



**State Term Contract 84111600-20-1
For
Financial and Performance Audits**

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida and **CohnReznick LLP** (Contractor), collectively referred to herein as the “Parties.”

Accordingly, the Parties agree as follows:

I. Initial Contract Term.

The Initial Contract Term shall be for three years. The Initial Contract Term shall begin on March 1, 2021 or the date of the last signature on this Contract, whichever occurs later. The Contract shall expire on February 29, 2024 unless terminated earlier in accordance with the incorporated Special Contract Conditions.

II. Renewal Term.

Upon mutual written agreement, the Parties may renew this Contract, in whole or in part, for a Renewal Term not to exceed the Initial Contract Term, pursuant to the incorporated Special Contract Conditions.

III. Contract.

As used in this document, “Contract” (whether or not capitalized) shall, unless the context requires otherwise, include this document and all incorporated Attachments, which set forth the entire understanding of the Parties and supersedes all prior agreements. All modifications to this Contract must be in writing and signed by all Parties.

All Attachments listed below are incorporated in their entirety into, and form part of, this Contract. The Contract Attachments shall have priority in the order listed:

- a) Special Contract Conditions, Contract Attachment B
- b) Contractor’s submitted Cost Proposal, Contract Attachment A
- c) Customer Contract or Purchase Order(s)
- d) Contractor’s submitted Technical Proposal, Contract Attachment C
- e) Authorized Services List, Contract Attachment D
- f) Contractor Information Form, Contract Attachment E
- g) No Offshoring, Contract Attachment F
- h) Subcontracting, Contract Attachment G

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IV. Statement of Work.

a) Scope of Services.

The Contractor will provide Financial and Performance Audit (FPA) services, giving an attestation of whether the financial statements of an audited entity fairly present the financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. This includes audits of financial statements prepared in conformity with standards of accounting issued by the Statement of Federal Financial Accounting Standards (SFFAS). Services are provided on an as-needed basis, with no guaranteed or minimum spend.

In order to purchase services under this Contract, Customers will issue Requests for Quotes (RFQs) to contractors available under the Financial and Performance Audits State Term Contract (see section IV. f), Request for Quote(s) Requirement, below, for more specifics on this requirement), which will include a Customer-specific Statement of Work ("Customer SOW") detailing the specific services or projects to be performed by the selected contractor, which will also be set forth in the contract or MyFloridaMarketPlace (MFMP) purchase order (collectively referred to as a "PO") between the Customer and selected contractor.

b) Pricing.

The attached Cost Proposal, Contract Attachment A, provides maximum hourly rates for services. In lieu of hourly pricing, Customers may request project-based pricing to accomplish goals and tasks that include more complex requirements. Customers who choose to use a project-based pricing model are not exempt from the requirements listed in section IV. f), Request for Quote(s) Requirement, and must negotiate all pricing, fees and related expenses associated with the completion of each task and deliverable with the selected contractor. Project-based pricing should be fully detailed in the Customer SOW. The project-based pricing is intended to provide predictability and a discount to Customers relative to the maximum hourly rates. Under no circumstance may a project-based price be permitted to be greater than the hourly rates.

c) Job Titles and Duties.

The following sections describe the responsibilities of the personnel provided by the Contractor, in accordance with the terms of the Contract, who are used to provide Customers with services pursuant to the Customer SOW set forth in the Customer's PO (Customers may supplement these duties in their Customer SOWs provided the duties do not exceed or conflict with this Contract).

1. *Principal Consultant:* A minimum of ten (10) years' experience in duties associated with FPA services is required for Principal Consultant positions. The functional responsibilities of this position may include, but are not limited to:

- Providing executive-level consultation services to the Customer
- Providing senior-level interface with the Customer and managing daily operations
- Ensuring the timely performance and completion of all obligations under the PO

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- Organizing and directing the overall performance of the Customer PO
- Possessing the authority to make binding decisions on behalf of the Contractor
- Formulating organizational strategy and directing major strategic initiatives
- Ensuring that goals and objectives are accomplished within budgetary parameters
- Developing and maintaining Customer relationships
- Assisting on large, complex or multi-discipline engagements
- Allocating financial and human resources and material assets
- Formulating and enforcing work standards
- Participating in the design phase of tasks and ensuring their successful execution

2. *Senior Consultant:* A minimum of ten (10) years' experience in duties associated with FPA services is required for Senior Consultant positions. The functional responsibilities of this position may include, but are not limited to:

- Managing the day-to-day operations
- Ensuring the quality and timely completion of projects or services
- Providing technical and subject matter expertise in fulfillment of Customer SOWs
- Participating as a senior team member providing high-level consulting services
- Planning, organizing, and executing tasks in successful delivery of projects or services
- Developing and defining strategic visions
- Planning, directing, controlling, scheduling, coordinating, and organizing management of tasks
- Providing Customer interface in fulfillment of Customer SOWs
- Possessing authority and responsibility for the execution of Customer SOWs
- Planning, organizing, and overseeing all subordinate work efforts
- Ensuring quality standards and work performance on Customer SOWs
- Organizing, directing, and managing support services

3. *Consultant:* A minimum of five (5) years' experience in duties associated with FPA services is required for Consultant positions. The functional responsibilities of this position may include, but are not limited to:

- Applying administrative, consultative, and technical expertise in fulfillment of Customer SOWs
- Planning, organizing, executing, and controlling project tasks in successful delivery of projects or services
- Interfacing with Customer on a day-to-day basis to ensure timely delivery of project or services
- Applying a broad set of management skills and technical expertise as a project leader
- Providing solutions through analysis
- Directing subordinates in the completion of tasks orders
- Organizing, directing, and managing support services
- Assigning tasks and overseeing projects or other services under the Customer SOWs
- Directing activities in fulfillment of Customer SOWs

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- Training Customer personnel through formal classroom courses, workshops, or seminars

4. *Junior Consultant:* A minimum of three (3) years' experience in duties associated with FPA services is required for Junior Consultant positions. The functional responsibilities of this position may include, but are not limited to:

- Applying a broad set of subject matter and technical expertise
- Directing projects or services under the Customer SOWs within estimated timeframes and budget constraints
- Organizing, directing, and managing support services
- Serving as a member of a team performing mid-level assignments
- Providing solutions through analysis
- Conducting Customer training through formal classroom courses, workshops, and seminars

5. *Program and Administrative Support:* The functional responsibilities of this position may include, but are not limited to:

- Coordinating and providing administrative support services to Contractor staff and Customer
- Supporting the provision of services or production of project deliverables and performing administrative functions required to complete tasks
- Providing graphics and editorial support services and desktop publishing services
- Maintaining version control of project documents
- Providing direct support to consulting staff, including supporting the development of all deliverables

d) Anticipated Preferences.

The following contains anticipated Customer-specific preferences of Contractor and its personnel in providing Customer-specific services or projects pursuant to the Customer SOWs, as set forth in the Customer POs. Customers may request in their RFQs that the Contractor conform with the Customer-specific preferences including, but not limited to, the following:

- Knowledge of government business practices, which is inclusive of State of Florida practices.
- Knowledge of standards of accounting issued by Statement of Federal Financial Accounting Standards (SFFAS).

e) Services.

The services the Contractor, through its personnel, may provide include:

- Financial Statements Audits - Audit of financial statements prepared in conformity with standards of accounting issued by SFFAS and by the American Institute of Certified Public Accountants (AICPA).
- Audits of Segments of Financial Statements - Audit of financial information (i.e., statement of revenue and expenses, statement of cash receipts and disbursements,

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statement of fixed assets, budget requests, and variances between estimated and actual financial performance).

- Internal Controls Audits
 - Audit for compliance with laws and regulations such as those governing the bidding for, accounting for, and reporting on grants and contracts including proposals, amounts billed, and amounts due on termination claims.
 - Audit financial reporting and safeguarding of assets including the use of computer-based systems.
- Economy and Efficiency Audits
 - Assess business practices.
 - Evaluate acquisition of appropriate type, quality, and amount of resources at an appropriate cost.
 - Assess duplication of effort by employees and identify work that serves little or no purpose.
 - Evaluate the optimum amount of resources (staff, equipment, and facilities) in producing or delivering the appropriate quantity and quality of goods or services in a timely manner.
 - Evaluate compliance with requirements of laws and regulations that could significantly affect the acquisition, protection, and use of resources.
 - Assess management control systems for measuring, reporting, and monitoring a program's economy and efficiency.
 - Evaluate reported measures of economy and efficiency.
- Program Results and Program Fraud Audits
 - Assess whether the objectives of a new or ongoing program are proper, suitable, or relevant.
 - Determine the extent to which a program achieves a desired level of program results.
 - Assess the effectiveness of the program and/or individual program components.
 - Determine whether the program complements, duplicates, overlaps, or conflicts with other related programs.
 - Assess compliance with laws and regulations applicable to the program

f) Request for Quote(s) Requirement.

1. Customer SOW. Customers needing FPA services will create an RFQ each time they desire to solicit these services. The Customer shall issue a detailed RFQ that specifies a term and includes a Customer SOW stating the services, service levels, educational qualifications, and experience needed. Customers should also consider including the following information in their RFQs under the Financial and Performance Audits State Term Contract:

- Statement of purpose.
- Customer project job duties.
- Required tasks and deliverables, completion of which is subject to Customer acceptance.
- Requirement for contractor to provide an estimate of the hours needed to complete the projects or deliverables, as described in the Customer SOW.
- Customer project timeline.

