in full detail the customization and the justification for the customization in the FDD.
- (c) The Department will accept the FDDs (or request any desired modifications) if the FDD meets the scope of work.
- (d) The Service Provider shall release the system change to the Department for UAT and the Department will provide regular and timely feedback to Service Provider until the Department accepts the system change.
- (e) Once the Department accepts the system change and it meets the requirements of the approved FDD, the Service Provider will implement the necessary changes.

4.13 Audit Rights

The State of Florida Chief Financial Officer (CFO), the Office of the Auditor General, and the Department (or alternative third party vendor reasonably acceptable to Service Provider) have authority to perform audits. All shall have access to electronic and physical records in the possession of the Service Provider or its Subcontractors related to or created as a result of this Contract to fulfill their audit responsibilities. The following records are specifically excluded from inspection, copying, and audit rights under this Contract, unless those documents would be required to be produced for inspection and copying under the requirements of Chapter 119, Florida Statutes, and any other provision of the Florida Statutes, or Article I, Section 24, of the Florida Constitution: (i) financial and other internal company records of the Service Provider or its Subcontractors that are not created or received in connection with this Contract, (ii) documents that are confidential attorney work product or subject to attorney-client privilege, and (iii) information of the Service Provider, its affiliates, or its Subcontractors (to include any of their other customers) that is confidential, proprietary or is a trade secret.

The State shall be responsible for the costs associated with the audit review. If practical, the State will use reasonable efforts to minimize the number and duration of such audits or inspections conducted and to conduct such audits and inspections in a manner that will

minimize the disruption to the Service Provider's, its affiliates, and its Subcontractors' business operations. The Department agrees to share any of its audit findings with the Service Provider, and the Service Provider agrees to respond to audit findings within 20 Business Days of receipt of the audit findings. The date for responding to audit findings may be extended if the Service Provider is acting diligently and needs the additional time.

Additionally, AICPA Statement on Auditing Standards for Attestation Engagements No.16 (SSAE-16), Reporting on Service Organization Controls (SOC), provides authoritative guidance that allows auditors of service organizations to disclose to user organizations' information and assurance about the controls at a service organization that affect the security, availability, and processing integrity of the systems the service organization uses to process users' data and the confidentiality and privacy of the information processed by these systems. On an annual basis, the Service Provider and each Subcontractor shall engage at its own expense a service auditor for the purpose of obtaining a report, commonly known as a SSAE-16 SOC 1 or SOC 2 (as applicable), Type II report, for the audit period of State fiscal year July 1 through June 30.

The report shall describe the Service Provider or Subcontractor's controls related to this Contract relevant to security, availability, processing integrity, confidentiality, and privacy and the results of the auditor's tests of operating effectiveness. The Service Provider or Subcontractor shall require that the service auditor also include evaluations of subservice organizations, where necessary. The service auditor's report shall include the Service Provider or Subcontractor's response to the report and include a complete description of planned corrective actions. The work performed and the report shall be completed in accordance with AT Section 101, AICPA Professional Auditing Standards, and other applicable auditing standards. A copy of that report shall be provided annually at no charge to the Department, the State CFO and the Auditor General.

In addition to the foregoing requirements, the Service Provider shall provide to the Department a report summary, on the Service Provider's letterhead and signed by a Corporate Officer of the Service Provider, a letter providing the areas in the SSAE-16 SOC 1 or SOC 2 (as applicable), Type II reports that pertain to the State of Florida account, and an explanation of any findings related to those areas. In the event no finding has occurred, the Service Provider shall provide written confirmation of such.

4.14 Third Party Monitoring

The Department reserves the right to contract for third party consultant services to deliver independent verification and validation (IV&V) that provides an objective assessment of software products, processes, Contract requirements and the People First System and Services throughout the Contract term. The third party consultants shall be reasonably acceptable to Service Provider, execute a nondisclosure agreement, and shall have the authority to access any

and all documents, information or gain other access afforded the Department under this Contract. The Department will use reasonable efforts to conduct such IV&V efforts in a manner that will minimize the disruption to the business operations of the Service Provider, its affiliates, and its Subcontractors. The purpose of initiating IV&V services includes:

- Early assessment of People First System performance.
- Early detection and correction of System Defects.
- Enhanced management insight into business processes and system/security risk.
- Ensure conformance to performance standards, schedule and reasonable use of System Enhancement Hours.
- Improved software development and maintenance processes to minimize customizations.
- Business process improvement support to increase standardization and efficiency.

Section

5

Insurance

5.1 Insurance Coverage

The Service Provider and Subcontractors shall, at their own expense, secure and continuously maintain the insurance coverage required by law and explicitly required by this Section and shall provide proof of such insurance coverage annually, in accordance with Section 5.3 (“Proof of Insurance”) of this Contract, to the Department for approval. Performance may not commence on this Contract until such time as insurance is secured by the Service Provider and Subcontractors, and is approved by the Department which approval shall not unreasonably be withheld or delayed. The Service Provider and Subcontractors shall be responsible for all deductible payments.

5.1.1 Commercial General Liability

The Service Provider shall secure and continuously maintain commercial general liability insurance (inclusive of any amounts provided by an umbrella or excess policy) in a face amount of \$25,000,000. The Department shall be listed as an additional insured in the commercial general liability coverage policy with respect to its liability for the Service Provider’s acts. Each insurance certificate for such policy shall include an agreement that the insurer shall endeavor to provide 30 calendar days’ prior written notice to the Department of cancellation for any coverage.

5.1.2 Workers' Compensation Insurance

The Service Provider shall secure and continuously maintain workers' compensation insurance coverage as required under all relevant workers' compensation statutes. Such coverage shall comply fully with all applicable State and federal laws governing workers' compensation. The insurance shall cover all of the Service Provider’s employees connected with the provision of Services under this Contract. Should any work be subcontracted, the Service Provider shall require the Subcontractor similarly to provide workers' compensation coverage for all of the Subcontractor's employees unless such employees are covered by the protection afforded by the Service Provider. If any class of employees engaged in hazardous work under this Contract is not protected or otherwise covered under applicable workers' compensation statutes, the Service Provider shall provide, and require each Subcontractor to provide, adequate insurance

coverage, satisfactory to the Department, for the protection of employees not otherwise protected.

5.1.3 Automobile Liability Insurance

The Service Provider shall secure and continuously maintain automobile liability insurance, including coverage for liability contractually assumed, which shall cover all owned, non-owned, and hired automobiles used by Service Provider in connection with this Contract. The Department shall be listed as an additional insured only with respect to accidents caused by Service Provider's employees. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be \$4,000,000 for each occurrence – bodily injury and property damage combined.

5.1.4 Professional Indemnity Insurance

The Service Provider shall secure and continuously maintain professional indemnity insurance that shall cover Professional Liability and Error and Omissions in the face amount of \$25,000,000. Service Provider shall indemnify, defend and hold harmless the Department and its employees and agents, from and against any third party claims, demands, loss, damage or expense caused by Service Provider in connection with the performance of the Services related to Professional Liability and Error and Omissions. Each insurance certificate for such policy shall include an agreement that the insurer shall endeavor to provide 30 calendar days' prior written notice to the Department of cancellation for any coverage.

5.2 Subcontractor Provider Insurance Coverage

Each Subcontractor (other than Independent Contractors) shall provide insurance as follows:

- (a) Commercial General Liability – \$2,000,000
- (b) Workers Compensation – statutorily required amount
- (c) Automobile Liability – \$2,000,000
- (d) Professional Indemnity – \$2,000,000

5.3 Proof of Insurance

At the request of the Department, the Service Provider shall endeavor to provide all relevant certificates as proof of such insurance or proof of its ability to self-insure, including renewal or replacement evidence of insurance at least 30 days prior to the expiration or termination of any insurance.

5.4 Self-Insurance

For any workers' compensation insurance coverage required hereby, the Service Provider may use a self-insurance program approved by the Florida DFS, Division of Workers' Compensation, or if a Force Majeure condition causes Services to be provided by the Service Provider's employees located outside of the State, Service Provider may use a self-insurance workers' compensation program approved by the State where the Services are performed and the Service Provider's employees are located.

5.5 Performance and Payment Bond

Within 10 Business Days after execution and delivery of this Contract by both Parties, Service Provider will provide a surety commitment letter to provide the performance and payment bonds required by this Section.

No later than 30 days before the Contract Effective Date, the Service Provider will furnish, and keep in force during the entire Contract term, at no cost to the Department a performance bond in the amount equal to \$25,000,000 issued by a surety authorized to do business in the State of Florida and approved in writing by the Department, payable to, in favor of, and for the protection of the Department. The bond shall be conditioned for the prompt and faithful performance of this Contract.

No later than 30 days before the Contract Effective Date, Service Provider will furnish, and keep in force during the entire Contract term, at no cost to the Department a payment bond in the amount of \$7,500,000 issued by a surety authorized to do business in the State of Florida and approved in writing by the Department, payable to, in favor of, and for the protection of the Department. The bond shall be conditioned for the prompt payment of all persons furnishing labor, materials, equipment, supplies, services and licenses to or for the Service Provider in its performance of this Contract.

The Service Provider shall provide proof of its performance and payment bonds on an annual basis, and more frequently at the request of the Department.

Section

6

Security

6.1 Security Officers

Each Party will provide an employee to serve as a security officer dedicated to the HRIS. Each Party's security officer will work with the other Party's security officer with respect to security matters and related issues concerning the Contract. This does not preclude either security officer from working on other matters unrelated to the Contract. The Service Provider's security officer will be located in either the People First Service Center or at the People First Data Center, and shall oversee security issues at the Service Provider facilities where Services are provided.

6.2 Background Checks

The background check requirements in this Section 6.2 will not apply to SuccessFactors as long as SuccessFactors applies its standard background check and security policies contained in the SAP Cloud: Security Framework and Information Security Policy documents which may be revised in a manner that will not diminish the security of SOF Production Data. Updates to the SAP Cloud: Security Framework, Information Security Policy, and 8.1.2 Screening Policy documents shall be provided to the Department upon revision.

6.2.1 Background Screening Warranty

In addition to any background screening required by the Service Provider as a condition of employment, the Service Provider shall conduct a criminal background screening of, or ensure that such a screening is conducted for, each of its employees, Subcontractor personnel, Independent Contractors, leased employees, volunteers, licensees or other person, hereinafter referred to as "Person" or "Persons," prior to placement in any position in which the Person:

- (a) directly performs Services under the Contract whether or not the Person has access to SOF Production Data.
- (b) does not perform Services under the Contract but has access, including indirect access, to SOF Production Data.

For purposes of this Section, "access" means to approach, instruct, communicate with, store data in, retrieve data from, or view data from a computer, computer system or computer

network, or otherwise make use of any resources of a computer, computer system or computer network.

The minimum background screening process shall include a check of the following databases through a law enforcement agency or a Professional Background Screener accredited by the National Association of Professional Background Screeners or a comparable standard: (i) Social Security Number Trace; and (ii) Criminal Records (Federal, State and County criminal felony and misdemeanor, national criminal database for all states which make such data available).

The Service Provider is responsible for all costs and expenses in obtaining and maintaining the criminal background screening information for each Person described above. The Service Provider shall maintain documentation of the screening and the Department may review the Person's background screening file upon request. The Service Provider shall abide by all applicable laws, rules and regulations including, but not limited to the Fair Credit Reporting Act and equal opportunity laws, rules, regulations or ordinances.

6.2.2 Disqualifying Offenses

If at any time it is determined that a Person has a felony record including adjudication of guilt (a plea of guilty or nolo contendere, or a guilty verdict) or adjudication of guilt withheld within the last 10 years from the date of the court's determination for the disqualifying offenses listed below, or their equivalent in any jurisdiction, the Service Provider is required to immediately remove that Person from any position that meets the conditions described in subsection 6.2.1 (a)-(b) ("Background Screening Warranty"). The disqualifying offenses are:

- (a) Computer related or IT crimes
- (b) Identity theft crimes
- (c) Financially-related crimes, such as:
 - 1. Fraudulent practices, false pretenses and frauds, and credit card crimes
 - 2. Forgery and counterfeiting
 - 3. Violations involving checks and drafts
 - 4. Misuse of medical or personnel records
 - 5. Theft

6.2.3 Self-Disclosure

The Service Provider shall ensure that all Persons have a responsibility to self-report to the Service Provider within one Business Day any disqualifying offenses as described in subsection 6.2.2 ("Disqualifying Offenses"). The Service Provider shall notify the Department's Security

Officer within one Business Day of all details concerning any disqualifying offense as reported by a Person. The Service Provider shall immediately remove that Person from any position that meets the conditions described in subsection 6.2.1 (a)-(b) (“Background Screening Warranty”).

The Service Provider shall ensure that all Persons have a responsibility to self-report to the Service Provider any arrests for a crime listed in subsection 6.2.2 (“Disqualifying Offenses”) within one Business Day of the arrest. The Service Provider shall immediately remove that Person from any position that meets the conditions described in subsection 6.2.1 (a)-(b) (“Background Screening Warranty”) during the pendency of the charges.

The Service Provider shall require that all Persons complete an annual certification that they have not committed a disqualifying offense as described in subsection 6.2.2 (“Disqualifying Offenses”) and shall maintain that certification in the background screening file.

6.2.4 Refresh Screening

The Service Provider shall ensure that all background screening is refreshed no more than every five years from the time initially performed for each Person during the Term of the Contract (including the Contract renewal period as described in Section 2.2 (“Department’s Right to Renew Contract”). The Service Provider shall notify the Department’s Security Officer within one Business Day of all details concerning any disqualifying offense as described in subsection 6.2.2 (“Disqualifying Offenses”) as discovered through the background screening refresh process. The Service Provider shall immediately remove that Person (including any Persons discovered to have been arrested for a crime described in subsection 6.2.2 (“Disqualifying Offenses”) from any position that meets the conditions described in subsection 6.2.1 (a)-(b) (“Background Screening Warranty”).

6.2.5 Background Screening Report

The Service Provider shall submit a Background Screening Report as described in Section 3.3 (“Deliverables”) to the Department’s Contract Manager within 15 calendar days from the end of each month listing the following information:

- (a) Those Persons who have been screened and hired.
- (b) Those Persons who self-reported a disqualifying offense as described in subsection 6.2.2 (“Disqualifying Offenses”) or an arrest for a crime described in subsection 6.2.2 (“Disqualifying Offenses”), and have been removed from performing Services or having access to SOF Production Data.
- (c) Those Persons who were re-screened which resulted in identifying a disqualifying offense as described in subsection 6.2.2 (“Disqualifying Offenses”) or an arrest for a

crime described in subsection 6.2.2 (“Disqualifying Offenses”), and have been removed from performing Services or having access to SOF Production Data.

The Background Screening Report shall include at a minimum the Person’s name, job title, job description, and for Persons with a disqualifying offense as described in subsection 6.2.2 (“Disqualifying Offenses”), or an arrest for a crime described in subsection 6.2.2 (“Disqualifying Offenses”), the description of and date of the disqualifying offense or crime.

6.2.6 Department’s Ability to Audit Screening Compliance and Inspect Locations

The Department reserves the right to audit the Service Provider’s background screening process during the term of the Contract. The Department will have the right to inspect the Service Provider’s work area(s) and/or location(s) to ensure that access to the SOF Production Data is secure and in compliance with the Contract and all applicable State and federal laws, rules and regulations.

6.2.7 Failure of Service Provider to Perform Obligations

Each time the Service Provider or its Subcontractors fail to perform its obligations under Section 6.2 (“Background Checks”), the Department shall be entitled to an invoice credit equal to \$1,000 for each violation. This credit shall cover the Department’s internal staffing and administrative costs as well as the diminished value of Services provided under this Contract. The Service Provider’s failure to perform these obligations shall also entitle the Department to recover any other damages it incurs (including any actual out-of-pocket expenses to investigate or remediate the violation) and pursue injunctive relief. The Department’s claim for damages shall be limited by Section 10.19 (“Liability”). For avoidance of doubt, this subsection 6.2.7 applies to any failure of SuccessFactors to comply with its standard background check and security policies contained in SAP Cloud:Security Framework and Information Security Policy documents.

6.3 SOF Production Data Access

The Service Provider and its Subcontractors shall require that all SOF Production Data will at all times reside in, and be maintained in and from, the State of Florida. Neither the Service Provider nor any Subcontractor will access SOF Production Data from outside of the State of Florida, nor will they send any copies of SOF Production Data outside the State of Florida without the prior written consent of the Department. Notwithstanding the foregoing and any other provision in the Contract to the contrary, the Parties agree that:

- (a) The Service Provider and its Subcontractors may maintain the SOF Production Data outside the State of Florida but within the continental U.S. for purposes of disaster recovery reasons, in which event the Service Provider shall otherwise comply with all other aspects of the Security Plan except for the location of the work.

- (b) The Service Provider and its Subcontractors may perform Services and/or access SOF Production Data from outside of the State of Florida but within the continental U.S. for purposes of (i) implementing or testing the disaster recovery plan, (ii) providing desktop support services, or (iii) providing/receiving occasional and limited consulting assistance to/from the Service Provider affiliate. For purposes of this Section 6.3, a Service Provider affiliate means any entity whose parent company or ultimate parent company is NorthgateArinso, Inc. (but not a Subcontractor).
- (c) Members of the LSAG may perform Services and/or access SOF Production Data from outside the Service Provider's Florida HR Service Center(s) but within the continental U.S. Such persons may also, on a limited basis, access SOF Production Data from outside of the continental U.S. in order to provide emergency production support services so long as the Department consents to such access in advance or is advised within one Business Day of such access.

Persons in the LSAG must be pre-approved by the Department, which approval shall not be unreasonably withheld. The Department shall promptly review each request and either state its objections or request more information. The Service Provider shall advise the Department's Contract Manager of any changes in the LSAG and provide the Department with an updated LSAG Master Listing of the group on a quarterly basis as described in Section 3.3 ("Deliverables").

- (d) The Service Provider may use SAP, Oracle and other third party software or hardware vendors to provide certain IT services from outside the State of Florida and outside the continental U.S. to support those who provide Services under this Contract. In the course of providing such emergency services, these vendors may access SOF Production Data but shall not have direct access to the HRIS. The Service Provider shall use reasonable efforts to obtain the Department's written consent prior to giving such access to these vendors, and shall advise the Department within one Business Day of such access.
- (e) Employees of the Service Provider (other than HR Specialists) may use their business laptop computers to access SOF Production Data by reading, replying, forwarding, having or using electronic mail, or otherwise utilizing the electronic mail system, on a temporary, limited basis when traveling outside the State of Florida and/or outside the continental U.S. so long as (i) the employee has a legitimate business need to access the data, (ii) the restrictions in Sections 6.5 ("Security Breaches and Incidents"), 6.6 ("Encryption Requirements") and 6.8 ("Confidentiality Obligations") are met, (iii) the amount of any SOF Production Data that is customarily considered to be sensitive or confidential (e.g., social security number) being accessed is minimal, and (iv) there is no practical risk of a Security Breach. For purposes of this paragraph, an employee of the Service Provider shall be deemed to include U.S. based management employees of the

Service Provider (or its affiliates), any U.S. based IT employee of the Service Provider (or its affiliates) who is essential in the provision of Services, and members of the LSAG.

- (f) Employees of the Service Provider, its affiliates and any third party software or hardware vendor (but not a Subcontractor) may provide Ancillary Support Services to Service Provider or its affiliates. These employees may access SOF Production Data in the course of providing such Services so long as the employee has a legitimate business need to access the data and the following conditions are met: (i) the employees do not have direct access to the HRIS, (ii) the access occurs within the continental U.S. to the extent practicable, (iii) there is no practical risk of a Security Breach, (iv) the restrictions in Sections 6.5 (“Security Breaches and Incidents”), 6.6 (“Encryption Requirements”) and 6.8 (“Confidentiality Obligations”) are met, and (v) the employees meet the standard background screening requirements for their employer. The Parties acknowledge that this Section does not require any new or additional background screening processes.
- (g) The Department understands that some of the Ancillary Support Services, particularly in the area of IT and engineering services, may involve business models that call upon available resources regardless of geographic location. The Department acknowledges the impracticality of changing these business models for one customer and recognizes that the Service Provider may continue to perform these Ancillary Support Services from outside the continental U.S. The Department expects the Service Provider to notify the Department in advance if the Ancillary Support Services are provided outside of the continental U.S.
- (h) In-house legal staff and internal audit staff, outside law firms and independent auditing firms retained by the Service Provider (or its affiliates or Subcontractors) may have limited access to SOF Production Data within the continental U.S. as is customary and reasonable within the scope of their professional engagement. These persons shall not be given direct access to the HRIS.
- (i) The Service Provider or its affiliates may store emails containing SOF Production Data on servers located in secure Service Provider or affiliate work locations outside the State of Florida but within the continental U.S. for employees who are based outside the State of Florida, or for employees who are based inside the State of Florida but whose emails are regularly stored on servers located outside of the State of Florida but within the continental U.S.
- (j) The FSA / HSA and talent management Subcontractors may maintain and access SOF Production Data from outside the State of Florida but within the continental U.S.
- (k) The Department understands that some technical support services may involve a business model that calls upon available resources regardless of geographic location. The Department acknowledges the impracticality of changing this business model for

SuccessFactors and recognizes and consents that personnel of Authorized SAP Entities, as defined below, may continue to perform these services and their related necessary activities from outside the continental U.S. SuccessFactors, and SAP AG, a wholly owned operating subsidiary of SAP SE, function as business unit within SAP. From time to time, SAP SE and / or its affiliates may perform certain services (such as technical support) on behalf of SuccessFactors (the foregoing, together with SuccessFactors, are collectively, the “Authorized SAP Entities”). In such event, provisions set forth below applicable to SuccessFactors, shall also apply to the Authorized SAP Entities.

In the course of providing such services, personnel of an Authorized SAP Entity may have access to the HRIS and SOF Production Data provided: (i) personnel have a legitimate business need to access the SOF Production Data; (ii) the Authorized SAP Entity applies its standard policy for background checks to such personnel to the extent allowable under applicable local regulations including the home country of such personnel; (iii) the amount of any SOF Production Data that is customarily considered sensitive or confidential (e.g., Social Security Number) being accessed is only that which is necessary for the personnel to meet the legitimate business need, (iv) the Authorized SAP Entity applies its then-current standard security policy to minimize risk of breach; and (v) the Authorized SAP Entity follows its then-current “Support Access: How to Grant Support Access to SuccessFactors Support Staff” document, or the equivalent document of the Authorized SAP Entity. If an Authorized SAP Entity is found in violation of any of the foregoing conditions (i) – (v), the Department shall notify Service Provider of violation and allow not less than 10 Business Days, or more than 45 calendar days, for Service Provider to effectuate a cure.

- (l) Any other requests to have SOF Production Data maintained or accessed from outside the State of Florida shall require the Department’s prior written consent.

6.4 No Offshoring

Except as authorized in Section 6.3 (“SOF Production Data Access”) of this Contract, Service Provider and its Subcontractors and agents are prohibited from (i) performing any of the Services outside of the U.S., or (ii) sending, transmitting or accessing any SOF Production Data outside of the U.S. The Parties agree that a violation of this provision will:

- (a) result in immediate and irreparable harm to the Department, entitling the Department to immediate injunctive relief provided; however, this shall not constitute an admission by the Service Provider to any liability for damages under subsection (c) below or any claims, liability or damages to a third party, and is without prejudice to the Service Provider in defending such claims.

- (b) entitle the Department to a credit of \$500,000 per violation. As to an Authorized SAP Entity, credits under this Section 6.4 will be capped at \$1,000,000. This credit is intended only to cover the Department's internal staffing and administrative costs of investigations and audits of the transmittal of SOF Production Data outside the U.S.
- (c) entitle the Department to recover damages, if any, arising from a breach of this Section 6.4 above and beyond those covered under subsection (b). Service Provider expressly agrees that the Department's recovery of damages in this subsection (c) is not subject to the limitations in Section 10.19 ("Liability") of this Contract.
- (d) constitute an Event of Default not subject to the 45-day cure period in Section 7.5 ("Opportunity to Cure Default") or the dispute resolution provisions in Section 9 ("Dispute Resolution") of this Contract.

The credits in subsection (b) are a reasonable approximation of the internal costs for investigations and audits from a violation. The credits are in the nature of liquidated damages and not intended to be a penalty on the Service Provider. By executing this Contract, Service Provider acknowledges and agrees the costs intended to be covered by subsection (b) are not readily ascertainable and will be difficult to prove. Service Provider agrees that it will not argue, and is estopped from arguing, that such costs are a penalty or otherwise unenforceable. For purposes of determining the amount of credits due hereunder, a group of violations relating to a common set of operative facts (e.g., same location, same time period, same off-shore entity) shall be treated as a single violation. The credits will be applied against the monthly invoices submitted by the Service Provider, and are exclusive of any other right to damages.

6.5 Security Breaches and Incidents

6.5.1 Service Provider's Responsibility to Notify Department

Notwithstanding any provision of this Contract to the contrary, the Service Provider shall notify the Department as soon as possible and in all events immediately upon discovering any SOF Production Data is breached, any unauthorized access of SOF Production Data occurs (even by persons or companies with authorized access for other purposes), any unauthorized transmission of SOF Production Data, or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one User or the entire population. The notification shall be clear and conspicuous and include a description of the following:

- (a) The incident in general terms.
- (b) The type of personal information that was subject to the unauthorized access and acquisition.

- (c) The number of individuals who were, or potentially have been affected by the breach.
- (d) The actions taken by the Service Provider to protect the SOF Production Data information from further unauthorized access. However, the description of those actions in the written notice may be general so as not to further increase the risk or severity of the Security Breach.

Upon becoming aware of an alleged Security Breach or Security Incident, the Service Provider Security Officer shall set up a conference call (via a telephone call and email) with the Department employees identified in the Security Plan and any necessary Service Provider parties. The conference call invitation shall contain a brief description of the nature of the event. When possible, a 30 minute notice shall be given to allow Department personnel to be available for the call. If the designated time is not practical for the Department, an alternate time for the call shall be scheduled. All available information shall be shared on the call. The Service Provider shall answer all questions based on the information known at that time and shall answer additional questions as additional information becomes known. The Service Provider shall provide the Department with final documentation of the incident including all actions that took place. If the Service Provider becomes aware of a Security Breach or Security Incident outside of normal business hours, the Service Provider shall notify Department employees identified in the Security Plan as soon as possible, and in all events, within 24 hours. Service Provider shall promptly update the Security Plan to reflect any other security provisions the Parties agree to.

The Service Provider's failure to perform the obligations in this subsection 6.5.1 shall also be an Event of Default, subject to cure upon written notice from the Department as provided in Section 7.5 ("Opportunity to Cure Default"), and will entitle the Department to recover any other damages it incurs arising from a failure to perform the obligations in this subsection (including any actual out-of-pocket expenses incurred by the Department to investigate and remediate the violation) and/or to pursue injunctive relief. The Department's claim for damages shall be limited by Section 10.19 ("Liability").

