



**State Term Contract  
No. 80141800-21-STC  
For  
Mail Services**

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida and **Exela Enterprise Solutions, Inc.** (Contractor), collectively referred to herein as the "Parties."

The Contractor was awarded to provide Mail Services:

Accordingly, the Parties agree as follows:

**I. Initial Contract Term.**

The Initial Contract Term shall be for three (3) years. The Initial Contract Term shall begin on July 1, 2021. The Contract shall expire on June 30, 2024 unless terminated earlier in accordance with the 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) Attachment J, Customer Specific Scope of Work (if applicable)
- b) Attachment C, Scope of Work
- c) Attachment B, Special Contract Conditions
- d) Contractor's submitted Attachment F, Cost Proposal
- e) Attachment I, Subcontracting

**State Term Contract No. 80141800-21-STC  
For  
Mail Services**

**IV. Contract Management.**

**Department's Contract Manager:**

Tommy Bower  
Division of State Purchasing  
Florida Department of Management Services  
4050 Esplanade Way, Suite 360  
Tallahassee, Florida 32399-0950  
Telephone: (850) 488-6904  
Email: [Thomas.Bower@dms.fl.gov](mailto:Thomas.Bower@dms.fl.gov)

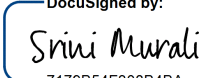
**Contractor's Contract Manager:**

Michael Fox  
Exela Enterprise Solutions, Inc.  
2540 W. Executive Center Circle , Tallahassee FL, 32301  
Telephone: (850) 216-2119  
Email: [Michael.Fox@exelatech.com](mailto:Michael.Fox@exelatech.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.

**Exela Enterprise Solutions, Inc.**

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

DocuSigned by:  
  
7179B54F308B4DA...  
**Srinu Murali**  
**President, Americas and APAC**

DocuSigned by:  
  
2EEF8C7BA0D34CA...  
**Secretary or Delegate**

2/10/2021 | 4:06 PM EST

**Date:**

2/11/2021 | 9:40 AM EST

**Date:**

**Attachment B**  
**SPECIAL CONTRACT CONDITIONS**  
**JULY 1, 2019 VERSION**

Table of Contents

SECTION 1. DEFINITION.....	2
SECTION 2. CONTRACT TERM AND TERMINATION.....	2
SECTION 3. PAYMENT AND FEES.....	3
SECTION 4. CONTRACT MANAGEMENT.....	4
SECTION 5. COMPLIANCE WITH LAWS.....	6
SECTION 6. MISCELLANEOUS.....	7
SECTION 7. LIABILITY AND INSURANCE.....	9
SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT, AND INTELLECTUAL PROPERTY.....	10
SECTION 9. DATA SECURITY.....	12
SECTION 10. GRATUITIES, LOBBYING, AND COMMUNICATIONS.....	13
SECTION 11. CONTRACT MONITORING.....	14
SECTION 12. CONTRACT AUDITS.....	15
SECTION 13. BACKGROUND SCREENING AND SECURITY.....	16
SECTION 14. WARRANTY OF CONTRACTOR’S ABILITY TO PERFORM.....	17

**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](mailto: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](mailto: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.

## **Attachment C Scope of Work (SOW)**

### **1. Purpose**

To provide statewide Mail Services for use by Customers.

### **2. Definitions**

Definitions contained in section 287.012, F.S.; Rule 60A-1.001, Florida Administrative Code (F.A.C.); Attachment B - Special Contract Conditions; and the PUR 1001, General Instructions to Respondents (10/06), are incorporated by reference. In the event of a conflict, the definitions listed in this section supersede the incorporated definitions. All definitions apply in both their singular and plural sense.