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- List of contractor responsibilities.
- Necessary qualifications/certifications of the individuals/organization performing work on the Customer project.
- Customer-specific financial consequences for non-performance (note that the financial consequences listed in section IV. g), Financial Consequences, are only in regard to the Contractor's obligation to submit reports to the Department).
- Customer-specific terms and conditions.

When creating a Customer SOW, Customers are permitted to negotiate terms and conditions which supplement those contained in this Contract. Such additional terms must be for services contemplated in the Contract and must not reduce the Contractor's obligations under the Contract (if any such conflicting terms are included in the Customer SOW, the conflict between the terms of the Customer SOW and this Contract will be resolved in favor of terms most favorable to the Customer). Specific terms and conditions within a Customer SOW are only applicable to the Customer's PO.

2. Minimum Number of RFQs Sent by Customer.

Customers Utilizing MFMP: All Customers who utilize MFMP must use the MFMP Sourcing application for creating RFQs under the Financial and Performance Audits State Term Contract. The Customer shall select at least three (3) contractors available under the Financial and Performance Audits State Term Contract and authorized to provide the type of services being requested, to which to send its RFQ. MFMP sourcing will automatically add an additional five (5) randomly selected contractors available under the Financial and Performance Audits State Term Contract to the RFQ event. All eight (8) contractors sent the RFQ will receive a notification of the RFQ and may respond. Customers may view the RFQ Contractor List on the event's "Overview" tab. If fewer than eight (8) contractors are available under the Financial and Performance Audits State Term Contract, and authorized to provide the type of services being requested, the Customer shall send the RFQ to all of the contractors available under the Financial and Performance Audits State Term Contract that are authorized to provide the type of services being requested.

Customers Not Utilizing MFMP: Customers who do not utilize MFMP shall create an RFQ document each time they desire to solicit FPA services and shall send the RFQ document electronically via email to at least (8) contractors available under the Financial and Performance Audits State Term Contract and authorized to provide the type of services being requested. If fewer than eight (8) contractors are available under the Financial and Performance Audits State Term Contract, and authorized to provide the type of services being requested, the Customer shall send the RFQ to all of the contractors available under the Financial and Performance Audits State Term Contract that are authorized to provide the type of services being requested.

4. RFQ Format. The specific format of the RFQ is left to the discretion of the Customer's Contracting Officer. Pursuant to section 287.056(2), F.S., RFQs performed within the scope of the Financial and Performance Audits State Term Contract are not independent

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competitive solicitations and are not subject to the notice or challenge provisions of section 120.57(3), F.S.

g) Department- Specific Financial Consequences.

Financial consequences will be assessed for failure to submit the reports required by the Contract. Financial consequences will be assessed on a daily basis for each individual failure until the submittal is accomplished to the satisfaction of the Department and will apply to each target period beginning with the first full month or quarter of the Contractor's performance, as applicable, and each and every month/quarter thereafter. The Department reserves the right to recoup such financial consequences by withholding payment or by requiring the Contractor to pay financial consequences via check or money order in US Dollars within thirty (30) calendar days after the required report submission date. The Department also reserves the right to 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.

Contract Requirement	Description	Frequency	Daily Financial Consequences for Non-Performance
Timely Submission of complete and accurate Contract Quarterly Sales Report	Submit Quarterly Sales Report in accordance with section IV.I)2.	Each quarter	\$250
Timely Submission of complete and accurate MFMP Transaction Fee Report	Submit MFMP Transaction Fee in accordance with section IV.I)1.	Each month	\$100

For Customer-specific financial consequences, as set forth in the Customer PO, the Customer may collect financial consequences by reducing payments to the Contractor or by requiring the Contractor to pay via check or money order in US Dollars, made out to the Customer, within thirty (30) calendar days after the financial consequence began to accrue.

h) Contractor's Administrative Responsibilities.

The Contractor shall provide all management, administrative, clerical, and supervisory functions required for the effective and efficient performance of all Customer POs it accepts, and shall have sole responsibility for the supervision, daily direction and control, payment of salary (including withholding of income taxes and social security), and any benefits for its personnel. The Contractor is accountable for the actions of its personnel.

Contractor's management responsibilities include, but are not limited to, the following:

- Ensuring personnel understand the work to be performed on Customer POs to which they are assigned;

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- Ensuring personnel know their management chain and adhere to Contractor policies and exhibit professional conduct to perform in the best interest of the Customer;
- Ensuring personnel adhere to applicable laws, regulations, and Contract conditions governing Contractor performance and relationships with the Customer;
- Regularly assessing personnel performance and providing feedback to improve overall task performance; and
- Ensuring high quality results are achieved through task performance.

i) Contractor Warranty.

The Contractor agrees to the following representation and warranty:

Should any defect or deficiency in any deliverable, or the remedy of such defect or deficiency, cause incorrect data to be introduced into any Customer's database or cause data to be lost, the Contractor shall be required to correct and reconstruct, within the timeframe established by the Customer, all production, test, acceptance, and training files or databases affected, at no additional cost to the Customer.

j) Business Days.

The Contractor shall provide all services to Customers Mondays through Fridays, except on holidays observed by the Customer. Days observed as holidays by State agencies are provided via the link below:

https://www.dms.myflorida.com/workforce_operations/human_resource_management/for_state_personnel_system_hr_practitioners/state_holidays

Customers may observe additional holidays which, if any, will be detailed in the Customer's PO.

k) Routine Communications.

All routine communications and reports related to the Contract shall be sent to the Department's Contract Manager. If any information listed on the Contract Information form (Contract Attachment E) changes during the life of the Contract, then the Contractor shall update the form and submit it to the Department's Contract Manager (such update does not necessitate a formal amendment to the Contract). Communications relating to a Customer PO should be addressed to the contact person identified in the PO. Communications may be by e-mail, regular mail, or telephone.

l) Contract Reporting.

The Contractor shall report information on orders received from Customers under the Contract. The Contractor shall submit the following reports:

1. MFMP Transaction Fee Report.

The Contractor shall submit monthly Transaction Fee Reports in the Department's electronic format. Reports are due fifteen (15) calendar days after the end of the calendar month. For information on how to submit Transaction Fee Reports online, please reference the detailed fee reporting instructions and vendor training presentations available online on the "Transaction Fee & Reporting" and "Training for Vendors"

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subsections under "Vendors" on the MFMP website. Assistance with Transaction Fee Reporting is also available from the MFMP Customer Service Desk by email at feeprocessing@myfloridamarketplace.com or telephone at 866-FLA-EPRO (866-352-3776) from 8:00 a.m. to 6:00 p.m. Eastern Time.

2. Contract Quarterly Sales Reports.

The Contractor shall submit a Contract Quarterly Sales report electronically, in the required format, to the Department's Contract Manager within fifteen (15) calendar days after the close of each State Fiscal quarter listed below. Failure to provide the Contract Quarterly Sales report will result in the imposition of financial consequences. Initiation and submission of the Contract Quarterly Sales report is the responsibility of the Contractor without prompting or notification by the Department. Sales will be reviewed on a quarterly basis. If no sales are recorded in two consecutive Contract quarters, the Department may terminate the Contract.

Quarter 1 – (July-September) – due fifteen (15) calendar days after the close of the fiscal quarter.

Quarter 2 – (October-December) – due fifteen (15) calendar days after the close of the fiscal quarter.

Quarter 3 – (January-March) – due fifteen (15) calendar days after the close of the fiscal quarter.

Quarter 4 – (April-June) – due fifteen (15) calendar days after the close of the fiscal quarter.

3. Diversity Report.

The Contractor shall report to each Customer, fifteen (15) business days after the end of the State fiscal year, the spend with certified and other minority business enterprises. These reports shall include the period covered, the name, minority code, and Federal Employer Identification Number of each minority business utilized during the period; commodities and services provided by the minority business enterprise; and the amount paid to each minority business on behalf of each purchasing agency ordering under the terms of this Contract.

4. Ad-hoc Report.

The Department may require additional Contract information such as copies of Customer POs or ad hoc sales reports. The Contractor shall submit these specific ad hoc reports within 30 days of the request or a specified amount of time as requested by the Department.

m) Business Review Meetings.

Each quarter the Department may request a business review meeting. The business review meeting may include, but is not limited to, the following:

- Successful completion of deliverables
- Review of the Contractor's performance
- Review of minimum required reports
- Addressing of any elevated Customer issues

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- Review of continuous improvement ideas that may help lower total costs and/or improve business efficiencies.

n) Price Adjustments.

The Contractor shall adhere to the initial and renewal term hourly rates (pricing) provided in its Cost Proposal. The Department will not allow for increases to these prices. Negotiated prices are not-to-exceed prices and lower prices may be negotiated by the Department and/or the Customer.

o) Contract Transition.

Upon the expiration or termination of the Contract, the Contractor shall ensure a seamless transfer of Contract responsibilities to the Department or any subsequent vendor as necessary to transition the services provided under the Contract. The Contractor agrees to cooperate with the Department and any subsequently awarded vendor to coordinate the transition including, but not limited to, attending meetings and furnishing necessary information. The Contractor shall assume all expenses related to its obligations to assist in the Contract transition.