6.5.2 Service Provider's Responsibility to Notify Covered Population

The Service Provider shall pay all costs to notify all members of the Covered Population whose data was accessed by any Security Breach, unauthorized access or transmission caused by the Service Provider or its Subcontractors no later than 30 days after the determination of a Security Breach or reason to believe a Security Breach occurred. If the Service Provider cannot identify the specific persons whose data may have been accessed, such notice shall be provided to all persons whose data reasonably may have been accessed. The Department shall pay all costs to notify such persons related to any Security Breach not caused by the Service Provider or its Subcontractors. Nothing in this subsection will alter or replace the application of section

501.171, Florida Statutes, as to the Service Provider's obligations and liability for Security Breaches concerning confidential personal information.

In the event of a Security Breach and upon the Department's request, the Service Provider shall pay for and maintain a prompt mechanism on its existing HRIS toll free telephone line, email link, and fully functioning web page to respond to any member of the Covered Population's concerns about security and any Security Breach, unauthorized access or transmission, or any credible allegations or suspicions of the above. If requested by the Department, the Service Provider shall pay for and provide written notification to affected members of the Covered Population via first class U.S. Postal Service (USPS) mail. The Service Provider shall provide all staff necessary to perform these functions.

6.5.3 Credit Monitoring and Notifications

The Service Provider shall include credit monitoring services at its own cost for those members of the Covered Population affected or potentially affected by a Security Breach allegation for no less than a two year period of time following the Security Breach.

The Service Provider shall provide the Department of Legal Affairs written notice of a Security Breach that affects 500 or more members of the Covered Population as soon as practicable, or within 30 calendar days of the Security Breach. The Service Provider shall provide the Department a copy of the written notice to the Department of Legal Affairs. If a Security Breach impacts more than 1,000 members of the Covered Population at a single time, the Service Provider shall notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined in the Fair Credit Reporting Act, 15 U.S. Code Section 1681a (p), of the timing, distribution, and content of the notices in subsection 6.5.2 ("Service Provider's Responsibility to Notify Covered Population") of this Contract.

6.5.4 Data Security Notification Letter

In addition to the foregoing notification requirements, the Service Provider shall provide to the Department quarterly, on the Service Provider's letterhead and signed by a Corporate Officer of the Service Provider, a Data Security Notification Letter providing documentation and notification of any Security Breach or attempted Security Breach of security involving SOF Production Data, the HRIS, or any Subcontractor or the Service Provider facility housing SOF Production Data. In the event no Security Breach or attempted Security Breach has occurred, the Service Provider shall provide written confirmation of such.

6.5.5 Credit for Late Notice

If timely notice is not provided as prescribed in subsections 6.5.1 ("Service Provider's Responsibility to Notify Department") and 6.5.2 ("Service Provider's Responsibility to Notify

Covered Population”) of this Contract, then the Department shall be entitled to an invoice credit equal to \$1,000 per day for the first 30 days, \$50,000 for each subsequent 30 day period not to exceed \$500,000 per event, from the date the Service Provider should have provided notice. This credit shall cover the Department’s internal staffing and administrative costs as well as the diminished value of Services provided under this Contract.

6.6 Encryption Requirements

The Service Provider shall establish, maintain, and enforce (and Service Provider shall ensure its affiliates and Subcontractors establish, maintain, and enforce) a policy that prohibits the sending of any SOF Production Data that is customarily considered to be sensitive or confidential in nature (e.g., social security number) by electronic mail. The Service Provider agrees to encrypt the transmission of all SOF Production Data that is customarily considered to be sensitive or confidential in nature (e.g., social security number), whether or not it is sent through the HRIS or through other electronic means. The Service Provider shall obtain the Department’s approval for the encryption software and procedures used by Service Provider.

The foregoing encryption requirement under this Section shall not apply to messages sent over secure, dedicated lines (i) from Service Provider employees and Independent Contractors to other Service Provider employees or Independent Contractors, or (ii) from the Service Provider to the Department, a Covered Entity or a member of the Covered Population. Further, notwithstanding any provision in this Contract to the contrary, Service Provider shall be permitted to receive emails or other electronic transmissions from the Department, a Covered Entity or a member of the Covered Population containing any SOF Production Data; further, in the event of such transmission, Service Provider shall protect the confidentiality of such data. Service Provider shall ensure that all laptop computers, tablets and other portable computer or data storage devices used to access SOF Production Data shall have “full disc” encryption. Service Provider shall require its Subcontractors to comply with the requirements to the extent applicable to Subcontractor’s Services.

6.7 Service Center Security Requirements

The Service Provider shall ensure that the physical Service Center facilities (including the FSA / HSA service center), as well as all HR Specialists, meets the following requirements:

- (a) The Service Provider shall disable the printing capability of all HR Specialists who handle in-bound calls. For all other Service Center employees, the Service Provider shall prohibit the printing of SOF Production Data without utilization of a pin number or passcode associated with the sender of the document.

- (b) Desk audits of HR Specialists shall be performed on a daily basis and results logged to ensure that SOF Production Data is protected.

- (c) The Service Provider agrees that all computers used by HR Specialists with access to SOF Production Data shall be configured to prohibit the storage of information to any location other than the network server or central server; and the Service Provider agrees that as to such computers no information shall be stored on any other storage device, including, but not limited to USB/PIN drive, compact disk (CD), DVD, or similar device or drive; and to the extent any computer retains such devices, they shall be disabled.
- (d) The computers used by HR Specialists with access to SOF Production Data shall be configured to restrict internet access (or the ability to transmit SOF Production Data by any other electronic means). Service Provider personnel working offsite or outside the Service Provider's locations may only access SOF Production Data via the Service Provider's virtual private network (VPN).
- (e) The Service Provider shall perform random quarterly audits of its employees' and managers' computers to determine if SOF Production Data has been downloaded, stored or inappropriately used. All audits shall be provided to the Department upon request.
- (f) As to the HR Specialists working with the SOF Production Data, the Service Provider shall prohibit such persons' use of mobile devices including, but not limited to cellular telephones and tablets, or any devices with imaging capability in the Service Center floor where their computer workstations are located and where such work is being performed (and not in other areas of the Service Center). The foregoing shall not apply to the Service Provider's supervisors, managers and persons in the LSAG.
- (g) Printing of any documentation containing SOF Production Data is strongly discouraged. However, when printing is unavoidable, the Service Provider shall shred all paper documents no longer necessary for daily support purposes and employ an accredited shredding company to dispose of shredded documents. The Service Provider shall supervise all on site shredding activities.
- (h) The Service Provider shall ensure that all printer / computer hard drives shall be erased / cleaned or destroyed prior to surplus, sale or return to lessor.
- (i) The Service Provider shall prominently post a written notice in the Service Center reminding employees of their responsibility to safeguard SOF Production Data and requiring them to report suspected instances of security violations and perceived weaknesses in security procedures to their manager.

- (j) The Service Provider shall provide a privacy disclosure policy to its employees and require signatures denoting the employee's understanding of the security provisions of this Contract.
- (k) The Service Provider shall ensure that employees receive annual training regarding information privacy and security. Upon request, the Service Provider shall provide to the Department a copy of the privacy and security training materials and employee training logs.
- (l) The Service Provider shall immediately report to the Department any problems or concerns discovered during the course of business or as a result of an investigation or audit.

6.8 Confidentiality Obligations

To the extent possible subject to Chapter 119, Florida Statutes, or any other applicable statutory requirements, the Department shall hold as confidential all of Service Provider's (and its Subcontractors) Confidential Information and the Service Provider (and its Subcontractors) shall hold as confidential all of the State's Confidential Information. To the extent possible subject to Chapter 119, Florida Statutes, or other applicable statutory requirements, during the term of this Contract and for three years thereafter, the receiving party shall not, without the prior written consent of the furnishing party or as may be required by law, use, exploit, reveal or disclose to any person or entity any Confidential Information. The receiving party shall use prudence and care in the dissemination of Confidential Information of the furnishing party within the receiving party's own organization to employees who need to know. The receiving party shall protect the Confidential Information of the furnishing party with the same degree of care as the receiving party employs for the protection of the receiving party's own trade secrets and Confidential Information (but in no event shall such care be less than the level of care that is commercially reasonable).

If either Party reasonably believes that the Confidential Information is subject to a Chapter 119 request, then the Party receiving the request shall notify the other Party of the request prior to its disclosure of the Confidential Information. The notified Party shall have the right to seek injunctive relief and any other relief provided by law.

Subject to any legal prohibitions against notifying the other Party, the Parties agree that if a Party has knowledge (or is made aware of any credible allegations) of any unauthorized access to, disclosure or use of a Party's Confidential Information in violation of this Contract, such knowledgeable Party will notify the other Party in accordance with Section 6.5 ("Security Breaches and Incidents").

The Service Provider agrees that the Service Provider, its employees, its Subcontractors and their employees, and all persons in the LSAG, shall comply with the security measures set forth in this Contract (including the Security Plan) to protect SOF Production Data. Further, unless otherwise permitted in the Contract, no such person or entity shall be allowed to (i) save on a laptop, personal computer, a computer's internal drive or other storage device any SOF Production Data that is customarily considered to be sensitive or confidential in nature (e.g., social security number), (ii) remove any such sensitive or Confidential Information from their secure work location, or (iii) except for the LSAG, access any SOF Production Data from outside of their secure work location. Any exceptions to this paragraph shall require the Department's prior written consent.

The Service Provider agrees that neither it nor its Subcontractors will authorize, condone, ratify or permit the sale of any SOF Production Data, regardless of whether the data is confidential, exempt or a public record under State of Florida law. The Service Provider acknowledges that all SOF Production Data is owned by the State of Florida, and any sale of any SOF Production Data by the Service Provider shall be grounds for Termination for Cause in accordance with subsection 7.1.1 ("Termination for Cause") of the Contract.

In addition, and without limiting any other obligation of the Service Provider under the Contract, the Parties and each Subcontractor will cooperate in good faith to protect the confidentiality of any SOF Production Data that is customarily considered to be sensitive or confidential (e.g., social security numbers). This includes the adoption, when reasonable, of any best practices as accepted within the HR and Benefits Administration industry.

6.9 Indemnification

The Service Provider will defend, indemnify and hold harmless the State of Florida, the Department, and its officers, directors and employees for all liabilities, damages, losses, claims, suits or proceedings of any kind to the extent caused by the failure of the Service Provider (and persons employed or utilized by the Service Provider) to perform the obligations under Section 6 of the Contract. The Department agrees to provide written notice with reasonable promptness to Service Provider of any demand for indemnity. If a suit or proceeding is initiated for which Service Provider must indemnify the Department, then the Department will reasonably cooperate with Service Provider's defense of such suit or proceeding. Service Provider may settle any claim, suit, or proceeding (at Service Provider's sole expense) without the Department's approval provided the settlement does not include any obligation and/or admission of the Department.

Section

7 Termination, Default and Remedies

7.1 Right of Termination

7.1.1 Termination for Cause

The Department has the right to terminate the Contract in the event of an uncured Event of Default as specified in Section 7.4 (“Events of Default”).

7.1.2 Termination for State’s Non-Appropriation of Funds

The Department may, at its sole option, terminate this Contract by providing 60 days’ notice to the Service Provider if the State fails to appropriate for any State fiscal year sufficient funds to perform Department’s obligations under this Contract. The Contract shall terminate on the last day of the fiscal year in which the funds were appropriated, subject to the terms in this Contract.

The effective date of the termination may be extended to allow for a Transition Period under Section 8 (“Transition”) if (i) the Department pays all undisputed amounts pursuant to Sections 2.5 (“Invoices”) and 2.6 (“Overpayments”), and (ii) adequate funds are appropriated to cover the fees and costs the Department will incur during such Transition Period.

7.2 Department’s Right to Terminate for Convenience

The Department, by 60 days’ advance written notice to Service Provider, may terminate the Contract for convenience in whole or in part when the Department determines in its sole discretion, for any reason or no reason at all, that it is in the Department’s interest to do so. Service Provider will not furnish any Services after the date of termination, except as necessary to complete the continued portion of the Contract, if any. Service Provider will not be entitled to recover any cancellation charges, consequential damages, or lost profits. The Service Provider’s sole and exclusive remedy is recovery of direct costs actually incurred for authorized Services satisfactorily performed prior to the notice of termination or its monthly payment pursuant to Section 2.3 (“Contract Term Price”), whichever is less.

7.3 Right to Equitable Relief

In lieu of terminating the Contract upon the occurrence of an Event of Default, the Department may institute legal proceedings to compel performance of any obligation required to be performed by Service Provider hereunder including, where appropriate, actions for specific performance and injunctive relief. In the event the Department chooses to seek equitable relief in lieu of termination in accordance with this Section, the remedies set forth in Section 7.6 (“Consequences of Termination”) shall not be available to it. Service Provider agrees that it does not have any right to equitable relief against the Department and will not attempt to institute any proceeding for equitable relief against the Department.

7.4 Events of Default

Each of the following constitutes an Event of Default by the Service Provider:

- (a) Breach of a material obligation under this Contract.
- (b) The occurrence of any one or more of the following events:
 - 1. Service Provider fails to pay any sum of money due hereunder;
 - 2. Service Provider fails to provide the Deliverables and Services as required under the Contract;
 - 3. Service Provider employs an unauthorized alien in the performance of any work required under the Contract;
 - 4. Service Provider fails to correct work that the Department has rejected as unacceptable or unsuitable;
 - 5. Service Provider discontinues the performance of the work required under the Contract;
 - 6. As specified by the Department, Service Provider fails to resume work that has been discontinued;
 - 7. Service Provider abandons the project;
 - 8. Service Provider becomes insolvent or is declared bankrupt;
 - 9. Service Provider files for reorganization under the bankruptcy code;

10. Service Provider commits any act of bankruptcy or insolvency, either voluntarily or involuntarily;
11. Service Provider fails to promptly pay any and all taxes or assessments imposed by and legally due the Department or State of Florida;
12. Service Provider makes an assignment for the benefit of creditors without the approval of the Department;
13. Service Provider made or has made a material misrepresentation or omission in any materials provided to the Department;
14. Service Provider commits any material breach of the Contract;
15. Service Provider fails to furnish and maintain the performance bond and payment bond;
16. Service Provider fails to procure and maintain the required insurance policies and coverages required by this Contract;
17. The Department determines that the Surety issuing a bond securing Service Provider's performance of its obligations hereunder becomes insolvent or unsatisfactory;
18. Service Provider transfers ownership in violation of the Contract;
19. Service Provider utilizes a vendor in the performance of the work required by the Contract which has been placed on the Department's Convicted Vendors List;
20. Service Provider is suspended or is removed as an authorized vendor by any State or federal agency or Service Provider is convicted of a felony;
21. Service Provider refuses to allow Department / State access to all documents, papers, letters, or other material subject to the audit terms of this Contract;
22. Service Provider refuses to allow auditor access as required by the Contract;
23. Service Provider permits SOF Production Data to be transmitted, viewed, or accessed outside of the U.S. unless otherwise notated in this Contract;

24. Service Provider's change of Subcontractors in violation of the Contract;
 25. For any other cause whatsoever that Service Provider fails to perform in an acceptable manner as determined by the Department, including but not limited to failure to meet performance standards or pay associated guarantees;
 26. Failure to timely notify the Department upon discovery of problems or issues impacting the system;
 27. Failure to timely report and pay the transaction fee contained in section 287.057(22)(c), Florida Statutes;
 28. Failure to comply with the requirements of Section 10.22 ("Loss of Data")
- (c) Continuous Performance Default - Unless otherwise excused or cured as provided in this Contract, the following will constitute a Continuous Performance Default:
1. Service Provider fails to meet the same Performance Metric for at least three consecutive months; or
 2. Service Provider fails to meet a total of five or more Performance Metrics (regardless of metric) in six out of 12 months.
- (d) For any other reason identified elsewhere in the Contract as an Event of Default.

7.5 Opportunity to Cure Default

In the Event of Default by the Service Provider, the Department will give the Service Provider written notice of the Event of Default and request that such default be cured ("Cure Notice"). If the Service Provider fails to cure the specified Event of Default within 45 days of receipt of the Cure Notice (or such other mutually agreed upon time) and the Parties have completed the dispute resolution process in Section 9 ("Dispute Resolution") without resolution ("Default"), then the Department shall have the right to initiate the Transition Period effective upon at least 30 days prior written notice to the Service Provider ("Termination Notice"), subject to any continuing rights or obligations hereunder. The Department's right to terminate this Contract or commence the Transition Period shall automatically expire if the Service Provider has cured the Event of Default prior to the Service Provider's receipt of the Termination Notice.

In the instance of a Continuous Performance Default, if the Department fails to issue a Cure Notice to the Service Provider within 120 days after the Department receives a Performance

Metric Monthly Report indicating Continuous Performance Default, the Department shall expressly waive any right to claim Continuous Performance Default and to terminate the Contract. The Department's right to terminate the Contract under this provision shall be in addition to any other rights and remedies they may have at law or in equity.

7.6 Consequences of Termination

If the Department terminates this Contract prior to Contract Expiration Date because of the Service Provider's Default, the Transition Period shall commence on the effective date set forth in the Termination Notice, and the following shall occur:

- (a) During the Transition Period, the Department shall place into an interest bearing escrow account ("Escrow Account") an amount equal to 30% of all payments due the Service Provider for Services or Interim Services during the Transition Period. The money shall be placed into escrow within 45 days of becoming due and shall be held by the State of Florida DFS (the "Escrow Agent"). The monies paid into the Escrow Account shall be held in escrow until such time as:
1. the Parties mutually agree otherwise;
 2. a court of competent jurisdiction determines the disposition of such monies; or
 3. the expiration of 60 days after Cut-Over, provided a legal or equitable action has not been filed by the Department with a court of competent jurisdiction prior to such Cut-Over.

Upon the occurrence of any of the above, the Escrow Agent shall release such monies to the Service Provider. The payment for the costs associated with establishing and maintaining the Escrow Account shall be paid by the Service Provider.

- (b) The Service Provider shall be removed from the State Purchasing vendor list(s).
- (c) All State Agencies shall be advised not to do business with the Service Provider without written approval from the Florida Department of Management Services Division of State Purchasing until such time as the Service Provider fully complies with this Section (7.6 "Consequences of Termination")
- (d) Nothing in this Section shall preclude either Party from asserting any rights to seek damages incurred (including without limitation the Department's costs to replace the Services to the extent those costs exceed what the Department would have paid for the Services under the Contract).
- (e) The limitations of liability in Section 10.19 ("Liability") and all other provisions intended to survive termination shall continue in effect.

7.7 The Department's Default

Any material breach by the Department will (after notice and opportunity to cure) constitute an event of default. Upon material breach by the Department, the Service Provider will give the Department written notice of the breach and request that such default be cured ("Cure Notice"). If the Department fails to cure the specified breach within 45 days of receipt of the Cure Notice (or such other mutually agreed upon time) and the Parties have completed the dispute resolution process in Section 9 ("Dispute Resolution") without resolution ("Default"), then the Service Provider shall be entitled to pursue compensation due for Deliverables and Services as provided in Section 2 ("Term and Compensation"). The Service Provider will not, however, discontinue or terminate its Services or work. Service Provider is not entitled to, and will not seek, any compensation or damages other than the compensation provided for in Section 2. Service Provider will not, under any circumstances, be entitled to consequential damages, lost profits, lost business opportunity, or any damages other than the compensation provided for in Section 2 ("Term and Compensation").

7.8 Department's Rights in Anticipation of Contract Expiration

The Department has the right to commence the Transition Period in anticipation of Contract expiration up to two years prior to Contract Expiration Date. The Department may exercise this right by giving the Service Provider at least 90 days prior written notice.

7.9 Rights Cumulative, No Waiver

The rights and remedies provided and available to the Department and the Service Provider in this Contract are distinct, separate and cumulative remedies, and no one of them, whether or not exercised by a Party, shall be deemed to be in exclusion of any other. The election of one remedy shall not be construed as a waiver of any other remedy or of any rights and remedies either Party may have in law or equity.

7.10 Department May Cure Service Provider Defaults

If the Service Provider commits an uncured Event of Default in the performance of any term, provision, covenant or condition on its part to be performed hereunder, the Department may, upon written notice to the Service Provider after the expiration of any curative periods for which provision is made in this Contract, perform the same for the account and at the reasonable expense of the Service Provider or pay, if so compelled to pay, any reasonable sum of money or incur any reasonable expense in the enforcement of its rights hereunder or otherwise because of such uncured Default. If the Department is so compelled to pay money or incur such expense, Service Provider shall repay, subject to the limitations of liability contained herein, any reasonable sums paid and proven by the Department as a result of such uncured Default,

together with a rate of interest, pursuant to section 55.03(1), Florida Statutes, measured from the date Service Provider receives written notice from the Department of such payment (with appropriate documentation of the amount due and owing) until Service Provider pays such amount or credits such amount to the Department.

7.11 Third Party Satisfaction

In the event the Department issues a Termination Notice because of Service Provider's Default, the Service Provider shall satisfy all undisputed obligations to its Subcontractors providing Services and all other third parties before the Department shall pay the Service Provider for Services rendered.

Section

8

Transition

8.1 Duration

The “Transition Period” shall commence on the date established under subsection 7.1.2 (“Termination for State’s Non-appropriation of Funds”), and Sections 7.6 (“Consequences of Termination”), 7.7 (“The Department’s Default”), 7.8 (“Department’s Rights in Anticipation of Contract Expiration”). Unless otherwise agreed in writing or extended pursuant to this Section, the Transition Period shall end on the earlier of (i) the date the Department (or its alternative service provider) takes over operating responsibility for the HRIS, or (ii) Aug. 20, 2021.

The Department may extend the Transition Period to Dec. 31, 2021, by advising the Service Provider in writing no later than May 20, 2021. The Department may then extend the Transition Period to Feb. 20, 2022, by advising the Service Provider in writing no later than Nov. 20, 2021. The Contract will terminate at the end of the Transition Period, subject to Sections 8.3 (d) (“Transition Services”) and 10.32 (“Survival Clause”). Nothing in this Section shall limit a Party’s rights and remedies in the event of the other Party’s default.

8.2 System Freeze

The Department shall, in consultation with the Service Provider, establish a date from which the Service Provider and its Subcontractors will no longer be required to make any improvements or enhancements to the HRIS or any Major System Projects set forth in Section 3.6 (“Optimization Initiatives and Major System Projects to be Deployed by Service Provider”) (the “System Freeze”). Unless the Parties otherwise agree in writing, the System Freeze will commence no later than Oct. 20, 2020; however, if the Service Provider has not met its obligation to implement a Major System Project by the time the System Freeze commences, the Department may delay the System Freeze to a date no later than Dec. 31, 2020. The System Freeze will continue until the end of the Transition Period. The System Freeze shall not excuse the Service Provider from performing customary maintenance on the HRIS, Open Enrollment activities and correcting all newly identified System Defects at no additional cost to the Department.

8.3 Transition Services

The Service Provider and Department shall implement the Transition Plan described in Section 3.3 (“Deliverables”). The following conditions are applicable to Transition Services:

- (a) During the Transition Period, the Department may purchase Transition Services from the Service Provider at the rates as set forth in Appendix J. The Department may choose to use available System Enhancement Hours to pay for Transition Services. The Service Provider and its Subcontractors shall provide sufficient experienced personnel and will use its best efforts to perform these services. In performing the Transition Services, the Service Provider may develop, or have developed on its behalf, Work Product. Such Work Product and the Transition Plan are Deliverables and accordingly all rights, title and interest therein will be owned by the Department at creation pursuant to Section 3.4.17 (“Ownership of Work Products”). Invoices for Transition Services will be submitted on a monthly basis and will be paid in accordance with Sections 4.9 (“Change Orders”) and 2.5 (“Invoices”) of the Contract.
- (b) In performance of Transition Services, the Service Provider and its Subcontractors shall reasonably cooperate with the Department and any Subcontractor or vendor hired by the Department to assist in the transition.
- (c) To the extent the People First Materials set forth in Appendix F are found to be incomplete, the Service Provider and its Subcontractors shall use its best efforts to identify and supply the missing materials at no cost or expense to the Department (except for any third party license fees).
- (d) For six months after Cut-Over, the Service Provider and its Subcontractors shall continue to offer consulting services to the Department at the rates set forth in Appendix J at the Department’s discretion. The Service Provider shall use reasonable efforts to provide the requested services using personnel with sufficient experience and knowledge of the HRIS.

8.4 Interim Services

“Interim Services” shall mean the Services purchased by the Department after Aug. 20, 2021, or the date extended to allow for uninterrupted Service until Cut-Over. Interim Services shall consist of all of the Services required of Service Provider and its Subcontractors prior to Aug. 20, 2021, to the extent such Services are not otherwise excused under the Contract. The Department may purchase “Interim Services” by providing written notice to Service Provider by May 20, 2021. If such notice is given, the Service Provider and its Subcontractors shall begin providing the Interim Services as requested and will continue providing the Interim Services until the end of the Transition Period.

The purchase, sale and delivery of Interim Services shall be governed by the same contractual terms and conditions applicable to the purchase, sale and delivery of the Services, including but not limited to Service Provider's obligation to provide sufficient experienced personnel to support the State and to maintain the performance bond required under Section 5.5 ("Performance and Payment Bond").

The monthly fee for Interim Services shall be equal to the full monthly fee for Services provided in July 2021. Payment will be made in accordance with payment instructions in Section 2.5 ("Invoices"), and prorated in the same manner as the fee for Services was prorated. If the scope of Interim Services needed by the Department is less than what was provided in August 2021, the Service Provider agrees to negotiate in good faith on an equitable reduction of the monthly fees charged to the Department for Interim Services.

8.5 Transfer of Certain Assets

Upon reasonable advance written notice to Service Provider and as may be more specifically set forth in the Transition Plan, the Department (or its alternative service provider) may, at a mutually agreeable time in advance of Cut-Over:

- (a) Assume Service Provider's lease for the Service Center where the Services were provided on the date of the termination, provided such lease is assignable to Department and Department agrees in writing to be bound by the terms and conditions of such lease. The Parties will cooperate as necessary to return any deposits to the Service Provider, transfer any utilities to the Department, and otherwise effect a smooth transition of the Service Center to the Department.
- (b) Acquire any equipment and hardware in the Service Center which Service Provider owns, which is dedicated to provide the Services and for which Department pays Service Provider the unamortized costs. Service Provider shall depreciate the hardware and equipment in accordance with generally accepted accounting principles, without additional markup of the assets. Such schedule may be audited by the Department in accordance with Section 4.13 ("Audit Rights").
- (c) Employ any Service Provider employees providing Services, provided such employees consent. The Department may recruit and solicit any person providing Services within 120 days prior to Cut-Over and anytime thereafter. Service Provider agrees to waive any restrictive covenants preventing such recruitment, solicitation or employment.

Section

9 Dispute Resolution

9.1 Overview

Any conflict or dispute between the Department and the Service Provider relating to the Contract will be resolved in accordance with the procedures specified in this Contract, which will be the sole and exclusive procedures for the resolution of any such disputes prior to litigation. Negotiations and mediation as herein prescribed are conditions precedent to litigation; however, this Section 9 will not apply in the case of Termination for Convenience as provided in Section 7.2 (Department’s Right to Terminate for Convenience”).

9.2 Informal Negotiations / Informal Resolution

Whenever the Department and Service Provider have a dispute relative to the Contract, the Contract Managers will immediately attempt to resolve the dispute, subject to the approval of the authorized signatory of the Parties or their designees.