- a) Accountable Mail** – A Mail Piece that requires the signature of the addressee upon receipt.
- b) Barcode** – A series of vertical bars and spaces that represent any numerical series used for tracking production-printed pages or Mail Pieces, such as the Full-Service Intelligent Mail barcode.
- c) Business Days** – Monday through Friday, 8:00 a.m. to 5:00 p.m. ET, not including days observed as holidays by state agencies in accordance with section 110.117, F.S.
- d) Classification** – The grouping of Mail Pieces into mail classes and subclasses as defined by the USPS, according to USPS content, weight, size, and preparation standards.
- e) Contractor** – The vendor(s) selected to provide services under the Contract.
- f) Copying – (Color)**– Reproduction of original work in color.
- g) Copying – (Black and White)**– Reproduction of original work in black and white.
- h) Correspondence** – All Mail Pieces that are not Postal Mail.
- i) Customer** – An ordering entity including state agencies and eligible users.
- j) Customer Specific Scope of Work** – A document executed by a Customer of this Contract that details the work activities, deliverables, expectations, financial consequences, and timelines that a Contractor shall provide in performance of work for that Customer. Reference the Customer Specific Scope of Work Attachment, as an example which is not mandatory for Customers.
- k) Delayed Delivery**– Mail Processing and transportation to the USPS that is not designated to be performed on the Same Day or Next Day, as requested by the Customer.

- l) Document Composition Services**—The formatting of large amounts of electronic information into a printable document. Document Composition Services is used to make the electronic information compatible with the vendor’s printing program.
- m) Envelope** – A flat paper container with a sealable flap, used to enclose a letter or document.
- n) Flat** – Mail Piece that is sealed or otherwise enclosed and is not intended to be bent or folded and has one dimension that is greater than 6-1/8 inches high OR 11-1/2 inches long (the side parallel to the address as read) OR 1/4 inch thick.
- o) Folding and Inserting** – Process of folding and inserting documents into envelopes.
- p) Full-Service Intelligent Mail** – A 31-digit barcode consisting of the routing code and four additional fields which add additional information such as mail class, service requested, mailer identification, and unique serial number for tracking.
- q) Fulfillment Services** – Process of picking items from a warehouse and packing the order.
- r) Impression** – The product of each page printed or copied. Production Printing or Copying only the front side of a single piece of paper constitutes one Impression. Production Printing or Copying of the front and back side of a single piece of paper constitutes two Impressions.
- s) Imprint Postal Mail** – Permit imprint is the most popular and convenient way to pay for postage, especially for high volume mailings. Instead of using precanceled stamps or a postage meter, the mailer prints postage information in the upper right corner of the mail piece. This postage block is called an "indicia." May be used interchangeably with Pick and Pack.
- t) Letter** – Mail Piece that is sealed or otherwise enclosed and within the dimensions of 11-1/2 inches long, 6-1/8 inches high, 1/4-inch-thick and does not weigh in excess of 3.5 ounces.
- u) Local Courier Service Route(s)** – The Local Courier Service Route(s) taken to transport Correspondence. Local Courier Service Route(s) are applicable to where the Customer(s) are located. These routes may change during the Contract period. These services are not the same as the Alternate Contract Source 78102200-17-ACS for Courier Services, which uses FedEx and UPS to transport mail.
- v) Mail Piece** – A single addressed article, including but not limited to: Letter(s), Flat(s), Correspondence, card(s), and parcel(s).
- w) Mail Processing** – The pickup of Mail Pieces from the Customer, receipt of electronic files from the Customer, copying, folding, inserting, printing, sorting, Metering, Barcoding, processing and transportation of Mail Pieces to the USPS for delivery to the addressee.
- x) Mail Services** – All of the services within this solicitation and Customer Specific Scope of Work, including but not limited to Mail Processing, Local Courier Service,

Scanning and Indexing, and Storage and Warehousing. Contractors may be required to provide Customers with On-Site Staff.