V. Contract Management.

Department's Contract Manager:

Christia Nunnery

Division of State Purchasing

Florida Department of Management Services

4050 Esplanade Way, Suite 360.8X

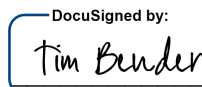
Tallahassee, Florida 32399-0950

Telephone: (850) 488-8367

Email: Christia.Nunnery@dms.myflorida.com

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

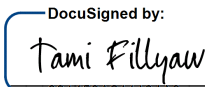
COHNREZNICK LLP

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Tim Bender
Partner

2/17/2021 | 4:46 PM EST

Date:

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

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991459A211104A3...
Tami Fillyaw
Chief of Staff

2/18/2021 | 4:59 PM EST

Date:

Contract Attachment A: Cost Proposal
Request For Proposals
No. 06-80101500-J
Management Consulting Services and Financial and Performance Audits

Respondent Name	CohnReznick LLP
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INSTRUCTIONS
The Respondent may respond to one or both Service Categories. The Respondent is not required to respond to both Service Categories. However, the Respondent must provide pricing for all job titles within each Service Category for which the Respondent is submitting a Technical Proposal.
For Respondent to be considered for an award in a Service Category, the Respondent is required to submit pricing for all job titles within the Service Category they are proposing to offer services for both the Initial Term and Renewal Term. The Respondent must submit a price in all yellow highlighted cells for the Service Category for which the Respondent is proposing services. The Department will not consider or evaluate a proposal for any Service Category that fails to provide pricing for all job titles in a Service Category for both the Initial Term and Renewal Term.
Please refer to the Job Titles and Duties section of Attachment C (for Management Consulting Services) and Attachment D (for Financial and Performance Audits) for the minimum qualifications and responsibilities of the job titles listed below.
This Attachment A, Cost Proposal, establishes pricing for services offered for the term of the contract and any renewals. The Respondent shall not exceed this pricing when providing services under any resultant contract.
Provide pricing in dollar amounts; amounts cannot include fractions of cents (e.g. \$0.005).
Proposed costs are ceiling rates inclusive of any and all costs associated with providing services.

Service Category 2: Financial and Performance Audits		
JOB TITLE	<u>INITIAL</u> TERM HOURLY RATE	<u>RENEWAL</u> TERM HOURLY RATE
Principal Consultant	\$200.00	\$220.00
Senior Consultant	\$190.00	\$209.00
Consultant	\$165.00	\$181.50
Junior Consultant	\$135.00	\$148.50
Program and Administrative Support	\$75.00	\$82.50

Contract Attachment B
SPECIAL CONTRACT CONDITIONS
JULY 1, 2019 VERSION

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In accordance with Rule 60A-1.002(7), F.A.C., Form PUR 1000 is included herein by reference but is superseded in its entirety by these Special Contract Conditions.

SECTION 1. DEFINITION.

The following definition applies in addition to the definitions in Chapter 287, Florida Statutes (F.S.), and Rule Chapter 60A-1, Florida Administrative Code (F.A.C.):

1.1 Customer.

The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.

SECTION 2. CONTRACT TERM AND TERMINATION.

2.1 Initial Term.

The initial term will begin on the date set forth in the Contract documents or on the date the Contract is signed by all Parties, whichever is later.

2.2 Renewal.

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, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. The Customer may suspend a resulting contract or 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 the suspension. After receiving a suspension notice, the Contractor must comply with the notice and will cease the performance of the Contract or purchase order. Suspension of work will not entitle the Contractor to any additional compensation. The Contractor will not resume performance of the Contract or purchase order until so authorized by the Department.

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 of Florida. If the Contract is terminated before performance is completed, the Contractor will 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 will become the property of the Customer and will be turned over promptly by the Contractor.

2.3.3 Termination for Cause.

If the performance of the Contractor is not in compliance with the Contract requirements or the Contractor has defaulted, the Department may:

- (a) immediately terminate the Contract;
- (b) notify the Contractor of the noncompliance or default, require correction, and specify the date by which the correction must be completed before the Contract is terminated; or
- (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor will not exceed the pricing set forth in the Contract documents.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

3.2.1 Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders;

3.2.2 Preferred Pricing. The Contractor guarantees that the pricing indicated in this Contract is a maximum price. Additionally, Contractor's pricing will not exceed the pricing offered under comparable contracts. Comparable contracts are those that are similar in size, scope, and terms. In compliance with section 216.0113, F.S., Contractor must annually submit an affidavit from the Contractor's authorized representative attesting that the Contract complies with this clause.

3.2.3 Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, the Contractor may conduct sales promotions involving price reductions for a specified lesser period. The Contractor must 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 invoices to the Customer after delivery and acceptance of commodities or contractual services is confirmed by the Customer. Invoices must contain sufficient detail for an audit and 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 pursuant to the Contract and, if applicable, the Contractor must provide commodities or contractual services pursuant to purchase orders. Purchase orders issued pursuant to the Contract must be received by the Contractor no later than the close of business on the last day of the Contract's term. The Contractor is required to accept timely purchase orders specifying delivery schedules that extend beyond the Contract term even when such extended delivery will occur after expiration of the Contract. Purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the Contract shall survive the termination or expiration of the Contract and apply to the Contractor's performance. The duration of purchase orders for recurring deliverables shall not exceed the expiration of the Contract by more than twelve months. Any purchase order terms and conditions conflicting with these Special Contract Conditions shall not become a part of the Contract.

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 of Florida or an 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), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

Taxes, customs, and tariffs on commodities or contractual services purchased under the Contract will not be assessed against the Customer or Department unless authorized by Florida law.

3.9 Return of Funds.

Contractor will return any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor. The Contractor must return any overpayment within forty (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 MANAGEMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer as specified in the Contract. Additionally, the terms of the Contract supersede the terms of all prior agreements between the Parties on this subject matter.

4.2 Notices.

All notices required under the Contract must be delivered to the designated Contract Manager in a manner identified by the Department.

4.3 Department's Contract Manager.

The Department's Contract Manager, who is primarily responsible for the Department's oversight of the Contract, will be identified in a separate writing to the Contractor upon Contract signing in the following format:

Department's Contract Manager Name

Department's Name
Department's Physical Address
Department's Telephone #
Department's Email Address

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

4.4 Contractor's Contract Manager.

The Contractor's Contract Manager, who is primarily responsible for the Contractor's oversight of the Contract performance, will be identified in a separate writing to the Department upon Contract signing in the following format:

Contractor's Contract Manager Name
Contractor's Name
Contractor's Physical Address
Contractor's Telephone #
Contractor's Email Address

If the Contractor changes its Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

4.5 Diversity.

4.5.1 Office of Supplier Diversity.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises 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 osdinfo@dms.myflorida.com.

4.5.2 Diversity Reporting.

Upon request, the Contractor will report to the Department 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 agency purchasing under the Contract.

4.6 RESPECT.

Subject to the agency determination provided for in section 413.036, 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 RESPECT and the commodities or contractual services it offers is available at <https://www.respectofflorida.org>.

4.7 PRIDE.

Subject to the agency determination provided for in sections 287.042(1) and 946.515, 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 <https://www.pride-enterprises.org>.

SECTION 5. COMPLIANCE WITH LAWS.

5.1 Conduct of Business.

The Contractor must 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 must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference.

5.2 Dispute Resolution, Governing Law, and Venue.

Any dispute concerning performance of the Contract shall be decided by the Department's designated Contract Manager, who will reduce the decision to writing and serve a copy on the Contractor. The decision of the Contract Manager shall be final and conclusive. Exhaustion of this administrative remedy is an absolute condition precedent to the Contractor's ability to pursue legal action related to the Contract or any other form of dispute resolution. The laws of the State of Florida 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 all privileges and rights relating to venue it may have under Chapter 47, F.S., 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.

5.3 Department of State Registration.

Consistent with Title XXXVI, F.S., the Contractor and any subcontractors that assert status, other than a sole proprietor, must provide the Department with conclusive evidence 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.

5.4 Suspended, Convicted, and Discriminatory Vendor Lists.

In accordance with sections 287.042, 287.133, and 287.134, F.S., an entity or affiliate who is on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List during the term of the Contract.

5.5 Scrutinized Companies - Termination by the Department.

The Department may, at its option, terminate the Contract if the Contractor is found to have submitted a false certification as provided under section 287.135(5), F.S., or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or been engaged in business operations in Cuba or Syria, or to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

5.6 Cooperation with Inspector General and Records Retention.

Pursuant to section 20.055(5), F.S., the Contractor understands and will comply with its 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 must provide any information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but will 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 will retain such records for the longer of five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State, at the Department of State's Records Management website. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the Contractor. Such costs will include but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor agrees to impose the same obligations to cooperate with the Inspector General and retain records on any subcontractors used to provide goods or services under the Contract.

SECTION 6. MISCELLANEOUS.

6.1 Subcontractors.

The Contractor will not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all its subcontracted work. The Department supports diversity in its procurements and contracts, and requests that the Contractor 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.

6.2 Assignment.

The Contractor will not sell, assign, or transfer any of its rights, duties, or obligations under the Contract without the prior written consent of the Department. However, the Contractor may waive its right to receive payment and assign same upon notice to the Department. In the event of any assignment, the Contractor remains responsible for performance of the Contract, unless such responsibility is expressly waived by the Department. The Department may assign the Contract with prior written notice to the Contractor.

6.3 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are independent contractors and not employees or agents of the State of Florida and are not entitled to State of Florida benefits. The Department and Customer will 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 its subcontracts under the Contract.

6.4 Inspection and Acceptance of Commodities.

6.4.1 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage will remain with the Contractor. The Contractor will be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer will: 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.