9.3 Informal Executive Level Negotiations

Service Provider and the Department will attempt in good faith to resolve any dispute arising out of or relating to the Contract promptly by negotiation between executives of the Department and the Service Provider or their designees having authority to settle the controversy, and who are at a higher level of management than persons with direct responsibility for the administration of the Services at issue.

9.4 Mediation

If the Department and Service Provider are not able to resolve a dispute by negotiation, either party may initiate a mediation proceeding by a request in writing to the other Party within five Business Days after delivery of the notice declaring the negotiation process terminated as required by this Section. The mediation is a condition precedent to filing any action by either Party.

9.4.1 Mediation Procedure

All mediation proceedings will be conducted in accordance with the Contract, the Florida Rules for Certified and Court-Appointed Mediators, and applicable Florida Statutes.

9.4.2 Selection of a Neutral Mediator

If the Department and Service Provider do not agree within 10 Business Days of the request for mediation on the selection of a neutral mediator willing to serve, then the Department will unilaterally select the mediator, who must be a Florida certified mediator. Both Parties will promptly cooperate with the appointed mediator to effectuate mediation.

9.4.3 Location of Mediation

Unless otherwise agreed in writing by the Department and Service Provider, mediation sessions will occur in Tallahassee, Florida.

9.4.4 Mediation Period

Mediation pursuant to this Section will be conducted over a period of 45 calendar days following the appointment of a mediator. If the dispute cannot be resolved by the mediation deadline, or by the end of any mutually agreed continuation thereof, the Department, the Service Provider or the mediator may give written notice declaring the mediation process terminated.

9.5 Obligation to Mediate

The Parties regard the obligation to mediate as an essential provision and one that is legally binding on each. Either party may bring an action to enforce this obligation in the State circuit court of Leon County, Florida.

9.6 Performance to Continue

Each Party will continue to perform its obligations under this Contract pending final resolution of any dispute arising out of this Contract.

9.7 Confidentiality

Pursuant to this Section, the Parties agree to maintain the confidentiality of any mediation regarding disputes arising under this Contract.

9.8 Notice of Decision

If the procedures outlined in the negotiation and mediation sections above do not resolve the dispute, the dispute will be decided by the Department's Contract Manager, who will reduce the decision to writing and serve a copy to the Service Provider. The decision of the Department's Contract Manager will be final and conclusive unless within 21 days from the date of receipt of

the decision, the Service Provider files with the Department a petition for administrative hearing. The Department's decision on the petition shall be final, subject to the Service Provider's right to review pursuant to Chapter 120 of the Florida Statutes. Exhaustion of administrative remedies is an absolute condition precedent to the Service Provider's ability to pursue any other form of dispute resolution; provided, however, that the Parties may employ the alternative dispute resolution procedures outlined in Chapter 120, Florida Statutes.

9.9 Forum and Venue

Without limiting the foregoing and only to the extent Section 9.8 above does not apply to a dispute, the exclusive forum and venue for an action that arises out of or relates to the Contract will be a State court of competent jurisdiction in Leon County, Florida; in any such action Florida law will apply, without giving effect to Florida's choice of law principles. The Parties waive any right to jury trial.

9.10 Payment of Fees and Costs

Except as provided by the indemnity clauses contained herein, the Department and Service Provider will each bear its own costs and legal expenses incurred in connection with any negotiations, mediation, administrative proceeding, or litigation pursuant to this Contract. The Parties will equally share the cost of the mediator.

Section

10 General Provisions

10.1 Advertising

Except for disclosures and notices made pursuant to law or regulation, the Service Provider shall submit to the Department all press releases and other publicity matters relating to this Contract, or mentioning or implying the names of any personnel and further agree not to publish or use such press releases or publicity matters without obtaining the Department's written consent, which will not be unreasonably withheld or delayed. This provision shall not apply to the Service Provider's marketing materials that merely list the Department as a client or to the re-publication of any material that already has been placed in the public domain.

10.2 Amendments

Except for Changes made pursuant to Section 4.9 ("Change Orders"), any changes, modifications or deletions to this Contract shall be in writing and must contain the signature of the (i) Service Provider's President or authorized representative, and (ii) the Secretary or the Secretary's designee.

10.3 Americans with Disabilities Act Requirements / Unauthorized Aliens

The Service Provider assumes the sole responsibility for compliance with all laws, rules and regulations stated in the Americans with Disabilities Act as applicable to Service Provider's employees. The Service Provider acknowledges and affirms that the employment of unauthorized aliens by the Service Provider may be considered a violation of Section 247A of the Immigration and Nationality Act. By execution of this Contract, the Service Provider affirms that it is not to the best of its knowledge in violation of either law at the time of execution. The Parties agree that failure to comply with this Section may constitute a material breach and may be grounds for termination of this Contract in accordance with Section 7.1 ("Right of Termination") at Department's reasonable discretion.

10.4 Annual Appropriations

The Department's performance and obligation to pay under this Contract are contingent upon an annual appropriation by the Legislature. If appropriations are required, the Department shall affirmatively take all reasonable steps to seek such appropriations, but shall not guarantee the securing of annual appropriations.

All payments required under this Contract are contingent upon legislative appropriation. The Parties acknowledge and agree that there is no intent to violate section 216.311, Florida Statutes, with the execution of this Contract and that any provision deemed to violate this statutory provision shall be null and void, shall be stricken from this Contract and the remainder of the Contract shall remain in full force and effect. The Parties further agree that the foregoing does not in any way limit, abrogate or otherwise modify Service Provider's rights or remedies under applicable law, including Service Provider's rights to seek a claims bill.

10.5 Assignment

Neither Party may sell, assign or transfer any of its rights, duties or obligations under this Contract without the prior written consent of the other Party. However, the Department may assign this Contract to another State Agency provided that all Department rights and obligations are so assigned, and Service Provider may assign this Contract to a wholly owned subsidiary of NorthgateArinso, Inc., and may assign any monies due under this Contract from the Department to a third party without the Department's consent. No change in Service Provider's organization, if any, shall operate to release Service Provider from its liability for the prompt and effective performance of its obligations under the Contract. All terms and provisions of this Contract shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns.

10.6 Conflict of Interest

The Service Provider must disclose the name of any officer, director, or employee who is also an employee of the State, or any of its Covered Entities. Further, the Service Provider must disclose the name of any State employee who owns an interest of 5% or more in the Service Provider.

10.7 Department's Responsibilities

In addition to the other obligations of the Department set forth in this Contract (including the Department's payment obligations), the Department must, on an ongoing basis, promptly provide all information and materials that are reasonably necessary for Service Provider to perform its duties and obligations (e.g., providing to Service Provider information on the State's policies and procedures, Plans, action plans, employment and hiring policies and practices).

The Department must take such other actions (e.g., access to the State's databases and personnel) as necessary for Service Provider to perform the Services.

When the State's policies or procedures change due to statutory, regulatory or other modifications, the Department and Service Provider shall follow a formal, written process to ensure the policies and procedures are adequately communicated and knowledge transferred.

- (a) The Department's Contract Manager (or designee) will provide policy guidance via email to the Service Center Director.
- (b) The Service Provider shall develop the proposed process, communication or procedural update per the policy guidance and provide to the Department's Contract Manager via email for the Department's review and approval. If necessary, a meeting will be scheduled with all Parties to gain alignment.
- (c) Once the proposed process, communication or procedural update has been updated and agreed to, the Department's Contract Manager (or designee) will provide written approval via email.
- (d) The Service Provider shall train its HR Specialists and other Service Center staff on the agreed upon process, communication or procedural update, and provide the Department confirmation that the training and communication activities have been completed.
- (e) The Service Provider shall memorialize these processes, communication or procedural updates in a collaboration tool whereby all documents related to the updates, and all other People First-related documentation, are captured and shared between both Parties.

If the Department does not perform its obligations under this Contract and such performance affects Service Provider's ability to perform and Service Provider has notified the Department in writing within 48 hours of the delaying event's first occurrence, Service Provider shall not constitute an Event of Default under this Contract to the extent so affected nor shall Service Provider be liable for any damages. Such notice must include a specific description of each act of the Department that is at issue and the resulting costs and time delays incurred by the Service Provider as a result of the Department's alleged non-performance.

10.8 Diversity – Service Provider's Commitment

It is the policy of the State that Minority Business Enterprises, Woman-Owned Business Enterprises and Service-Disabled Veteran Business Enterprises (as those terms are defined by Florida Statutes), have the maximum practicable opportunity to participate in performing contracts let by any State Agency. The Service Provider hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient Contract performance by reasonably considering such Business Enterprises as Subcontractors for the Services. The Service Provider further agrees to comply with all controlling laws and regulations respecting the participation of such Business Enterprises in the provision of the Services and to reasonably

cooperate in any studies or surveys as may be conducted by the State of Florida to determine the extent of the Service Provider's compliance with this Section.

10.9 Documents and Data

In the course of Service Provider's performance of this Contract, Service Provider agrees that information pertaining to the Covered Population received by Service Provider from the Department, the Covered Population or Subcontractors providing Services to or for the Department for the Covered Population ("State Data"), is and shall remain the sole and exclusive property of the State, free and clear of any and all claims of Service Provider.

All State Data shall be immediately delivered to the Department in the format to be mutually agreed upon by the Parties as requested or upon commencement of the Transition Period. Except as otherwise provided in this Contract, the Department agrees that anything (excepting State Data and only to the extent State Data is so contained therein, and unless otherwise noted in this Contract) held by Service Provider on Contract Effective Date is and shall remain the sole and exclusive property of Service Provider or its licensors.

10.10 Drug Free Workplace Program

The Service Provider agrees to implement a drug free workplace program as defined in section 287.087, Florida Statutes, throughout the term of this Contract. The Parties agree that failure to comply with this Section shall constitute a material breach and shall be grounds for termination of this Contract in accordance with Section 7.1 ("Right of Termination").

10.11 Employment Eligibility Verification (E-Verify)

- (a) Service Provider agrees that it will enroll and participate in the Employment Eligibility Verification Program ("E-Verify") administered by the U.S. Department of Homeland Security ("DHS"), pursuant to Executive Order Number 11-02 issued by the Office of the Governor on Jan. 4, 2011. Participation in this program will be governed by the terms and conditions of the "E-Verify Memorandum of Understanding" between Service Provider and the DHS. Service Provider further agrees to provide to the Department, within 30 days of the Contract Effective Date, documentation of enrollment in E-Verify in the form of a copy of the "Edit Company Profile" page in E-Verify, or other documentation of enrollment that includes acknowledgment from DHS of the Service Provider's name or Company ID Number provided by DHS.

- (b) Service Provider agrees that it will require each Subcontractor that provides Services under the Contract, within thirty (30) days of the Contract Effective Date or within thirty (30) days of execution of its agreement with any new or additional Subcontractor, to enroll and participate in E-Verify administered by the DHS, pursuant to Executive Order

Number 11-02 issued by the Office of the Governor on Jan. 4, 2011. Participation in this program will be governed by the terms and conditions of the “E-Verify Memorandum of Understanding” between the Subcontractor and the DHS. Service Provider shall obtain from the Subcontractor(s) a copy of the “Edit Company Profile” page in E-Verify, or other documentation of enrollment that includes acknowledgment from DHS of the Subcontractor’s name or Company ID Number provided by DHS. This enrollment documentation shall be made available to the Department and other authorized State officials upon request.

- (c) Service Provider further agrees to maintain records of its participation and compliance with the provisions of E-Verify, including participation by its Subcontractors as provided above, and to make such records available to the Department.

10.12 Entire Contract

This Contract and any amendments thereto, constitute the full and complete Contract of the Parties hereto and supersedes any prior contracts, arrangements and communications, whether oral or written, with respect to the subject matter hereof. Each Party acknowledges that it is entering into the Contract solely on the basis of the representations contained herein, and for its own purposes and not for the benefit of any third party. This Contract will not apply to any events or transactions occurring prior to the Contract Effective Date.

10.13 Force Majeure and No Damages for Delay

The Service Provider shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Service Provider or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Service Provider’s control, or for any of the foregoing that affect Subcontractors if no alternate source of supply is available to the Service Provider. For any such delay, the Service Provider must notify the Department in writing of the delay or potential delay and describe the cause of the delay either (i) within five days after the cause that creates or will create the delay first arose, if the Service Provider could reasonably foresee that a delay could occur as a result, or (ii) if delay is not reasonably foreseeable, within five days after the date the Service Provider first had reason to believe that a delay could result.

If the Service Provider believes that any other delay is attributable to an act or omission of the Department, then the Service Provider must notify the Department in writing of the delay or potential delay and describe the cause of the delay either (i) within five days after the cause that creates or will create the delay first arose, if the Service Provider could reasonably foresee that a delay could occur as a result, or (ii) if delay is not reasonably foreseeable, within five days after the date the Service Provider first had reason to believe that a delay could result.

Providing notice in strict accordance with this Section is a condition precedent to any remedy. The Service Provider will not assert any claim for damages against the Department arising from the delay events described above. Service Providers sole remedy for such delays shall be an extension of time and the Service Provider shall not be entitled to an increase in the Contract price or payment of any kind from the Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever.

If performance is suspended or delayed, in whole or in part, due to any of the causes described in this Section, after the causes have ceased to exist the Service Provider shall perform at no increased cost, unless the Department determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State or to the Department, in which event the Department may (i) accept allocated performance from the Service Provider, provided that the Service Provider grants preferential treatment to the Department with respect to Services subjected to allocation, or (ii) purchase from other sources (without recourse to and by the Service Provider for the related costs and expenses) to replace all or part of the Services that are the subject of the delay, which purchases may be deducted from the Contract value, or (iii) terminate the Contract in whole or in part.

THE FOREGOING SHALL CONSTITUTE THE SERVICE PROVIDER'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.

10.14 Further Assurances

The Parties will, subsequent to the Contract Effective Date, and without any additional consideration, execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate the purposes of this Contract.

10.15 Good Standing

The Service Provider must maintain good standing as a Florida or Foreign profit or non-profit corporation, partnership, limited liability company, or other recognized business entity authorized to transact business pursuant to the laws of this State. The Service Provider shall submit a certified copy of a Certificate of Status from the Secretary of State, Division of Corporations, to the Department concurrent with the execution of this Contract. In addition, the Service Provider shall certify, concurrent with the execution of this Contract that the person executing this Contract is authorized to do so.

10.16 Indemnity

10.16.1 General

Service Provider shall indemnify, defend and hold harmless the Department and its employees and agents, from and against any third party claims, demands, loss, damage or expense relating to bodily injury or death of any person or damage to real and/or tangible personal property directly caused by the Service Provider or its employees, principals, and partners, in connection with the performance of the Services hereunder.

10.16.2 Intellectual Property

Service Provider will indemnify, defend and hold the Department or the State harmless from any third party claim or actions, losses, liabilities, damages and expenses (including attorneys' fees and court costs) made, assessed or awarded against the Department or the State to the extent such claim, action, loss, liability damage or expense results from or is based on a claim or allegation that any Deliverable, Work Product or Services infringes a U.S. patent, copyright or a trade secret of any third party. The obligations of this Section do not apply to the extent the claim or allegation of infringement results from (i) the Department's misuse or modification of the Deliverable or Work Product; or (ii) the Department's failure to use corrections or enhancements to the Deliverable or Work Product made available by the Service Provider.

If any Deliverable is, or in the Service Provider's opinion is likely to be, held to be infringing, the Service Provider shall at its expense and option either: (i) procure the right for the Department to continue using it, (ii) replace it, as approved by the Department, with a non-infringing product or service equivalent in function and capabilities, or (iii) modify it, as approved by the Department, to make it non-infringing but equivalent in function and capabilities.

10.17 Independent Service Provider

In connection with this Contract, each Party is considered an independent entity and as such shall not have any authority to bind or commit the other. Nothing herein shall be deemed or construed to create a joint venture, partnership or agency relationship between the Parties for any purpose. Under no circumstance shall one Party's employees be construed to be employees of the other Party, nor shall one Party's employees be entitled to participate in the profit sharing, pension or other plans established for the benefit of the other Party's employees. Neither Party shall be deemed a joint employer of the other's employees; each Party being responsible for any and all claims by its employees. Neither Party's employees shall be deemed "leased" employees of the other Party for any purpose. The agreements of the Parties set forth in this Contract are not intended for, nor shall they be for the benefit of or be enforceable by, any person not a Party.

10.18 Cooperation with the Inspector General

Pursuant to section 20.055(5), Florida Statutes, Service Provider and any Subcontractors understand and will comply with their duty to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing.

10.19 Liability

Notwithstanding anything in this Contract or otherwise to the contrary, (i) neither the Department nor Service Provider shall be liable to the other party or to any third party for any lost profits or any loss of business; or any consequential or special losses or damages of any kind; and (ii) the sole and exclusive remedy of Service Provider and of the Department for any claim, loss or damages in any way related to, or arising out of, this Contract or any Services provided or anticipated to be provided shall be limited to such Party's actual, direct damages. None of the limitations expressed in (i) and (ii) shall preclude the Department from seeking injunctive relief.

10.20 Department Materials

10.20.1 License

The Department will provide Service Provider with access to materials and assets owned or licensed to the Department ("Department Materials"). The Department Materials include those items listed in Appendix F. The Department hereby grants Service Provider a limited, revocable, fully paid-up, royalty-free, non-exclusive, non-transferable license and privilege to use, operate, reproduce, copy, modify, prepare derivative works based on, perform, display and view the Department Materials for the sole purpose of performing under this Contract. If Service Provider creates or develops modifications or improvements to the Department Materials or refers to the Department Materials to create or develop any other materials, the resulting modifications, improvements and materials, including all Intellectual Property Rights therein, will be deemed "Department Materials" and the Department will own all right, title and interest thereto.

The Service Provider agrees that, other than as permitted in this Contract or as otherwise authorized in writing by Department, it will not:

- (a) Sell, lease, license, sublicense, loan, encumber, or otherwise deal in any portion of the Department Materials.
- (b) Use any portion of the Department Materials to compete with the Department's licensors for customers.
- (c) Provide, disclose, divulge or make available to, or permit use of the Department Materials by persons other than the Department's or other State Agencies' employees.
- (d) Authorize any Person to engage in actions restricted by this Section 10.20.1.

- (e) Object to the continued use of Department Materials by the Department or its licensors in the pursuit of other business.

For clarity, this license does not include any right for Service Provider to exploit the Department Materials for the benefit of Service Provider or any third party, including without limitation any other client of Service Provider.

10.20.2 Ownership

Service Provider acknowledges and agrees that this Contract does not provide any ownership interest in or rights to the Department Materials. Service Provider shall reproduce, and shall not alter or modify, any copyright notices affixed to, on or in the Department Materials.

10.20.3 Termination of License

The Department may terminate the license granted in subsection 10.20.1 (“License”) to the Department Materials for convenience upon thirty days’ notice.

10.20.4 Disclaimer of Warranties

The Department Materials are provided by the Department “as is” and without any warranty or condition, either express or implied, including, but not limited to (i) implied warranties and conditions of merchantability, fitness for a particular purpose, title, or non-infringement, and (ii) any warranty against errors or omissions.

10.20.5 Non-disclosure

The Department Materials shall be Confidential Information of the Department. Service Provider will not disclose, or permit to be disclosed, the Department Materials, directly or indirectly, to any third party except its employees who have a need to know and who are bound by a duty of confidentiality, without the Department’s prior written consent. Service Provider agrees to exercise due care in protecting the Department Materials from unauthorized use and disclosure.

10.20.6 Notification of Unauthorized Disclosure

Service Provider agrees to notify the Department in writing without unreasonable delay of the existence of any possession or use of the Department Materials not within the license rights of subsection 10.20.1 (“License”) of which Service Provider becomes aware, in whole or in part, by any person, and of the circumstances surrounding such possession or use, and to reasonably cooperate with the Department to stop such possession or use.

10.20.7 Audit

The Department will have no obligation to share with Service Provider findings of an audit performed under Section 4.13 (“Audit Rights”) as regards to Service Provider’s compliance with its obligations with respect to the Department Materials.

10.20.8 Liquidated Damages

If the Service Provider uses or authorizes a third party to use the Department Materials beyond the license of subsection 10.20.1(“License”), the resulting damages to the Department are by their nature impossible to ascertain presently and will be difficult to ascertain in the future. The issues involved in determining such damages will be numerous, complex, and unreasonably burdensome to prove. Accordingly, the Parties agree that (i) Service Provider will promptly notify the Department of any violations hereunder, and (ii) the Service Provider shall be liable for \$1,000 per day per Department Material for such a violation, beginning on the date the violation occurred and ending on the date the violation ceases. The Parties acknowledge that these liquidated damages are exclusive of any other right to damages, are not intended to be a penalty and are solely intended to compensate for unknown and unascertainable damages.

10.21 Lobbying

In accordance with section 216.347, Florida Statutes, and as provided herein, the Service Provider shall not expend any State funds for the purpose of lobbying the legislature, the judicial branch, or a State Agency.

10.22 Loss of Data

In the event of loss of any State data or records where such loss is not due to the Department’s action, the Service Provider shall provide notice within 24 hours of such loss and be responsible for recreating such lost data in the manner it existed or in a comparable manner reasonably acceptable to the Department on a reasonable schedule set by the Department.

10.23 Non-discrimination and Equal Opportunity

The Service Provider agrees to not discriminate on the basis of race, religion, sex, creed, national origin, disability, age, marital status, or veteran’s status in its employment practices. The Service Provider agrees to comply with the laws of the State and of the United States of America, regarding such non-discrimination and equality of opportunity, which are applicable to Service Provider. Furthermore, in accordance with section 287.134, Florida Statutes, an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity and may not be awarded or perform work as a service provider, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity. By reference, the Service Provider and its Subcontractors submit that to the best of their knowledge they are not in violation of any

laws referenced in this Section 10.23 as of Contract Effective Date. The Parties agree that failure to comply with this Section may constitute a material breach and may be grounds for termination of this Contract in accordance with Section 7.1 (“Right of Termination”) at Department’s reasonable discretion.

10.24 Notices

All notices under this Contract shall be served upon the Department by certified mail, return receipt requested, by reputable courier service, or delivered personally to each of the following:

Department of Management Services

Director, People First
People First Team
4050 Esplanade Way, Suite 235
Tallahassee, FL 32399-0950

And

Department of Management Services

Office of the Secretary
4050 Esplanade Way, Suite 285B
Tallahassee, FL 32399-0950

And

Department of Management Services

Office of the General Counsel
4050 Esplanade Way, Suite 160E
Tallahassee, FL 32399-0950

All notices under this Contract to be served upon the Service Provider shall be served by certified mail, return receipt requested, by reputable courier service, or delivered personally to:

NorthgateArinso, Inc.

President, N.A.
8880 Freedom Crossings Trail, Suite 100
Jacksonville, Florida 32256

With a copy to:

NorthgateArinso, Inc.
General Counsel, N.A., APAC

8880 Freedom Crossings Trail, Suite 100
Jacksonville, Florida 32256

The Parties agree that any change in the above-referenced address or name of the contact person shall be submitted in a timely manner to the other Party. All notices under this Contract shall be in writing and shall be deemed duly given either: (i) when delivered in person to the recipients named above, (ii) upon confirmation of courier delivery to the intended recipients, or (iii) when delivered by certified U.S. mail, return receipt requested, postage prepaid, addressed by name and address to the Party intended.

10.25 Other Compliances

Each Party shall comply with all Federal, State, and local laws, ordinances, rules and regulations applicable to such Party and applicable to its performance under this Contract.

The Service Provider and all Subcontractors approved under Section 10.31 (“Subcontractor Requirements”) shall provide certification upon Contract Effective Date and by June 30 of each year substantially in the form provided in Appendix C (“Affidavits of Compliance”). The certification must be signed by the Contract Manager or equivalent of each company and properly notarized. The Service Provider shall provide all signed certifications to the Department and shall promptly advise the Department of any Subcontractors who do not sign the certification. As part of the certification process, the Service Provider and all approved Subcontractors shall undertake to review all requirements under this Contract and investigate and confirm compliance with all Contract requirements. If during that process (or at any other time), the Service Provider or any approved Subcontractor discovers that it is not in compliance with the Contract obligations, the Service Provider and Subcontractor shall immediately take corrective action. As part of the corrective action, the Service Provider and the Subcontractor shall, within three Business Days, or sooner if required elsewhere in the Contract, of discovering the noncompliance, notify the Department of the particulars and shall provide to the Department a corrective action plan that details the actions to be taken to comply with the Contract requirements.

10.26 Public Entity Crime

The Service Provider certifies that during the term of this Contract that neither the Service Provider, nor any of its Subcontractors, are listed on the Convicted Vendor List maintained by the Department or any convicted vendor list maintained by the Federal government. The Service Provider agrees that it may not be awarded or perform work as a Service Provider, supplier, Subcontractor, or consultant for the State for a period of 36 months from the date of being placed on the Convicted Vendor List. The Parties agree that failure to comply with this

Section shall constitute a material breach and shall be grounds for termination of this Contract in accordance with Section 7.1 (“Right of Termination”).

10.27 Public Records and Access to Records

10.27.1 Service Provider Treatment of Public Records in Their Possession

If, under this contract, the Service Provider is providing Services and is acting on behalf of the Department as provided under section 119.011(2), Florida Statutes, the Service Provider, subject to the terms of section 287.058(1)(c), Florida Statutes, and any other applicable legal and equitable remedies, shall:

- (a) Keep and maintain public records that ordinarily and necessarily would be required by the Department in order to perform the service.
- (b) Provide the public with access to public records on the same terms and conditions that the Department would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
- (d) Meet all requirements for retaining public records and transfer, at no cost, to the Department all public records in possession of the Service Provider upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Department in a format that is compatible with the information technology systems of the Department.

10.27.2 Process

The process for production of public records shall commence with either a request to the Department or to the Service Provider. The Department will coordinate with the Service Provider to determine the scope of the request and the time required to comply with the request. The Department will confirm to the Service Provider when work shall commence. Service Provider shall produce such records to the Department for transmission to the requestor at no cost to the Department. The process shall be completed within a reasonable time pursuant to Public Records Law, Chapter 119, Florida Statutes.

In the event the Service Provider receives a public records request directly, the Service Provider shall notify the Department immediately in writing of such inquiries. Any response or material

responding to such an inquiry shall be coordinated in consultation with Department prior to dissemination by the Service Provider.

The invoicing for and the right to collect any fees for all public records requests shall be with the Department.

10.27.3 Access to Records

The Service Provider recognizes and acknowledges the requirements of the Public Records Law, Chapter 119, Florida Statutes, and Article I, Section 24 of the Florida Constitution. Upon reasonable notice, the Service Provider shall provide the Department, including any officer, employee or authorized agent, provided such agent is not a competitor of Service Provider, with reasonable access to inspect and copy all records and information, including records and information whether stored manually or electronically, related to or created as a result of this Contract that are public record under Chapter 119, Florida Statutes, any other provision of the Florida Statutes, or Article I, Section 24 of the Florida Constitution. Except for records specifically excluded in Section 4.13 (“Audit Rights”), the Service Provider shall permit inspection and copying of exempt or confidential records related to this Contract in the possession of the Service Provider by State officers or employees authorized to have access in the performance of their official duties and such inspections shall be subject to the confidentiality provisions as provided herein. Except as provided herein, under no circumstances whatsoever shall Service Provider refuse to provide, delay or prohibit the Department’s access to public records in the possession of Service Provider or its Subcontractors.

