

**STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
DOCUMENT MANAGEMENT SERVICES**

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida and Vital Records Control of Florida, LLC, (Contractor).

The Contractor submitted a bid to the Department's solicitation, ITB 07-78131804-U for Document Management Services. After verification of bids, the Department has accepted the Contractor's bid as lowest price and best value to the State of Florida and enters into this Contract in accordance with the terms and conditions of the solicitation.

Awarded Counties

Region 3: Brevard, Citrus, Desoto, Hardee, Hernando, Highlands, Hillsborough, Indian River, Lake, Manatee, Okeechobee, Orange, Osceola, Pasco, Pinellas, Polk, Sarasota, Seminole and Sumter counties.

Region 4: Broward, Charlotte, Collier, Dade, Glades, Hendry, Lee, Martin, Monroe, Palm Beach, and St. Lucie counties.

Accordingly, the Parties agree as follows:

Initial Contract Term

The Initial Contract Term will be for five (5) years. The Initial Contract Term shall begin on August 22, 2016 or the last date upon which this Contract is signed by all Parties.

Renewal Term(s)

Upon mutual written agreement, the Department and the Contractor may renew this Contract, in whole or in part, for a Renewal Term not to exceed the Initial Contract Term of five (5) years, pursuant to the incorporated General Contract Conditions.

Contract

As used in this document, the term "Contract" (whether or not capitalized) shall, unless the context requires otherwise, be considered to be references to this Contract, including all Exhibits attached, which set forth the entire understanding of the Parties and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

All Exhibits attached to this Contract are incorporated in their entirety into, and form part of, this Contract. The Contract has the following Exhibits:

- Exhibit A: Definitions.
- Exhibit B: General Contract Conditions.
- Exhibit C: Special Contract Conditions.
- Exhibit D: Statement of Work.
- Exhibit E: Price Sheet(s)
- The Contractor's Bid to this solicitation.

In case of conflict, the terms of this Contract shall control. If a conflict exists among any of the attached documents, the documents shall have priority in the order listed:

- Exhibit A: Definitions.
- Exhibit C: Special Contract Conditions.
- Exhibit B: General Contract Conditions.
- Exhibit D: Statement of Work.
- Exhibit E: Price Sheet(s)
- The Contractor's Bid to this solicitation.

Amendments

No oral modifications to this Contract are acceptable. All modifications to this Contract must be in writing and signed by all Parties. Any future amendments of the Contract which alter the definition of the Statement of Work shall define the Services or Solution in the same format as Exhibit D, Statement of Work.

IN WITNESS THEREOF, the Parties hereto have caused this Contract, which includes any referenced attachments, to be executed by their undersigned officials as duly authorized. This Contract is not valid until signed and dated by the Parties.

**VITAL RECORDS CONTROL
OF FLORIDA, LLC**

**STATE OF FLORIDA,
DEPARTMENT OF MANAGEMENT SERVICES**

Ray Helbig, Vice President - Florida

**Debra Forbess, Director of Finance and
Administration**

DATE:

DATE:

List of Exhibits

- Exhibit A: Definitions
- Exhibit B: General Contract Conditions
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VITAL RECORDS CONTROL
OF FLORIDA, LLC


Ray Helbig, Vice President - Florida

DATE:

8/15/16

STATE OF FLORIDA,
DEPARTMENT OF MANAGEMENT SERVICES


Debra Forbess, Director of Finance and
Administration

DATE:

8-22-16

List of Exhibits

- Exhibit A: Definitions
- Exhibit B: General Contract Conditions
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- Exhibit E: Price Sheet(s)

**STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
DOCUMENT MANAGEMENT SERVICES**

Exhibit A: Definitions

Definitions contained in section 287.012, Florida Statutes, Rule 60A-1.001, Florida Administrative Code, Form PUR 1000 and Form PUR 1001 are incorporated by reference, and apply to this solicitation. These definitions apply in both their singular and plural sense.

Acid Free Carton – An acid-free, 1.2 cubic feet carton made from materials with a pH level of eight (8) or above used to transport and suitable for permanent archival storage of records.

Ceiling Price – The maximum cost the Department has assigned to a service or commodity. Ceiling prices are “not to exceed” prices and lower pricing may be negotiated by the Customer(s).

Confidential Information - Any portion of a company’s documents, data, or records disclosed relating to its bid that the Contractor claims is confidential and not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution, or any other authority that is clearly marked “Confidential”.

Contract - The written agreement resulting from ITB 07-78131804-U.

Contractor - The business entity that has been awarded a contract resulting from ITB 07-78131804-U.

Customer Portal and Repository – A secure, Internet-based records and information management system that permits Customer access to their inventory of physical records, electronic records and their storage account information.

Destruction – Certified Shredding – The process of securely and certifying the shredding of paper contents and other products.

Document Management Services – The professional practice of managing the records of an organization throughout their life cycle, from the time they are created to their eventual disposal. This includes identifying, classifying, storing, securing, retrieving, transporting, tracking, copying and destroying or permanently preserving records.

JPEG (Joint Photographic Experts Group) – An open or universal compression algorithm for image files.

Physical Destruction - The physical destruction of storage devices as referenced in Exhibit D Statement of Work, Section 2.5, Electronic Media Storage.

Record – Documented information, regardless of its physical form, characteristics, format, medium, and the manner it is stored, that memorializes and provides objective evidence of activities performed, events occurred, results achieved, or statements made or received by an organization in routine transaction of its business.

Region – Service area (counties) defined in the Regional Map in Exhibit D, Section 2.35.

Scanning-Large Documents – The scanning of a large document(s) greater in size than 8.5” x 14” at 300 DPI in grayscale or color.

Searchable PDF (Portable Document Format) – A searchable file format standard that provides a way of distributing, viewing, and printing documents with consistent appearance across a number of computer platforms and allows for Adobe Acrobat search functionality within the file. Files created from printed documents closely match the paper version including graphics, photographs, and fonts and are compressed for easy downloading and distribution. This file format can be used to present documents in a manner independent of application software, hardware, and operating systems.