6.4.2 Rejected Commodities.

When a Customer rejects a commodity, Contractor will remove the commodity from the premises within ten (10) calendar days after notification of rejection, and the risk of loss will remain with the Contractor. Commodities not removed by the Contractor within ten (10) calendar days will be deemed abandoned by the Contractor, and the Customer will have the right to dispose of such commodities. Contractor will reimburse the Customer for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

6.5 Safety Standards.

Performance of the Contract for all commodities or contractual services must comply with requirements of the Occupational Safety and Health Act and other applicable State of Florida and federal requirements.

6.6 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.

6.7 Time is of the Essence.

Time is of the essence regarding every obligation of the Contractor under the Contract. 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 Waiver.

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

6.9 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 will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Contract did not contain the provision held invalid.

6.10 Cooperative Purchasing.

Pursuant to their own governing laws, and subject to the agreement of the Contractor, governmental entities that are not Customers may make purchases under the terms and conditions contained herein, if agreed to by Contractor. Such purchases are independent of the Contract between the Department and the Contractor, and the Department is not a party to these transactions. Agencies seeking to make purchases under this Contract are required to follow the requirements of Rule 60A-1.045(5), F.A.C.

SECTION 7. LIABILITY AND INSURANCE.

7.1 Workers' Compensation Insurance.

The Contractor shall maintain workers' compensation insurance as required under the Florida Workers' Compensation Law or the workers' compensation law of another jurisdiction where applicable. The Contractor must require all subcontractors to similarly provide workers' compensation insurance for all of the latter's employees. In the event work is being performed by the Contractor under the Contract and any class of employees performing the work is not protected under Workers' Compensation statutes, the Contractor must provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Department, for the protection of employees not otherwise protected.

7.2 General Liability Insurance.

The Contractor must secure and maintain Commercial General Liability Insurance, including bodily injury, property damage, products, personal and advertising injury, and completed operations. This insurance must provide coverage for all claims that may arise from performance of the Contract or completed operations, whether by the Contractor or anyone directly or indirectly employed by the Contractor. Such insurance must include the State of Florida as an additional 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.

7.3 Florida Authorized Insurers.

All insurance shall be with insurers authorized and eligible to transact the applicable line of insurance business in the State of Florida. The Contractor shall provide Certification(s) of Insurance evidencing that all appropriate coverage is in place and showing the Department to be an additional insured.

7.4 Performance Bond.

Unless otherwise prohibited by law, the Department may require the Contractor to furnish, without additional cost to the Department, a performance bond or irrevocable letter of credit or other form of security for the satisfactory performance of work hereunder. The Department shall determine the type and amount of security.

7.5 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Customer and 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 from or relating to violation or infringement of a trademark, copyright, patent, trade secret, or intellectual property right or 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 Customer. The Contract does not constitute a waiver of sovereign immunity or consent by the Customer or the State of Florida or its subdivisions to suit by third parties. Without limiting this indemnification, the Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

7.6 Limitation of Liability.

Unless otherwise specifically enumerated in the Contract or in the purchase order, neither the Department nor the Customer shall be liable for special, indirect, punitive, or consequential damages, including lost data or records (unless the Contract or purchase order requires the Contractor to back-up data or records), even if the Department or Customer has been advised that such damages are possible. Neither the Department nor the Customer shall be liable for lost profits, lost revenue, or lost institutional operating savings. The Department or Customer may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, penalties, costs, and the like asserted by or against them. The State may set off any liability or other obligation of the Contractor or its affiliates to the State against any payments due the Contractor under any contract with the State.

SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT, AND INTELLECTUAL PROPERTY.

8.1 Public Records.

8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F. S., made or received by the Contractor in conjunction with the Contract.

8.1.2 Statutory Notice.

Pursuant to section 119.0701(2)(a), F.S., for contracts for services with a contractor acting on behalf of a public agency, as defined in section 119.011(2), F.S., the following applies:

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 CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS, AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.

Pursuant to section 119.0701(2)(b), F.S., for contracts for services with a contractor acting on behalf of a public agency as defined in section 119.011(2), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, 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 are not disclosed except as authorized by law for the duration of the Contract term and following the 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, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

8.2 Protection of Trade Secrets or Otherwise Confidential Information.

8.2.1 Contractor Designation of Trade Secrets or Otherwise Confidential Information. If the Contractor considers any portion of materials to be trade secret under section 688.002 or 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as trade secret or otherwise confidential when submitted to the Department. The Contractor will be

responsible for responding to and resolving all claims for access to Contract-related materials it has designated trade secret or otherwise confidential.

8.2.2 Public Records Requests.

If the Department receives a public records request for materials designated by the Contractor as trade secret or otherwise confidential under Florida or federal law, the Contractor will be responsible for taking the appropriate legal action in response to the request. If the Contractor fails to take appropriate and timely action to protect the materials designated as trade secret or otherwise confidential, the Department will provide the materials to the requester.

8.2.3 Indemnification Related to Confidentiality of Materials.

The Contractor will protect, defend, indemnify, and hold harmless the Department for claims, costs, fines, and attorney's fees arising from or relating to its designation of materials as trade secret or otherwise confidential.

8.3 Document Management.

The Contractor must 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. The Contractor must 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 the Department of State's Records Management website.

8.4 Intellectual Property.

8.4.1 Ownership.

Unless specifically addressed otherwise in the Contract, the State of Florida shall be the owner of all intellectual property rights to all property created or developed in connection with the Contract.

8.4.2 Patentable Inventions or Discoveries.

Any inventions or discoveries developed in the course, or as a result, of services in connection with the Contract that are patentable pursuant to 35 U.S.C. § 101 are the sole property of the State of Florida. Contractor must inform the Customer of any inventions or discoveries developed or made through performance of the Contract, and such inventions or discoveries will be referred to the Florida Department of State for a determination on whether patent protection will be sought. The State of Florida will be the sole owner of all patents resulting from any invention or discovery made through performance of the Contract.

8.4.3 Copyrightable Works.

Contractor must notify the Department or State of Florida of any publications, artwork, or other copyrightable works developed in connection with the Contract. All copyrights created or developed through performance of the Contract are owned solely by the State of Florida.

SECTION 9. DATA SECURITY.

The Contractor will maintain the security of State of Florida data including, but not limited to, maintaining a secure area around any displayed visible data and ensuring data is stored and secured when not in use. The Contractor and 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 the United States due to Contractor's action or inaction. In the event of a security breach involving State of Florida data, the Contractor shall give notice to the Customer and the Department within one business day. "Security breach" for purposes of this section will refer to a confirmed event that compromises the confidentiality, integrity, or availability of data. Once a data breach has been contained, the Contractor must provide the Department with a post-incident report documenting all containment, eradication, and recovery measures taken. The Department reserves the right in its sole discretion to enlist a third party to audit Contractor's findings and produce an independent report, and the Contractor will fully cooperate with the third party. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

SECTION 10. GRATUITIES, LOBBYING, AND COMMUNICATIONS.

10.1 Gratuities.

The Contractor will 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 of Florida officer's 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 of Florida officer or employee.

10.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not to be used for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to section 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 is executed and during the Contract term.

10.3 Communications.

10.3.1 Contractor Communication or Disclosure.

The Contractor shall not make any public statements, press releases, publicity releases, or other similar communications 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, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

10.3.2 Use of Customer Statements.

The Contractor shall not use any statement attributable to the Customer or its employees for the Contractor's promotions, press releases, publicity releases, marketing, corporate communications, or other similar communications, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

SECTION 11. CONTRACT MONITORING.

11.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Contract. The Department and the Customer will 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.

11.2 Performance Deficiencies and Financial Consequences of Non-Performance.

11.2.1 Proposal of Corrective Action Plan.

In addition to the processes set forth in the Contract (e.g., service level agreements), if the Department or Customer determines that there is a performance deficiency that requires correction by the Contractor, then the Department or Customer will notify the Contractor. The correction must be made within a time-frame specified by the Department or Customer. The Contractor must provide the Department or Customer with a corrective action plan describing how the Contractor will address all performance deficiencies identified by the Department or Customer.

11.2.2 Retainage for Unacceptable Corrective Action Plan or Plan Failure.

If the corrective action plan is unacceptable to the Department or Customer, or implementation of the plan fails to remedy the performance deficiencies, the Department or Customer will retain ten percent (10%) of the total invoice amount. The retainage will be withheld until the Contractor resolves the performance deficiencies. If the performance deficiencies are resolved, the Contractor may invoice the Department or Customer for the retained amount. If the Contractor fails to resolve the performance deficiencies, the retained amount will be forfeited to compensate the Department or Customer for the performance deficiencies.

11.3 Performance Delay.

11.3.1 Notification.

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 the 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 the 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 and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department's delay.

11.3.2 Liquidated Damages.

The Contractor acknowledges that delayed performance will damage the Department/Customer, but by their nature such damages are difficult to ascertain. Accordingly, the liquidated damages provisions stated in the Contract documents will apply. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

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

The Contractor will 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 fire, explosion, earthquake, windstorm, flood, radioactive or toxic chemical hazard, war, military hostilities, terrorism, civil emergency, embargo, riot, strike, violent civil unrest, or other similar cause wholly beyond the Contractor's reasonable control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. The foregoing does not excuse delay which could have been avoided if the Contractor implemented any risk mitigation required by the Contract. In case of any delay the Contractor believes is excusable, the Contractor will notify the Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) calendar days after the cause that created 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 (5) calendar days after the date the Contractor first had reason to believe that a delay could result. The foregoing will 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 will be asserted by the Contractor. The Contractor will 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 paragraph, after the causes have ceased to exist the Contractor will 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 of Florida or to Customers, in which case the Department may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers and the Department 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 12. CONTRACT AUDITS.