10.27.4 Service Provider’s Failure to Comply

The Department may unilaterally terminate this Contract for refusal by the Service Provider to comply with this Section by not allowing public access to all documents, papers, letters, or other material made or received by the Service Provider in conjunction with the Contract, unless the records are exempt from Article I Section 24(a) of the State Constitution and section 119.07(1), Florida Statutes.

10.27.5 Service Provider’s Responsibility to Retain Documentation

The Service Provider shall retain all memorandum, correspondence, communications, and other records (including electronic records), which are public records and created, sent, or received in connection with its provision of the Services in accordance with the General Records Schedule GS1-SL for State and Local Government Agencies as maintained by State of Florida Department of State. Further, no such public records can be destroyed contrary to said Schedule without written authorization to do so from the Department.

10.28 Representation of Ability to Perform

The Service Provider represents that there is no action, suit, proceeding, inquiry or investigation at law or equity, before or by a court, governmental agency, public board or body, pending or threatened, to the best of the Service Provider's knowledge, that would materially prohibit, restrain or enjoin the execution or delivery of the Service Provider's obligations, diminish the Service Provider's obligations, or diminish the Service Provider's financial ability to perform the terms of this Contract. During the term of this Contract, if any of the aforementioned events occur, the Service Provider shall immediately notify the Department in writing. The Service Provider shall remain adequately capitalized during the term of this Contract. The Parties agree that failure to comply with this Section shall constitute a material breach and shall be grounds for termination of this Contract in accordance with Section 7.1 ("Right of Termination").

10.29 Service Provider's Property

Unless otherwise agreed upon by the Parties, the Service Provider, at its expense shall furnish, install, operate, and maintain all property required to perform the Service Provider's obligations under this Contract. The Department and its authorized agent, provided such agent is not a competitor of Service Provider, reserves the right to inspect the area in the Service Provider's facilities where the Services are performed at any time.

10.30 Severability Clause

If any term or provision of this Contract is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of the Contract, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent of the Parties.

10.31 Subcontractor Requirements

Subcontractors contracted by the Service Provider in the performance of the Services under this Contract are the responsibility of the Service Provider.

10.31.1 Subcontractor Approval

Before the Service Provider enters into any contract with any Subcontractor ("Subcontractor Agreement") to provide, or assist in the provision of, any Services under the Contract, the Service Provider shall obtain the Department's approval of such Subcontractor in writing, which approval shall not be unreasonably withheld. The Service Provider shall give the Department 30 calendar days' written notice of its intent to subcontract Services required under the Contract, the basis for the need to subcontract, and any other information the Department may

reasonably require to evaluate the Subcontractor (not to include the Redacted Information referenced below). The Department will have 20 Business Days from its receipt of the notice to object or ask for additional information as to such Subcontractor, failing which the Department shall be deemed to have approved the Subcontractor. Any objection or request for additional information by the Department will be in writing and state all reasons. The Parties agree that any change in control in a Subcontractor shall require the Subcontractor to go through the above approval process as if it were a new company. The Parties also agree that these approval requirements will not apply to Independent Contractors as defined in Section 1.1 (“Definitions”).

10.31.2 Subcontractor Agreements

Except as otherwise provided in this Contract, the Service Provider shall ensure that all Subcontractor Agreements (or changes to an existing contract) requiring the Department approval as provided in this Section shall contain substantially the following terms and conditions: (i) Subcontractor must provide to the Service Provider (who will provide a copy to the Department) the annual affidavit of compliance set forth in Section 10.25 (“Other Compliances”); (ii) Subcontractor and its employees and agents must comply with all off-shoring restrictions, subcontracting restrictions, confidentiality provisions, security provisions, background screening requirements, QA and monitoring requirements, and documentation requirements contained in the Contract, including the Security Plan dated Jan. 28, 2015, as amended from time to time; (iii) Subcontractor shall post a notice in their work areas reminding employees of their responsibility to safeguard customer data and requiring them to report suspected instances of security violations and perceived weaknesses in security procedures to their manager; and (iv) Subcontractor shall not make any change to its business model to allow customer service representatives with SOF Production Data access to work remotely, without the prior written consent of the Department (to be obtained from the Department by Service Provider, after its receipt of a written request from Subcontractor).

Upon request by the Department and at the Contract Effective Date, the Service Provider shall provide a copy of any Subcontractor Agreement (and addendums) to the Department. The Department agrees that the Service Provider may redact or otherwise remove any pricing information and any trade secrets or other proprietary business data which would not be subject to public review under State of Florida law (the “Redacted Information”).

10.31.3 Subcontractor Removal

The Service Provider may remove any Subcontractor at any time, but shall require the Department’s approval. The Service Provider shall notify the Department in writing in the event it plans to remove, or terminate or materially change, the terms of any Subcontractor (other than an Independent Contractor) at least 60 calendar days before such action is taken to ensure adequate time to effectively communicate changes and to provide training to the Covered

Population; unless good reason exists for more immediate action by the Service Provider against the Subcontractor, in which event the Service Provider shall notify the Department of such action as soon as reasonably possible. Such notice shall set forth the relevant details of the reasons for termination. If the Service Provider seeks to replace any such removed Subcontractor, such replacement Subcontractor must be approved as provided herein by the Department.

10.31.4 Other Requirements

- (a) Except as otherwise provided in this Contract, the Service Provider shall perform annual audits (with on site audits occurring at least every other year) to verify that all Subcontractors and Subcontractor employees comply with all security requirements applicable to them under the Contract and the Security Plan with regard to handling of SOF Production Data. The Service Provider shall provide a Subcontractor audit checklist or scope document to the Department for approval in advance of performing Subcontractor audits. The Service Provider shall provide the Department a copy of all annual audit results.
- (b) Except as otherwise provided in this Contract, the Service Provider shall require at least annual training of Subcontractors and their employees for all privacy and security requirements applicable to them under the Contract and the Security Plan with regard to handling SOF Production Data. Upon request by the Department, the Service Provider shall provide a copy of any training materials and training logs demonstrating the participation of the Subcontractors and their employees.
- (c) The Service Provider shall require the FSA / HSA Subcontractor to conduct a customer satisfaction survey at least annually with respect to the Services provided by the FSA / HSA Subcontractor, and the results of any surveys shall be shared with the Department.

10.31.5 Failure to Perform

Each time the Service Provider fails to obtain the necessary Subcontractor approvals or otherwise fails to perform a material obligation under this Section 10.31 (“Subcontractor Requirements”), the Department shall be entitled to an invoice credit equal to \$25,000. This credit shall cover the Department’s internal staffing and administrative costs as well as the diminished value of Services provided under the Contract. The Service Provider's failure to perform these obligations shall also be an Event of Default, subject to cure upon written notice from the Department as provided in Section 7.5 (“Opportunity to Cure Default”), and will entitle the Department to recover any other damages it incurs (including any actual out-of-pocket expenses incurred by the Department to investigate and remediate the violation) and to pursue injunctive relief. The Department’s claim for damages shall be limited by Section 10.19 (“Liability”).

10.32 Survival Clause

All provisions in the Contract that expressly or customarily survive the termination or expiration of the Contract shall continue in effect after the Contract is terminated or expires.

10.33 Taxes

The State of Florida does not pay Federal Excise and Sales taxes on direct purchases of tangible personal property. This exemption does not apply to purchases of tangible personal property made by Service Providers who use the tangible personal property in the performance of contracts for the improvement of State owned real property as defined in Chapter 192, Florida Statutes. If applicable, the Department will provide the Service Provider a tax exempt certificate for sales of tangible personal property to the Department by the Service Provider or purchases of tangible personal property made by the Service Provider on behalf of the Department in connection with this Contract, where the title vests in the Department; however, Service Provider acknowledges and agrees that the Department is without liability to Service Provider in the event the Florida Department of Revenue or other regulatory agency denies any such claimed exemption.

10.34 Waiver

Unless otherwise agreed, the delay or failure by either Party to exercise or enforce any of its rights under this Contract shall not constitute or be deemed a waiver of that Party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

10.35 Scrutinized Company List

In executing this Contract, Service Provider certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, Florida Statutes. Pursuant to section 287.135(5), Florida Statutes, Service Provider agrees the Department may immediately terminate this Contract for cause if the Service Provider is found to have submitted a false certification or if Service Provider is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List during the term of the Contract.

10.36 Vendor Ombudsman

A Vendor Ombudsman has been established within DFS. The duties of this office are found in section 215.422, Florida Statutes, which include disseminating information relative to prompt payment and assisting vendors in receiving their payments in a timely manner from customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

10.37 Credits and Financial Consequences

The Service Provider acknowledges that the financial consequences tied to due dates for Deliverables as set forth in Appendix B and invoice credits specified in this Contract in Sections 3.3 (“Deliverables”), 3.6 (“Optimization Initiatives and Major System Projects to be Deployed by Service Provider”), 4.7 (“Performance Metrics”), 6.2 (“Background Checks”), 6.4 (“No Offshoring”), 6.5 (“Security Breaches and Incidents”) and 10.31 (“Subcontractor Requirements”) are liquidated damages, exclusive of any other right to damages, not intended to be a penalty and solely intended to compensate for unknown and unascertainable damages.

* * *

IN WITNESS WHEREOF, the Parties have duly executed this Contract on the date set forth below.

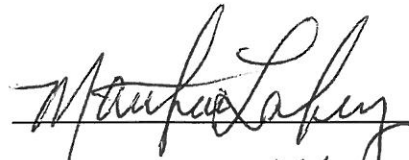
Florida Department of Management Services

NorthgateArinso, Inc.

By:  _____

Name:
Title: Secretary

Date: 11/18/15

By:  _____

Name: MATTHEW LANEY
Title: ACCOUNT DIRECTOR

Date: 11/18/15

APPENDIX A – COVERED ENTITIES

Covered Entity	Full Users	Benefits Administration Only
1. Agency for Health Care Administration (AHCA)	X	
2. Agency for Persons with Disabilities (APD)	X	
3. Agency for State Technology (AST)	X	
4. Agriculture & Consumer Services (DACS)	X	
5. Business & Professional Regulation (DBPR)	X	
6. Central Florida Expressway (CFX)		X
7. Children & Families (DCF)	X	
8. Citrus (CIT)	X	
9. COBRA and COBRA Extension		X
10. Commission on Offender Review (FCOR)	X	
11. Corrections (DOC)	X	
12. Economic Development (DEO)	X	
13. Education (DOE)	X	
14. Elder Affairs (DOEA)	X	
15. Environmental Protection (DEP)	X	
16. Financial Services (DFS)	X	
17. Fish & Wildlife Conservation Commission (FWCC)	X	
18. Florida Board of Bar Examiners		X
19. Florida Inland Navigation District		X
20. Florida School for the Deaf and the Blind (FSDB)	X	
21. Governor's Office (EOG)	X	
22. Health (DOH) / County Public Health (CPH)	X	
23. Highway Safety & Motor Vehicles (HSMV)	X	
24. Injured In Line of Duty		X
25. Justice Administration Commission (JAC)	X	
26. Juvenile Justice (DJJ)	X	
27. Layoff		X
28. Law Enforcement (FDLE)	X	
29. Legal Affairs (DLA), including Office of Statewide Prosecutor	X	
30. Legislature (includes Active and Vested Legislators and Legislative Staff)		X
31. Lottery (LOT)	X	
32. Management Services (DMS), including Administrative Hearings (DOAH) and Public Employees Relations Commission (PERC)	X	
33. Miami Dade Expressway (MDX)		X
34. Military Affairs (DMA)	X	

Human Resources Outsourcing – People First
 Florida Department of Management Services

Covered Entity	Full Users	Benefits Administration Only
35. Non-Retiree Life Waiver		X
36. Public Service Commission (PSC)	X	
37. Revenue (DOR)	X	
38. State (DOS)	X	
39. State Board of Adminsitration (SBA)		X
40. State Courts System (SCS)	X	
41. State Retirees		X
42. State Universities		X
43. Surviving Spouse & Surviving Spouse of Law Enforcement Officer		X
44. Transportation (DOT)	X	
45. TriRail		X
46. Veterans' Affairs (DVA)	X	
47. Volunteer Florida (VOLFL)		X
48. West Coast Inland Navigation District		X

APPENDIX B – DELIVERABLES

These Deliverables must be updated and provided to the Department annually or more frequently as listed below.

#	Deliverable	Due Dates	Financial Consequence when a Due Date is Not Met
(a)	Affidavits of Compliance	June 30	\$10,000
(b)	Audited Financial Statements	June 30	\$10,000
(c)	Background Screening Report	15th of each month	\$10,000
(d)	Business Continuity Plan (BCP)	April 30	\$25,000
(e)	Customer Satisfaction Survey Reports	Dec. 31	\$10,000
(f)	Data Security Notification Letter	Jan. 15, April 15, July 15 and Oct. 15	\$10,000
(g)	Data Warehouse Tables, Views and Extracts Listing	July 31	\$10,000
(h)	HR Software Update Assessment	Feb. 1	\$25,000
(i)	Interface Plan	March 31	\$10,000
(j)	Internet Browser Matrix	March 31	\$10,000
(k)	Letters, Forms, and Inserts Listing	March 31	\$10,000
(l)	LSAG Master Listing	Jan. 15, April 15, July 15 and Oct. 15	\$10,000
(m)	Organizational Contact Matrix	Contract Effective Date; Dec. 31 and June 30	\$10,000
(n)	People First Materials Listing	Nov. 30	\$25,000
(o)	Performance Metric Monthly Report	15th of each month	\$10,000
(p)	Recorded Calls Audit Log	5th of each month	\$10,000
(q)	Reports Listing	March 31	\$10,000
(r)	Security Plan	Contract Effective Date; Dec. 31	\$25,000
(s)	Security Role Code Matrices	Within 15 Business Days of an update to production	\$10,000
(t)	Service Center Business Processes Workbook	Dec. 31 and updates within 15 Business Days of a change to process	\$10,000
(u)	SSAE-16 SOC 1 or SOC 2 (as applicable), Type II Report	Service Provider: Feb. 1; Chard Snyder & Associates, Inc.: Sept. 30; SuccessFactors: July 31, and Jan. 31	\$10,000
(v)	System Alerts and Tasks Listing	Within 15 Business Days of an update to production	\$10,000

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Deliverable	Due Dates	Financial Consequence when a Due Date is Not Met
(w)	Systems Design Workbook	Initially Dec. 31, 2016 and updates within 15 Business Days of a change to production	\$10,000
(x)	System Enhancement Hours Tracking Report	Jan. 15, April 15, July 15 and Oct. 15	\$10,000
(y)	System Errors and Messages Listing	Within 15 Business Days of an update to production	\$10,000
(z)	Tables of Organization (Service Provider)	Contract Effective Date; Dec. 31 and June 30	\$10,000
(aa)	Training Plan	Contract Effective Date; Dec. 31, March 31, June 30, and Sept. 30	\$10,000
(bb)	Transition Plan	July 31	\$25,000
(cc)	Vendor Discrepancy Report	March 31	\$10,000

APPENDIX C – AFFIDAVITS OF COMPLIANCE

SERVICE PROVIDER AFFIDAVIT OF COMPLIANCE

I, _____, certify that:

- (1) I have reviewed the contractual obligations of <<Insert Service Provider name>> in the performance of its Contract dated _____, for Human Resources Business Process Outsourcing, and any amendments thereto (collectively referred to as the "Contract"), with the Florida Department of Management Services.
- (2) To the best of my knowledge and upon reasonable investigation, the performance of <<Insert Service Provider name>> and its Subcontractors is consistent with and in compliance with the Contract (including the terms of the Security Plan dated _____).
- (3) To the best of my knowledge and upon reasonable investigation, <<Insert Service Provider name>> and its Subcontractors have complied with all Federal, State and local laws, ordinances, rules and regulations applicable to each and applicable to their performance under this Contract, including the documentation and verification requirements of section 274A of the Immigration and Nationality Act [8 U.S.C. 1324a] concerning the unlawful employment of aliens.
- (4) Any exceptions to these representations must be stated on this affidavit.
- (5) I am duly authorized to execute this Affidavit as Contract Administrator of <<Insert Service Provider name>>.

/s/

Name:

Date:

[Notary]

* * *

SUBCONTRACTOR AFFIDAVIT OF COMPLIANCE

(Other than Independent Contractors)

I, _____, certify that:

- (1) I have reviewed the contractual obligations of _____ ("Subcontractor") under a contract dated _____ (referred to as the "Subcontract"), with <<Insert Service Provider name>>.
- (2) I understand that <<Insert Service Provider name>> is using some or all of the Services provided under the Subcontract to fulfill <<Insert Service Provider name>>'s obligations under the Contract dated _____ between <<Insert Service Provider name>> and the Florida Department of Management Services (the "Contract").
- (3) To the best of my knowledge and upon reasonable investigation, the performance of Subcontractor is consistent with and in compliance of all applicable provisions of the Contract (including the terms of the Security Plan dated _____ which was developed pursuant to the Contract).
- (4) To the best of my knowledge and upon reasonable investigation, Subcontractor has complied with all Federal, State and local laws, ordinances, rules and regulations applicable to each and applicable to Subcontractor and its performance under this Contract, including the documentation and verification requirements of section 274A of the Immigration and Nationality Act [8 U.S.C. 1324a] concerning the unlawful employment of aliens.
- (5) Any exceptions to these representations must be stated on this affidavit.
- (6) I am duly authorized to execute this Affidavit as a Contract Administrator of Subcontractor.

/s/

Name and Title

Date

Notary

* * *

INDEPENDENT CONTRACTOR AFFIDAVIT OF COMPLIANCE

I, _____, certify that I have been advised by <<Insert Service Provider name>> of my obligation to protect all data of the State of Florida and its employees, including all information stored on the People First System. Among other requirements, I understand that I may not copy, email, sell or otherwise disclose any of this confidential data or remove it from <<Insert Service Provider or Subcontractor name>>'s facilities.

Except as stated on this affidavit, I am not aware of any circumstances whereby such confidential data has been improperly used or disclosed by me or <<Insert Service Provider name>>.

/s/

Name and Title

Date

Notary

* * *

APPENDIX D – PERFORMANCE METRICS

I. Customer Satisfaction

Performance Metric 1 - Customer Satisfaction Score

Definition: “Customer Satisfaction Score” shall mean the average score of the responses given in an applicable month to the two Point of Service Evaluation (POSE) customer satisfaction questions related to overall Service Center satisfaction and People First System satisfaction.

From the Contract Effective Date through December 2016, the monthly customer satisfaction rating shall be no less than the baseline standard that was established in January 2016. Beginning January 2017 and each January thereafter, the baseline standard will be recalculated based on the prior 18 months of data; provided that the recalculated baseline standard will not be less than the previous baseline standard.

Standard: The Service Provider must attain the baseline standard on a quarterly basis. For example, if the baseline standard is 4.03, then the Service Provider must attain an average 4.03 customer satisfaction rate to meet this Metric for the previous three months. If the quarterly baseline is not met, the Service Provider will pay the performance credit for each of the months in the quarter in which the baseline was not achieved.

Data Source(s): POSE

Calculation(s): The Customer Satisfaction Score will be determined by averaging the survey score to Question X and Question Y in the Customer Satisfaction Survey for the past three months. This quarterly average will be compared to the current baseline score to determine if it equals or exceeds the baseline standard. If the current baseline score is not met, then a credit will be paid for each month that the baseline is not met.

The calculation is as follows:

- $\text{Baseline} = (M1+M2+\dots+M18)/18$
- $M1 = (Q1+Q27)/2$ for Month One in a quarter
- $(M1+M2+M3)/3 = \text{Quarterly Percentage}$

II. Service Center

Performance Metric 2 - Service Level Percentage

Definition: “Service Level Percentage” shall mean the number of Covered Population calls entering the Service Provider’s queue (less abandoned calls) that are answered by a HR Specialist divided by the total number of calls that entered the Service Provider’s queue (less abandoned calls).

For the purposes of this Performance Metric, the Covered Population calls shall include the Chard Snyder & Associates, Inc. Service Center, but the calls shall be tabulated and evaluated separately between the People First Service Center and the Chard Snyder & Associates, Inc. Service Center for evaluative purposes. If both of the Service Centers combined do not meet the target for this performance metric standard, the metric will be considered missed.

Standard: Greater than or equal to eighty percent ($\geq 80\%$) calls within 20 seconds

Data Source(s): Avaya IQ and CommSoft

Performance Metric 3 - Forced Disconnect Percentage

Definition: “Forced Disconnect Percentage” shall mean the number of calls that are prevented from entering the Service Provider’s queue divided by (the total number of calls entered into the Service Provider’s queue plus the calls not allowed in the Service Providers queue).

For the purposes of this Performance Metric, the Covered Population calls shall include the Chard Snyder & Associates, Inc. service center, but the calls shall be tabulated and evaluated separately between the People First Service Center and the Chard Snyder & Associates, Inc. service center for evaluative purposes. If both of the Service Centers combined do not meet the target for this performance metric standard, the metric will be considered missed.

Standard: Less than or equal to one percent ($\leq 1\%$)

Data Source(s): Avaya IQ and CommSoft

Calculation(s): Number of calls that are prevented from entering the Service Provider’s queue / (calls entered into the Service Provider’s queue + the calls not allowed in the

Service Provider's queue) equals the Forced Disconnect Percentage (e.g., $16 / (33,264 + 16) = .0481\%$, rounded to .05%)

- Forced Disconnects / (Calls Offered + Forced Disconnects)
- Calls Offered = Calls Answered + Abandoned calls

Performance Metric 4 - Abandon Rate Percentage

Definition: "Abandon Rate Percentage" shall mean the number of inbound calls from the Covered Population that enter the queue and are not answered by Service Provider divided by the number of calls that entered the Service Provider's queue.

For the purposes of this Performance Metric, the Covered Population calls shall include the Chard Snyder & Associates, Inc. Service Center, but the calls shall be tabulated and evaluated separately between the People First Service Center and the Chard Snyder & Associates, Inc. Service Center for evaluative purposes. If both of the Service Centers combined do not meet the target for this performance metric standard, the metric will be considered missed.

Standard: Less than or equal to three percent ($\leq 3\%$)

Data Source(s): Avaya IQ and CommSoft

Performance Metric 5 - First Call Resolution Percentage

Definition: "First Call Resolution Percentage" shall mean the total calls from the Covered Population that enter the queue (less abandoned calls) minus the number of Cases opened by the Service Center divided by the total calls that entered the Service Provider's queue (less abandoned calls).

For the purposes of this Performance Metric, the following Case types will be excluded from the computation of this metric: (i) benefit fiscal payment issues; (ii) health and dental insurance reinstatements; (iii) escalations; and (iv) Covered Entity communication Cases through the Case Management Tool.

Standard: Greater than or equal to ninety-five percent ($\geq 95\%$)

Data Source(s): Avaya IQ and CommSoft

Performance Metric 6 – Call Quality Accuracy Percentage

Definition: “Call Quality Accuracy Percentage” shall mean the number of calls by the Covered Population where accurate call information is provided by the Service Center HR Specialist, divided by the number of answered calls.

For the purposes of this Performance Metric, random sampling shall be used to determine the call quality accuracy percentage. The Service Provider shall conduct, at a minimum, (i) a random sample of one half percent (.5%) of all answered calls to ensure that accurate information is being provided; and (ii) a random sample of 30 User I.D.s. from the answered calls (not part of the .5% random sample). For example, if the random sampling of .5% of all answered calls results in 100 calls being audited and 5 of these calls revealed the Service Center HR Specialist provided inaccurate information, then the percentage for this metric would result in a 95% accuracy rate. During the month(s) of Open Enrollment, the number of sampled calls will not exceed the number of sampled calls in the month prior to the start of Open Enrollment.

For the 30 randomly sampled User I.D.s, the Service Provider shall review all calls made by each User over the past 12 months to ensure that the HR Specialist is providing a holistic approach in providing Services by reviewing the User’s call history and providing the correct and appropriate advice. For example, if the sample of the calls for the 30 Users added up to a total of 200 calls and 10 of these calls revealed the Service Center HR Specialist provided inaccurate information, then the percentage for this metric would result in a 95% accuracy rate.

The .5% randomly sampled calls and the 30 User ID calls shall be added together, along with the results, to determine whether the Service Provider met this performance metric. To determine whether the Service Center HR Specialist provided accurate call information, the HR Specialist must score 95% or greater on the Service Provider’s call quality evaluation form for each call. The Department will review and approve the form.

The Service Provider shall provide the Department a report of those calls within the sample population where an HR Specialist did not receive a score of 95% or greater on the call quality evaluation form. At a minimum, the report shall include the member of the Covered Population’s name and identification number, the answer provided by the HR Specialist and the actions taken to remedy the inaccurate information provided.

For the purposes of this Performance Metric, the Covered Population calls shall include the Chard Snyder & Associates, Inc. Service Center, but the calls shall be tabulated and evaluated separately between the People First Service Center and the Chard Snyder &

Associates, Inc. Service Center, for evaluative purposes. If both of the Service Centers combined do not meet the target for this performance metric standard, the metric will be considered missed.

Standard: Greater than or equal to ninety-five percent (>95%)

Data Source(s): Avaya IQ and CommSoft

Performance Metric 7 - Case Investigation Resolution Percentage

Definition: “Case Investigation Resolution Percentage” shall mean the number of Cases that are opened by an HR Specialist, resolved and the member of the Covered Population notified of the resolution within five Business Days divided by the number of Cases opened.

For the purpose of this Performance Metric:

- (a) "Resolved" is defined as the Case has been closed per the established business rules and the member of the Covered Population has been notified of the resolution.
 - 1. If the Service Provider has to request (from the Covered Population, the Department, Service Provider IT department, outside applicant or other third party vendor) additional information or data necessary to resolve the Case, the Service Provider must request the information within one Business Day, place the Case in a pending status, and notify the member of the Covered Population within the initial three Business Days. The count of Business Days resumes once the additional information is received.
 - 2. If it is determined that the resolution of the Case will involve a system enhancement, then the Case should be closed and the member of the Covered Population notified.
 - 3. If a Case is pended, the Case shall be resolved and the member of the Covered Population notified of the resolution no more than 10 Business Days from the date the Case is opened.
- (b) The following Case types will be excluded from the computation of this metric: (i) benefit fiscal payment issues (except for premium postings per Performance Metric 8); (ii) health and dental insurance reinstatements; (iii) escalations; and (iv) Covered Entity communication Cases through the Case Management Tool.

Standard: Greater than or equal to ninety-eight percent (>98%)

Data Source(s): eCase / myHRW

III. Benefits Administration

Performance Metric 8 – Benefits Premium Posting Accuracy Percentage

Definition: “Benefits Premium Posting Accuracy Percentage” shall mean the number of benefits premium payments that are accurately applied to member accounts in the People First System by the Service Center, divided by all benefits premium payments processed by the Service Center.

Accurate benefits premium payments are defined as those payments where the correct amounts are applied to the correct member account for the correct coverage month(s) the first time based on the State’s defined benefits premium remittance process and associated documentation.