Sensitive Records - Records that must be protected from damage and degradation and may also have a heightened sense of security, be exempt from public record requirements or may be considered confidential under law. These records also may contain personal health information or other privacy information.

Service Price – The purchase amount for the indicated service or commodity.

Standard Carton – A standard, 1.2 cubic feet carton used to transport and store non-permanent records.

TIFF (Tagged Image File Format) - A computer file format for storing bit-mapped images and data. Includes several types and groups, which are compressed and uncompressed.

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**STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
DOCUMENT MANAGEMENT SERVICES**

Exhibit B: General Contract Conditions

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These General Contract Conditions supersede and replace in their entirety all General Contract Conditions, PUR 1000, which is incorporated by Rule 60A-1.002, F.A.C.

SECTION 1. DEFINITIONS.

The following definitions apply in addition to the definitions in Chapter 287, F.S., and Rule Chapter 60A-1, F.A.C.:

- 1.1 Customer** - The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.
- 1.2 State** - The State of Florida.

SECTION 2. STATE TERM CONTRACT.

2.1 Initial Term.

The Initial Contract Term will be for five (5) years. The Initial Contract Term shall begin on August 22, 2016 or the last date upon which this Contract is signed by all Parties.

2.2 Renewal Term.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(13), F.S.

2.3 Suspension of Work and Termination.

2.3.1 Suspension of Work.

The Department may in its sole discretion suspend any or all activities under the Contract, at any time, when in the best interest of the State to do so. A Customer may suspend a purchase order, at any time, when in the best interest of the Customer to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor shall comply with the notice and shall not accept any purchase orders. Within 90 days, or any longer period agreed to by the Contractor, the Department or Customer will either (1) issue a notice authorizing resumption of work, at which time activity shall resume, or (2) terminate the Contract or purchase order. Suspension of work shall not entitle the Contractor to any additional compensation.

2.3.2 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State. If the Contract is terminated before performance is completed, the Contractor shall be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress shall become the property of the Customer and shall be turned over promptly by the Contractor.

2.3.3 Termination for Cause.

If the Department determines that the performance of the Contractor is not satisfactory, the Department shall have the option of (a) immediately terminating the Contract, or (b) notifying the Contractor of the deficiency with a requirement that the deficiency be corrected within a specified time, otherwise the Contract will be terminated at the end of such time, or (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor shall adhere to the ceiling prices, which are incorporated by reference into the Contract. Ceiling prices are "not to exceed" prices and lower pricing may be negotiated by the Customer under this Contract.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

- (a) Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders.
- (b) Preferred Pricing. Consistent with the goals of section 216.0113, F.S., Contractor acknowledges and recognizes that the Department wants to take advantage of any improvements in price/fees over the course of the Contract period. To that end, the price indicated in this Contract is a maximum guarantee. Contractor's fee or price under this Contract will not exceed the Contractor's total fees or price then in effect for substantially the same commodities or contractual services to any organization with similar services to those in this Contract. During the term of the Contract, if Contractor implements or provides any other client, whether a public or private entity, such pricing more favorable than the pricing in this Contract, then Contractor agrees to offer equivalent pricing terms to the Department and if the Department accepts then the Department and Contractor will execute an amendment of this Contract. The Contractor shall submit to the Department a completed Preferred Pricing affidavit form annually.
- (c) Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. A Contractor shall submit documentation identifying the proposed (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

3.3 Payment Invoicing.

The Contractor will be paid upon submission of properly certified invoice(s) to the Customer after delivery and acceptance of commodities or contractual services is confirmed in writing by the Customer. Invoices shall contain detail sufficient for an audit and shall contain the Contract Number and the Contractor's Federal Employer Identification Number.

3.4 Purchase Order.

A Customer may use purchase orders to buy commodities or contractual services. The Contractor shall provide commodities or contractual services pursuant to purchase orders. The purchase order period of performance survives the expiration of the Contract. The duration of purchase orders shall not exceed the expiration of the Contract by more than 12 months.

3.5 Travel.

Travel expenses are not reimbursable unless specifically authorized by the Customer in writing, and may be reimbursed only in accordance with section 112.061, F.S.

3.6 Annual Appropriation.

Pursuant to section 287.0582, F.S., if the Contract binds the State or agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), Florida Statutes. All payments issued by Agencies or Eligible Users to registered Vendors for purchases of commodities or contractual services shall be assessed Transaction Fees as prescribed by rule 60A-1.031, Florida Administrative Code, or as may otherwise be established by law. Vendors shall pay the Transaction Fees and agree to automatic deduction of the Transaction Fees, when automatic deduction becomes available. Vendors shall submit any monthly reports required pursuant to the rule. All such reports and payments shall be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions shall constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

The State of Florida is not required to pay any taxes, including customs and tariffs, on commodities or contractual services purchased under the Contract.

3.9 Return of Funds.

Contractor will return to the Department or Customer any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor by the Department or Customer. The Contractor shall return any overpayment to the Department or Customer within 40 calendar days after either discovery by the Contractor, its independent auditor, or notification by the Department or Customer, of the overpayment.

SECTION 4. CONTRACT DOCUMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer within the manner and at the location specified in the Contract, and any attachments to the Contract. Additionally, the terms of the Contract supersede the terms of any and all prior agreements between the Parties.

4.2 Notices.

All notices required under the Contract shall be delivered to the designated Contract Manager by certified mail, return receipt requested, by reputable air courier service, email, or by personal delivery, or as otherwise identified by the Department.

SECTION 5. CONTRACT MANAGEMENT.

5.1 Department's Contract Manager.

The Department's Contract Manager, who is primarily responsible for the Department's oversight of the Contract:

Jennifer Hyatt
Division of State Purchasing
Florida Department of Management Services
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950
Telephone: (850) 414-6741

Email: jennifer.hyatt@dms.myflorida.com

In the event that the Department changes the Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

5.2 Contractor's Contract Manager.

The Contractor's Contract Manager, who is primarily responsible for the Contractor's oversight of the Contract:

Ray Helbig
Vital Records Control of Florida, LLC
11901 Amedicus Lane
Fort Myers, FL 33907
Telephone: (239) 337-4030
Email: rhelbig@vrcoffl.com

In the event that the Contractor changes the Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

5.3 Diversity Reporting.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small businesses to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises, and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at osdhelp@dms.myflorida.com.