12.1 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 subcontractors' 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 the Contract, may be inspected by the Department upon fifteen (15) calendar 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 Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, the Office of the Auditor General also have authority to perform audits and inspections.

12.2 Payment Audit.

Records of costs incurred under terms of the Contract will be maintained in accordance with section 8.3 of these Special Contract Conditions. Records of costs incurred will 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, the State of Florida's Chief Financial Officer, or the Office of the Auditor General.

SECTION 13. BACKGROUND SCREENING AND SECURITY.

13.1 Background Check.

The Department or Customer may require the Contractor to conduct background checks of its employees, agents, representatives, and subcontractors as directed by the Department or Customer. The cost of the background checks will be borne by the Contractor. The Department or Customer may require the Contractor to exclude the Contractor's employees, agents, representatives, or subcontractors based on the background check results. In addition, the Contractor must ensure that all persons have a responsibility to self-report to the Contractor within three (3) calendar days any arrest for any disqualifying offense. The Contractor must notify the Contract Manager within twenty-four (24) hours of all details concerning any reported arrest. Upon the request of the Department or Customer, the Contractor will re-screen any of its employees, agents, representatives, and subcontractors during the term of the Contract.

13.2 E-Verify.

The Contractor must use 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 must also include a requirement in subcontracts that the subcontractor must 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 must provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five (5) calendar days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five (5) calendar days of notice of Contract award and provide the Contract Manager a copy of its MOU within five (5) calendar days of Contract execution. The link to E-Verify is <https://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor must provide a statement within five (5) calendar days to the Contract Manager identifying the new hire with its E-Verify case number.

13.3 Disqualifying Offenses.

If at any time it is determined that a person has been found guilty of a misdemeanor or felony offense as a result of a trial or has entered a plea of guilty or nolo contendere, regardless of whether adjudication was withheld, 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 crimes;
- (b) Information technology crimes;

- (c) Fraudulent practices;
- (d) False pretenses;
- (e) Frauds;
- (f) Credit card crimes;
- (g) Forgery;
- (h) Counterfeiting;
- (i) Violations involving checks or drafts;
- (j) Misuse of medical or personnel records; and
- (k) Felony theft.

13.4 Confidentiality.

The Contractor must maintain confidentiality of all confidential data, files, and records related to the commodities or contractual services provided pursuant to the Contract and must 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 must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor must also comply with any applicable professional standards with respect to confidentiality of information.

SECTION 14. WARRANTY OF CONTRACTOR'S ABILITY TO PERFORM.

The Contractor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Contractor's ability to satisfy its Contract obligations. The Contractor warrants that neither it nor any affiliate is currently on the Suspended Vendor List, Convicted Vendor List, or the Discriminatory Vendor List, or on any similar list maintained by any other state or the federal government. The Contractor shall immediately notify the Department in writing if its ability to perform is compromised in any manner during the term of the Contract.



Service Category 2: Financial and Performance Audits

Technical Proposal

provided to

The State of Florida, Department of Management Services (DMS)

RFP #06-80101500-J

June 9, 2020





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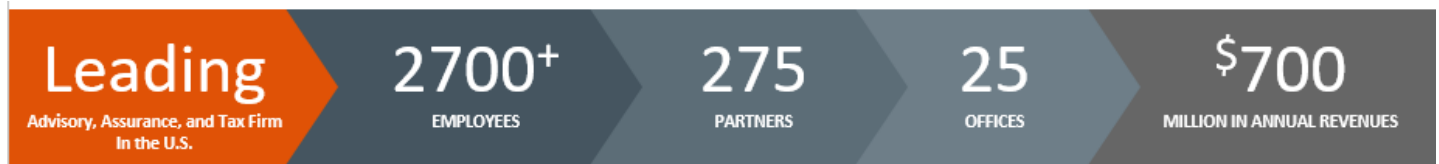
Category 2: Financial and Performance Audits

CHECK	SERVICE
✓	Financial Statements Audits - Audit of financial statements prepared in conformity with standards of accounting issued by SFFAS and by the American Institute of Certified Public Accountants (AICPA).
✓	Audits of Segments of Financial Statements - Audit of financial information (i.e., statement of revenue and expenses, statement of cash receipts and disbursements, statement of fixed assets, budget requests, and variances between estimated and actual financial performance).
✓	Internal Controls Audits
✓	Economy and Efficiency Audits
✓	Program Results and Program Fraud Audits



1) EXPERIENCE

Firm Background



CohnReznick is a national advisory, assurance, and tax firm founded in 1919. As one of the top accounting firms in the United States, CohnReznick provides forward-thinking service across nearly two dozen industries and serves businesses ranging from multigenerational family-run enterprises, to government entities, to public companies in the *Fortune* 1000. With more than **2,700 employees** firm wide—including over **900 Certified Public Accountants (CPA)**—we have the deep resources and technical acumen of a large national accounting firm without sacrificing the hands-on, entrepreneurial approach that today’s dynamic business environment demands. With talented professionals located nationwide, CohnReznick can offer both local and national resource support to the future users of Florida’s Department of Management Services’ (DMS) State Term Contract (STC). In response to future Request for Quotes (RFQ), we will propose financial and performance audit solutions with the needed subject matter expertise, best practices, and business tools to deliver value for the STC users.

Florida Clients Served

CohnReznick has been successfully serving clients for over 100 years, and we currently serve over 500 clients across the State of Florida (please see the below graphic for some of the locations of our Florida clients currently served). These clients represent both the public and private sectors and a diverse group of industries.



CohnReznick’s Relevant Experience

CohnReznick’s Government and Public Sector Advisory Practice delivers seamless and high-quality auditing services to provide assurance that government funds are properly spent to achieve intended mission results. Through rigorous examination of agency transactions, policies, and procedures, our auditors assure the appropriateness of payrolls, day-to-day operations and maintenance, contracting, grants, working capital, etc., allowing for increased operational efficiencies, mitigation of reputation loss, and better day-to-day decision-making. Our auditors help protect the integrity of governmental entities by providing practical, defensible, and cost-effective audit results that allow government executives to achieve intended results and comply with all requisite laws and regulations.

CohnReznick's Diverse Knowledge and Skillsets

\$46B

Audited for the U.S. Department of Energy

- 226 Generally Accepted Government Auditing Standards (GAGAS) audits completed to date
- 36 audits in progress or pending initiation
- 135+ staffing, budgeting, & scheduling resources managed

255+

Nationwide Government Agencies & Contractors

- Provided 130+ government agencies & contractors assurance services
- GAGAS ("Yellow Book") audits
- Office of Management and Budget (OMB) A-123 & A-133 audits
- Performance audits
- Contract closeout audits

GAAS

GAGAS

GAAP

SFFAS

- Generally Accepted Auditing Standards (GAAS)
- Generally Accepted Government Auditing Standards (GAGAS)
- Generally Accepted Accounting Principles (GAAP)
- Statement of Federal Financial Accounting Standards (SFFAS)

500+

Florida-based Clients

- Ongoing Single Audit of Miami-Dade Public Housing & Community Development, a component unit of Miami-Dade County
- Ongoing financial statement audits for multiple FL housing authorities

The CohnReznick personnel we have included as part of this response represent just a small sample of the high-caliber personnel readily available to be deployed to support the future users of the STC with their various financial and performance audit needs. Our personnel have extensive knowledge of federal, state, and local accounting standards, as well as GAAP, GAGAS, OMB Circulars, financial regulations, and reporting requirements. We help government entities address complex financial and management issues through our range of audit and accounting services that include:

✓ Financial statement audits	✓ Program results and program fraud audits
✓ Performance audits	✓ Billing and invoicing audits
✓ Contract audits and monitoring	✓ Improper payments audits
✓ Segments of financial statements audits	✓ Internal controls audits
✓ Operational audits and process improvement	✓ Economy and efficiency audits
✓ Forensic accounting and litigation support	✓ Corrective Action Plans

CohnReznick’s Audit Capabilities and Resources		
CPAs		Yellow Book-Trained Professionals
900+		650+
Audits in Compliance with GAGAS (Annually)	Contract/Compliance Audits (Annually)	Financial Audits in Compliance with GAAS (Annually)
1,350+	2,000+	10,000+

CohnReznick’s Relevant Experience and Past Projects

Below we have provided descriptions of client engagements that demonstrate our relevant financial and performance audit experience. Prior to providing these client engagement descriptions, we have first provided a table that summarizes the relevant financial and performance audit services encompassed by these engagements.

CohnReznick’s Relevant Experience and Past Projects	Financial Statements Audits	Audits of Segments of Financial Statements	Internal Controls Audits	Economy and Efficiency Audits	Program Results and Program Fraud Audits
Miami-Dade Public Housing and Community Development (PHCD)	✓		✓		✓



U.S. Department of Energy (DOE)		✓	✓		✓
U.S. Department of Homeland Security (DHS)		✓	✓		✓
U.S. Fish and Wildlife Service Deepwater Horizon Agreed-Upon Procedures			✓		✓
Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR)		✓	✓		✓
Federal Communications Commission (FCC) Financial Audit and Internal Controls for 800MHZ Transition Administrator (TA)		✓	✓		✓
Metropolitan Washington Airports Authority (MWAA)			✓	✓	✓

CohnReznick's Relevant Experience and Past Projects (continued)



Miami-Dade Public Housing and Community Development

Period of Performance: 2014 – Present

Contract Value: \$1,000,000

Work Performed: Financial Statement Audit, Single Audit

Project Description:

Miami-Dade Public Housing and Community Development (PHCD) is responsible for housing over 30,000 Florida residents/families, has contractual agreements with private companies for property management services, provides for Section 8 subsidized payments for more than 16,000 units, and administers an array of specialized housing opportunities. PHCD also administers a number of federal and local Community Development Programs.