In order to measure this performance metric, random sampling shall be used to determine the benefits premium posting accuracy percentage. The Service Provider shall conduct a random sample, at a minimum, of one percent (1%) of all benefits premiums posted and ensure that all payments are accurately applied to member accounts. For example, if the random sampling results in 100 records being audited and 2 of these records were not accurately posted, then the percentage for this metric would result in a 98% accuracy rate.

For the purpose of this Performance Metric, the following instances will be excluded from the computation of this metric: (i) the benefits premium payment was not submitted in accordance with the State’s defined benefits premium remittance procedures or (ii) the Service Provider has requested (from the Covered Population, the Department or other third party vendor) all information necessary to resolve the Case and is awaiting such information. In these instances, a Case will be opened and the instances will thus be subject to the provisions of the Case Investigation Resolution Percentage Metric.

The Service Provider shall provide the Department a report of those benefits premiums within the sample population where the premium was not correctly posted. At a minimum, the report shall include the member of the Covered Population’s name and User I.D., the type of premium(s) and the actions taken to remedy the incorrect posting.

Standard: Greater than or equal to ninety-nine percent (>99%)

Data Source(s): Wells Fargo Lockbox Reconciliation Report and SAP

Performance Metric 9 – Benefits Premium Posting Timeliness Percentage

Definition: “Benefits Premium Posting Timeliness Percentage” shall mean the percentage of time that the Service Provider posts funds for any Participant who is properly enrolled, or rejects and reports premium payments after receipt of financial information. The benefits must be posted to the Participant’s enrolled plan(s), for the correct coverage period(s) and not to a holding table to have met this metric.

For the purpose of this Performance Metric, the following instances will be excluded from the computation of this metric: (i) the benefits premium payment information was inadequate to post as defined in the benefits premium remittance procedures and (ii) the Service Provider has requested (from the Covered Population, the Department or other third party vendor) all information necessary to resolve the Case and is awaiting such information. If a Case is excluded from this Performance Metric, or pending and awaiting necessary information, the Case shall be resolved and the member of the Covered Population notified of the resolution no more than 10 Business Days from the date the Case is opened.

Standard: Greater than or equal to ninety-eight percent ($\geq 98\%$) in two Business Days and 100% within three Business Days

Data Source(s): Wells Fargo Lockbox Reconciliation Report and SAP

Performance Metric 10 – “Benefits Premium Refund Accuracy Percentage”

Definition: “Benefits Premium Refund Accuracy Percentage” shall mean the percentage of eligible individual employee or employer benefit premium refunds submitted for payment by the Service Provider with no errors or omissions of required data once the required research has determined that a refund is due.

In order to measure this performance metric, random sampling shall be used to determine the benefits premium refund accuracy percentage. The Service Provider shall conduct a random sample of, at a minimum, 5% of all benefits premium refunds to ensure that all refund requests were submitted accurately. For example, if the random sampling results in 100 records being audited and 2 of these records were not accurately refunded, then the percentage for this metric would result in a 98% accuracy rate.

The Service Provider shall provide the Department a report of those benefit premium refunds within the sample population where the premium was not correctly refunded. At a minimum, the report shall include the member of the Covered Population’s name and User I.D., the type of refund and the actions taken to remedy the incorrect refund.

Standard: Greater than or equal to ninety-nine percent (>99%)

Data Source(s): SAP

Performance Metric 11 – Benefits Premium Refund Timeliness Percentage

Definition: “Benefits Premium Refund Timeliness Percentage” shall mean the percentage of benefit premium refunds submitted for payment after receipt of the request, by the Service Provider.

For the purpose of this Performance Metric, the following instances will be excluded from the computation of this metric: (i) the benefits premium refund request was not submitted in accordance with the State’s defined benefits premium refund procedures or (ii) the Service Provider has requested (from the Covered Population, the Department or other third party vendor) all information necessary to process the refund and is awaiting such information. If a Case is excluded from this Performance Metric, or pending and awaiting necessary information, the Case shall be resolved and the member of the Covered Population notified of the resolution no more than 10 Business Days from the date the Case is opened.

Standard: Equal to one-hundred percent (=100%) within five Business Days

Data Source(s): SAP

Performance Metric 12 - Health and Dental Insurance Reinstatement Timeliness Percentage

Definition: “Health and Dental Insurance Reinstatement Timeliness Percentage” shall mean the percentage of time that the Service Provider sends a request to the insurance carrier to reinstate a Participant’s health or dental insurance.

For the purpose of this Performance Metric, eligible Participants are defined as: (i) properly enrolled per the established guidelines and, (ii) appropriate payments by the Participant or the Covered Entity have been received, or (iii) the Covered Entity has acknowledged receipt of the Participant’s payment and committed in writing to provide the payment to the Service Provider.

Standard: Greater than or equal to ninety-nine percent (\geq 99%) within one Business Day and one-hundred percent (=100%) within two Business Days

Data Source(s): eCase / myHRW

Performance Metric 13 - COBRA Eligibility Notification Percentage

Definition: “COBRA Eligibility Notification Percentage” shall mean the percentage of required notices that the Service Provider provides to eligible individuals within 10 calendar days after COBRA eligibility is determined.

For the purposes of this Performance Metric, the Service Provider shall also be responsible for paying any penalties that are assessed by regulatory authorities if they fail to provide COBRA Eligibility Notification timely.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

Performance Metric 14 – Benefits Fulfillment Timeliness Percentage

Definition: “Benefits Fulfillment Timeliness Percentage” shall mean the number of times the Service Provider mailed information (e.g., letters, forms, brochures, pamphlets, guides) to a member of the Covered Population after the request or event occurs divided by the number of times the information was required to be sent.

For the purpose of this Performance Metric, Fulfillment Items shall exclude COBRA notices.

Standard: Greater than or equal to ninety-nine percent ($\geq 99\%$) shipped within two Business Days and one-hundred percent (=100%) within three Business Days

Data Source(s): SAP

Performance Metric 15 - Level I Benefits Appeals Processing Timeliness Percentage

Definition: “Level I Benefits Appeals Processing Timeliness Percentage” shall mean the percentage of time that the Service Provider formally acknowledges receipt and requests all relevant information, or issues formal determination.

If the Service Provider has to request (from the Covered Population, the Department, Service Provider IT department, outside applicant or other third party vendor) additional information or data necessary to issue the formal determination, the Service Provider must request the information within one Business Day, place the Level I appeal in a pending

status, and notify the member of the Covered Population within the initial three Business Days. The count of Business Days resumes once the additional information is received.

If a level I appeal is pending, a formal determination shall be issued to the member of the Covered Population within 10 Business Days after receipt of the appeal.

Standard: Greater than or equal to ninety-nine percent ($\geq 99\%$) within five Business Days and one-hundred percent ($=100\%$) within seven Business Days

Data Source(s): eCase / myHRW

Performance Metric 16 - Benefits Enrollments Accuracy Percentage

Definition: “Benefits Enrollments Accuracy Percentage” shall mean the number of benefits enrollments (includes triggering benefits eligibility) that should have been systematically updated (total expected updates) compared to the number of benefits enrollments (includes benefits eligibility updates) that were systematically updated and were accurately applied to the member account in the People First System.

Accurate benefits enrollments are defined as those enrollments where the correct benefits enrollment or updates (includes moving benefits from one employee ID to another, automatically enrolling employee(s) in one or more Plans, terminating benefits and reinstating benefits) were applied to the correct member account, for the correct effective date, the first time based on the defined systematic benefits enrollments processes. Benefits enrollments processes are defined as all System processes that trigger eligibility and enrollments, including moving eligibility and enrollments between employee IDs for Participants. Benefit enrollment processes are triggered by employee actions (i.e., appointment actions, separation actions, leave of absences status changes and job changes), benefits move program, retiree programs, COBRA and Layoff programs, age restrictions/triggers, Open Enrollment preparation processes, cancellation triggers for non-payment and for time limited plans, and other related System benefits processes.

In order to measure this performance metric, all transactions included in the benefits enrollments processes (as defined above) must be captured and included in the measurement. The Service Provider shall review all transactions from the benefits processes (as defined above) to ensure that all enrollments and updates are accurately applied to the member account.

Standard: Greater than or equal to ninety-nine and nine-tenths percent ($>99.9\%$)

Data Source(s): SAP

Performance Metric 17 - Benefits Eligibility Files Accuracy Percentage

Definition: "Benefits Eligibility Files Accuracy Percentage" shall mean the number of Plan enrollee records that are included on the eligibility files with the correct financial details sent to Plan contractors (insurance companies, third party administrators, and pharmacy benefits managers) using the established format divided by the number of records of all enrollees who are eligible for benefits Services, according to the eligibility requirements in State and federal law and rule, as of the date the contractor eligibility files are created by Service Provider.

Participants are eligible for benefits Services if, at the time the contractor eligibility files are created, their records in the system reflect (i) that they are enrolled in the Plans, and (ii) the premiums for the Plans have been received timely. Benefits premiums are received timely if they are received by Service Provider, according to the mutually agreed upon schedules, by means of the regular premium transmittal files received from those entities that submit such electronic files, or if they are received as direct payments by the twentieth of the month prior to the month of coverage. Benefits premiums must also be submitted in accordance with the State's defined premium remittance procedures.

For purposes of this Performance Metric, data entry errors (i.e., incorrect enrollments or improper employee information) by the Covered Population will be excluded from the computation of this metric.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

Performance Metric 18 – Benefits Eligibility Files Timeliness Percentage

Definition: "Benefits Eligibility Files Timeliness Percentage" shall mean the number of eligibility files sent to the Plan contractors (insurance companies, third party administrators, and pharmacy benefits managers) by the mutually agreed upon schedules using the established format divided by the number of eligibility files required to be created by the Service Provider.

If an error is detected in the file requiring manual intervention, the Service Provider will have four hours from the established deadline to correct and retransmit the file as long as the extra hours do not cause negative impacts to the Plan contractors.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

Performance Metric 19 – Flexible Spending Account Claims Processing Timeliness Percentage

Definition: “Flexible Spending Account Claims Processing Timeliness Percentage” shall mean the percentage of time that the Service Provider processes a complete and accurate Medical Reimbursement or Dependent Care Reimbursement Account (DCRA) Claim.

For the purpose of this Performance Metric, a complete and accurate claim shall mean that all the necessary claim information (dates, receipts, signature, etc.) are captured in the submitted claim and can be processed without additional information or clarification from the Participant.

Standard: Greater than or equal to ninety-eight percent ($\geq 98\%$) in two Business Days and 100% within three Business Days

Data Source(s): CommSoft

IV. Payroll

Performance Metric 20 – Payroll Administration Files Accuracy Percentage

Definition: "Payroll Administration Files Accuracy Percentage" shall mean the number of employee records that are included on the payroll and budget interface files sent to the Bureau of State Payrolls and/or the Executive Office of the Governor using the established format divided by the number of employee records that are eligible to be included on the files. This includes the following files: Payroll Input File (F0001), Pre-tax Authorization File (BNO_029), W-4 File, Direct Deposit, SSN Listing, Employee Data File, Privacy Data File, CJIP Change Order, and LAS / PBS files.

For purposes of this Performance Metric, data entry errors (e.g., incorrect timesheet hours, failure to properly record leave without pay) by the Covered Population will be excluded from the computation of this metric.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

Performance Metric 21 – Payroll Administration Files Timeliness Percentage

Definition: “Payroll Administration Files Timeliness Percentage” shall mean the number of files sent on a timely basis to the Bureau of State Payrolls and/or the Executive Office of the Governor using the established format divided by the number of files required to be sent within the established Bureau of State Payrolls or Executive Office of the Governor deadlines. This includes the following files: Payroll Input File (F0001), Pre-tax Authorization File (BNO_029), W-4 File, Direct Deposit, SSN Listing, Employee Data File, Privacy Data File, CJIP Change Order, and LAS / PBS files.

If an error is detected in the file requiring manual intervention, the Service Provider shall notify the Department within one hour of the established deadline and will have four hours from the established deadline to correct and retransmit the file as long as the extra hours do not cause negative impacts to normal payroll processing.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

V. Recruiting

Performance Metric 22 - Job Requisition Posting Timeliness Percentage

Definition: “Job Requisition Posting Timeliness Percentage” shall mean the number of times the Service Provider posts a valid and approved job requisition on the web, based on the Service Provider's receipt of such approved job requisition divided by the total number of approved job requisitions received.

Standard: Greater than or equal to ninety-nine percent ($\geq 99\%$) within one Business Day and one-hundred percent (=100%) within two Business Days

Data Source(s): SuccessFactors reporting tool

Performance Metric 23 - Job Applicant Processing Timeliness Percentage

Definition: “Job Applicant Processing Timeliness Percentage” shall mean the number of complete applicant packages that are provided to the hiring manager via the web and the hiring manager notified of a job advertisement's closing date divided by the total number of complete applicant packages.

For the purposes of this performance metric, incomplete applicant information or applicable applications that are received in the Service Center after the job advertisement’s closing date will not be considered in the calculation of this metric.

Standard: Greater than or equal to ninety-nine percent ($\geq 99\%$) within two Business Day and one-hundred percent ($=100\%$) within three Business Days

Data Source(s): SuccessFactors reporting tool

VII. Other

Performance Metric 24 - System Availability Percentage

Definition: “System Availability Percentage” shall mean the time that the People First System applications (SAP, Data Warehouse, Reports Portals, IVR, Chard Snyder & Associates, Inc.) are available to the Covered Population divided by the time the People First System applications are to be available to the Covered Population. This Performance Metric assumes seven days a week, 24 hours per day of availability. The Parties will agree to any downtime related to a major system release or scheduled system maintenance downtime in advance, and any mutually agreed upon downtime associated with the release or maintenance will be excluded from the computation of this metric. An application is considered not available to the Covered Population if any function, module or section of any of the People First applications mentioned above are not available.

Standard: Greater than or equal to ninety-nine and one half percent ($\geq 99.5\%$)

Data Source(s): SuccessFactors reporting tool, Avaya IQ, CommSoft

Calculation(s): $((\text{Total possible minutes of system availability} - \text{scheduled downtime minutes}) - \text{unscheduled downtime minutes}) / (\text{total possible minutes of system availability} - \text{scheduled downtime minutes})$. For purposes of this Metric, “total possible minutes” is defined as the total number of minutes of system availability for the SAP, Data Warehouse, APEX, BOBJ, talent management, and FSA / HSA systems added together; “scheduled downtime minutes” is defined as the total number of scheduled downtime minutes for the

SAP, Data Warehouse, APEX, BOBJ, talent management, and FSA / HSA systems added together.

Performance Metric 25 - Mass Load Processing Timeliness Percentage

Definition: "Mass Load Processing Timeliness Percentage" shall mean the number of mass load files that are processed by the mutually agreed upon schedules divided by the number of mass load files that were provided to the Service Provider.

Standard: Equal to one-hundred percent (=100%)

Data Source(s): SAP

Performance Metric 26 – Organizational Management Processing Timeliness Percentage

Definition: "Organizational Management Processing Timeliness Percentage" shall mean the number of times the Service Provider processes organizational management changes for members of the Covered Population divided by the total number of requests.

Standard: Equal to one-hundred percent (=100%) within three Business Days

Data Source(s): eCase / myHRW

Performance Metric 27 – Email Box and Voicemail Inquiry Processing Timeliness Percentage

Definition: "Email Box and Voicemail Inquiry Processing Timeliness Percentage" shall mean the percentage of time that the Service Provider formally responds to an email inquiry or voicemail with a formal answer or resolution within one Business Day. (This metric does not include the immediate automated reply notifying the requestor of receipt of their inquiry which shall be provided for 100% of email inquiries.)

If the Service Provider has to request (from the Covered Population, the Department, Service Provider IT department, outside entity or other third party vendor) additional information or data necessary to issue the formal answer or resolution, the Service Provider must request the information within one Business Day, place the email box or voicemail inquiry in a pending status, and notify the member of the Covered Population within one Business Day. The count of hours resumes once the additional information is received.

Human Resources Outsourcing – People First
Florida Department of Management Services

If an email box or voicemail inquiry is pending, a formal answer or resolution shall be issued to the member of the Covered Population within 10 Business Days after receipt of the inquiry.

Standard: Greater than or equal to ninety-eight percent (>98%)

Data Source(s): eCase / myHRW

APPENDIX E

SYSTEM ENHANCEMENT HOURS TRACKING REPORT

SYSTEM ENHANCEMENT HOURS SUMMARY TRACKING REPORT [FOR EXAMPLE PURPOSES ONLY]						
	FISCAL YEAR 2016-17			FISCAL YEAR 2017-18		
	Hours Earned	Hours Approved	Hours Remaining	Hours Earned	Hours Approved	Hours Remaining
Carry Over	N/A	N/A	N/A	750	N/A	750
1 ST QUARTER	1,750	1,750	0	1,750	0	2,500
2 ND QUARTER	1,750	1,750	0	N/A	N/A	N/A
3 RD QUARTER	1,750	1,750	0	N/A	N/A	N/A
4 TH QUARTER	1,750	1,000	750	N/A	N/A	N/A
Total	7,000	6,250	750	2,500	0	2,500

APPENDIX E – Continued

SYSTEM ENHANCEMENT HOURS DETAILED TRACKING REPORT [FOR EXAMPLE PURPOSES ONLY]				
Activity/Enhancement Item	Date Approved	STATUS	Hours Approved	Hours Remaining
2 ND QUARTER 16/17 ALLOTMENT	10/1/2016	COMPLETED	1,750	1,750
Enhancement #1	10/2/2016	COMPLETED	500	1,250
Enhancement #2	10/31/2016	COMPLETED	1,000	250
Enhancement #3	11/15/2016	IN PROGRESS	250	0
3 RD QUARTER 16/17 ALLOTMENT	1/1/2017	COMPLETED	1,750	1,750
ENHANCEMENT #4	2/1/2017	IN PROGRESS	1,750	0
4 th QUARTER 16/17 ALLOTMENT	4/1/2017	COMPLETED	1,750	1,750
Enhancement #5	4/15/2017	IN PROGRESS	1,000	750
1 ST QUARTER 17/18 ALLOTMENT	7/1/2017	COMPLETED	1,750	2,500

APPENDIX F – PEOPLE FIRST MATERIALS

The Service Provider shall use the Department Materials and the third party vendor software products, as well as Service Provider’s own programming, web-based software or processes, interactive voice response related software or processes, software modifications and customizations, software configurations, application program interfaces, business methods and processes, statistical research and analysis, training methods or training materials, identified in this Appendix to provide the functionality required to manage Services covered under this Contract.

Section 1. Department Materials.

Item No.	Topic	Description
I. General Documentation, Materials, Records and Data		
1.1	State of Florida Data	All transactional and historical data stored in both the SAP and Data Warehouse Oracle database, as well as all data stored by third party vendors.
1.2	Business Continuity Plan	Submitted to Department each year and updated as needed and as contacts change.
1.3	Security Plan	Procedures for the protection of sensitive User related information that is processed and stored by Service Provider. The plan shall describe the standards and guidelines that apply to all User information when providing Services.
1.4	State Business Blueprint Documents	Original blueprinting documents where available from the original go live requirements.
1.5	Business Requirements Documents (BRD)	BRDs for all changes from initial implementation.
1.6	Functional Design Documents (FDD)	FDDs for all changes from initial implementation.
1.7	Technical Design Documents (TDD)	TDDs for all changes from initial implementation.
1.8	Change Requests	Listing of all categories of Change Requests (e.g., enhancements, defects). These include changes that were handled outside the BRD process (e.g., small changes, name/label changes) and changes the Department has requested that have not yet been implemented (e.g., no BRD or FDD yet).
1.9	System Error Messages	Lists of system alerts and messages to include SAP standard and customized messages/warnings.
1.10	Letters/Forms/Inserts – (system generated and manual)	Lists of manual and system generated letters; other forms and inserts related to the Services.

Human Resources Outsourcing – People First
 Florida Department of Management Services

Item No.	Topic	Description
1.11	Service Center Knowledge Management System (KMS)	List of the KMS category and task summary/index as well as documentation of State policies and procedures (these are links to policy clarifications and 60p rules).
1.12	Service Center Process Flows	Desktop procedures for offline processes.
1.13	Service Center Training Plans and Materials	Content related to State policies, practice and process flows (e.g., training calendar, outline of training topics, Department provided content).
1.14	Archived Records	All paper and electronic records in the records repositories and call recording systems (includes call recordings from less than two years old prior to Cut-Over).
1.15	Materials relating to third party vendor Services	All related materials or links to materials (process documentation and retention, user manuals, release notes, call recordings and notes, documents and information contained on sites, etc.) for third party vendor Services.
1.16	Materials relating to Lockbox	All materials related to Lockbox processing.
1.17	Subcontracts – provide most current contracts (including addendums) with all Subcontractors	Service Provider contracts with all Subcontractors providing Services.
1.18	Case Management Data	All data from the call and Case Management Tools.
II. System Architecture, Interfaces, Code, Customizations, Configurations, and Processes		
2.1	State Specific SAP Custom Code and Configuration	All customizations and configuration coding for all SAP ECC 6.0, NetWeaver, the transactional database, portal and related supporting tools (Business Server Pages (BSP), Web Dynpro, SAP GUI, Master Data Files - backend tables within SAP) and any other related SAP files, code, and configurations.
2.2	Data Warehouse	Data Warehouse used to transform and store historical and transactional data for reporting and analytical purposes (e.g., tables, universes, views, materialized views, triggers, functions, procedures and packages).
2.3	State Specific Third Party Custom Code and Configuration (non-SAP)	Landscape diagrams, software upgrade documentation, and the specifications for all configuration and customization coding that were developed to support the People First solution for all third party vendor software products.
2.4	System Parameters	System specifications, settings, rules, and standard reports as well as transaction volumes for both system and Service Center activities.
2.5	System Architecture Diagrams	System architectural diagram that clearly reflects the current landscape (servers, links, hardware, software, URLs, DMZs, etc.).

Human Resources Outsourcing – People First
 Florida Department of Management Services

Item No.	Topic	Description
2.6	File Interfaces – Inbound and Outbound	List of interfaces, file layouts and specifications.
2.7	Service Center Metrics – Reports	All reports and related specifications for all reports used to measure and monitor performance metrics (e.g., call and Case interactions, average speed of call answer, average talk time)
2.8	Custom Reports	Listing of all custom reports used to support People First, the report specifications for all custom SAP and SAP related reports (including offline reports), as well as Data Warehouse reports specifications.
2.9	Testing and Quality Assessment	Test scripts for items moved to production, as well as regression test scripts.
2.10	Environment, Audit Tracking, Error Detection, and Security Set-up	Specifications for the audit tracking, backend IT Security parameters and settings, and error messages.
2.11	Error Logs	All hardware and software error logs for SAP, Data Warehouse, and all other ancillary products that support the SAP solution.
2.12	Toll-Free Telephone Numbers	Existing People First toll free numbers (e.g., 866-663-4735).

Section 2. Third Party Vendor Software Products. The following software products and their associated documentation are used to provide the Services and some may be subject to written consents to transfer from third party vendors for use.

Technology Component	Product Name and Version	Description
Batch Processing	Redwood/Cronacle Version – M33.112-77132	Batch software tool used to schedule batch processing and to monitor the status of all batch related activities.
Call Recording and Archive	Avaya WFO R11.0	Technology used to record all calls to/from the Service Provider and the Covered Population and to access and listen to the recorded calls.
Case Management Tool	eCase 2.4.1 until Year 2; MyHRW starting in Year 2	Case Management Tool used by the Service Center to record and manage interactions with the Covered Population.
Collaboration Tool	Microsoft SharePoint 2010 SP2 Enterprise	Technology used by the Service Provider to store all documents (BRDs, FDDs, emails, etc.) related to a system configuration, customization change and Service Center documents (e.g., training related documents, KMS documents). The Department shall have access to view all documents related to all system Change Requests.

Human Resources Outsourcing – People First
 Florida Department of Management Services

Technology Component	Product Name and Version	Description
Business Application (ERP)	SAP ECC 6 on Netweaver 7.0 until Year 2 SAP ECC 6 EhP 7 on Netweaver 7.4 starting in Year 2	The HR functions run for the State using the SAP ERP application (excluding customizations).
Business Application (ERP) Customizations	SAP ECC 6 on Netweaver 7.0 until Year 2 SAP ECC 6 EhP 7 on Netweaver 7.4 starting in Year 2	Customizations developed by Service Provider.
Data Warehouse	Oracle database 11g Enterprise Edition Release 11.2.0.3.0 - 64bit Production	Centralized data repository for historical and current transactional data for the Covered Population (excluding customizations).
Customizations Tool	Oracle Application Express (APEX) 4.2.0.00.27	Centralized repository developed by Service Provider to store information regarding SOF business processes (e.g., SAP and Data Warehouse).
Data Warehouse Reporting Tool	Oracle Reports 10g (for PDF reports) until Year 3 Oracle Application Express (APEX) 4.2.0.00.27 (for XLS reports) until Year 3 SAP Business Objects BI Suite starting in Year 3	Technology used to execute canned reports and to create ad hoc reports. Technology is linked to the Data Warehouse Oracle database.
Document Processing	Kofax Totalagility v 6.0.9.2	Document processing technology used to scan, classify and route documents to the right Service Center tower for processing.
Electronic Records Archive	IDA	Technology used to archive imaged documents. System is integrated with the Case management system.
Facsimile Processing	FAXCom 6.5.3.2	Facsimile server used to send and receive electronic images of paper documents.

Human Resources Outsourcing – People First
 Florida Department of Management Services

Technology Component	Product Name and Version	Description
File Transfer Protocol (FTP)	GlobalScape Enhanced File Transfer Version 6.5 moving to 7/x	Used to send and receive secure transmissions for all inbound and outbound system interface files. These files are used to exchange data between the People First System (or People First Data Warehouse) and Subcontractors systems, external parties and other related applications.
Integrated Development Environment (IDE)	ABAP - Native SAP Business Application Processing Language in SAP ECC 6 On Netweaver 7.0 until Year 2; SAP ECC 6 EhP 7 on Netweaver 7.4 starting in Year 2	Supports the development and runtime environment for SAP business applications and is used to extend code and integrate with other applications and systems. The primary development language used on the platform is ABAP, but other supported languages include C, C++, and Java EE.
Interactive Voice Response (IVR)	Avaya Voice Portal 5.1	The IVR routes calls through the Service Center and, in some instances, to external applications. The IVR includes integration with both the Case management system and SAP.
Load Balance and Stress Testing	HP Loadrunner 12.20	Automated software used for load and stress testing.
Lockbox	Commercial Electronic Office (CEO)	Technology used by the Service Provider to manage the receipt and posting of manual payments (payments that are not payroll deducted).
Operating System	SAP Application : SuSE Linux Enterprise Server 11 Patch 3 Database Server: Oracle Solaris 10	The supporting operating system platform which hosts the application (SAP), IDE (Integrated Development Environment), database, web services, and Data Warehouse.
Oracle Development Environment	Oracle Application Express (APEX) 4.2.0.00.27	Software used to support rapid web application development of reports for the Data Warehouse.
Performance Metrics Reporting Tool	SAP Business Objects Crystal Reports	Technology used for reporting functions regarding Service Center performance metrics.
SAP Database	Oracle 12	The SAP transactional database layer.