The Contractor shall report to the Customer its spend with business enterprises certified by the OSD. These reports must include the time period covered, the name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each Customer purchasing under the Contract.

5.4 RESPECT.

In accordance with subsection 413.036(3), F.S., if commodities or contractual services required for the performance of the Contract are on the procurement list established pursuant to subsection 413.035(2), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INsofar AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about the designated nonprofit agency and the commodities or contractual services it offers is available at <http://www.respectofflorida.org>.

5.5 PRIDE.

Notwithstanding a purchasing authority making reasonable sourcing determinations of need, price, and quality for products or services comparable in performance specifications, price and quality and in accordance with subsection 946.515(6), F.S., if commodities or contractual services required for the performance of the Contract is certified by or is available from Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) and has been approved in accordance with subsection 946.515(2), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S.; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INSOFAR AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the commodities or contractual services it offers is available at <http://www.pride-enterprises.org>.

SECTION 6. COMPLIANCE WITH LAWS.

6.1 Conduct of Business.

The Contractor shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor shall comply with Section 247A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status.

Pursuant to subsection 287.058(1), F.S., the provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference, to the extent applicable.

6.2 Notice of Legal Actions.

The Contractor shall notify the Department of any legal actions filed against it for a violation of any laws, rules, codes, ordinances or licensing requirements within 30 days of the action being filed. The Contractor shall notify the Department of any legal actions filed against it for a breach of a contract of similar size and scope to this Contract within 30 days of the action being filed. Failure to notify the Department of a legal action within 30 days of the action shall be grounds for termination for cause of the Contract.

6.3 Governing Law and Venue.

The laws of the State of Florida shall govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives any and all privileges and rights relating to venue it may have under Chapter 47, F.S., and any and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

6.4 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are not employees or agents of the Department and are not entitled to the benefits of State of Florida employees. The Department shall not be bound by any acts or conduct of the Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in all of its subcontracts under the Contract.

6.5 Waiver.

The delay or failure by the Department or Customer to exercise or enforce any rights under the Contract shall not constitute waiver of such rights.

6.6 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Contractor. Should a court determine any provision of the Contract is invalid, the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the provision held invalid.

6.7 Time is of the Essence.

Time is of the essence regarding each and every obligation of the Contractor. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance), is a material breach.

6.8 Convicted and Discriminatory Vendor Lists.

In accordance with sections 287.133 and 287.134, F.S., an entity or affiliate who is on the Convicted Vendor List or the Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor shall notify the Department if it or any of its suppliers, subcontractors or consultants have been placed on the Convicted Vendor List or the Discriminatory Vendor List during the term of the Contract.

6.9 Cooperation with Inspector General.

Pursuant to subsection 20.055(5), F.S., Contractor, and any subcontractor to the Contractor, understand and will comply with their duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor shall provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor shall retain such records for five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library->

[archives/records-management/general-records-schedules/](#)), whichever is longer. The Contractor agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees.

SECTION 7. CONTRACTOR REQUIREMENTS.

7.1 Department of State Registration.

The Contractor and any subcontractors that assert corporate status must provide the Department with conclusive evidence, per section 607.0127, F.S., of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity.

7.2 Subcontractors.

The Contractor shall not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all subcontracted work. The Department supports diversity in its procurements and contracts, and requests that Contractors offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The Contractor may contact the OSD at osdhelp@dms.myflorida.com for information on certified small business enterprises available for subcontracting opportunities.

7.3 Assignment.

The Contractor shall not sell, assign or transfer any of its rights, duties or obligations under the Contract without the prior written consent of the Department. In the event of any assignment, the Contractor remains secondarily liable for performance of the Contract, unless the Department expressly waives such secondary liability. The Department may assign the Contract with prior written notice to the Contractor.

7.4 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage shall remain with the Contractor. The Contractor shall be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer shall: record any evidence of visible damage on all copies of the delivering carrier's Bill of Lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's Bill of Lading and damage inspection report. When a Customer or the Department rejects a commodity, Contractor shall remove the commodity from the premises within 10 days after notification of rejection and the risk of loss shall remain with the Contractor. Commodities not removed by the Contractor within 10 days shall be deemed abandoned by the Contractor and the Customer or the Department shall have the right to dispose of it as its own property. Contractor shall reimburse the Customer or the Department for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

7.5 Safety Standards.

All manufactured items and fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner

acceptable to the appropriate State inspector. Acceptability customarily requires, at a minimum, an identification marking of the appropriate safety standard organization, where such approvals of listings have been established for the type of device offered and furnished, for example: the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and/or National Electrical Manufacturers' Association for electrically operated assemblies; and the American Gas Association for gas-operated assemblies. In addition, all items furnished shall meet all applicable requirements of the Occupational Safety and Health Act and State of Florida and federal requirements relating to clean air and water.

SECTION 8. WORKERS' COMPENSATION AND GENERAL LIABILITY INSURANCE.

8.1 Workers' Compensation Insurance.

To the extent required by law, the Contractor shall be self-insured against, or shall secure and maintain during the life of the contract, Worker's Compensation Insurance for all its employees connected with the work of this project, and in case any work is subcontracted, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees engaged in work under the resulting contract are covered by the Contractor's insurance program. Self-insurance or insurance coverage shall comply with the Florida Worker's Compensation law. In the event hazardous work is being performed by the Contractor under the resulting contract and any class of employees performing the hazardous work is not protected under Worker's Compensation statutes, the Contractor shall provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Department, for the protection of employees not otherwise protected.