CohnReznick's responsibilities include:

- Performing annual financial audits of the programs in accordance with Auditing Standards Generally Accepted in the United States, Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act as amended, and the OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations";
- Providing attestation services related to the electronic submission of audited financial information to the U.S. Department of Housing and Urban Development (HUD) Real Estate Assessment Center;
- Conducting audits that will assist PHCD in determining whether it has: **(1)** financial data and reports that are reliable; **(2)** financial statements, note disclosures, and supplemental information in accordance with accounting principles generally accepted in the United States; **(3)** internal controls in place to provide reasonable assurance that it is managing HUD programs in compliance with applicable laws and regulations; and **(4)** complied with the terms and conditions of federal awards and guarantees and expended federal, state, and local funds properly, along with supporting documentation.

Highlight:

PHCD is a component unit of Miami-Dade County. The first year of the audit was for the year ending 9/30/2014. CohnReznick has recently been awarded a new contract for six additional years beginning with 2020.



Department of Energy

Period of Performance: May 2015 – May 2020

Contract Value: \$90,000,000

Work Performed: Financial Contract Audit Services Support

Project Description:

CohnReznick has been engaged by the **U.S. Department of Energy (DOE)** to provide contract audit services to its nationwide contracting offices. We have successfully deployed a project framework to manage over 226 audits across 17 contracting offices within nearly 150 work orders, leveraging over 50 staff. CohnReznick's Project Management Office (PMO) team developed and administered these work orders in an efficient manner to monitor, manage, and report project schedules, issues, budgets, and resources.

Highlight:

CohnReznick has completed approximately 226 audits (\$18.5M in costs), and 36 additional audits (\$3.7M budget) have been awarded and are in process or are awaiting to be initiated. Our CohnReznick PMO has managed staffing, budgeting, and scheduling of 135+ resources and coordinated audit efforts across DOE's nationwide contracting offices.



Department of Homeland Security

Period of Performance: September 2017 – Present

Contract Value: \$1,215,554

Work Performed: Annual Risk Assessments and Periodic Full-Scope Audits

Project Description:

The **U.S. Department of Homeland Security (DHS)** is required to comply with the Government Charge Card Abuse Prevention Act of 2012, OMB M-13-21 Implementation of the Government Charge Card Abuse Prevention Act of 2012, OMB Circular A-123 Appendix B Improving the Management of Government Charge Card Programs, and OMB Circular A-50 Audit Follow-up, among other laws and regulations. Under these statutes, DHS must undergo periodic risk assessments and full-scope audits of its purchase and travel card programs. The audit scope covers all DHS components' expenditures made through either the purchase or travel card programs. Our team provides the risk assessment and full-scope audit services mandated by the above-mentioned statutes in accordance with GAGAS. Annual audited dollar values are in the hundreds of millions of dollars per program and in the billions in aggregate.

CohnReznick issues an Independent Auditor's Report and a Report on Internal Controls and Compliance, in accordance with GAGAS for each fiscal year audited.

Highlight:

CohnReznick completed the audit of over \$1.1B of purchase and travel card expenditures and found 17 control deficiencies resulting in \$7.9M of questioned costs.



U.S. Fish and Wildlife Service Deepwater Horizon Agreed-Upon Procedures

Period of Performance: July 2018 – February 2019

Contract Value: \$51,500

Work Performed: Agreed-Upon Procedures Engagement of the Deepwater Horizon Natural Resource Damage Assessment and Restoration Funds

Project Description:

CohnReznick performed the agreed-upon procedures for early restoration projects in the Gulf to address injuries to natural resources caused by the **Deepwater Horizon** Oil Spill. We verified whether the information reported by the Trustee in the Statement of Receipts and Expenditures was accurate and in compliance with the documents and guidelines provided by the U.S. Department of the Interior and any applicable state and federal regulations. CohnReznick performed these procedures and reported all findings related to noncompliance with any provisions of the established restoration agreements or procedures.

Highlight:

CohnReznick issued a report covering the period April 20, 2011, through December 31, 2017, that described the procedures performed and all findings and instances of noncompliance identified and included the following:

- 1) Independent Accountant's Report on Applying Agreed-Upon Procedures
- 2) Schedule of Agreed-Upon Procedures and Findings
- 3) Consultant's Report on Observations and Recommendations



Office of the Special Inspector General for Afghanistan Reconstruction

Period of Performance: January 2018 – Present

Contract Value: \$4,000,000 Blanket Purchase Agreement (Maximum Value)

Work Performed: Financial Statement, Internal Controls, Compliance, and Corrective Action

Project Description:

CohnReznick provides financial audit services to the **Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR)**. We audit federally funded contracts awarded to government contractors for Afghanistan reconstruction. The objectives of these audits include:

Special Purpose Financial Statement: Express an opinion on whether the Special Purpose Financial Statement for the award presents fairly, in all material respects, revenues earned, costs incurred, and balances for the indicated period in accordance with the terms of the agreements and in conformity with the requirements provided by SIGAR, which is a basis of accounting other than accounting principles generally accepted in the United States of America.



Internal Controls: Obtain an understanding of and evaluate the entity's internal controls related to the award, assess control risk, and identify and report on significant deficiencies, including material internal control weaknesses.

Compliance: Perform tests to determine whether the audited entity complied, in all material respects, with the award requirements and applicable laws and regulations, and identify and report on instances of material noncompliance with terms of the award and applicable laws and regulations, including potential fraud, waste, or abuse that may have occurred.

Corrective Action on Prior Findings and Recommendations: Determine and report on whether the audited entity has taken adequate corrective action to address findings and recommendations from previous engagements that could have a material effect on the Special Purpose Financial Statement or other financial data significant to the audit objectives.

Highlight:

CohnReznick has successfully audited over \$293M of costs related to SIGAR's awarded contracts.



Federal Communications Commission Financial Audit and Internal Controls for 800MHz Transition Administrator

Period of Performance: December 2005 – June 2017

Contract Value: \$10,500,000

Work Performed: Financial Audit

Project Description:

The 800 MHz Transition Administrator (TA) was an independent organization established pursuant to the Federal Communications Commission's (FCC) Report and Order to facilitate the program, review reconfiguration expenditures for compliance with FCC's regulations, and have the expenditures audited annually. CohnReznick was contracted by the TA to perform annual and inception-to-date financial audits of expenditures incurred by Sprint in accordance with GAAS and the standards for financial audits conducted in accordance with GAGAS.

The services provided included conducting annual and inception-to-date financial audits of expenditures incurred by Sprint under the program, in accordance with GAGAS, to express an opinion on whether the Statement of Program Expenditures was fairly presented, in all material respects. The program expenditures encompassed the: **(1)** 800MHz incumbent reconfiguration costs; **(2)** Sprint internal relocation costs; **(3)** letter of credit carrying fees; and **(4)** TA fees and expenses. In addition, CohnReznick reported on the program's internal controls and compliance with the provisions of relevant laws, regulations, contracts, and other agreements.

Highlight:

CohnReznick successfully audited \$2.8B of reconfiguration expenses. We audited over 65,000 program-related payments.



Metropolitan Washington Airports Authority

Period of Performance: 1995 – Present

Contract Value: \$1,746,000

Work Performed: Internal Audit Support and Advisory Services

Project Description:

Since 1995, CohnReznick has provided a variety of audit and advisory services in support of Metropolitan Washington Airports Authority's (MWAA) Office of Audit, on a task order basis, working on projects pertaining to:

- 1) Airport operations (e.g., retail vendors, rental car operators, taxicab concession operators, hotel partners, etc.);
- 2) Capital improvement projects; and
- 3) MWAA internal functional business areas (e.g., procurement, human resources, accounting, etc.).

CohnReznick has contracted with MWAA to perform external and internal audit procedures in accordance with its internal policies and procedures and ensure compliance with universally recognized audit and accounting authorities. On an ongoing basis, we: (1) perform agreed-upon procedures and ensure contractual obligation requirements are in accordance with MWAA's established processes for awarding contracts; (2) perform agreed-upon procedures in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements (SSAE); (3) ensure contractual obligation requirements are in accordance with MWAA's established processes for awarding contracts; and (4) follow up on any previously identified recommendations to make corrective actions.

Highlight:

CohnReznick's approach to addressing project scope requirements has resulted in the review of contracts of certified annual reports and relevant policies and procedures. We also helped assess the design and operating effectiveness of relevant key controls. In addition, we have identified and communicated deficiencies to MWAA and presented recommendations.