Human Resources Outsourcing – People First
 Florida Department of Management Services

Technology Component	Product Name and Version	Description
SAP Portal	SAP Netweaver 7.0: SAP BSP Design 2003 until Year 2 SAP Netweaver 7.4: SAPUI5 starting in Year 2	Technology used to deliver the People First web based portal.
SAP Reports Module	SAP Native ABAP reporting framework based on Netweaver 7.0, for converting reports into PDF; Adobe Document Services based on SAP Netweaver 700 JAVA until Year 2 SAP Native ABAP reporting framework based on Netweaver 7.4, for converting reports into PDF; Adobe Document Services based on SAP Netweaver 740 JAVA starting in Year 2	A customized User interface to accommodate reporting needs. This product is a part of the SAP framework.
Single Sign-On Tool	Custom SSO Module developed using Blowfish JAVA, and Microsoft IIS Server, ASP until Year 2 SAP Netweaver 740 JAVA using SAML 2.0 starting in Year 0 and 1	Technology used to conduct single sign-on activities with Subcontractor systems and other related systems.

Human Resources Outsourcing – People First
 Florida Department of Management Services

Technology Component	Product Name and Version	Description
Talent Management	SuccessFactors Current Version 1508; Jun. 2016 Version 1605; Sep. 2016 Version 1608 and integration middleware of Service Provider's selection (most current version available at the time of implementation) which provides the required functionality.	Technology used by the Service Provider to provide the talent management Services. The technology is a hosted solution provided by the talent management Subcontractor.
Tax-Favored Account Services	1Cloud powered by Evolution1	Technology used by the Service Provider's Subcontractor to manage the tax-favored accounts (FSA and HSA accounts).
Workforce Management Tool	Avaya WFM	A tool used to support Service Center staffing and scheduling.

APPENDIX G – OPTIMIZATION INITIATIVES AND MAJOR SYSTEM PROJECTS

#	Item	Description
1	FSA / HSA Program Implementation	See Appendix K for a description of Scope of Services to be provided.
2	Recruitment	See Appendix O for a description of Scope of Services to be provided.
3	Performance Management	See Appendix O for a description of Scope of Services to be provided.
4	Functional Gap Analysis & Strategy Workshops	See Appendix L for a description of Scope of Services to be provided.
5	Technical & Portal Upgrade	See Appendix M for a description of Scope of Services to be provided.
6	SAP BO BI Suite on Data Warehouse	See Appendix N for a description of Scope of Services to be provided.
7	Onboarding System	See Appendix O for a description of Scope of Services to be provided.
8	Learning Management System	See Appendix O for a description of Scope of Services to be provided.

APPENDIX H – OPTIMIZATION INITIATIVES AND MAJOR SYSTEM PROJECTS SCHEDULE

Ref. #	Item	FDD to DMS Due Date	FDD Sign Off Due Date	Release to UAT Due Date	UAT Sign Off Due Date	Release to Production Due Date
1	FSA / HSA Program Implementation	08/29/2016	09/16/2016	10/03/2016	10/28/2016	01/02/2017
2	Recruitment	09/26/2016	10/23/2016	11/07/2016	12/30/2016	01/30/2017
3	Performance Management	08/22/2016	09/16/2016	11/07/2016	12/30/2016	01/30/2017
4	Functional Gap Analysis & Strategy Workshops	All Scope of Services in Appendix L shall be completed by Aug. 29, 2016				
5	Technical & Portal Upgrade	10/01/2016	10/31/2016	05/15/2017	08/11/2017	08/21/2017
6	SAP BO BI Suite on Data Warehouse	07/31/2017	08/31/2017	06/11/2018	07/27/2018	08/18/2018
7	Onboarding System	01/26/2018	02/16/2018	05/18/2018	06/22/2018	07/28/2018
8	Learning Management System	01/25/2019	02/22/2019	05/17/2019	07/20/2019	08/03/2019

APPENDIX I – CHANGE ORDER FORM

CHANGE ORDER NO. _____ to Contract No. _____

Human Resources Outsourcing Contract No. ____ dated as of _____ by and between the STATE OF FLORIDA, DEPARTMENT OF MANAGEMENT SERVICES (Department) and NorthgateArinso, Inc. (Service Provider) is hereby amended as follows:

1. **Description of Changes:** [Describe any changes in Deliverables, Services, assignment of personnel and other resources]
2. **Implementation Activities and Timeline:** [Specify how and when the proposed Change would be implemented]
3. **Impact to Contract:** [Describe the effect, if any, such proposed Change would have on the Contract, including time for performance]
4. **Resource and Cost Estimation:** [Estimate all resources (other than existing dedicated staff) required to implement such Change]
5. **Risk Exposure:** [Describe the delivery risks and associated risk mitigation plans relating to the proposed Change]
6. **Other Information:** [Provide such other information as may be relevant to the proposed Change]

Services	Fees/ Hour
IT Development	\$170
Learning Development	\$85

Except as otherwise specifically provided herein, all other terms and conditions of the Contract remain unchanged. This Change Order shall constitute an integral part of the Contract following its execution and delivery.

Human Resources Outsourcing – People First
Florida Department of Management Services

IN WITNESS WHEREOF, the Parties have duly executed this Change Order effective as of the _____ day of _____, _____.

Department of Management Services

NorthgateArinso, Inc. (Service Provider)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX J – TRANSITION SERVICES

CATEGORY	ACTIVITY DESCRIPTION	COST TO THE DEPARTMENT
Design	<p>Transition Plans include, but are not limited to, the available consulting services:</p> <ul style="list-style-type: none"> Hardware implementation plan Software implementation plan System architecture plan Data center and network capacity plan 3rd party software implementation /integration testing plan Conversion plan Parallel payroll testing plan Interface integration testing plan Service center business process implementation plan Cut-Over plan Disaster recovery plan Change management and communication plan Staffing acquisition plan Training plan 	<p>In all instances:</p> <p>IT developers, IT specialists, and senior consultants will be \$170 per hour.</p> <p>Learning developers, trainers, and business analysts will be \$85 per hour</p> <p>For outside consultants and Subcontractors, the actual labor costs charged to and paid by Service Provider, plus any pre-approved travel expenses pursuant to section 112.061, Florida Statutes.</p>
Build	<p>Procurement, configuration, and set up of all hardware, software and all related tools required to enable business processes including system architecture, documentation storage, workflow management, transport systems, QA systems, Interactive Voice Response systems, customer service reporting and escalation tracking, and metric reporting.</p> <p>System documentation including applications and infrastructure, system customizations, existing system interfaces, Data Warehouse, Service Center processes, Service Center volume and performance data.</p> <p>Institutional knowledge transfer for application and infrastructure support, Data Warehouse, and Service Center operations.</p>	

Human Resources Outsourcing – People First
Florida Department of Management Services

CATEGORY	ACTIVITY DESCRIPTION	COST TO THE DEPARTMENT
Test	Implementation activities includes developing a full test plan, including a detailed test project plan, test scripts and related documentation and a description of all activities that will be tested. The test plan must consider all system components, front-end, back-end, Subcontractor systems, Data Warehouse, IVR and all other related systems. Test plan must consider all configuration and coding for each respective system. The test plan must include the progressive test steps for QA testing, UAT, at least three parallel testing cycles and change management activities (communication and training).	
Deploy	Deployment activities includes the Cut-Over, contingency planning and post production support and includes developing a full deployment plan that includes a detailed project plan and a description of all activities, tools and resources required to complete the activities.	

APPENDIX K – FLEXIBLE SPENDING ACCOUNT (FSA) / HEALTH SAVINGS ACCOUNT (HSA) SYSTEM FUNCTIONALITY & SERVICES

#	Area of Responsibility	Description
1	Account Management Services	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing access to Plan tools (e.g., automated Plan estimator) and resources (e.g., over-the-counter approved / not approved list, rules, regulations) electronically. b) Providing dedicated implementation and Services teams for the State’s account. c) Providing the ability for Department to customize email notifications and alerts. d) Managing level 1 appeals based on parameters established by the Department. e) Participating in the Department’s-sponsored Open Enrollment benefits fairs throughout Florida. f) Ensuring all aspects of the State’s FSA / HSA Plans are administered in accordance with the Internal Revenue Code (IRC). g) Notifying the Department when Plan changes are being contemplated by the Federal government and when changes are implemented (including Plan rules and contribution limits), including actual regulatory notices. h) Providing subject matter expertise regarding compliance with all IRC codes governing FSA / HSA administration. i) Providing and supporting the following State Plan documents and forms as applicable and required by the IRC: Claim Form, MRA Options when Employment Ends, Letter of Medical Need for MRA, Personal Use Statement, Capital Expenditure Worksheet, Tax-favored Accounts Guide. j) Providing Participant training materials (e.g., templates,

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		guides, videos, calculators, decision assistance tools, posters, flyers, payroll stuffers).
2	Banking Process	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Managing all banking processes. b) Working with the Department, DFS (Division of Treasury), HSA custodial bank and the lockbox provider to create and finalize all banking contracts. c) Paying employer related fees for required banking relationships for FSA (if applicable) and HSA account management. d) Supporting Participant HSA accounts without a monthly fee to the Participant, regardless of the HSA account balance. e) Providing no minimum balance requirements for HSA accounts. f) Ensuring all employer accounts are opened in the Department's name (i.e., not the FSA / HSA service provider's name); HSA employee accounts must be opened in the employee's name. g) Coordinating data exchange with the banks to facilitate processing of Participant repayments of unsubstantiated FSA claims and updating Participant accounts. h) Ensuring that the HSA bank account is either a QPD or that the bank has a trust account division; if the bank is not a QPD, the account must be opened as a trust account. i) Ensuring all bank accounts required of the Department are fully insured (i.e., QPD or trust account).
3	Participant Services	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Answering all inquiries (calls, emails) timely and for accurately resolving all Participant inquiries for the FSA / HSA Plans. b) Ensuring an appropriate level of FSA / HSA HR

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>Specialists are available to answer calls received through the IVR.</p> <ul style="list-style-type: none"> c) Providing claims assistance (e.g., status, what the Participant needs to do). d) Providing website and IVR navigational assistance. e) Processing enrollments into the FSA / HSA accounts as requested by the Covered Population.
4	Additional Security Features and Audit Tracking	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Mapping security role codes from the HRIS to the Participant and employer portals to establish and maintain the State User's security access within the FSA / HSA system(s). b) Conducting audit tracking for all actions taken in the FSA / HSA system(s) and storing the before and after results, including who made the change and when (date and time) the change was completed. c) Making the audit log available for access by the Department based on the User's security role code access. d) Storing audit history for at least the last four years (forever is desired).
5	FSA Claims Processing Support	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Administering the claims process for all FSA Plans in accordance with the IRC. b) Supporting the ability for the Participant to file claims using a mobile device (e.g., cellular phones, tablets), online using a personal computer, and via paper claims submission (toll-free fax number and the USPS mail process). c) Encouraging electronic submissions (mobile device and online) and must not require a paper claims form. d) Supporting the ability to complete all submissions

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>electronically without requiring a physical signature.</p> <ul style="list-style-type: none"> e) Providing monthly Participant statements. f) Administering the grace period and carry-over processes as directed by the Department. g) Administering a documentation cutoff for the previous plan year in accordance with the Department’s rules for claims submitted and filed timely, that required additional documentation. h) Providing no prefunding requirements. Department would reimburse daily, based on a two Business Day cycle (e.g., reconciliation report received by the Department on Monday before 10 a.m., reimbursement would be available in Service Provider’s account on Wednesday).
6	FSA Claims Processing	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Ensuring timely and accurate processing of all claims. b) Updating Participant accounts near real-time (e.g., transaction history, available balance) based on receipt or payment of a claim. c) Deploying strategic approaches to auto adjudicate as many card transactions as possible (goal is at least 90%). d) Receiving and auditing the claim details for all claims that are not auto adjudicated to determine if the claim is valid for the Plan(s) the Participant is enrolled in. e) Processing the reimbursement back to the Participant (direct deposit or physical check); direct deposit must be used if the Participant’s direct deposit information has been provided to the FSA / HSA service provider. f) Paying the medical service provider. g) Reaching out to Participant to garner correct Participant information for returned items (e.g., checks, letters) and resending to the correct address.

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>h) Reporting all FSA reimbursement payments to DFS that are outstanding for 12 months (refer to Chapter 717, Florida Statutes).</p> <p>i) Processing payment to the card processing company if the claim is paid by card.</p> <p>j) Managing the receipt of mail (fax and USPS mail), imaging and processing documents received.</p> <p>k) Printing and mailing paper checks to Participants based on claims received.</p> <p>l) Printing and mailing letters to Participants for key activities.</p> <p>m) Rejecting invalid and inaccurate claims.</p> <p>n) Noticing (notice by email, text message or by USPS mail) the Participant of the status of the claim (e.g., claim received, approved, rejected, requires documentation).</p> <p>o) Initiating and managing pay back (e.g., personal check from Participant, auto substantiation, etc.) if the claim was paid by card and is not substantiated.</p> <p>p) Initiating the involuntary wage deduction or collections process if the unsubstantiated claim cannot be cleared using pay back processes by:</p> <ul style="list-style-type: none"> i. Sending notifications to the Participants advising that either they will be subjected to an involuntary wage deduction or they will be turned over to collections; and ii. Providing the full details of the impacted Participants to the State. (Note: Reclassifications of unsubstantiated claims is not a viable option for the State.) <p>q) Processing adjustments to update and clear unsubstantiated transactions based on collections of funds through either personal payment, involuntary wage deductions or through a collections agency.</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> r) Invoicing the Department on a daily basis for all approved and paid claims for which the Department has not already been invoiced. s) Auditing of no less than 1% of claims on a schedule to be determined by the Department to ensure claims are being processed correctly. Audit results shall be shared with the Department in a manner to be mutually agreed upon.
7	Health Card Process	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Issuing and administering a stacked health card. b) Issuing additional cards (unlimited) to Participants at no additional cost to the Participant, including the ability to include a dependent's name on the additional card(s). c) Supporting the ability for Participants to use one card for all FSA / HSA related expenses, including eligible FSA funds from the prior plan year. d) Ensuring a secure card activation process. e) Managing the lost and stolen card processes and issuing new cards at no cost to the Participant. f) Modifying the card and card mailer as requested by the Department, within the applicable Visa / MasterCard guidelines. g) Including hierarchy logic that ensures the correct accounts are charged, in the correct sequence. h) Ensuring 100% of Participants have access to their benefits within 15-days of enrollment and the first day of the plan year (Open Enrollment). i) Ensuring only eligible expenses are charged for the FSA Plans. If an ineligible charge is paid using the card, Service Provider is responsible for administering the pay-back process for the claim (personal check from Participant, auto substantiation). j) Noticing the Participant (e.g., default is USPS mail,

#	Area of Responsibility	Description
		<p>however, if Participant elects email option, then email the notice) for essential card processes, as elected by the Participant (e.g., card rejected, card scheduled for suspension, card suspended, card reactivated).</p> <p>k) Creating and mailing all cards in a manner to ensure all Participants have their card timely (e.g., within 15-days and the first day of the plan year (Open Enrollment)).</p>
8	HSA Account Management	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Managing all HSA bank Services. b) Opening an HSA bank account for all Participants enrolled in the HSA Plan based on the Participant's electronic authorization. c) Providing the Department with specific information regarding delays in opening accounts. d) Managing the vetting process to ensure the Participant qualifies to open an HSA bank account prior to opening the account. e) Requesting (includes initial notification and reminder notification until process is completed) additional information from the Participant, if the information received from the HRIS is not sufficient to complete the vetting process. f) Depositing the HSA funds in a timely manner so the funds are in the Participant's account on the Participant's payment date. g) Reducing weekly HSA funding requirements by the amount of any funds that cannot be deposited into Participant accounts from the prior week's distribution. Provide the Department with Participant and payment details back to the State if the funds cannot be deposited (i.e., Participant does not have an HSA account or the vetting process was not completed) within 90 days of the Participant's payment date. h) Performing eligibility determination and enrollment

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>activities.</p> <ul style="list-style-type: none"> i) Managing Health Savings Account reversal processes for all Participants. j) Monitoring of account for maximum contribution limits (i.e., catch up amount, annual contribution changes). k) Providing full client and customer service / support capabilities for all HSA aspects (except investment advice). l) Managing deposits, rejected contributions, and all other banking activities. m) Providing automatic monitoring of account for age limitations (i.e., catch up 55, cut off 65 or when Medicare eligible). Includes the ability to allow HSA account to continue at and past age 65 if member has deferred Social Security and Medicare. n) Providing a welcome kit from the HSA trustee. o) Providing a monthly Participant statement. p) Supporting investment of HSA funds if balance is \$1,000 or higher. q) Issuing 1099s and 1054s annually as required by the IRS.
9	Employee (Participant) Portal	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring and maintaining Participant portal. b) Ensuring an intuitive navigation. c) Providing appropriate security access to Users based on their security role access level and organization assignment(s). d) Providing access to all claims filed by the Participant in the Participant portal, at a minimum, for the previous two plan years and the current plan year. e) Maintaining all claims documentation in accordance with federal and State retention schedules.

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		f) Providing a User home page that includes, at a minimum, a dashboard, account summary, alerts and quick links. g) Supporting State of Florida branding. h) Providing Participant online access to current list of eligible expenses and over the counter list. i) Providing Participant access to online HSA bank account to view transactions and account balance. j) Providing Participant access to invest HSA funds (if meeting minimum requirements to invest) and liquidate investments for minimum fees not to exceed 0.25% annually.
10	Employer Portal	The Service Provider shall be responsible for: a) Configuring and maintaining an employer portal. b) Providing access to all Plan reports as defined in this Appendix K and the ability to create custom reports. c) Providing access to all Participant account information, including the ability to perform Participant look up by role code to show near real-time Participant balance, claims information and status. d) Providing access to view the history of all materials that were mailed or emailed to the Participant. e) Providing administrator access to configure alerts, text, emails, letters, hover-over messages and portal messages.
11	FSA / HSA Plan Elections and Payroll Deductions / Adjustments Integration	The Service Provider shall be responsible for: a) Developing, implementing, securely transmitting and processing FSA / HSA interface files that include all required Plan elections and related information and payroll deductions information from the HRIS to the FSA / HSA Plan service provider. b) Using the interface files to generate Participant accounts, cards, profiles, status (e.g., active, leave

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>without pay, intermittent leave without pay, terminated, COBRA) and to administer the Participant’s Plans in accordance with the IRC.</p> <p>c) Transmitting and processing interface files on a routine basis (daily -- Monday through Friday) for enrollment files and on at least a payroll basis for payroll deduction / adjustment files).</p> <p>d) Generating, transmitting and processing a separate enrollment file for Open Enrollment elections.</p> <p>e) Updating Participant’s online account based on transactions and election enrollments received through integration, including ensuring the Participant’s information reflects the Participant’s available balance by plan year on a near real-time basis.</p> <p>f) Developing, implementing and processing interface files with the bank(s) for all claims processing details.</p> <p>g) Developing, implementing and processing claims files from the insurance service providers to auto adjudicate claims.</p>
12	Go Green Process	<p>The Service Provider shall be responsible for:</p> <p>a) Supporting a “Go Green” process.</p> <p>b) Supporting the ability for the Participant to elect to receive notices through email and text messaging.</p> <p>c) Ensuring the phone number entered is a valid phone number.</p> <p>d) Ensuring the phone number entered belongs to the Participant (e.g., pin verification generated and sent to the phone number entered that is used to activate the text message process).</p>
13	Mobile Application Access	<p>The Service Provider shall be responsible for:</p> <p>a) Providing mobile application access for both FSA (e.g., current balance, recent transactions, file a claim, provide claim documentation) and HSA processes (e.g., current</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>balance).</p> <ul style="list-style-type: none"> b) Providing account balances and recent transactions for all Plans enrolled. c) Supporting the ability to submit claims documentation. d) Providing support for iOS and Android devices. e) Supporting use of a fully secured delegated authentication to use the Participant People First credentials to be able to access the FSA / HSA website through a mobile application. f) Encrypting all Participant login credentials to prevent unauthorized access.
14	Reports	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing the Department with all reports required to support the FSA / HSA Plans. b) Providing the following reports (additional standard FSA / HSA service provider reports may also be provided): <ul style="list-style-type: none"> i. ACH Rejection Report (as occurs) ii. Card Suspension / Reactivation Report (bi-annual) iii. Claims File Report (daily) iv. Funding Report for MRA Bank Funding - settlement email notification and detail claim data file (daily) v. Failed Account Verification Report (weekly) vi. Forfeiture Reconciliations Report (annual) vii. FSA Claims Reconciliation Report (daily) viii. HSA Deposit Register (monthly) ix. HSA Medicare Eligible Report (monthly) x. HSA Remittance Report (weekly) xi. HSA Reversal Report (monthly)

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> xii. HSA Suspense Report (bi-monthly) xiii. Initial Payback Report (bi-annual; payback schedule coordinated between FSA / HSA service provider and Division of State Group Insurance) xiv. Medical FSA and DCRA Pending and Suspended Contribution Report (monthly) xv. Account Balance Report – MRA, DCRA, LPMRA (monthly) xvi. MRA Activity (statistics) Report (monthly) xvii. Non-Sufficient Funds (NSF) Report (monthly) xviii. Payback / Collections Drop-off Report (weekly) xix. Preliminary and Final Enrollment and OE Funding Report (annual; November / December) xx. Reconciliation Report (monthly) xxi. Unclaimed Property Report (monthly) xxii. Check and Refund Report (weekly) xxiii. Drop off Report (weekly)
15	Migration Services (Initial Implementation)	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Managing and conducting all implementation aspects (e.g., project management, task completion, coordination) related to migrating from the current FSA / HSA vendor and their related third parties. b) Developing a detailed migration project plan that includes all related activities, owners, due dates and completion status. c) Providing an updated detailed migration project plan on a weekly basis that clearly indicates the progress of each item. d) Providing an announcement letter to be approved by the

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>Department to all covered Participants that describes how the change impacts them and what they need to do.</p> <ul style="list-style-type: none"> e) Configuring and programming the interface integrations, both inbound and outbound. f) Configuring and activating the SOF Participant and employer portals. g) Establishing the data center, including purchasing any software and hardware necessary to implement the SOF environment. h) Implementing all security protocols to ensure all aspects (physical and technical) of the system and all landscape aspects are secured during all phases of implementation and post-implementation. i) Establishing and maintaining all third-party relationships. j) Establishing the appropriate bank accounts in the SOF's name. k) Managing the bank transfer process for current HSA Participants to migrate their HSA account. (Note: Moving funds from the current HSA bank account to the new HSA bank account will be the Participant's choice.) l) Conducting discrimination testing prior to Cut-Over to ensure compliance with the federal regulations. m) Loading existing FSA / HSA data into the FSA / HSA system. n) Conducting integration and QA testing to ensure all aspects are properly configured and working prior to Cut-Over.

APPENDIX L – FUNCTIONAL GAP ANALYSIS & STRATEGY WORKSHOPS

#	Area of Responsibility	Description
1	Purpose	<p>The purpose of the Functional Gap Analysis and Strategy Workshops (“workshops”) is to:</p> <ul style="list-style-type: none"> a) Gain a clear understanding of the status of the existing SAP implementation. b) Identify areas for improvement. c) Use the results from the workshops to develop a detailed approach and roadmap for implementing a more robust, streamlined, cost-efficient, and cost-effective SAP HCM solution (“solution”).
2	Objectives	<p>The Objectives are to:</p> <ul style="list-style-type: none"> a) Conduct a series of workshops with State representatives aimed at understanding the existing solution, current customizations, current requirements, and other information for the future enhanced solution. b) Identify areas of the existing solution where the solution can revert back to standard-delivered SAP functionality and configuration. c) Identify process areas and opportunities for the State to harmonize, standardize and change processes that would potentially allow the solution to revert back to a more standard SAP configuration and best practices. d) Evaluate the existing self-service functions and screens / transactions, and identify opportunities for improvement and enhanced usability. e) Evaluate the existing self-service functions and screens / transactions, and identify which transactions should be mobile enabled. f) Identify any new functionality, requirements and enhancements that will improve the People First offering. This includes making recommendations to how and

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		when this additional functionality should be deployed.
3	Work Streams	<p>The Service Provider shall coordinate and facilitate a workshop for each work stream proposed below:</p> <ul style="list-style-type: none"> • Appointments and Status • Attendance and Leave • Benefits Administration • Classification and Organizational Management • Payroll Preparation • Portal / ESS / MSS / Mobility • Reporting • Security • Testing <p>However, the Service Provider, with the State’s approval, may add, change, consolidate, or break out these sessions in order to maximize the benefit and output of each session.</p>
4	Workshop Preparations	<p>Prior to the workshops commencing, the Service Provider shall:</p> <ol style="list-style-type: none"> a) Review existing documentation (e.g., BRDs, FDDs, As-Is documentation, existing SAP development and configuration, non-SAP systems, future functionality, and roadmap for each work stream). b) Review system upgrades, updates, support packs, enhancement packs and hardware. c) Identify project team resources and gather project documentation (e.g., policies, statutory information and procedural documentation) that may be outside of the documentation identified above. The Department and Service Provider will finalize the Participants for the workshops. d) Provide State representatives identified as potential workshop Participants ample time to prepare and adjust their schedules / calendars to ensure full participation. e) Provide the Department a draft schedule and agenda. The Department and Service Provider will collaboratively review and finalize the schedule, agenda, and workshop

#	Area of Responsibility	Description
		<p>objectives.</p> <p>f) Propose a format / template for how the final report for each workshop will be presented. This format must be approved by the Department.</p>
5	Workshop Details	<p>The Service Provider shall be responsible for ensuring that each workshop:</p> <ul style="list-style-type: none"> a) Consist of an agenda and a set of objectives. The actual workshop is a formal process where the items proposed in the agenda for that workshop will be covered. There is a possibility where other not yet identified items will need to be covered, discussed and included in a given work stream. b) Require inputs from the State and Service Provider in the form of documents and information as well as in-person discussions. c) Consolidate the information, discussions and requirements gathered during the workshop each day. d) Document a clearly laid out set of outcomes at the completion of the workshop. The final day of each workshop will be dedicated to developing a summary of the items covered and respective findings for that workshop. This will allow all workshop members to have a common understanding and clarity of the items discussed. e) Result in an individual Workshop Report (i.e., one for each work stream evaluated) provided to the Department within seven calendar days after completion of each workshop. The content will contain, at a minimum, the following: <ul style="list-style-type: none"> i. Identified reusability and correctness of current configuration, level of effort to make a change, and complexity of change ii. Identified benefits and opportunities for improvement and enhancement

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> iii. Identified items where existing functionality and processes will not change iv. Risk assessment, issues, actions and open items that require input or decisions as it relates to the workshop v. Implementation risk and change management impact for the given work stream as it relates to the findings and proposed solutions vi. Timing and impact of proposed changes and how the work stream affects or is affected by other work streams (dependencies and pre-requisites)
6	Final Functional Gap Analysis and Strategy Workshop Report	<p>The Service Provider shall provide the Department with a Final Functional Gap Analysis and Strategy Workshop Report that provides the strategic and overall summary of all work streams. This Report shall be provided to the Department within 14 calendar days after completion of the last workshop. The Report will contain, at a minimum, the following:</p> <ul style="list-style-type: none"> a) Areas of the existing solution where the solution can revert back to standard delivered SAP functionality and configuration. b) Process areas and opportunities for the State to harmonize, standardize and change processes that would potentially allow the solution to revert back to a more standard SAP configuration and best practices. c) Items where existing functionality and processes will not change. d) Opportunities for improvement and enhanced usability. e) Transactions that should be mobile enabled. f) New functionality, requirements and enhancements that will improve the People First offering. This includes making recommendations to how this additional functionality should be deployed. g) Risk assessment, issues, actions and open items.