- y) Meter** – The process of affixing postage with a USPS approved machine.
- z) Next Day Delivery** – Mail Processing and transportation to the USPS that is performed on the next Business Day after the date the order is received by the Contractor, excluding weekends and state and federal holidays (as observed by the USPS).
- aa) On-Site Staff** – A person with an employment or contractual relationship with the Contractor who reports to the Customer’s location on a part time or full-time basis to perform employment functions, and does not have an employment relationship with the Customer.
- bb) Postal Mail** – Mail Pieces that are subject to Mail Processing by the contractor and transported to the USPS for delivery to the addressee.
- cc) Production Print** – High-speed printing of Customer(s) orders, including but not limited to, the printing of Mail Pieces and Envelopes.
- dd) Same Day Delivery** – Mail Processing and transportation to the USPS on the same Business Day that the order is received by the Contractor.
- ee) Scanning and Indexing** – Capturing information from paper documents and converting the information into digital formats for ease of storage, search, retrieval, and use. Per page scanning and indexing means one page of information.
- ff) Sorting** – Separating Mail Pieces and Correspondence into specific groups, zip codes, or other criteria.
- gg) Storage and Warehousing** – A planned space for the efficient storage and handling of Correspondence.
- hh) USPS** – The United States Postal Service.

### **3. Contractor’s Duties**

#### **3.1 General**

- 3.1.1 The Contractor shall provide Mail Services to the Customer. Mail Services are vital to the Customer to successfully meet the Customer’s operational missions and shall be provided seamlessly, without interruption, to the normal operations of the Customer’s business.
- 3.1.2 The Contractor shall assume sole responsibility and liability for any Mail Pieces it accepts.

- 3.1.3 The Contractor shall have the ability to provide Mail Processing for an average volume between 5 million and 7 million Postal Mail pieces per month. This equates to approximately 200,000 to 250,000 Postal Mail Pieces per day. Actual quantities may deviate from estimated quantities subject to Customer need, market conditions, change in law, increase in Eligible Users, or any other reason.
- 3.1.4 The Contractor shall have authorization from USPS in the ability to provide Mail Services, at a minimum, in the following Florida counties: Leon, Duval, Orange, Hillsborough, Miami-Dade, and Escambia. If requested by the Customer, the Contractor shall obtain authorization from USPS for any additional counties.
- 3.1.5 The Contractor shall furnish everything required to provide cost-efficient Mail Services as defined in this Scope of Work.

#### **4. Duties and Responsibilities**

##### **4.1 Establishment of Mail Services**

- 4.1.1 The Customer may require the Contractor to adhere to a Customer Specific Scope of Work prior to providing any Mail Services to the Customer.
- 4.1.2 The Contractor shall meet with the Customers and prospective Customers to discuss service needs and, if needed, perform an on-site assessment in order to determine the most cost-effective combination of personnel, processes, and technology to meet the Customer's needs.
- 4.1.3 The Contractor shall consider a number of variables in customizing services to meet the Customer's needs. These variables include, but are not limited to, the type of Mail Piece; volume of Mail Pieces to be handled; the time required for completion of the Mail Services; the number of On-Site Staff and staff support needed; and the site configuration. Customers shall ensure that any proposed Customer Specific Scope of Work complies with federal, state, and local law, including but not limited to chapter 283, F.S.

#### **5. Customer Service**

##### **5.1 Communication**

The Contractor shall establish effective lines of communication with the Customer.

- 5.1.1 The Contractor shall provide Customers with contact information for the Contractor's primary and secondary points of contact. This information shall include:
  - *Name*
  - *Title*
  - *Email address*
  - *Office Telephone number(s)*
  - *Cellular Telephone number(s)*
- 5.1.2 The Contractor shall resolve all contractual and Customer concerns, issues, or complaints to the satisfaction of the Customer.
- 5.1.3 The Contractor shall provide a toll-free telephone and facsimile (fax) number to the Customer.
- 5.1.4 The Contractor shall provide Customers with the ability to leave voice messages.