8.2 General Liability Insurance.

The Contractor shall secure and maintain Commercial General Liability Insurance including bodily injury, property damage, products, personal & advertising injury and completed operations. This insurance shall provide coverage for all claims that may arise from the services and/or operations completed under the contract, whether such services or operations are by the Contractor or anyone directly, or indirectly employed by them. Such insurance shall include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional Named Insured for the entire length of the resulting contract. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the resulting contract.

All insurance policies shall be with insurers licensed or eligible to transact business in the State of Florida. The Contractor's current certificate of insurance shall contain a provision that the insurance shall not be canceled for any reason except after thirty (30) days written notice to the Department's Contract Manager.

The Contractor(s) shall submit insurance certificates evidencing such insurance coverage prior to execution of a contract with the Department.

The Contractor shall require its insurance carrier to add the Department to the insurance policies as an additional insured, as provided below:

Florida Department of Management Services
c/o Division of State Purchasing

4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950

8.3 Indemnity.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Department, Customer, the State of Florida, its officers, employees and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising out of any acts, actions, breaches, neglect or omissions of the Contractor, its employees, agents, subcontractors, assignees or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees or delegates are not independent contractors in relation to the Department. The Contract does not constitute a waiver of sovereign immunity or consent by the Department or the State of Florida or its subdivisions to suit by third parties.

Further, the Contractor shall fully indemnify, defend, and hold harmless the Department from any suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right.

SECTION 9. PUBLIC RECORDS AND TRADE SECRETS.

9.1 Public Records.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CONTRACT MANAGER.

- (1) The Department may unilaterally cancel this Contract for refusal by the Contractor to comply with this section by not allowing public access to all documents, papers, letters or other material made or received by the Contractor in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S.
- (2) If, under this Contract, the Contractor is providing services and is acting on behalf of a public agency as provided by section 119.0701, F.S., the Contractor shall:
 - (a) Keep and maintain public records required by the public agency in order to perform the service.
 - (b) Upon request from the public agency, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
 - (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 for the duration of the contract term and following completion of the contract if the Contractor does not transfer the records to the public agency.

- (d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.

9.2 Protection of Trade Secrets or Confidential Information.

If the Contractor considers any portion of materials made or received in the course of performing the Contract (“contract-related materials”) to be trade secret under section 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as “confidential” when submitted to the Department.

If the Department receives a public records request for contract-related materials designated by the Contractor as “confidential,” the Department will provide only the portions of the contract-related materials not designated as “confidential.” If the requester asserts a right to examine contract-related materials designated as “confidential,” the Department will notify the Contractor. The Contractor will be responsible for responding to and resolving all claims for access to contract-related materials it has designated “confidential.”

If the Department is served with a request for discovery of contract-related materials designated “confidential,” the Department will promptly notify the Contractor about the request. The Contractor will be responsible for filing, the appropriate motion or objection in response to the request for discovery. The Department will provide materials designated “confidential” only if the Contractor fails to take appropriate action, within timeframes established by statute and court rule, to protect the materials designated as “confidential” from disclosure.

The Contractor shall protect, defend, and indemnify the Department for claims, costs, fines, and attorney’s fees arising from or relating to its designation of contract-related materials as “confidential.”

SECTION 10. INTELLECTUAL PROPERTY.

10.1 Intellectual Property.

Unless specifically addressed in the Contract, intellectual property rights to all property created or otherwise developed by the Contractor for the Department will be owned by the State of Florida through the Department at the completion of the Contract. Proceeds to the Department derived from the sale, licensing, marketing or other authorization related to any such Department-controlled intellectual property right shall be handled in the manner specified by applicable Florida statute.

SECTION 11. SCRUTINIZED COMPANY LIST.

11.1 Certified Not Scrutinized.

If the Contract exceeds \$1,000,000.00 in total, not including renewal years, Contractor 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, F.S. Pursuant to section 287.135(5), F.S., Contractor agrees the Department may immediately terminate the Contract for cause if the Contractor is found to have submitted a false certification or if Contractor 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.

SECTION 12. DATA SECURITY AND SERVICES.

12.1 Duty to Provide Secure Data.

The Contractor will maintain the security of State of Florida Data including, but not limited to, a secure area around any display of such Data or Data that is otherwise visible. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

12.2 Warranty of Security.

Unless otherwise agreed in writing, the Contractor and its subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida Data to be sent by any medium, transmitted or accessed outside of the United States.

The Contractor agrees that a violation of items listed above will result in immediate and irreparable harm to the Department and will entitle the Department to a credit of \$50,000 per violation, with a total cap of \$500,000 per event. This credit is intended only to cover the Department's internal staffing and administrative costs as well as the diminished value of services provided under the Contract and will not preclude the Department from recovering other damages it may suffer as a result of such violation. For purposes of determining the damages 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) will be treated as a single event. A violation of this provision will also entitle the Department to recover damages, if any, arising from a breach of this section and constitutes an event of default.

Notwithstanding any provision of this Contract to the contrary, the Contractor shall notify the Department as soon as possible, in accordance with the requirements of section 501.171, F.S., and in all events within one (1) business day in the event Contractor discovers any Data is breached, any unauthorized access of Data occurs (even by persons or companies with authorized access for other purposes), any unauthorized transmission of Data or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one agency/customer 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 information that was subject to the unauthorized access and acquisition.

- (c) The type and number of entities who were, or potentially have been affected by the breach.
- (d) The actions taken by the Contractor to protect the Data 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 breach.

12.3 Remedial Measures.

Upon becoming aware of an alleged security breach or security incident under section 12, the Contractor's Contractor Manager shall set up a conference call with the Department's Contract Manager. 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 Contractor shall answer all questions based on the information known at that time and shall answer additional questions as additional information becomes known. The Contractor shall provide the Department with final documentation of the incident including all actions that took place. If the Contractor becomes aware of a security breach or security incident outside of normal business hours, the Contractor shall notify the Contract Manager and in all events, within one business day.

12.4 Indemnification (Breach of Warranty of Security).

The Contractor agrees to defend, indemnify and hold harmless the Department, Customer, the State of Florida, its officers, directors and employees for any claims, suits or proceedings related to a breach of the Warranty of Security. The Contractor will include credit monitoring services at its own cost for those individuals affected or potentially affected by a breach of this warranty for a two year period of time following the breach.