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> h) Implementation risk and change management impact for the given work streams as it relates to the findings and proposed solutions. i) Timing and impact of proposed changes and how the work streams affect or are affected by other work streams (dependencies and pre-requisites). j) Updated People First roadmap.
7	Annual Two-Day Planning Session	<p>The Service Provider shall conduct an annual two-day planning session starting in the year following the completion of the comprehensive workshops to:</p> <ul style="list-style-type: none"> a) Provide ongoing oversight and improvement of the current solution. b) Discuss the technical and functional status of People First, future system upgrades, updates, support packs, enhancement packs and hardware upgrades. c) Discuss the State's vision and roadmap. d) Incorporate the outcome of the two-day planning session into the People First roadmap.

APPENDIX M – TECHNICAL & PORTAL UPGRADE

#	Area of Responsibility	Description
1	Technical Upgrade	a) The Service Provider shall upgrade the People First System from the current SAP ECC 6.0 and SAP Netweaver 7.0 to SAP ECC Enhancement Package 7 on SAP Netweaver 7.4. b) However, if SAP has released a new ECC Enhancement Package or Netweaver version prior to or at the time of the upgrade, the Service Provider shall upgrade the People First System to the latest version(s).
2	Portal Upgrade	a) During the Technical Upgrade, the Service Provider shall develop and deploy a new People First portal consisting of, but not limited to the following: <ul style="list-style-type: none"> i. UI5 framework (e.g., greater ADA compliance, improved security) ii. Email approval (e.g., ability for employees to approve / reject approval requests via email) iii. Case management tracking for employees (e.g., ability for employees to open and view the progress of their Cases) iv. Landing pages rebuilt to be more modern and intuitive (e.g., logon, home, employee, health and insurance, manager, PAR, reports, recruiting, onboarding, performance management, learning management, org management) v. Screens rebuilt to be more modern and intuitive vi. Mobile-enabled transactions vii. Single sign-on options to allow external systems to be launched from the People First System b) Portal branding, User interface, and navigational decisions will be further determined during the Functional Gap Analysis & Strategy Workshops.
3	Technical & Portal Upgrade - Implementation Key	a) The Service Provider shall be responsible for all implementation activities that may include, but are not

#	Area of Responsibility	Description
	Activities	<p>limited to the following:</p> <ul style="list-style-type: none"> i. Set up of test environments <ul style="list-style-type: none"> a. Create sandbox, development, QA and UAT environments b. Implement testing tools on development, QA and UAT environments ii. Upgrade SAP database to latest Oracle version iii. Upgrade sandbox, development, QA and UAT environments to SAP release SAP ECC Enhancement Package 7 for 6.0 on SAP Netweaver 7.4 platform iv. Install UI5 components v. Analyze the impact that the technical upgrade had on the as-is baseline system <ul style="list-style-type: none"> a. Notes analysis b. Baseline functionality testing vi. Maintain existing and new environments by performing dual development until the go-live date vii. Install and configure SAP NetWeaver SSO for SAML 2.0 viii. Apply support stacks by SAP in the environments until UAT ix. Upgrade production and disaster recovery environments to SAP ECC Enhancement Package 7 for 6.0 on SAP Netweaver 7.4 platform or latest versions <p>b) The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> i. Developing and maintaining the project plan, in coordination with the Department ii. Working collaboratively with the Department by sharing the plan and receiving input and comments

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>from the Department on at least a weekly basis</p> <p>c) The Service Provider shall institute best in class project management tools and solutions that include, but are not limited to a formal (1) project management system, (2) implementation process, and (3) operations readiness process and checkpoints.</p> <p>d) The Service Provider shall work collaboratively and openly with the Department’s IV&V consultant to provide additional oversight of the project.</p>
4	Technical & Portal Upgrade - Customizations	<p>The Service Provider shall minimize new system customizations during the Technical & Portal Upgrade design. A primary objective of the Upgrade is to reduce the number of system customizations and to look at standard functionality in SAP if at all possible. Decisions on which current customizations can be replaced with SAP standard functionality will be further determined during the Functional Gap Analysis & Strategy Workshops.</p>
5	Technical & Portal Upgrade – Accessibility	<p>a) The Service Provider shall ensure that accessibility requirements (e.g., high contrast theme, compatibility with JAWS and other standard screen readers, alternate text, zoom, voice-over, captions, audio which are compatible with the vendor’s technology) will be agreed upon during the Functional Gap Analysis & Strategy Workshops and will be an integral input and component of the design and realization of the new portal.</p> <p>b) The Service Provider shall:</p> <ul style="list-style-type: none"> i. Use the necessary tools (e.g., screen readers and screen magnification tools) to test for Section 508 compliance ii. Allow the Department to have visually-impaired Users familiar with Section 508 system readers to test and validate that the solution meets the needs of the community
6	Technical & Portal Upgrade	<p>a) The Service Provider shall ensure that:</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
	– Mobility	<ul style="list-style-type: none"> i. Mobility requirements will be an integral input and component of the design and realization of the new portal ii. The new UI5 technology provides a better User experience and responsive design that allows existing transactions to resize and be made available on a mobile device (e.g., tablet, cellular phone) <p>b) Decisions on which mobile-enabled transactions are to be deployed and the order that they are to be deployed will be further determined during the Functional Gap Analysis & Strategy Workshops.</p>
7	Roles & Resources	<p>The Service Provider shall provide a dedicated Project Manager and a sufficiently staffed implementation team to meet the implementation due dates and to ensure a successful deployment. The Service Provider roles shall include, but not be limited to, HR strategy leads, HR consultants, functional analysts, QA testing specialists, Basis consultants, database administrators and ABAP developers.</p>
8	System Performance	<p>The Service Provider shall utilize best practices to ensure that uptime and the execution speed of the People First System, reports, and all components related to the system will significantly improve with the Technical and Portal Upgrade as compared to the uptime and execution speed prior to the Upgrade.</p>
9	Technical and Portal Upgrade Outcome	<p>a) The Service Provider shall ensure that the outcome of the Technical and Portal Upgrade results in:</p> <ul style="list-style-type: none"> i. A web designer resource accounted for in the resource plan ii. Browser agnostic capability iii. Improved User experience iv. Consumer-grade landing, login, and home pages as well as all other screens v. Increased system response time

Human Resources Outsourcing – People First
Florida Department of Management Services

#	Area of Responsibility	Description
		vi. Smart filtering vii. Reduced error rate on data entry viii. Improved single sign-on

APPENDIX N – SAP BO BI SUITE ON DATA WAREHOUSE

#	Area of Responsibility	Description
1	SAP Business Objects (BOBJ) Business Intelligence (BI) Suite License	The Service Provider shall license the entire SAP BOBJ BI Suite.
2	BOBJ Implementation – Software Tools	<p>a) The Service Provider shall be responsible for implementing and maintaining through the term of the contract, the following BOBJ software tools:</p> <ul style="list-style-type: none"> i. Business Objects Portal (Launchpad) ii. Crystal Enterprise (reporting) iii. Explorer (data exploration) iv. Web Intelligence (interactive and ad-hoc reporting) v. Dashboard (formerly known as Xcelsius for dashboard and visualization) <p>b) Although not a part of the BOBJ implementation or ongoing support, State Agencies may load the BOBJ Lumira application directly to a User’s desktop (that has been licensed to the Department through the BOBJ license agreement) and use the application for Covered Entity needs. State Agencies are responsible for the Lumira desktop implementation, ongoing maintenance, and User training.</p> <p>c) If any of the BOBJ software tools mentioned above are phased-out or replaced with a new or different BOBJ application, the Service Provider is responsible for making the necessary changes in the system to transition to the new application.</p>
3	BOBJ Implementation – Key Activities	<p>a) The Service Provider shall be responsible for all implementation activities that may include, but are not limited to the following:</p> <ul style="list-style-type: none"> i. Install and setup – complete installation and setup for system environments, hardware, software, and technical components

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> a. BOBJ platform will be built on the existing custom Oracle Data Warehouse infrastructure. b. The Service Provider shall provide dedicated BOBJ development, QA, UAT, production and disaster recovery environments. c. The Service Provider shall have access to all environments and the Department will have access to the UAT and production environments. ii. Validate current requirements – complete validation of reports, interfaces, security, and other requirements for the solution iii. Conduct data analysis – detailed data analysis for the source systems iv. Complete detailed design and specifications for the solution components v. Complete development and unit testing of the data integration and solution components vi. Execute system test – end to end testing of solution components vii. Conduct performance testing of the solution viii. Execute UAT – UAT will be executed by State resources and supported by the Service Provider ix. Deploy system to production environment x. Post-production support for the deployed solution
4	Reports Module Framework	<ul style="list-style-type: none"> a) The Service Provider shall restructure the existing reporting modules in the People First system (SAP and Data Warehouse) whereby Users will have access to both prebuilt reports and access to the Data Warehouse views or universes through one entry point in People First. The intent is to give Users access to the People First System report module and BOBJ tools through the web. Details of the new reports module design will be further developed during the Functional Gap Analysis & Strategy Workshops. b) The Service Provider shall locate all existing and any newly built reports to the central reports module. c) The Service Provider shall provide a link in the People First System to provide a “single sign-on” operation, similar to the

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>Performance & Talent Management module today, to access all reports (including links to talent management reports hosted in a separate software tool).</p> <p>d) The Service Provider shall provide specified Data Warehouse Users continued direct access into the Data Warehouse to run their own ad-hoc reports using the BOBJ Web Intelligence application.</p>
5	Re-creation of Existing Reports	<p>a) The Service Provider shall recreate the 39 existing Oracle reports and 18 ad hoc reports with the Crystal Reports application. The Service Provider's Data Warehouse developers will use the existing Oracle report definitions as foundational requirements to create the Crystal Reports definitions. Unless the Department and Service Provider agree to changes to the formatting, filters, data elements, or User access, of the 57 reports described in this section:</p> <ul style="list-style-type: none"> i. Reporting prompts will retain the same filters and cascading capabilities ii. Users will be restricted to only the reporting categories that they are currently allowed to access. These Users will also be limited, in the OLO code dropdown list, to the Covered Entities they are granted access to view. This approach ensures that the BOBJ platform will maintain all existing security roles, access, and filters
6	Ongoing Support	<p>The Service Provider shall provide full ongoing support and maintenance of the BOBJ tools and related reporting functionality, which includes but is not limited to configuration and management of the semantic layer (universe or database middleware), dashboard integration (e.g., QAAWS, BI web services), landing page, security objects, and security roles.</p>
7	Roles	<p>a) The Service Provider shall provide a dedicated BOBJ Administrator responsible for:</p> <ul style="list-style-type: none"> i. Designing, configuring, deploying and maintaining the BOBJ universes

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> ii. Managing security, folders and other BOBJ infrastructure objects. iii. Providing the Department with report design support when questions arise or assistance is needed iv. Publishing reports developed by the Department within BOBJ to make the reports available based on Users' security access <p>b) The Service Provider shall give the Department access to manage the administrative tasks in the BOBJ application. This includes the ability to create, modify and share reports.</p>
8	Performance	<p>The Service Provider shall utilize best practices to target the execution speed of the reports to be the same or improve with BOBJ as compared to the execution speed of reports prior to Cut-Over.</p>
9	Training	<p>a) The Service Provider shall provide the Department with the following training courses through a certified trainer specializing in the given BOBJ software tool:</p> <ul style="list-style-type: none"> i. Beginning through advanced Crystal Enterprise training for 10 Department Users ii. Beginning through advanced Web Intelligence training for 10 Department Users iii. Dashboards (Xcelsius) training for 10 Department Users iv. Explorer training for five Department Users v. Three-day Web Intelligence training for 100 members of the Covered Population as determined by the Department <p>b) The Service Provider shall provide each participant a comprehensive training guide to assist in knowledge absorption and retention.</p> <p>c) The Service provider shall locate training sessions on-site in Tallahassee, Florida.</p>

Human Resources Outsourcing – People First
Florida Department of Management Services

#	Area of Responsibility	Description
		d) The Service Provider shall provide beginning through advanced training for five Department Users for any new SAP BO BI Suite software tools that are replacing existing tools.

APPENDIX O – TALENT MANAGEMENT SYSTEM

#	Area of Responsibility	Description
<i>General Talent Management Requirements (applies to all four modules)</i>		
1	Account Management Services	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Utilizing existing functionality provided in the talent management system to its full capability in order to satisfy the requirements set forth in this Appendix O. b) Providing the highest level of technical support (i.e., Preferred Care Support) available from SuccessFactors. c) Conducting configuration workshops -- one workshop per module during implementation. For planning purposes, each workshop could have multiple sessions. d) Providing a dedicated subject matter expert for all talent management modules. e) Providing a dedicated implementation and Services team for the State’s account. f) Providing QA services to ensure the solution architecture, cloud services and project management activities are completed using industry best practices and standards. g) Providing employee training materials (e.g., templates, guides, videos) for all talent management modules, including embedded links within the talent management system to access the materials. h) Providing a detailed administrator classroom training session for each module for five Department Users. i) Providing the State access to view all related materials and to participate in chats in the talent management provider’s customer community tools and related sites.
2	Employee Services	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Answering all inquiries (calls, emails) timely and for

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>accurately resolving all customer inquiries for the talent management system.</p> <p>b) Ensuring an appropriate level of HR Specialists are available to answer talent management calls received through the IVR.</p> <p>c) Completing activities through manual intervention by the Service Center, that are typically handled through system processes, due to system limitations or deficiencies (e.g., moving employees through various process steps if the system is not able to dynamical move employees to the next step in the process).</p> <p>d) Providing navigational assistance.</p>
3	Audit Tracking	<p>The Service Provider shall be responsible for:</p> <p>a) Conducting audit tracking for all actions taken in the talent management system and storing the before and after results, including who made the change and when (date and time) the change was completed.</p> <p>b) Making the audit log available in a user-friendly and downloadable format for access by the State based on the User's security role code access.</p> <p>c) Storing all transactional history in the system for at least four years.</p>
4	Administrator Access	<p>The Service Provider shall be responsible for:</p> <p>a) Providing system wide administrator access to selected Users (as directed by the Department).</p> <p>b) Providing organization restricted (i.e., access restricted by organization code) administrator (as directed by the Department) access that limits the User's administrative access to their assigned State Agency.</p> <p>c) Providing the ability to complete all administrator role tasks (State Agency administrator must be limited to the administrator's State Agency, which by nature may limit the scope of their administrator access).</p>

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> d) Ensuring administrator roles include intuitive navigation. e) Ensuring administrator roles have access to all reports (State Agency administrator must be limited to the administrator’s State Agency). f) Ensuring administrator roles have access to all employee account information, including the ability to perform employee look up (State Agency administrator must be limited to the administrator’s State Agency). g) Providing a landing page, with the delivered portlets within the talent management solution, that is used as the launching point to access all talent management modules. h) Supporting the ability for the administrators who have system wide access to set the application timeout limit for the entire talent management suite. i) Supporting the ability for administrators with system wide access to set the auto save time for the Recruiting and Performance Management modules. j) Providing the ability for administrators with system wide access to create and publish reports statewide. k) Providing the ability to exempt administrators’ access from being overridden by the standard user integration file. l) Providing the ability for administrators to manually set access for Users and to exempt the change from being overridden by the standard user integration file.
5	Communication Capabilities	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing email capabilities (e.g., automated based on process triggers, batch and manually triggered) for key processes (e.g., approve a job vacancy requisition for posting, set employee’s expectations, complete training course).

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> b) Configuring emails for key processes with language provided by the State. c) Providing the ability for the State to customize email notifications and alerts. d) Generating emails and notices based on key activities either being completed or due for completion. e) Providing ability for the email sender to be able to include additional information (e.g., language, attachments) in manually triggered email notifications. f) Providing tasks on the dashboards for key activities requiring action (e.g., approvals, complete an activity), as well as reassigning the task and noticing the new responsible party. g) Supporting the ability to embed links within notices that take the Users to where the action is to be completed.
6	General Talent Management Portal Requirements	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring and maintaining the portal for the talent management system and processes being implemented (no limitations on number of forms, instances, pages, fields) as directed by the Department. b) Providing built-in video capability (screen / process capture tool) to record key processes. c) Providing the ability to post videos for key processes in the applicable process pages. d) Providing the ability to navigate down the reporting structure based on reporting relationships. e) Providing the ability to prevent employees and managers without State Agency or statewide access from being able to navigate up the reporting structure. f) Providing the ability to limit who can view and navigate reporting relationships statewide (either an administrator with system wide access or User with

#	Area of Responsibility	Description
		<p>statewide role).</p> <ul style="list-style-type: none"> g) Configuring basic social collaboration access. h) Providing appropriate security access to Users based on their security role access level and organization assignment(s), including the ability to assign State Agency administrator access for key State Agency processes (e.g., recruiter, learning administrator, performance administrator, onboarding administrator). i) Providing the ability to assign module specific access (e.g., recruiter, State Agency trainer, State Agency administrator specific to module) that does not automatically provide the same level of access to all other modules. j) Configuring and providing a combined dashboard (e.g., should include information for all talent management modules being used) that includes tasks, alerts, widgets for each module, ability to view reporting relationships and quick links. k) Configuring and providing a separate landing page for each module. l) Supporting State of Florida branding. m) Supporting standard formatting features (e.g., copy, paste, spell check, font style and size, single and double space, grammar check, color and logo). n) Supporting the ability to search the talent management system by key words (e.g., employee name, course name) based on the User's security role code.
7	Employee/Job Profiles	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Implementing the following for the Employee Profile (Note: Relevant portions of employee profile will be enabled in each phase depending on modules deployed.): <ul style="list-style-type: none"> i. Live Profile (one for the State) with multiple

#	Area of Responsibility	Description
		<p>employee and manager-specific sections</p> <ul style="list-style-type: none"> ii. Simple search for employees using Directory iii. Employee Directory (one for the State) iv. Employee Scorecard (one for the State) v. Talent Search – Search for employees using a query tool (one for the State) vi. Standard Org Chart that uses data from Employee Profile vii. Seating Chart (one for the State) viii. Faces (one for the State) ix. Tags & Tag Cloud (one for the State) x. Badges (one for the State) xi. Facebook integration (one for the State) xii. LinkedIn integration (one for the State) <p>b) Implementing the following for the Job Profile:</p> <ul style="list-style-type: none"> i. One Job Profile Template while training the State on how to make changes and set-up additional templates ii. Setting-up and completing import files for various content repositories
8	Integration	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Developing, implementing, transmitting and processing all related interface files (inbound and outbound) that are required to support integrating the talent management system with the HRIS. b) Using the interface files to generate candidate or talent profiles within the talent management system and to update related fields within the talent management system. c) Supporting seamless integration between each talent

#	Area of Responsibility	Description
		<p>management module.</p> <p>d) Transmitting and processing interface files on at least a daily basis in a manner that does not impact the production environment during normal business hours and ensuring that files are processed in the appropriate sequential order to ensure that files are completed in dependency order to prevent inaccurate updates to all related information.</p> <p>e) Following the configuration path within the SuccessFactors landscape (Dev/Test→Production).</p>
9	Migration Services (Initial Implementation)	<p>The Service Provider shall be responsible for:</p> <p>a) Managing and conducting all implementation aspects (e.g., project management, task completion, task coordination) related to migrating from the current talent management vendor.</p> <p>b) Developing a detailed migration project plan that includes all related activities, owners, due dates and completion status.</p> <p>c) Providing the Department an updated detailed migration project plan on a weekly basis that clearly indicates the progress of each item.</p> <p>d) Configuring and programming the interface integrations for both inbound and outbound files.</p> <p>e) Configuring and activating the talent management portal for Cut-Over implementation.</p> <p>f) Establishing the data center, including purchasing any hardware and software necessary to implement the State environment.</p> <p>g) Implementing all security protocols to ensure all aspects (physical and technical) of the system and all landscape aspects are secured during all phases of migration, implementation and post-implementation.</p> <p>h) Loading existing performance evaluations and</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>expectations, and related attachments into the Live Profile.</p> <ul style="list-style-type: none"> i) Maintaining and making the historical recruiting management data (hiring manager and candidate data) available and easily accessible four years after the talent management system Cut-Over. At the end of the fourth year, the remaining data will be provided to the State if further retention is required. j) Conducting integration and QA testing to ensure everything is properly configured and working prior to Cut-Over.
10	Mobile Application Access	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing mobile access through a mobile application that is installed on each mobile device (e.g., cellular phones, tablets). b) Applying application software encryption and security based on the SuccessFactors delivered solution.
11	Reports	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing the Department with all reports required to support the talent management modules by: <ul style="list-style-type: none"> i. Assisting to identify required reporting templates for all modules ii. Enabling reporting templates and dashboards for all modules iii. Conducting QA for all reporting templates iv. Providing gap analysis for reporting based on best practices b) Providing access through the portal to allow Users (based on security access) to run reports, create custom reports, modify reports, filter reports, sort report results, present the data in a graphical presentation, and to export the report data in formats

#	Area of Responsibility	Description
		<p>such as PDF, Excel and CSV.</p> <ul style="list-style-type: none"> c) Providing the ability for Users to modify existing reports or create new reports and save as a private report. d) Providing the ability to have reports run concurrently (i.e., no dependency on report size or that the first report in the job queue finish prior to starting the next report). e) Providing the ability to run reports without having to run large reports offline. f) Providing the following reports (additional reports will be identified during the implementation phase): <ul style="list-style-type: none"> i. Applicant Reporting – EEO-AAP ii. Performance Evaluation Detailed (employee and manager level) Status Report by Agency iii. Performance Evaluation Status Summary Report by Agency iv. Performance Expectations Setting (Goal Setting) Detailed (employee and manager level) Status Report by Agency v. Performance Expectations Setting (Goal Setting) Detailed Expectations Report vi. Performance Expectations Setting (Goal Setting) Status Summary Report by Agency vii. Requisition Reporting – Candidate Details viii. Requisition Reporting – Requisition Detail Status ix. Requisition Reporting – Time to Fill (based on requisition posting date) x. Vacancy Reporting – Time to Fill (based on vacancy date)

#	Area of Responsibility	Description
12	Security Role Access	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Mapping security role codes from the HRIS to the talent management system to establish and maintain the State’s User security role codes and related access within the talent management system. b) Completing process level, field level and global system level configuration to provide / restrict User access. c) Supporting proxy access that includes (ability to assign by administrators and the ability for Users to assign their own proxies): <ul style="list-style-type: none"> i. Ability for administrators with system wide access to assign proxy access to any User within the system ii. Ability for State Agency administrators to assign proxy access for any User within their State Agency, to any User within the system iii. Ability for the User to assign who has proxy access iv. Ability to provide User access to all capabilities and the ability to limit what processes proxy access is given for (e.g., access to performance management process only) d) Configuring Role Based Permissions for the initial Cut Over that includes (Note: Existing roles will be updated and new roles will be created as new modules are implemented in subsequent phases.): <ul style="list-style-type: none"> i. Working jointly with the Department to: <ul style="list-style-type: none"> ▪ Set up roles defining access to data and functionality (roles) ▪ Set up Users’ roles and align permission to groups ▪ Set up groups of target Users that the granted Users have access to view /

#	Area of Responsibility	Description
		<p>update</p> <ul style="list-style-type: none"> ▪ Configure the following ‘standard’ roles: <ul style="list-style-type: none"> • All Named Users • All Managers • Reporting Super Users • Administrators • All HR ii. Configuring up to 20 additional roles / groups.
Recruiting		
13	Employee Services	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Assisting State Agencies with managing the requisition posting process, which includes, but is not limited to performing QA review for consistency, ensuring State Agencies are not asking inappropriate qualifying questions, posting the vacancy once approved by all parties, dispositioning candidates and sending notice as requested by the hiring State Agency, and noticing candidates to appear for testing. b) Completing the Veterans’ Preference eligibility review and indicating on the candidates profile if they meet eligibility. c) Attaching manual submissions (e.g., resume, DD214) to the requisition. d) Creating candidate profiles and assisting with each step in the process (e.g., reading qualifying questions to candidate and typing in the candidate’s response) of applying to a vacancy for candidates requiring assistance.
14	Candidate Portal	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing a separate landing page that includes the: <ul style="list-style-type: none"> i. Ability for the State to create and post

#	Area of Responsibility	Description
		<p>messages (e.g., messages for when the candidate portal will not be available)</p> <ul style="list-style-type: none"> ii. Ability for applicants to login, reset their password and recover their User ID iii. Ability to include documents and videos iv. Ability to integrate with social collaboration v. Ability to easily navigate to other areas of the candidate portal that do not require the User to login (e.g., search screen) vi. Ability to include links to other relevant websites <p>b) Providing the ability to create and maintain vacancy notification preferences, view previous submissions, access draft submissions to complete or delete, and maintain login preferences (e.g., User name, email address, password, password recovery questions / answers, EEO-AAP information, Veterans' Preference Information, OFCCP information and attachments).</p> <p>c) Configuring and maintaining an intuitive, easy to use, modern web look and feel candidate portal approved by the Department. Service Provider will complete unlimited iterations to ensure this portal meets the Department's expectations.</p> <p>d) Including standard login and password requirements, reset options and the ability to send notification to candidate if their password has been reset.</p> <p>e) Supporting candidates being able to apply to vacancies using a dynamic, sequential candidate flow that includes State-required data (e.g., resume, attachments, EEO-AAP information, Veterans' Preference election, Veterans' 100a Reporting (OFCCP), qualifying questions, survey questions and State-specific required information).</p> <p>f) Presenting candidates information from the candidates</p>

#	Area of Responsibility	Description
		<p>profile during the job submission flow for verification and update.</p> <ul style="list-style-type: none"> g) Supporting resume parsing, including the ability for the candidate to review the parsing results prior to saving to their account. h) Storing key information on the candidates profile (all resume fields, EEO-AAP information, Veterans' Preference Election and validation status, and OFCCP information and validation status). i) Supporting candidate being able to save a draft submission and to come back and complete (including the ability to update sections originally completed) at a later time, up to the closing date of the vacancy. j) Supporting automatic removal of vacancy posting at 11:59 ET on the closing date. k) Supporting candidates being able to apply to vacancies from LinkedIn and other external job sites. l) Supporting the ability to include deep links from external webpages to specific locations within the candidate portal. m) Supporting the ability to return search results based on vacancy posting details. n) Configuring and providing the portal to include intuitive job search capabilities that includes at a minimum an interactive job map and the ability to search for open vacancies by various parameters as allowed by the SuccessFactors system.
15	Communication Capabilities	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing email capabilities (e.g., automated based on triggers, batch and manually triggered) for key processes (e.g., successful submission, disposition notice, password reset, job match availability based on candidate profile preferences), including the ability to determine the generation type (e.g., automated, batch