- 5.1.5 The Contractor shall work with the Customer to determine if additional security measures are necessary for entry and delivery to Customer's location(s).
- 5.1.6 The Contractor shall report the daily volume of Mail Pieces processed and any other operational statistics when requested by the Customer in an agreed upon format.
- 5.1.7 The Contractor shall attend meetings as requested by the Customer.
- 5.1.8 Upon request by the Customer, the Contractor shall provide the Customer with consultation and training to enable the Customer to take advantage of postage discounts and other cost-saving measures.
- 5.1.9 The Contractor shall notify the Customer immediately if it believes it cannot meet the level of service required in the Contract or Customer Specific SOW and shall provide remedies and alternatives.
- 5.1.10 The Contractor shall respond to inquiries from the Customer within one hour during Business Days unless a different response time is specified in the Customer Specific SOW.

## **5.2 Procedures Manual**

No later than 30 calendar days after the Customer's contract effective date, the Contractor shall provide a procedures manual to the Customer that addresses the Contractor's procedures on the following topics: Mail Services, Classification, Accountable Mail, address labeling, and additional Customer-specific guidance. The Contractor shall maintain the procedures manual and timely provide updates to the Customer. The Contractor shall provide initial training to the Customer regarding the procedures manual and when it is updated.

## **6. Continuity of Operations**

### **6.1 Contractor's Continuity of Operations Plan (COOP)**

The purpose of the COOP is to ensure that the Contractor has made adequate preparations to continue Mail Services in the occurrence of events including, but not limited to, acts of god, including hurricane and flood, power outage, terror, pandemic, civil unrest, equipment failure, computer attacks, including ransomware, virus, and other malicious code, and other events outside of the Contractor's control.

- 6.1.1 The Contractor shall create a comprehensive COOP within 30 calendar days of the Customer's contract execution and submit to the Customer.
- 6.1.2 The Contractor shall review and update the COOP annually.
- 6.1.3 The Contractor shall ensure that the plan addresses any potential operational interruption on a short-term and long-term basis. The COOP shall include:
  - *Roles and responsibilities*
  - *Alternate location(s) of operations*
  - *Backup processes and procedures*
  - *Start-up and recovery procedures*
  - *A process for regularly testing the COOP*

### **6.2 COOP Minimum Requirements**

The Contractor shall continue to perform Mail Services while the USPS is open and receiving mail, ensure that the Customer's mail remains secure and undamaged, and take any and all actions necessary to continue to perform regardless of whether those actions are specifically described in the COOP.



## **7. Human Resources**

### **7.1 Contract Administrator**

The Contractor shall provide a Contract Administrator who will work with the Department contract manager to manage the State account, which includes handling questions and resolving issues. The Contract Administrator will be responsible for addressing contract issues and requests brought to them by the Customer. The Contract Administrator must have the authority and ability to address and correct any issues related to the implementation and operation of the Contract. The Contractor shall notify the Department contract manager of any changes in assignment of the Contract Administrator, in writing via email, within 5 Business Days of the new assignment.

### **7.2 Staffing Times of Operations**

The Contractor shall provide Mail Services throughout each Business Day. In addition, the Contractor shall provide Mail Services on other days and at other times to meet requirements for Mail Services established in the Contract or Customer Specific SOW.

### **7.3 Personnel**

The Contractor shall provide an adequate number of properly trained staff members to support all Mail Services, including On-Site Staff.

- 7.3.1 The Contractor shall immediately dedicate the appropriate number of qualified, trained staff to the Customer if Mail Services are hindered due to the Contractor's insufficient staffing levels or inadequate man hours to complete the tasks.
- 7.3.2 The Contractor shall have one or more key personnel on duty anytime the Contractor is performing Mail Services.
- 7.3.3 The Contractor and its employees shall comply with each Customer's policies and procedures, so long as they do not conflict with USPS rules, regulations, policies, and procedures.
- 7.3.4 Customers shall have the right to require Contractor's removal or replacement of On-Site Staff without cause.
- 7.3.5 When performing Mail Services, the Contractor shall not interfere with the operations of a Customer or the duties and responsibilities of a Customer's personnel.