12.5 Annual Certification.

The Contractor is required to submit an annual certification demonstrating compliance with the Warranty of Security to the Department by December 31 of each Contract year.

SECTION 13. RECORDS RETENTION

13.1 Document Management.

The Contractor shall retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers and documents that were made in relation to this Contract. Contractor shall retain all documents related to the Contract for five (5) years after expiration of the Contract, or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at:

<http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>.

SECTION 14. GIFTS AND LOBBYING.

14.1 Gratuities.

The Contractor shall not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State officer or

employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State officer or employee.

14.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to subsection 287.058(6), F.S., the Contract does not prohibit the Contractor from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract, after the Contract execution and during the Contract's term.

SECTION 15. INSPECTION AND VENDOR OMBUDSMAN.

15.1 Inspection.

Section 215.422, F.S., provides that agencies have five working days to inspect and approve commodities or contractual services. Items may be tested for compliance with specifications. Items delivered not conforming to specifications may be rejected and returned at the Contractor's expense. Interest penalties for late payment are also provided for in section 215.422, F.S.

15.2 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting contractors in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

SECTION 16. CONTRACT MONITORING.

16.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Statement of Work and attachments to the Contract. The Department shall be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof. Coordination shall be maintained by the Contractor with representatives of the Department, or of other agencies involved in the project on behalf of the Department.

16.2 Performance Deficiency.

In addition to the processes set forth in section 2.3 of the Contract, if the Department or Customer determines that the performance of the Contractor is unsatisfactory, the Department or Customer may notify the Contractor of the deficiency to be corrected, which correction shall be made within a time-frame specified by the Department or Customer. The Contractor shall provide the Department or Customer with a corrective action plan describing how the Contractor will address all issues of contract non-performance, unacceptable performance, and failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance.

16.3 Financial Consequences of Non-Performance.

If the corrective action plan provided in section 16.2 is unacceptable to the Department or Customer, or fails to remedy the performance deficiencies, the Contractor will be assessed

a non-performance retainage equivalent to 10% of the total invoice amount or as specified in the contractual documents. The retainage will be applied to the invoice for the then-current billing period. The retainage will be withheld until the Contractor resolves the deficiency. If the deficiency is subsequently resolved, the Contractor may invoice the Customer for the retained amount during the next billing period. If the Contractor is unable to resolve the deficiency, the funds retained will be forfeited.

16.4 Liquidated Damages.

The Contractor will promptly notify the Department or Customer upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any commodity or contractual service. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department or Customer of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department or Customer has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department or Customer and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department or Customer's delay.

The Contractor acknowledges that untimely performance or other material noncompliance will damage the Department or Customer, but by their nature such damages are difficult to ascertain. Accordingly, the liquidated damages provisions stated in the solicitation will apply to this Contract. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

16.5 Force Majeure, Notice of Delay, and No Damages for Delay.

The Contractor shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor 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 Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor shall notify the Department or Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within 10 days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five days after the date the Contractor first had reason to believe that a delay could result. The foregoing shall constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages shall be asserted by the Contractor. The Contractor shall not be entitled to an increase in the Contract price or payment of any kind from the Department or Customer 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 paragraph, after the causes have ceased to exist the Contractor shall perform at no increased cost, unless the Department or Customer determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State or to Customers, in which case the Department or Customer may (1) accept allocated performance or deliveries from the Contractor, provided that the

Contractor grants preferential treatment to Customers with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

SECTION 17. CONTRACT AUDITS.

17.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractor's data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners or agents of the Contractor, pertaining to this Contract, may be inspected by the Department upon 15 days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The State's Chief Financial Officer and the Office of the Auditor General also have authority to perform audits and inspections.

17.2 Payment Audit.

Records of costs incurred under terms of the Contract shall be maintained in accordance with section 13.1 of the Contract. Records of costs incurred shall include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, State's Chief Financial Officer or the Office of the Auditor General for audit.

SECTION 18. BACKGROUND SCREENING AND SECURITY.

18.1 Background Check.

The Department may require the Contractor and its employees, agents, representatives and subcontractors to provide fingerprints and be subject to such background check(s) as directed by the Department. The cost of the background check(s) shall be borne by the Contractor. The Department may require the Contractor to exclude the Contractor's employees, agents, representatives or subcontractors based on the background check results. In addition, the Contractor shall ensure that all persons have a responsibility to self-report to the Contractor within three calendar days any arrest for any Disqualifying Offense. The Contractor shall notify the Contract Manager within 24 hours of all details concerning any reported arrest. The Contractor will ensure that all background screening will be refreshed every five years from the time initially performed for each person during the term of the Contract.

18.2 E-Verify.

In accordance with Executive Order 11-116, the Contractor agrees to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the

Contract. The Contractor shall also include a requirement in subcontracts that the subcontractor shall utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Contractor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five days of notice of Contract award, and provide the Contract Manager a copy of its MOU within five days of Contract execution. The link to E-Verify is provided below. <http://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor shall provide a statement within five (5) days to the Contract Manager identifying the new hire with its E-Verify case number.

18.3 Disqualifying Offenses.

If at any time it is determined that a person has a criminal misdemeanor or felony record regardless of adjudication (e.g., adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) within the last six (6) years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Contractor is required to immediately remove that person from any position with access to State of Florida data or directly performing services under the Contract. The disqualifying offenses are as follows:

- (a) Computer related or information technology crimes.
- (b) Fraudulent practices, false pretenses and frauds, and credit card crimes.
- (c) Forgery and counterfeiting.
- (d) Violations involving checks and drafts.
- (e) Misuse of medical or personnel records.
- (f) Felony theft.

18.4 Communications and Confidentiality.

The Contractor agrees that it shall make no statements, press releases, or publicity releases concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, or any particulars thereof, during the period of the Contract, without first notifying the Department's Contract Manager or the Department designated contact person and securing prior written consent. The Contractor shall maintain confidentiality of all confidential data, files, and records related to the services and/or commodities provided pursuant to the Contract and shall comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures shall be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor shall also comply with any applicable professional standards with respect to confidentiality of information.

**STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
DOCUMENT MANAGEMENT SERVICES**

Exhibit C: Special Contract Conditions

1. Literature.

Upon request, the Contractor shall furnish literature reasonably related to the product offered, for example, user manuals, price schedules, catalogs, descriptive brochures, etc.

2. Antitrust Assignment.

The Contractor and the State of Florida recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Florida. Therefore, the contractor hereby assigns to the State of Florida any and all claims for such overcharges as to goods, materials or services purchased in connection with the Contract.

3. Cooperative Purchasing.

Pursuant to their own governing laws, and subject to the agreement of the Contractor, other entities may be permitted to make purchases at the terms and conditions contained herein. Non-Customer purchases are independent of the agreement between Customer and Contractor, and Customer shall not be a party to any transaction between the Contractor and any other purchaser. State agencies wishing to make purchases from this agreement are required to follow the provisions of section 287.042(16)(a), F.S. This statute requires the Department of Management Services to determine that the requestor's use of the contract is cost-effective and in the best interest of the State.

4. Electronic Invoicing (eInvoicing).

Electronic Invoicing or eInvoicing is presentation of an invoice electronically for payment. eInvoicing provides several benefits to vendors:

1. Shorter payment cycle.
 - Your invoice is delivered electronically to the customer for processing.
2. Invoicing control.
 - You can view your invoice as it is processed through the system.
3. Sustainability.
 - No paper or postage.
4. Frees your team to work on more important tasks.

5. Ariba Network (AN).

MyFloridaMarketPlace leverages the Ariba Network (AN) to facilitate both catalog solutions and electronic invoicing (eInvoicing). In order to eInvoice and have a catalog solution with the state, vendors would register with the AN.

Please see the [Ariba Network website](#) for more details about the **AN** and to register.

**STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
DOCUMENT MANAGEMENT SERVICES**

Exhibit D: Statement of Work

1. Purpose

Document Management Services includes storage of a State Agency's or Eligible User's physical and electronic records and providing storage supplies, archiving services, document classification, organization, retrieval, transportation delivery/pick-up services, destruction, scanning services and digital document storage. Records may be in any form or format including electronic (ex. paper, film, disks, digital media, etc.). The Contractor is responsible for providing personnel, materials, software, equipment, transportation, and facilities to perform all requirements listed in the Statement of Work for each Region awarded.

Contractors shall provide Customers secure online access to their records via the Internet utilizing a Customer Portal and Repository. This records and information management system must permit access to the Customer's inventory of physical and electronic storage records for the purpose of tracking, monitoring status, maintaining an automated inventory and database of the Customers' digital scans, retrieving records (both physical and electronic), account management and notifications including emails, invoicing, and reporting.

The Department understands that technology is rapidly changing in this industry and therefore reserves the right to expand any Document Management Services identified within this solicitation or new innovations that become available during the contract term. Awarded Contractors may propose alternatives for equivalent, better or more cost effective commodities, technology and/or services than specified under the Contractor's original response at any time during the life of the contract.

2. General Requirements

2.1. Customer Service and Administration

The Contractor shall provide Customers all services provided under the resulting contract during normal business hours, Monday through Friday, 8:00AM through 5:00PM ET, including a point of contact accessible via telephone and email. This point of contact shall be someone with specific knowledge of all services provided and located within each specific Region.

2.2. Physical Storage

The Contractor will provide a records storage warehouse(s) that has a minimum storage capacity of at least 50,000 cubic feet in each Region of service. All records are to be stored in a manner such that all reasonable steps are taken for the protection and preservation of records. A portion of the storage warehouse must be environmentally controlled for temperature and humidity for the storage of sensitive records. The storage warehouse shall provide adequate shelving appropriate for various records, files, and cartons. The storage warehouse shall provide at a minimum, security in the form of physical deterrent and services protection and 24 hour burglar monitoring. The Contractor's storage warehouse shall provide fire and flood protection, which shall include 24 hour monitoring of fire and smoke alarm systems. If the Contractor needs to increase the storage warehouse capacity during the contract term, the Contract will not include cost reimbursement for the additional capacity, utilization or transport to the larger storage warehouse and the Contractor will be responsible for any such costs.

2.3. Storage-General Records

The Contractor shall maintain a system of general records storage. General records are those records that may be available to the general public and shall be stored according to recognized industry-standards for record keeping.

2.4. Storage-Sensitive Records

The Contractor shall maintain a system of sensitive records storage. Sensitive records are those records that must be protected from damage and degradation and may also have a heightened sense of security. These records may be exempt from public record requirements or may be considered confidential under law. These records also may contain personal health information or other privacy information.

2.5. Electronic Media Storage

The Contractor shall provide, in addition to the Physical Storage section, a specific location within the storage warehouse appropriate for electronic storage media. Electronic storage media may include, but not be limited to the following singular items: compact discs, DVDs, tapes, films, hard drives, flash drives, cartridges, etc. The storage location within the warehouse shall be conditioned appropriately for electronic storage media to protect such items from damage and degradation.

2.6. Secure Microfilm Storage

The Contractor shall provide secure storage for microfilm and microfiche, in a fireproof, climate controlled vault that is protected from damage and degradation by storage in acid-free boxes. The vault shall include intrusion alarms and access shall be limited.

2.7. Products

The Contractor shall provide standard boxes, acid free containers, and electronic storage media products under this Contract.

2.8. Receiving and Entry of Records

The Contractor shall have a digital cataloging system for receiving and for the entry of records into the storage warehouse which shall include barcoding, labeling, indexing, shelving and providing a receipt to the Customer. This system shall maintain an inventory of all documents, files, and cartons maintained in the warehouse. The system shall also be used to document when records are being retrieved from storage, destroyed by the Contractor, picked up at off site locations, or delivered. The method of documentation must be sufficient that the records can be tracked to its current location accurately. This system shall also have monitoring for retention schedules and records eligible for destruction based on Customer guidelines.