2) PROPOSED SOLUTION

CohnReznick's Ability to Provide Financial and Performance Audit Services Statewide Using Diverse Knowledge and Skillsets

CohnReznick's Government and Public Sector Advisory Practice is not organized according to geographic locations. We serve public sector clients nationwide; our professionals are deployed for client engagement teams based upon their expertise and skillsets. Our professionals are highly mobile and equipped with best-in-class technology tools to support client service and collaboration. This approach not only allows us to select the most talented and best-fitting audit professionals from our Government and Public Sector Advisory Practice, but it also allows us to select any needed subject matter experts from our other practices to add to our engagement teams. Below we have listed some of the more typical practices we may utilize to complement our Government and Public Sector audit engagement teams in response to future RFQs:

- Risk Management
- Technology & Data
- Emergency Management
- Healthcare
- Renewable Energy
- Affordable Housing
- Cybersecurity & Privacy
- Employee Benefit Plans
- Tax Credits
- Not-for-Profit & Education
- Real Estate
- Life Sciences





Planning and Walkthroughs

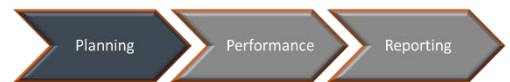
Performance

Reporting

- | | | | |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| • Kickoff Meeting | • Walkthroughs | • Test Plans | • Summarize Testing & Results |
| • Review Documentation | • Confirm Understanding | • Population Data | • Develop Recommendations |
| • Entrance Conference | • Review & Access | • Sampling | • Develop Conclusion(s) |
| • Finalize Staffing Plan | • Issue Identification | • Request Documentation | • Submit Final Report |
| • Finalize Audit Program | • Risk Assessment | • Detailed Testing | • Status Meetings/ Communications |
| • Finalize Project Plan | • Document Process | • Validations | |
| • Schedule Walkthroughs | • Benchmark | • Quality Assurance Review | |
| • Status Meetings/ Communications | • Recommendations | • Status Meetings/ Communications | |
| | • Status Meetings/ Communications | | |

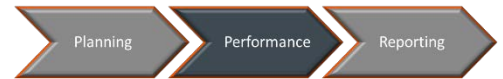
Planning And Walkthroughs

As part of our planning and risk assessment for each audit, we will gain an understanding of the organizational structure, internal control framework, policies and procedures, and governing laws and regulations. Using industry guidance and best practices from the AICPA and other such sources, our team will consider all the information and understandings gained when performing a risk assessment, which will drive the tailoring of a unique audit plan. Our planning procedures, including internal control walkthroughs and a review of prior audit results, will help us determine other potential higher-risk audit areas. Our tailored audit plan will appropriately reflect assessed levels of risk based on factors such as materiality and complexity of transactions, prior audit findings, and sophistication of the financial systems, amongst other factors.



Performance (Fieldwork)

In the Performance Phase of the audit, our team will execute the procedures developed during the Planning and Walkthroughs Phase. Analytical procedures will be performed over low-risk areas to gain assurance that costs are reasonable, allocable, and allowable per the relevant criteria.



Our team utilizes **CaseWare IDEA Data Analysis software (IDEA®)** to assist in the manipulation and analysis of large datasets. IDEA® is capable of duplicate detection by using fuzzy logic. This allows for identification of items that are similar to another but not exact matches. IDEA® is also capable of comparing large datasets, allowing our team to efficiently determine whether there are expenses that are in multiple cost categories. Such analytics can be extremely useful in the identification of unallowable costs, fraud, waste, and/or abuse.

We will use substantive and control testing to evaluate the entity's costs for compliance with GAAP and other relevant laws and regulations. Our firm generally employs a Monetary Unit Sampling approach for substantive test procedures. This methodology complies with GAGAS requirements. It will also simultaneously increase the likelihood that individually material transactions are selected for testing (reducing detection risk), reduce auditor judgement/bias in the selection process, and increase audit efficiency through generally smaller sample sizes relative to other approved sampling methodologies.

We will assess costs to determine if they are reasonable, allocable, and allowable. Amongst other things, this includes testing attributes such as assessing whether the costs were recorded within the proper period and whether the costs were for goods or services allowable per contract, governing regulations, and other relevant requirements. These substantive testing procedures include reviewing supporting documentation maintained by the auditee.

Upon completion of the testing procedures, quality control reviews will be performed by each level of management. The team leads will review the preliminary findings and draft recommendations. Our Senior Audit Manager will perform the

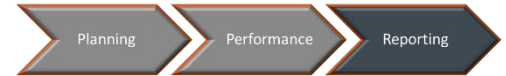


first quality control review for each audit, including the review of the workpapers for completeness and accuracy. Additionally, in accordance with GAGAS, each audit will have an Engagement Partner and Quality Review Partner.

Our teams will host pre-exit conferences with each of the auditees to discuss the results of fieldwork and any findings and recommendations expected to be included in the report. This will provide them with an opportunity to respond to those findings and recommendations before the formal exit conference with relevant stakeholders is held.

Reporting

We will produce a draft report based on the results, findings, conclusions, and recommendations from fieldwork. Our team lead will host meetings with relevant client management and the auditee's stakeholders prior to providing the draft report for comment and approval. These meetings will allow us to walk through our preliminary findings and recommendations. They will also provide an opportunity for feedback, which we can incorporate into the draft report as appropriate.



We will obtain responses from the auditee's management and will include management's responses within, or as an appendix, to the report. After any final revisions have been made to the draft report, the report will be issued in final form. We will provide the final report to the designated personnel.

Performance Monitoring and Reporting

Our CohnReznick team has learned that monitoring performance plays a critical role in any operation and accomplishes more than simply reporting operational results. Performance monitoring and reporting help elevate transparency and that, in turn, drives operational improvements. Proper monitoring can:

- Remove bottlenecks and reduce backlogs;
- Ensure quality;
- Ensure the correct people are performing the appropriate tasks;
- Foster the implementation of best practices across multiple operations;
- Mitigate risk; and
- Prevent and detect fraud, waste, and abuse.

Communication Plan

CohnReznick makes communication, whether internal or to external stakeholders, a high priority. We incorporate a communications plan and infrastructure into all our processes, methodologies, and practices. Our goal is to perform our audit work in a non-confrontational, professional manner with the auditee and other relevant stakeholders.

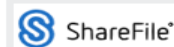
Data Management

CohnReznick annually invests in automation tools and technology to enable our professionals to be as efficient and effective as possible. Our focus on cutting-edge workplace technology is a differentiator that delivers cost savings to our clients, streamlines work processes, enhances our ability to be responsive to client needs, and provides the ability to back up all workpapers and permanent files. CohnReznick utilizes these reputable, robust systems:

CaseWare Working Papers is engagement document management software that essentially serves as an electronic binder to keep our documents for each active project well organized. Using CaseWare, our engagement teams can easily collaborate with team members and rapidly access documents for clients.



ShareFile is CohnReznick's preferred method of sharing electronic information with our clients during the performance of the engagement. ShareFile allows our clients to securely and efficiently upload and download documents, share open items, and review project information.



IDEA data extraction software allows our professionals to gather and analyze financial information from your systems, aiding in the efficiency of our audits.



GoFileRoom is a Web-hosted document management service that maintains all completed audit reports and tax returns in a secure data center, allowing for convenient, 24/7 access from any location.





Issue Management

As issues can arise during any engagement, our management approach is designed to address issues quickly and ensure corrective actions are taken without delay. Our “lessons learned” and experience provide us with the ability to anticipate and provide solutions to remediate any issues. We are also highly experienced in adapting to changing environments, whether the changes are a result of new policies, procedures, or technologies. CohnReznick will be proactive in communicating and addressing any encountered issues.

We will have an escalation process in place to remediate issues on a case-by-case basis. The details of each will be tracked internally and will include the description of the issue, affected areas, and the impact. We will immediately address and develop recommended solutions for each issue. If needed, we will develop a Corrective Action Plan, which will describe the steps required to resolve the issue and the staff member(s) assigned to the task. We will assign all issues to the team member best suited to resolving them, who will then be responsible for monitoring the issue to resolution. Issues and resolutions will be communicated to all necessary parties to prevent a reoccurrence.

Quality Control Plan (QCP)

As a CPA firm, CohnReznick places significant importance on top-down quality assurance for our engagements to ensure the highest level of compliance, accountability, transparency, and customer satisfaction is provided. Our team has a tremendous amount of experience writing policy and procedure documents, issuing papers, and processing documentation. Our experience with similar projects involving public funds has been subjected to intense public scrutiny, which requires all of our work to be clear, concise, accurate, and grammatically correct. Our projects and deliverables have been inspected by public officials, political appointees, state attorneys general, inspectors general, and the general public. Without fail, our projects and deliverables have withstood this intense amount of scrutiny time and time again. Our reports have not only withstood intense public scrutiny, they have been commended as excellent reporting examples within the inspectors general community.



We integrate quality-based practices utilizing our multifaceted approach throughout our engagements. Our approach ensures we maintain compliance with the AICPA consulting standards, government auditing standards, and all other applicable laws, regulations, and contractual obligations. It is this unwavering commitment to quality and compliance that allows clients to confidently select CohnReznick to meet their financial and performance audit needs. Whether those needs are developing compliance and monitoring programs to be utilized statewide or helping clients meet their federally required reporting requirements, clients trust CohnReznick and our quality-based practices. Our best practices include:

- Continuous communication;
- Engagement risk management controls;
- Proactive planning; and
- Ongoing quality reviews at multiple levels.

CohnReznick will ensure all tasks and activities are appropriately planned, conducted, and completed at the expected highest level of quality. Our QCP procedures include peer-to-peer reviews, project manager reviews, and independent reviews. The following outlines key factors that we will include in our QCP and demonstrates how we will ensure systematic quality assurance methods are used in the performance of all project activities/tasks.