### **7.4 Key Personnel**

The Contractor shall provide primary and secondary contact information for On-Site Staff and the key personnel performing the following functions:

- Contract Administration
- Facility Management
- Operations Management
- Billing & Invoicing

The key personnel shall be knowledgeable of the Contract requirements and responsible for handling and performing the services as defined in the Contract or the Customer Specific SOW. The listing of key personnel shall be provided to the Department contract manager and the Customer.

The Contractor, with reasonable discretion, may make substitutions with appropriate key personnel. Replacements may be made as long as the substituted personnel are equally qualified and skilled to accomplish the tasks and services required. The Contractor shall provide written notice to the Department contract manager and Customers of any proposed change in key personnel involved in providing services under this Contract. All updates shall be submitted in writing to the Department contract manager within 5 Business Days of any changes.

### **7.5 Qualifications**

When performing Mail Services, the Contractor shall ensure that there is at least one employee on-site at each of Contractor's facilities at all times that possesses one of the following certifications:

- Certified Postal Consultant (CPC)
- Certified Mail and Distribution Systems Manager (CMDSM)
- Certified Mail Center Professional
- Certified Mail Piece Quality Control Specialist

### **8. Mail Services Facility**

The Contractor shall establish, maintain, and operate a centralized Mail Services facility within Leon County, Florida, that is fully operational and ready to begin providing Mail Services within 60 days of executing a Contract with a Customer for services under this State Term Contract. The Contractor may establish additional Mail Services facilities in other locations to meet Customer requirements. The Contractor shall furnish all equipment, vehicles, machinery, software, and hardware necessary to provide Mail Services and meet the volume requirements of Customers within the facility(ies). The Contractor shall allow representatives of Customers and the Department to conduct on-site visits at the Contractor's facility(ies), with or without prior notification.

### **9. Security**

The Contractor shall ensure the physical security of all Mail Pieces from the point of original pickup through delivery to the USPS. The Contractor shall ensure the integrity and confidentiality of Mail Pieces in its possession. Unauthorized personnel shall not have access to facilities, vehicles, or equipment used to pick up, transport, process, or store Mail Pieces or supplies or property of the Customer. Access to separately secured areas within any Mail Services facilities shall be limited to the Contractor or Customer personnel with proper authorization to access those areas.

The Contractor shall employ physical and cyber security measures to secure any Mail Pieces and Customer property and information in its possession from theft, forgery, alteration, or exposure to the elements. In addition, the Contractor shall have the ability to meet additional Customer security needs as specified in the Customer's contract or the Customer Specific SOW, such as security policies, facility access restrictions, security cameras, and secured cages.

## **9.1 Safety Screening**

- 9.1.1 At the request of the Customer, the Contractor shall provide safety screening and testing of Mail Pieces for hazardous materials (any article or substance designated by the U.S. Department of Transportation (DOT) as being capable of posing a risk to health, safety and property during transportation). The Contractor shall test for biological, chemical and explosive agents of suspicious Mail Pieces transmitted through the mail stream. If questionable, suspicious, or hazardous materials are found, the Contractor shall follow the instructions contained USPS Publication 166, Guide to Mail Center Security and, when reasonably safe to do so, shall notify the Customer.
- 9.1.2 When approved by the Customer, testing may be conducted by an independent certified laboratory and additional costs for such testing may be negotiated with the Customer.

## **10. Mail Processing**

Mail Processing includes pick up of Mail Pieces from the Customer, receipt of electronic files from the Customer, printing, copying, folding, inserting, sorting, Metering, Barcoding, processing and transportation of Mail Pieces to the USPS for delivery to the addressee. Mail Pieces may be machine or hand-addressed. Contractor shall perform Mail Processing services under the Contract using the best practices and methodology and shall comply with all applicable laws, statutes, and procedures.