2.9. On-Site Pick-up and Review

The Contractor shall provide a suitable location at each storage warehouse for Customers to pick-up and review their records. The review location shall contain at a minimum a workstation, a chair and ensure customer privacy. Regular on-site pick-up and review shall be available during normal business hours, Monday through Friday, 8:00AM to 5:00PM ET.

2.10. Regular Retrieval

The Contractor shall have a system of records retrieval from the storage warehouse for purposes of transport pursuant to the Regular Delivery section of this contract. All retrievals

of records shall be documented in the Contractor's digital cataloging system within 48 business hours.

2.11. Next Day Retrieval

The Contractor shall provide next day records retrieval from the storage warehouse for purposes of transport pursuant to the Next Day Delivery section of this contract. All retrievals of records shall be documented in the Contractor's digital cataloging system within 48 business hours.

2.12. Same Day Retrieval

The Contractor shall provide same day records retrieval from the storage warehouse for purposes of transport pursuant to the Same Day Delivery section of this contract. All retrievals of records shall be documented in the Contractor's digital cataloging system within 48 business hours.

2.13. Refile

The Contractor shall return to storage records that were previously retrieved by a Customer.

2.14. Permanent Removal/Withdrawal

The Contractor shall confirm and update in their inventory system the status of any records that have been permanently removed from storage.

2.15. Transportation

The Contractor shall provide their own means of transportation of records which shall be operated by licensed and insured employees. The Contractor shall not subcontract the transport services without first obtaining authorization from the Department. Transport personnel shall be employees of the Contractor or previously approved subcontractors. Vehicles shall be appropriately insured by the Contractor and/or subcontractor.

2.16. Regular Pick-Up

The Contractor shall provide a method for providing regular pick-up services of boxed and labeled records from an address within the Region it was awarded. The Contractor shall be responsible for picking up boxed and labeled records from a centralized location for each Customer order. Pick-up orders placed before 2:00PM ET, on a business day will be picked up within the following two (2) business days.

2.17. Next Day Pick-Up

The Contractor shall provide a method for next day pick-up services of boxed and labeled records from an address within the Region it was awarded. The Contractor shall be responsible for picking up boxed and labeled records from a centralized location for each Customer order. Pick-up orders placed before 2:00PM ET, on a business day will be picked up the following business day.

2.18. Same Day Pick-Up

The Contractor shall provide a method for same day pick-up services of boxed and labeled records from an address within the Region it was awarded. The Contractor shall be responsible for picking up boxed and labeled records from a centralized location for each Customer order. Same day pick-up orders must be picked up the same business day.

2.19. Regular Delivery

The Contractor shall provide a method for regular delivery services to an address within the Region it was awarded. Delivery orders placed before 2:00PM ET, on a business day will be delivered within the following two (2) business days.

2.20. Next Day Delivery

The Contractor shall provide a method for next day delivery services to an address within the Region it was awarded. Delivery orders placed before 2:00PM ET, on a business day will be delivered the following business day.

2.21. Same Day Delivery

The Contractor shall provide a method for same day delivery services to an address within the Region it was awarded. Same day delivery orders placed before 12:00 noon ET must be delivered on the same business day. Orders placed after 12:00 noon ET must be delivered on the following business day unless after-hours or holiday services are requested and authorized by the Customer.

2.22. After-Hours or Holiday Services

The Contractor shall provide service after normal business hours (Monday-Friday, 8:00AM-5:00PM ET) and holiday records retrieval, pick-up/delivery services and on-site review. All records shall be available for emergency retrieval 24 hours per day, seven days a week. The following days are observed as holidays by state agencies:

- New Year's Day
- Birthday of Dr. Martin Luther King, Jr.
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day

If the actual holiday falls on a Saturday, the preceding Friday is observed as a holiday. When a holiday falls on Sunday, the following Monday is observed as a holiday.

2.23. Transportation Handling Fee

An additional fee that may be combined with the specified pick-up or delivery service fee when the amount of records and/or cartons is in excess of 100 cubic feet of material that is to be transported to or from an address within the Region the Contractor was awarded service. Such fee and any associated transport must be preauthorized by the Customer.

2.24. Out of Area Transportation Service Fee

An additional fee that may be combined with the specified pick-up or delivery service fee if the transport of records and/or cartons exceeds a 50 mile radius for pick-up and/or delivery to or from an address within the Region the Contractor was awarded service. Such fee and any associated transport must be preauthorized by the Customer.

2.25. Third Party Transportation

The Contractor may utilize a third party carrier such as the United States Postal Service (USPS), United Parcel Service (UPS), and Federal Express (FedEx) for the transport of records if pre-authorized by the Customer. The use of these services shall not alter the Contractor's time requirements for delivery and pick-up services. Any fees billed to the Customer for transportation services shall not exceed the Contractor's ceiling rate(s) as specified on the price sheet.

2.26. Record Destruction

The Contractor shall provide services for the destruction of records, cartons, plastic media or any other such type record whether physical or electronic. The Contractor shall have written policies and procedures in place to ensure secure handling and destruction of Customer material. If documents are shredded, they must be shredded in accordance with National Association for Information Destruction (NAID) standards and cut into fine particles so that no fragment of what remains contains any legible data. Electronic storage media destruction may occur by any method in which the media is destroyed so that no data may be extracted, including hydraulic punching, shredding, onsite erasure, and degaussing. Paper shredding and media destruction services must be provided on-site and/or off-site upon Customer request. The Contractor and/or its subcontractor must hold a NAID Certification throughout the life of the contract. Upon destruction of the records and prior to payment, the Contractor will provide the Customer with a Certification of Destruction or a receipt reflecting the destruction of the records.

2.27. Scanning

The Contractor shall provide a method and service for the digital scanning of records, including large documents greater in size than 8.5" x 14" at a minimum of 300 dots per inch (DPI) in both grayscale and color. The original document's text and graphic image shall be converted into digital data, which may then be emailed, transferred to a new media and formatted for use and if applicable, stored in the Customer Portal and Repository. The resulting scanned documents shall be accessible through open standards such as searchable PDF, TIFF, JPEG, etc.