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>or manual) of email.</p> <p>b) Supporting the ability for candidates to see where the requisition is in the process of being filled.</p>
16	General Recruiting Requirements	<p>The Service Provider shall be responsible for:</p> <p>a) Configuring: all recruiting forms, workflows, processes, templates, worksheets, policies, fields, panels, notifications, calibrations, libraries, instances, pages, reports and security requirements to support the State recruiting business needs.</p> <p>b) Configuring advanced recruiting capabilities to support referral capabilities, to support posting to other job sites and to include search engine optimization.</p> <p>c) Developing, implementing and transmitting existing outbound interfaces to the Department of Agriculture and Consumer Services and to the Department of Economic Opportunity (or their vendor if delegated).</p> <p>d) Supporting integration with external assessment tools (i.e., SHL Talent Measurement Solution and PeopleAnswers).</p> <p>e) Supporting the ability to purge requisitions based on the State retention schedule. Must include the ability to purge all related aspects, including the ability to see any details on the candidate’s profile.</p> <p>f) Implementing the following Recruiting Management functionalities:</p> <ul style="list-style-type: none"> i. Job Requisition form template (one for the State) with Mobile configuration option ii. Requisition Workflow configuration (one for the State) to support participation by multiple parties (tiered and defaulted approvers by organization code) iii. Single dynamic Candidate Application Form template (one for the State)

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> iv. Candidate Selection Workflow to support candidate statuses and communication (up to one for the State) v. Candidate Profile (one for the State) vi. Multiple Candidate portals vii. Offer approval template (three for the State) viii. Job event (e.g., career fair) template (one for the State) ix. Job event application (one for the State) x. Qualifying Question library specific to the State xi. Providing a Competency Library xii. External recruiter portal xiii. User management and administration <p>g) Implementing the following Recruiting Marketing functionalities:</p> <ul style="list-style-type: none"> i. Branded home page ii. Strategy and the State pages iii. Mobile career site iv. Search Engine Optimization (SEO) page template v. Job description page template vi. Interactive job map vii. Business card templates viii. E-mail templates ix. Talent Community x. Employee referral xi. Analytics dashboard xii. Social matcher (e.g., application that matches User information to jobs) and social apply (e.g.,

#	Area of Responsibility	Description
		apply using LinkedIn) xiii. Job sync with Recruiting Management xiv. Candidate/Recruiter SSO
17	Hiring Manager Portal	The Service Provider shall be responsible for: a) Creating requisition templates and process flows based on vacancy type (e.g., separate template for Career Service, Select Exempt Service, Senior Management Service and law enforcement jobs) that supports requisition creation that includes: <ul style="list-style-type: none"> i. Ability to create job vacancy requisitions for posting ii. Ability to systematically open, in draft status, job vacancies based on the feed from SAP iii. Ability to include position details (e.g., position number) in the requisition posting technical name iv. Ability to lock some pre-populated (based on integration feeds) fields from being changed, while supporting the ability to edit other fields and prepare the vacancy for posting v. Ability to view the requisitions in posting preview format prior to posting the job vacancy vi. Ability to integrate in position details and descriptions from SAP HCM vii. Ability to merge fields in the posting template viii. Ability to create a qualifying questions library and separate out questions based on the State Agency, including the ability to view and update ix. Ability to add qualifying questions from both a qualifying questions library and by manually creating qualifying questions within the job vacancy x. Ability to create qualifying questions in the

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>following formats, at a minimum: free text, true / false, yes / no, multiple choice, comment, number, number range</p> <ul style="list-style-type: none"> <li data-bbox="776 394 1487 468">xi. Ability to set qualifying questions as screen-out, screen-in and weighted questions <li data-bbox="776 495 1487 695">xii. Ability to support layered (if-then) qualifying questions (i.e., response to question either triggers the candidate to continue to the next question or present an additional question(s) that must be answered before proceeding) <li data-bbox="776 722 1487 795">xiii. Ability to set candidate matching criteria based on search fields in candidate portal <li data-bbox="776 823 1487 896">xiv. Ability to require approvals prior to being able to post a job vacancy <li data-bbox="776 924 1487 997">xv. Ability to include tier approvals (i.e., must complete in the tier sequence) <li data-bbox="776 1024 1487 1098">xvi. Ability to include standard prepopulated approvers by organization code <li data-bbox="776 1125 1487 1199">xvii. Ability for approvers to reject or require updates for draft job vacancies <li data-bbox="776 1226 1487 1373">xviii. Ability to include team members to a job vacancy so they can view the vacancy details and execute activities on behalf of the hiring manager <li data-bbox="776 1400 1487 1474">xix. Ability to mark a job vacancy as a private requisition <li data-bbox="776 1501 1487 1575">xx. Ability to re-advertise a vacancy in a manner that prevents duplicate candidate submissions <li data-bbox="776 1602 1487 1675">xxi. Ability to copy forward requisition details to another requisition being created <li data-bbox="776 1703 1487 1776">xxii. Automatically export job posting to Monster and CareerBuilder <li data-bbox="776 1803 1487 1831">xxiii. Ability to export job postings to major social

#	Area of Responsibility	Description
		<p>networks including LinkedIn, Facebook and Twitter</p> <p>xxiv. Ability to search for candidates by State Agency, candidate pool, enterprise wide, based on Users security role code</p> <p>b) Providing the ability to group candidates by status (e.g., reviewed, pending review, removed from consideration, in consideration), including the ability to bulk move candidates between categories.</p> <p>c) Supporting the ability to create candidate pools.</p> <p>d) Supporting the ability to systematically mark a candidate as an internet candidate.</p> <p>e) Supporting the ability to calendar interviews (e.g., track availability for interviews, track when interviews are scheduled, send invite) with selected candidates.</p> <p>f) Supporting the ability to set required due diligence steps per job vacancy.</p> <p>g) Providing the following recruiting analytics on a standard monthly frequency and as requested by the Department: number of new candidates, number of vacancy submissions, number of vacancies posted and number of vacancy views.</p>
<i>Performance Management</i>		
18	Communication Capabilities	<p>The Service Provider shall be responsible for:</p> <p>a) Providing email capabilities (e.g., automated based on triggers, batch and manually triggered) for key processes (e.g., task due for expectations setting or performance process), including the ability to determine the generation type (e.g., automated, batch or manual) of email.</p> <p>b) Supporting the ability to group automated emails based on the process step (e.g., if a manager has five employees in the same step, send one email to the</p>

#	Area of Responsibility	Description
		<p>manager that includes all five employees).</p> <ul style="list-style-type: none"> c) Supporting the ability to trigger and present performance expectation setting and evaluation tasks on the responsible User’s dashboard. <ul style="list-style-type: none"> i. Includes reassigning the task and noticing the new responsible User ii. Includes the ability to click on the task to see all employees the task needs to be completed for d) Supporting the ability to configure the timing of when emails are sent for each owner within the performance expectations setting and evaluation flow.
19	General Performance Management Requirements	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring: performance, goal and career and development planning forms, workflows, processes, templates, worksheets, policies, fields, panels, notifications, calibrations, cascade and alignment capabilities, libraries, reports, and security requirements to support the State expectations setting and evaluation cycles. b) Maintaining a complete employee history based on the SAP central PERNR, whereby all performance related information for the employee is combined within a single Live Profile for the individual. c) Supporting the ability for overlapped managers to be able to complete all manager tasks. d) Developing, implementing, transmitting and processing existing outbound interfaces to the People First Data Warehouse. e) Supporting the ability for all administrators to move employees within the various performance expectations setting and evaluation steps. f) Providing a goal library (that could be retitled) that provides out-of-the-box goals, with the ability for

#	Area of Responsibility	Description
		<p>administrators to add more goals into the library.</p> <p>g) Implementing Performance Review Documents (estimate of three, with actual number of documents to be determined during implementation) – each document may go through up to three iterations to incorporate the State’s feedback and may contain:</p> <ul style="list-style-type: none"> i. Competency evaluations leveraging the SuccessFactors library, partner library (if purchased), or custom State library ii. Weightings, ratings, and calculations for section and overall score iii. Comments from various reviewers iv. Custom text sections as needed v. Summary section vi. Electronic signature section vii. Workflow configuration (estimate of three, with actual number of documents to be determined during implementation) to support participation by multiple parties viii. Rating scale values ix. Stack Ranker for competencies (e.g., bulk rating) x. Performance Notes
20	General Goal Management Requirements	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Implementing a Goal Plan template. b) Implementing Balanced Scorecard categories (if desired), targets, milestones and metrics. c) Implementing relationship permissions. d) Developing Goal Plan states that provide goal locking / approval. e) Implementing goal cascade and alignment permissions

#	Area of Responsibility	Description
		to establish line of sight. f) Implementing the out-of-the-box goal library that includes 648 goals with the ability to add more to the library.
21	Forms and Process Flows	The Service Provider shall be responsible for: a) Supporting separate evaluations and evaluation flows based on employment status (e.g., probationary vs. permanent), classification (e.g., correction officers), organization code and evaluation period. b) Supporting as many evaluation steps, process flows and evaluation plans as needed (e.g., if it takes 100 evaluations plans per year, then 100 must be supported). <ul style="list-style-type: none"> i. Sample evaluation flow – manager sets expectations, employee acknowledges expectations, expectations completed, manager evaluates employee, second-level manager approves evaluation, manager sends to employee, employee acknowledges evaluation and completed c) Supporting the ability to control access to the expectations setting and evaluation forms based off of the User’s access (e.g., while the evaluation is in the managers step, the employee should not be able to see any of the rating and comments fields). d) Supporting the use of a standard 1-5, with N rating scale. e) Supporting systematic calculation of total evaluation score to two decimal places, not rounded (e.g., if the evaluation score averages to 4.567, 4.56 should be presented, not 4.57). f) Supporting the ability for each step owner in the evaluation cycle to be able to add comments based on their responsibility in the evaluation process (e.g.,

#	Area of Responsibility	Description
		<p>manager’s overall comments (in addition to expectation specific comments), second-level manager’s overall comments and employee comments).</p> <p>g) Supporting the ability to add attachments during the performance evaluation steps.</p> <p>h) Supporting the ability to force comments for all expectations.</p> <p>i) Supporting the ability to set fields as required and to force all required fields to be completed prior to moving the expectations setting form or evaluation form to the next step in the process.</p> <p>j) Supporting electronic signature for employee signoff.</p> <p>k) Supporting the ability to include quarterly evaluations for employees based on the employee’s employment status, classification, organization code and evaluation period.</p> <p>l) Supporting the ability to have separate corrective action plans (plans should be separate from employee’s official performance evaluation).</p> <p>m) Supporting the ability for the evaluator or delegate to request feedback from other Users.</p> <p>n) Supporting the ability to document feedback throughout the year.</p> <p>o) Supporting automatically initiating employees into the first step in the expectations setting process based on the employee meeting defined eligibility criteria.</p> <p>p) Supporting automatic initiation of employees into the first step of the evaluation process based on the completion of the last actionable step in the expectations setting process.</p> <p>q) Supporting the ability to lock the employee, manager, State Agency and position data on the forms in the</p>

#	Area of Responsibility	Description
		<p>expectations setting and evaluation steps based on when the employee was initiated into the process, including how the data is presented in the expectations setting and evaluation reports.</p> <p>r) Supporting automatic closeout of evaluations based on a set closing date (i.e., administratively close evaluations that have not been completed).</p> <p>s) Supporting the ability to systematically move an evaluation past a step if there is no owner for that step.</p> <p>t) Supporting the ability to control update and view access to the expectations setting and evaluation process steps and forms based on the step in the process.</p> <p>u) Providing the ability for managers to set job specific expectations.</p> <p>v) Supporting the ability to complete evaluations after the employee’s last day worked, for up to but not to exceed, 30 days after the employee’s last day employed.</p> <p>w) Supporting the ability to access the performance expectations and evaluations for terminated employees based on the User’s security role access.</p> <p>x) Supporting the ability to bulk print employee evaluations.</p> <p>y) Supporting the ability to expose the audit-related data for the completion of each step in the expectations setting and evaluation processes. This includes, at a minimum, the step name, the date and time it was completed and the User who completed the step.</p> <p>z) Supporting the ability to expose process completion audit fields; this shall be collective including the data from all steps in the process.</p> <p>aa) Supporting the ability to designate the format for all input fields (e.g., text, date, number, selection) within</p>

#	Area of Responsibility	Description
		<p>the expectations setting and evaluation processes.</p> <p>bb) Supporting the ability to populate fields within the evaluation based on custom fields (e.g., probationary start, end and extension dates) received from the HRIS.</p> <p>cc) Supporting the ability to expose, within the expectations setting and evaluation forms all standard fields that are part of the performance management module (e.g., employee name, employee’s position number and title, manager name, manager’s position number and title, performance evaluation plan dates, performance evaluation plan name, State Agency name, division name).</p> <p>dd) Supporting the ability to create and systematically assign cascaded expectations by classification, State Agency, organization code, and a combination of classification, State Agency and organization code.</p> <p>ee) Supporting the ability for manager to cascade performance expectations to the manager’s direct reports.</p> <p>ff) Supporting the ability for the manager to set the order of the performance expectation by employee.</p> <p>gg) Supporting the ability to copy expectations from one employee to another employee.</p> <p>hh) Ability to copy expectations from the prior plan year for the employee.</p>
22	Goal Management Development Requirements	The Service Provider shall be responsible for implementing the Goal Management functionality (within Performance Management).
Onboarding		
23	Communication Capabilities	<p>The Service Provider shall be responsible for:</p> <p>a) Providing email capabilities (e.g., automated based on triggers, batch and manually triggered) for key</p>

#	Area of Responsibility	Description
		<p>processes (e.g., process initiated, password reset, process completed, process pending completion), including the ability to determine the generation type (automated, batch or manual) of email.</p> <p>b) Supporting the ability to send reminder emails to complete key processes prior to start date, within first week of start date and within other set intervals (e.g., 30, 60 or 90 days within start date).</p> <p>c) Supporting the ability to send notices based on processes that are completed outside the onboarding solution (e.g., security access request, work email setup, badge creation).</p>
24	General Onboarding Requirements	<p>The Service Provider shall be responsible for:</p> <p>a) Configuring and maintaining: onboarding forms, workflows, processes, templates, worksheets, policies (e.g., signature policies), fields, panels, notifications, document center, E-Verify, I-9, reports and security requirements to support the State onboarding implementation.</p> <p>b) Providing the ability to include videos, messaging and integration with social collaboration tools.</p> <p>c) Supporting process access for overlapped employment (e.g., manager or second level manager is overlapped).</p> <p>d) Completing the verification for E-Verify and I-9.</p> <p>e) Supporting the ability to integrate all relevant information (e.g., name, email address, date of birth, EEO-AAP information, Veterans’ preference information) gained in the job vacancy submission by the candidate into the onboarding process.</p> <p>f) Supporting the ability to integrate all relevant information gained in the onboarding process into the HRIS to create the employee’s People First employee ID and to initiate the appointment PAR.</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>g) Supporting the ability to integrate with the learning management module to require or allow the completion of mandatory training courses prior to the employee's start date.</p> <p>h) Ensuring compliance for all federally-required forms (e.g., I-9, E-Verify, W-4) and for updating at no additional cost as required by the federal government to maintain compliance.</p> <p>i) Supporting the ability to access the onboarding activities for terminated employees based on the User's security role access.</p> <p>j) Implementing and maintaining standard State and Federal processes / forms.</p> <p>k) Implementing and maintaining the following Federal Forms: I-9, W-4, and 8850 (WOTC – Work Opportunity Tax Credit).</p> <p>l) Implementing and maintaining the Form I-9 verification and re-verification process.</p> <p>m) Implementing and maintaining the Form I-9 process for existing employees.</p> <p>n) Implementing and maintaining State withholding tax forms.</p> <p>o) Developing, implementing and maintaining standard hiring forms: Direct Deposit, Pay Card Acknowledgement, New Employee Summary Form, New Employee EEO Information, and Emergency Contact.</p> <p>p) Implementing and maintaining onboarding policies (estimate of five, with actual number of policies to be determined during implementation).</p> <p>q) Implementing and maintaining the E-Verify process that includes capturing individual's data and integrating with the federal database to obtain the results.</p>

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> r) Developing, implementing and maintaining State specific forms & processes. s) Implementing and maintaining a Document Center. t) Implementing and maintaining internal SuccessFactors integration. u) Developing, implementing and maintaining a new employee portal. v) Developing, implementing and maintaining standard system notifications. w) Implementing and maintaining State specific notifications (estimate of five, with actual number of notification to be determined during implementation). x) Implementing and maintaining workflows (estimate of two, with actual number of workflows to be determined during implementation). y) Implementing and maintaining standard security groups.
25	Onboarding Portal	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring and maintaining the new hire portal(s) to support the completion of onboarding activities prior to the new hire’s start date. b) Supporting a separate login, separate from the main talent management system and HRIS. c) Supporting the ability to show the employee being onboarded the required steps in the process. d) Supporting the ability to track the employee’s onboarding progress. e) Supporting the ability to report on the progress of all employees who are / were onboarded. f) Supporting the ability to have different onboarding flows based on the State Agency and the classification of the position.

#	Area of Responsibility	Description
<i>Learning Management</i>		
26	Communication Capabilities	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Providing email capabilities (e.g., automated based on triggers, batch and manually triggered) for key processes (e.g., approval notices, course availability (e.g., if the course is on the learner’s wish list is available), course reminders, course cancellation), including the ability to determine the generation type (automated, batch or manual) of email. b) Supporting the ability to trigger reminders for retraining and recertification activities. c) Supporting the ability to trigger notices when the course or course content has been updated. d) Supporting the ability to trigger notices to the learner’s manager when the learner registers for a course, even when course does not require approval. e) Supporting the ability to post notices for course availability within the SAP JAM social media platform. f) Supporting the ability to trigger batch emails to all learners enrolled in a course. g) Supporting the ability to trigger emails to learner, based on a recommendation to take a course.
27	External Learner Portal	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring and maintaining the external learner portal to support the completion of learning activities by external Users. b) Supporting the ability to create external accounts. c) Supporting a maximum of 35,000 external User accounts. d) Supporting a separate login process for external learners (separate from SSO that will be used for State employees).

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> e) Supporting the ability for administrators and State Agency trainers to push courses and register external learners in courses created in the learner portal. f) Supporting the ability for external learners to be able to register for courses matching their eligibility.
28	General Learning Management Requirements	<p>The Service Provider shall be responsible for:</p> <ul style="list-style-type: none"> a) Configuring and maintaining: all learning management forms, workflows, processes, templates, worksheets, policies (e.g., signature policies), fields, panels, notifications, reports and security requirements to support the State’s learning system implementation. b) Supporting the ability to register for and complete courses using a mobile device (at a minimum must be supported on iOS and android devices). c) Supporting employees with multiple IDs to ensure process separation by ID and the ability to complete the learning-related processes separately for each ID, while maintaining a complete employee history based on the SAP central PERNR. d) Supporting the ability for overlapped managers to complete all manager tasks. e) Supporting the ability to access the learning activities for terminated employees based on the User’s security role access. f) Implementing and maintaining administrator roles (estimate of four (Central System Admin, Distributed Training Admin, Scheduler, Report), with actual number of administrators to be determined during implementation). g) Implementing and maintaining a Public Catalog and Assignment Profile. h) Implementing and maintaining a direct supervisor approval process.

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<ul style="list-style-type: none"> i) Implementing and maintaining a two-level supervisor approval process. j) Implementing and maintaining multiple item Types (COURSE, DOC (static training, e.g., PDF, word document, etc.), OJT (On-the-Job Training), OTHER). k) Implementing and maintaining completion statuses. l) Implementing and maintaining assignment types (Required, Optional). m) Implementing and maintaining a True / False question template. n) Implementing and maintaining a multiple choice question template. o) Implementing and maintaining connectors for supporting interfaces and data migration. p) Implementing and maintaining internal SuccessFactors integration. q) Implementing and maintaining sample exams. r) Implementing and maintaining integration of one SuccessFactors supported Virtual Learning System.
29	Learner Portal	<p>The Service Provider shall be responsible for</p> <ul style="list-style-type: none"> a) Configuring and maintaining the learner portal(s) to support the completion of learning activities by State employees. b) Ensuring site is available for all State employees (approximately 115,000 at any given time). c) Ability to integrate with SAP JAM to discuss specific courses (e.g., discussion boards). d) Supporting administrator and State Agency trainer capabilities including: <ul style="list-style-type: none"> i. Ability for State Agency administrator or State Agency trainer to create State Agency courses (e.g., course start and end dates, registration

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>deadline, class size, type of learners that can register, type of employees the course is for (e.g., job code)), post courses in course catalog, recall courses, update course content, mark course as updated and manage course registration</p> <ul style="list-style-type: none"> ii. Ability for administrators with system wide access to create statewide (courses available for all Users of the State) and State Agency courses (e.g., course start and end dates, registration deadline, class size, type of learners that can register, type of employees the course is for (e.g., job code), whether the course is available to one State Agency, multiple State Agencies or statewide), post courses in course catalog, recall courses, update course content, mark course as updated and manage course registration iii. Ability for administrators and State Agency trainers to push courses to learners (e.g., by batch selection, by class code, State Agency, organizational unit) iv. Ability for administrators and State Agency trainers to update learner’s registration details v. Ability for administrators and State Agency trainers to create and manage wait lists for courses, including the ability to track the priority of the course for the learner and the ability to enroll a learner directly from the wait lists vi. Ability for administrators and State Agency trainers to mark learners as “no show” vii. Ability for administrators and State Agency trainers to trigger retake of courses viii. Ability for administrators and State Agency trainers to mark an assessment, test or course

#	Area of Responsibility	Description
		<p>as completed</p> <p>e) Providing a course catalog that includes:</p> <ul style="list-style-type: none"> i. Ability to post courses in the catalog for learners to search ii. Ability to view course content “at a glance” that includes the ability to view start date, end date, course duration, course location and trainer name iii. Ability to restrict the ability to view courses based on the User’s security role code and related access iv. Ability to view trainer’s rating v. Built-in, intuitive course search, including smart-text search capability and the ability to search by name (e.g., trainer’s name), course name, State Agency courses, statewide courses and keywords <p>f) Supporting, at a minimum, the following course development requirements:</p> <ul style="list-style-type: none"> i. Provide 100 User licenses for Articulate Storyline II (or most current version) that supports the ability to create courses within the learning management system ii. Built-in course creation template iii. Ability to mix format types (e.g., video, test, formal classroom, self-guided online content, webinars, virtual labs) for courses iv. Ability to assign key word tags that can be used to quickly search for the course v. Ability to add external learner materials in multiple formats (e.g., Word documents, PDF documents, PowerPoint, video content), including embedding links to additional training

Human Resources Outsourcing – People First
 Florida Department of Management Services

#	Area of Responsibility	Description
		<p>materials</p> <ul style="list-style-type: none"> vi. Ability to set prerequisites that must be completed before the learner can start the course vii. Ability to track version control for all course materials so the learner can clearly distinguish between the original materials used for the course and the revised version viii. Ability to copy course materials, videos, and related course attributes from one course to another course ix. Ability to integrate web-conferencing (at a minimum Webex and Adobe Connect) and collaboration tools for course content and completion x. Ability to house learning materials in a central repository so they can be pulled in to a course delivered via iContent subscription (includes 100 GB of storage) xi. Ability to support online and offline course content xii. Ability to support standard learning content formats for courses (e.g., SCORM and AICC content) xiii. Ability to integrate with learning courses from external providers xiv. Supports e-signature for completion of learning activity xv. Ability to allow learners to access course materials after completing the course xvi. Ability to create and print course completion certificates xvii. Ability to include assessments (e.g., trainer,

#	Area of Responsibility	Description
		<p>course content) and surveys as part of the course process</p> <p>xviii. Ability to create courses that require approval</p> <p>g) Supporting testing requirements, to include:</p> <ul style="list-style-type: none"> i. Ability to create tests in multiple formats (e.g., true / false, multiple choice, free form text, combination of formats) ii. Ability to set test parameters (e.g., time, number of attempts allowed, whether the test score is systematically calculated and what the minimum passing score is) iii. Ability for test to be included as part of the course, as a pre-test or required for course completion iv. Ability to have test published as standalone exam v. Ability to create a bank of questions and answers that can be pulled into a test vi. Ability to have test questions sorted randomly so questions are not presented in the same order for each learner vii. Ability for learner to review the test details after completion (i.e., what questions were missed, what the correct answer is and why) <p>h) Supporting registration requirements including:</p> <ul style="list-style-type: none"> i. Ability for learners to register for courses (including selecting a reason for registering), cancel registration, view course completion status and complete courses (including all required and optional steps and the ability to take notes within the course) matching their eligibility ii. Ability for managers to complete course

#	Area of Responsibility	Description
		<p>registration, remove registration, make course recommendations, add courses completed outside of the learning system for employees that report up to them in the reporting relationship and the ability to view the employee’s training history</p> <ul style="list-style-type: none"> iii. Ability for learners to create a wish list of courses to take at a later time iv. Ability to set the required approvals (e.g., multiple level approvals, manually assigned approvals) to complete the course enrollment v. Ability for learner to add a course to their calendar <ul style="list-style-type: none"> i) Supporting compliance requirements, to include: <ul style="list-style-type: none"> i. Ability for State Agency administrator or trainer to set a State Agency course as mandatory ii. Ability for administrators with system wide access to set statewide course as mandatory iii. Ability to automatically assign mandatory courses based on the job type or State Agency iv. Ability to automatically trigger retake based on course completion requirements (e.g., annually) and recertification requirements v. Ability for managers to track compliance requirements for their employees in their reporting relationship j) Providing the ability to include deep links to training courses in various locations within the talent management system (e.g., within a dashboard widget). k) Providing the ability to include all registered, but not completed courses in a dashboard widget within the talent management system and within the learning management module.

#	Area of Responsibility	Description
		<p>l) Supporting development plan requirements, to include:</p> <ul style="list-style-type: none"> i. Configured development plan and learning activity templates ii. Configured readiness assessment templates iii. Ability to create development plans that supports career pathing, development within existing job and a certification track iv. Ability for the employee to create their own development plan v. Ability for the manager to create a development plan for the employee vi. Ability to time limit the development plan (e.g., tie to the performance evaluation plan year) vii. Ability to track the status of the employee’s progress within the development plan <p>m) Providing a training transcript, to include:</p> <ul style="list-style-type: none"> i. Ability to present the training transcript within the portal and to print the training transcript in a user-friendly format ii. Ability to present all courses completed by the learner, including the key information (e.g., dates of the course, result) for the courses taken iii. Ability to sort the data within the training transcript prior to printing <p>n) Providing a built-in, intuitive search, including smart-text search capability and the ability to search by name (e.g., trainer’s name), course name, State Agency courses, statewide courses and keywords.</p> <p>o) Supporting the ability to mass update course completion information for courses completed outside the learning portal so they are included in the learner’s</p>

Human Resources Outsourcing – People First
Florida Department of Management Services

#	Area of Responsibility	Description
		<p>training transcript.</p> <p>p) Supporting resource management capabilities including:</p> <ul style="list-style-type: none">i. Scheduling feature that shows training location (including building information, room size, number of computers in room) and training resources (e.g., projectors, phones)ii. Training calendar feature that shows all training courses being offered by location and by traineriii. Training calendar feature that shows trainer's potential availability to conduct a training session, their experience and certifications