### **10.1 General**

- 10.1.1 The Contractor shall prepare all Postal Mail in accordance with USPS mailing standards, including those in the most current version of the USPS Domestic Mail Manual.
- 10.1.2 The Contractor shall provide Full-Service Intelligent Mail barcode services.
- 10.1.3 The Contractor shall establish unique Customer mailer identification accounts.
- 10.1.4 The Contractor shall ensure that the best possible USPS Classification is selected to obtain maximum postage discounts for all Postal Mail based on cost, policy, timeliness, and delivery requirements.
- 10.1.5 The Contractor shall provide Mail Processing of permit imprint Postal Mail (an authorization to mail without postage affixed by using an imprint).
- 10.1.6 The Contractor shall process hand-addressed Mail Pieces through manual or remote encoding.
- 10.1.7 Contractor shall provide Customers with all USPS forms required for Mail Processing. Customers may specify additional USPS forms to the Contractor if Customers require additional forms.
- 10.1.8 The Contractor shall use Mail Processing software approved and certified by the USPS and shall install all software updates, patches, and fixes on all Mail Processing equipment upon release.
- 10.1.9 The Contractor shall routinely update address/zip code information using Multiline Accuracy Support System and Coding Accuracy Support System (CASS) certified software.
- 10.1.10 The Contractor shall provide Mail Processing supplies at the request of the Customer. Supplies include USPS forms, Accountable Mail materials, mail trays, bins and other items that may be required by the USPS.

- 10.1.11 The Contractor shall pick up Metered and unmetered Postal Mail from the Customer for Mail Processing.
- 10.1.12 When required by the Customer, the Contractor shall pick up Postal Mail more than once daily from locations and shall ensure that the last afternoon Postal Mail pickup is made in time to meet USPS daily deadlines.
- 10.1.13 The Contractor shall have the ability to provide controlled storage of supplies for Customers. The Contractor shall maintain an inventory management system for supplies purchased on behalf of a Customer. The Contractor shall report inventory levels of supplies as required by the Customer.
- 10.1.14 The Contractor shall provide Fulfillment Services, which is the mailing of items currently being stored by the Contractor. The Contractor shall select the specific items and quantities of items as required by the Customer. The Contractor shall package and mail the Customer's items in accordance with the Contract requirements or as specified in the Customer Specific SOW.
- 10.1.15 The Contractor shall provide document scanning and indexing. The software used shall have the ability to provide single and multiple indexing based on the needs of the Customer.
- 10.1.16 The Contractor shall have the ability to accept Customer orders physically, electronically, and telephonically.
- 10.1.17 The price per Impression for Copying and Production Print is calculated on a per Impression basis. (e.g., a one-sided Impression on the front side of a single piece of paper is calculated as one Impression and a two-sided Impression on the front and back side of a single piece of paper is calculated as two Impressions).
- 10.1.18 The price per page for Scanning and Indexing is calculated on a per page basis. (e.g., a one-sided scan on one piece of paper is calculated as one page and a two-sided scan on one piece of paper is calculated as two pages).
- 10.1.19 The Contractor is responsible for providing standard envelopes to the Customer. The Customer is responsible for all other types of envelopes.

## **10.2 On-Site Staff Support**

- 10.2.1 The Contractor shall have the ability to provide On-Site Staff support to Customers. On-Site Staff shall have the necessary training and ability to provide Mail Services at the location(s) specified by the Department or Customer. The Contractor is responsible for furnishing all equipment for On-Site Staff.
- 10.2.2 Before assigning On-Site Staff to support a Customer, the Contractor shall perform an on-site needs assessment and consult with the Customer about the appropriate levels of staff needed to perform the services.
- 10.2.3 The Contractor shall continually monitor the performance of its On-Site Staff located at the Customer's site and routinely meet with the Customer to ensure they are receiving optimal service levels. The Contractor shall remove and replace any unsatisfactory personnel.
- 10.2.4 On-Site Staff shall comply with the Customer's human resource, security, and employment policies, as designated by the Customer.
- 10.2.5 On-Site Staff shall perform the functions included in the descriptions below:

10.2.5.1 Mail Services Customer Service Associate – duties may include, but are not limited to pick up, receive and sort incoming Correspondence Mail; deliver outgoing Correspondence Mail; pick up outgoing Postal Mail in preparation for Mail Processing by the Contractor; perform various mail service activities (sorting, Metering, folding, inserting, delivering; adhere to business guidelines and safety procedures; scanning incoming mail; create and ship files; sort and deliver mail.