2.28. Photocopy Services

The Contractor shall provide photocopy services of pages from the Customer's records inventory.

2.29. Facsimile/Email Services

The Contractor shall provide facsimile and email services of pages requested from the Customer's records inventory.

2.30. Quality Assurance

The Contractor shall have a quality control/quality assurance plan that meets the requirements of this Contract and to maintain the integrity of such records. The Contractor will be responsible for verifying the quality and accuracy of the results of all records that are manipulated by the Contractor.

2.31. Quarterly Sales Reports Requirement

If the Contractor fails to submit two consecutive quarterly sales reports, the Contract may be terminated for convenience or the Department may choose to not renew the Contract.

2.32. Performance Bond

If deemed necessary, the Customer may require the Contractor to furnish (without additional cost) a performance bond, a negotiable irrevocable letter of credit or other form of security for the faithful performance of providing the commodities/services required under this Contract. Determination of the appropriateness and amount of any bond requirement, is the sole responsibility, and at the sole discretion, of the Customer.

2.33. Financial Consequences

Failure to Meet Pick-up/Delivery Standards	\$100.00 per day for pick-ups/deliveries not made by the required timeframe
Failure to Maintain Records in Accordance with Industry Standards	\$500.00 per occurrence
Lost/Misplaced Records	\$250.00 per occurrence
Failure to Destroy Records as Required	\$500.00 per occurrence

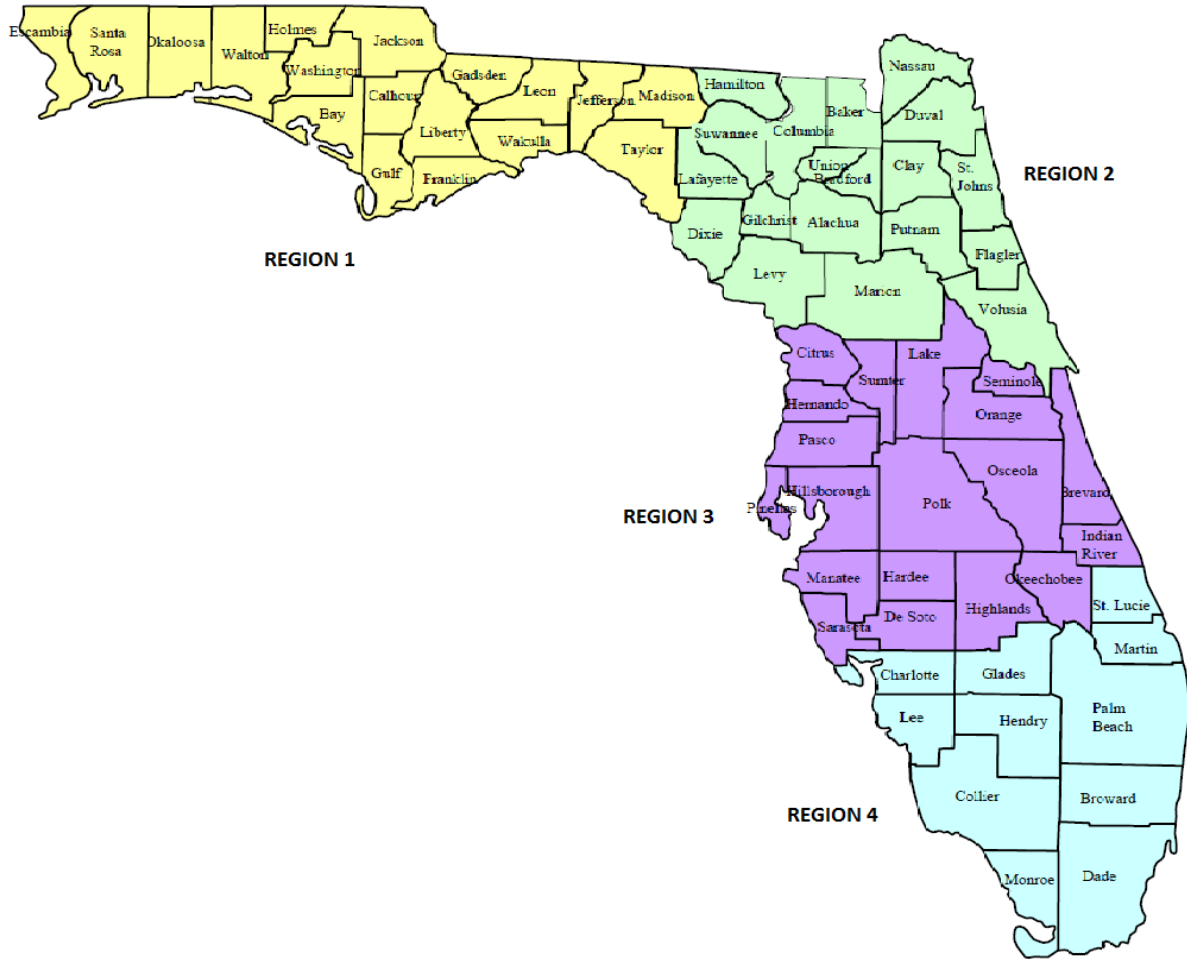
The Department and Customers reserve the right to withhold payment or implement other appropriate remedies, such as contract termination or non-renewal, when the Contractor has failed to perform/comply with the provisions of the Contract.

2.34. Contract Transition

Upon Contract expiration or termination, the incumbent Contractor shall ensure a seamless transfer of records and be responsible for coordinating the transfer and movement of records, files and cartons with any subsequent Contractor(s) necessary to transition the services of this Contract. The incumbent Contractor and subsequent Contractor(s) assume any and all expenses that may arise to transfer and move all records, files and cartons. The Contractor shall develop a detailed written transition plan and coordinate with any subsequent Contractor(s) a schedule for a records storage transition. The transition plan must be prior approved by the Department.

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2.35. Regional Map



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