Deliverables: We will track contract performance using our Milestone Plan, which will include all deliverables. We will monitor our team’s progress to ensure all work is properly prioritized to meet the deliverable schedule. We will conduct frequent status meetings to discuss task and deliverable status, project performance, issues, upcoming tasks, resource allocation, and any relevant subjects that need to be addressed. If activities need to be re-prioritized, we will make the necessary updates to the schedule. We will also address any identified overlaps or duplication of efforts and determine the best method for resolving inefficiencies. If any issues are identified that could impact the deliverable schedule, we will communicate them immediately and provide a Corrective Action Plan recommendation to get back



on schedule. In addition, we will use the meeting minutes from the status meetings to help support the preparation of project status reports.

Performance Standards: We will develop the Milestone Plan to meet the specific contract objectives and will include performance standards to monitor and control project time, cost, scope, and quality. Based on the specific objectives and requirements, we will create a Milestone Plan that details and sequences all the activities to be completed within the necessary deliverable time frame.

Throughout the duration of any engagement, we will continuously measure and assess our work to ensure:

- We are adhering to the applicable standards and requirements;
- Operations are being performed effectively and efficiently; and
- We are completing work on time and within budget.

Acceptable Quality Levels: Our team will work together to reach agreement as to the scope of work and how it will be completed. To ensure high-quality results, our team will focus on:

- 1) **Adequate Planning:** Our team will clearly define objectives, scope, methodology, and assignments. Our team will consider internal and external constraints while remaining flexible, and we will research applicable criteria and results of any previous relevant reviews, audits, and evaluations.
- 2) **Meeting the Objectives:** Our team will use reasonable procedures and mechanisms to gather information that is sufficiently reliable and valid for use in meeting the objectives. While analyzing data, we will ensure gathered information is appropriately and logically presented in workpapers to ensure supportable interpretations. Our procedures will ensure sensitive and confidential information is handled appropriately.
- 3) **Providing Proper Supporting Documentation:** Our team will present the necessary documents to support any issues identified. We will ensure the documents are relevant to the objectives, reliable, and sufficient to support any findings. We will document the quality control review processes that will be used to detect and prevent errors from occurring and to ensure conformance with performance requirements. All working papers and reports will be reviewed in accordance with our review procedures.

CohnReznick’s Representative Financial and Performance Audit Staffing

CohnReznick’s nationally acclaimed, multidisciplinary group of professionals blends the special skillsets and talents of CPAs, Certified Fraud Examiners (CFE), Certified Internal Auditors (CIA), and various other highly qualified professionals. Thanks to our flexible

	CPA: Certified Public Accountant		CGFM: Certified Government Financial Manager
	PMP: Project Management Professional		CISA: Certified Information Systems Auditor
	CICA: Certified Internal Controls Auditor		CFE: Certified Fraud Examiner

engagement team, we are capable of rapidly deploying our professionals to add to — or scale back — the number of staff on the various engagements with minimal interruption to our clients. As a result, we have a solid model of shared, translatable knowledge and insight that we may adapt to the future engagements under the STC.

The RFQs to be issued under the STC will have audit scopes of varying type, size, and complexity. Accordingly, we are prepared to develop an engagement team structure tailored to each individual scope. Our approach to staffing considers the skillsets required, the relevant experience, and technical knowledge to complete the tasks. We will assign work based on the nature of the engagement and the level of experience required to perform each task.

We have a deep bench of professionals capable of providing expert financial and performance audit services in support of





users of this STC. When responding to future RFQs, we will thoroughly analyze the scope requirements and assemble the best team to deliver the desired solution. Our selected team will, at a very minimum, have:

- Knowledge of government business practices, inclusive of State of Florida practices; and
- Knowledge of standards of accounting issued by SFFAS.

Continuous training is of paramount importance at CohnReznick. Every audit professional at our firm receives specialized training to meet the Continuing Professional Education (CPE) requirements of government auditing standards and other standards. Below is just a sample of trainings required to be completed by our personnel and offered by our firm:

- Our staff is required to obtain a minimum of 120 credit hours of CPE over a 3-year period and to participate in the firm's CPE programs relating to accounting and auditing issues.
- We conduct periodic in-house training sessions for our staff during which we provide instruction on our latest external and internal audit tools and technologies, answer questions, and provide updates on industry trends and best practices.
- Our people participate in industry associations, standards-setting bodies, and professional organizations.

In a separate submission, we have provided resumes that are representative of the highly experienced and qualified personnel from which we will select our engagement teams for future RFQs. Below, we have provided a table summarizing their ability to provide solutions under the proposed financial and performance audit scope areas.

CohnReznick Personnel Experience and Proposed STC Titles	Financial Statements Audits	Audits of Segments of Financial Statements	Internal Controls Audits	Economy and Efficiency Audits	Program Results and Program Fraud Audits
Frank Banda - Principal Consultant	✓	✓	✓	✓	✓
Dan Kenney - Principal Consultant	✓	✓	✓	✓	✓
Bhavesht Vadhani* - Principal Consultant	✓	✓	✓	✓	✓
Tim Bender - Principal Consultant	✓	✓	✓	✓	✓
Bill Hughes - Principal Consultant	✓	✓	✓	✓	✓
Amanda Gibbs - Senior Consultant	✓	✓	✓	✓	✓
Kristin Drozdowski - Senior Consultant			✓		✓
George Marountas - Senior Consultant		✓	✓	✓	✓
Lena Chapeton - Senior Consultant		✓	✓	✓	✓
Alex Ng - Consultant	✓	✓	✓	✓	✓
Anna Fomina - Consultant	✓	✓	✓	✓	✓
Caleb Weber - Consultant	✓	✓	✓		✓
Julie Mitchell - Junior Consultant		✓	✓		✓
Amanda Stroud - Junior Consultant		✓	✓		
Will Appelquist - Program and Administrative Support	✓	✓	✓		

*Mr. Vadhani's experience with the above-mentioned audit engagements was related to the information technology (IT) portion of the scopes.

Contract Attachment D

Authorized Services List

Category 2: Financial and Performance Audits

CohnReznick LLP has been awarded and therefore is Authorized to provide the Services listed below through State Term Contract No. 84111600-20-1 for Financial and Performance Audits, Section IV. e) Services:

- Financial Statements Audits - Audit of financial statements prepared in conformity with standards of accounting issued by SFFAS and by the American Institute of Certified Public Accountants (AICPA).
- Audits of Segments of Financial Statements - Audit of financial information (i.e., statement of revenue and expenses, statement of cash receipts and disbursements, statement of fixed assets, budget requests, and variances between estimated and actual financial performance).
- Internal Controls Audits
- Economy and Efficiency Audits
- Program Results and Program Fraud Audits

Contract Attachment E



Contractor Information Form

Contractors with an active state contract or agreement procured by the Division of State Purchasing should use this form to provide contact information for customers, which will be posted on the Department of Management Services (DMS) website. The form must be submitted to the assigned contract manager at the time of contract execution and whenever changes are requested by the contractor throughout the life of the contract.

*** PLEASE RETURN THIS FORM TO DMS IN EXCEL FORMAT ONLY ***

Contract Name:	Financial and Performance Audits		
Contract Number:	84111600-20-1		
Contractor Name:	CohnReznick LLP		
FEIN:	22-1478099	*** MUST MATCH ACTIVE SUNBIZ.ORG REGISTRATION ***	
Website:	www.CohnReznick.com		

Customer Contact

Contact for sales information, ordering, and billing questions.

Name:	Tim Bender			
Email:	CohnReznickGPSA@CohnReznick.com			
Phone:	301-280-2734	ext.		
Address:	7501 Wisconsin Ave, Suite 400E			
City:	Bethesda			
State:	MD			
ZIP:	20814	+4:		

Contract Administrator

Contact for escalated customer needs.

Name:	Frank Banda			
Email:	Frank.Banda@CohnReznick.com			
Phone:	301-280-1856	ext.		
Address:	7501 Wisconsin Ave, Suite 400E			
City:	Bethesda			
State:	MD			
ZIP:	20814	+4:		

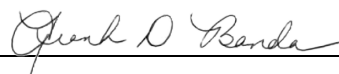
If there is additional information that you would like to make available to customers on the DMS website, please enter it in the field below. The assigned contract manager will review your request and notify you whether or not the information is approved for posting.

Contract Attachment F No Offshoring

The undersigned Respondent hereby attests that it will not perform any of the Contract services from outside of the United States, including not utilizing offshore subcontractors in the performance of a Contract award, and will remain in compliance with the subcontractor clause in the Contract.

Respondent Name: CohnReznick LLP

Respondent Federal Employer Identification Number (FEIN #): 22-147 8099

Authorized Signature: _____

Print Name: Frank Banda_____

Title: Managing Partner - Government and Public Sector Advisory Practice_____

Date: 6/9/2020_____

Contract Attachment G
Subcontracting

Complete the information below on all subcontractors that will provide services to the Respondent to meet the requirements of the resultant contract, should the Respondent be awarded. Submission of this form does not indicate the Department's approval but provides the Department with information on proposed subcontractors for review.

Please complete a separate sheet for each subcontractor.

There will be subcontractors for this solicitation YES ____ NO ____ (place a checkbox where applicable). If not, Respondents are not required to complete the remainder of this form.

Service: _____

Company Name: _____

Contact: _____

Address: _____

Telephone: _____

Fax: _____

Current Office of Supplier Diversity
certification of woman-, veteran, or
minority-owned small business
enterprise Yes _____ No _____

W-9 verification: Yes _____ No _____

In a job description format, describe below the responsibilities and duties of the subcontractor based on the technical specifications or statement of work outlined in this solicitation.