10.2.5.2 Mail Services Supervisor– duties may include, but are not limited to supervise and manage other on-site personnel; oversee the daily performance of on-site Mail Services required by the Customer; ensure customer satisfaction via well-trained staff, use of proper work instructions, adhere to Scope of Work, cross training; shipping and receiving; handle time-sensitive materials such as confidential or urgent packages.

### 10.3 Printing and Related Services

- 10.3.1 Standard print production services shall utilize plain white 20# bond paper in either 8 ½ x 11 or 8 ½ x 14 size. If the Customer determines that they need a different type of paper and the paper is not available in any State Term Contract, [https://www.dms.myflorida.com/business\\_operations/state\\_purchasing/state\\_contracts\\_and\\_agreements](https://www.dms.myflorida.com/business_operations/state_purchasing/state_contracts_and_agreements), the Customer may allow the Contractor to purchase the specific paper needed for print production service.
- 10.3.2 The Contractor shall have the capability of accepting or sending electronic production mail files and data in the formats and software listed below:
- Exstream
  - IBM data streams
  - PCL
  - PDF
  - PostScript files
  - Image files
  - Database files
- 10.3.3 The Contractor shall maintain a total production file count received from Customers and compare it to the actual production file to ensure counts are accurate. The Contractor shall notify the Customer in the event of a miscount and request a re-transmission of the production files.
- 10.3.4 The Contractor shall maintain Mail Processing information about print production orders received from Customers, and when requested by the Customer, provide reports.
- 10.3.5 The Contractor shall process encrypted postscript files without any modifications in accordance with the requirements of the Customer.
- 10.3.6 The Contractor shall split unencrypted postscript files into separate documents or pages, as necessary, and insert Barcodes on those documents or pages in accordance with the requirements of the Customer. The Contractor shall apply Barcoding and further sub-sorting by page count in order to group the individual files for envelope insertion.

- 10.3.7 The Contractor shall have the ability to provide Document Composition Services by creating postscript files in accordance with the requirements of the Customer. The Contractor shall have the ability to perform the following functions: generate software scripts for breaking the print stream up by page count/envelope type; index by document numbers; generate files capable of being processed on multiple inserters; and barcode the documents for inserting into envelopes. Document composition service needs may vary by Customer.
- 10.3.8 The Contractor shall have the ability to provide copying services as part of Mail Processing when requested by the Customer. The Contractor shall have the ability to make black and white and color copies. The Contractor shall have the ability to make copies of various sizes, which may include index cards, postcards, letter-size paper, and legal-size paper.

#### **10.4 Folding and Inserting**

- 10.4.1 The Contractor shall provide folding and inserting services.
- 10.4.2 The Contractor shall guarantee Mail Processing integrity by implementing file-based processing for inserters that has the ability to match inserted envelope counts with the print production file counts.

#### **10.5 Presorting**

- 10.5.1 The Contractor shall sort Flat and Letter Postal Mail.
- 10.5.2 The Contractor shall provide sorting with a machine that has an Optical Character Reader (OCR) that will interpret the address information on Letter Postal Mail pieces and spray the corresponding ZIP Code information onto the piece as a Barcode.
- 10.5.3 The Contractor shall sort Postal Mail pieces to achieve the best available postage discount as priced by USPS for the applicable size, weight, and mail type.
- 10.5.4 On a daily basis, the Contractor shall comingle all Postal Mail printed and prepared by the Contractor with all Postal Mail printed and prepared by the Customer to obtain the lowest possible postage rate, pursuant to the Customer's preference for Same Day, Next Day, or Delayed mailing.

#### **10.6 Address Update Services**

- 10.6.1 The Contractor shall provide address update services to Customers based on the current requirements of the USPS National Change of Address.
- 10.6.2 The Contractor shall maintain software to provide address update services and shall upload all updates as they are available.
- 10.6.3 The Contractor shall ensure that the latest USPS move update requirements are used.
- 10.6.4 The Contractor shall comply with any statutory restrictions pertaining to address updates that are provided by the Department or Customer. The Contractor shall ensure that, if a Customer has a statutory restriction on the forwarding of mail to new addresses, that the legally required endorsements are printed on the envelopes.

- 10.6.5 The Contractor shall provide Customers a listing of all address update service activities, (i.e. copy or image of envelope, report listing the old and new addresses, or other suitable method to provide old and new address). Customers may request the listing on a weekly, monthly, or quarterly basis.

## **10.7 Removal of Postal Mail Prior to Transport**

- 10.7.1 The Contractor shall establish a process by which the Customer may remove Postal Mail from Mail Processing prior to transportation to the USPS.
- 10.7.2 The Contractor shall remove Postal Mail as requested by the Customer.
- 10.7.3 The Contractor shall provide a list of all removed pieces of Postal Mail and return the pieces to the Customer, requiring signature upon receipt.

## **10.8 Rejected, Returned and Damaged Mail**

- 10.8.1 The Contractor shall work with each Customer to assist in minimizing the pieces of Postal Mail rejected or returned and establish procedures for handling rejected or returned Postal Mail.
- 10.8.2 The Contractor shall have the capability to track, record, and report the number of Postal Mail pieces rejected or returned.
- 10.8.3 The Contractor shall deliver to the Customer all rejected or returned Postal Mail pieces on the same day of receipt.
- 10.8.4 The Contractor shall notify the Customer immediately when damage occurs to Postal Mail. The Contractor shall return damaged Postal Mail to the Customer within one Business Day. The Contractor shall maintain a record of any supplies, documents, and Mail Pieces damaged while in the Contractor's possession.

## **10.9 Postage**

- 10.9.1 The Contractor shall ensure that all Postal Mail is Metered in accordance with current USPS standards and regulations.
- 10.9.2 Unless previously approved in writing, the Contractor shall guarantee that all eligible Postal Mail with a destination address in Florida is Metered at the 3-digit postage rate or better. This requirement shall not be set aside for equipment failure, natural disaster, Contractor error, or any other reason without the express written consent of the Customer.
- 10.9.3 The Contractor shall always obtain all available postage discounts. Any savings shall be credited to the Customer.
- 10.9.4 The Contractor shall notify Customers of all USPS service promotions that may generate additional postage discounts and comply with the Customer's directions with respect to participation in such promotions. Any savings generated by participation shall be credited to the Customer.
- 10.9.5 The Contractor shall be reimbursed by the Customer for necessary postage. Upgrades for Accountable Mail or additional required postage SHALL BE PREAPPROVED by the Customer. These charges shall be included and clearly identified in the Contractor's invoices.
- 10.9.6 In the event of future USPS postage rate changes, the Contractor shall provide the new postage rates on the effective date of the change as determined by the USPS.

- 10.9.7 The Contractor shall bill the Customer by each USPS account or mailer identification number in arrears for postage used each billing cycle, unless otherwise stated in the Customer Specific SOW. Customers may purchase postage directly from the USPS or reimburse the Contractor for postage expenses.
- 10.9.8 The Contractor shall provide USPS postage statements upon request by Customers.
- 10.9.9 The Contractor shall provide, to the Customer, postage inventory and internal charge back accounts, including but not limited to, business reply and postage due funds.
- 10.9.10 The Contractor shall provide monthly reports to the Customer containing postage information, by Classification, and, if requested by the Customer, the amounts of postage used by the operating units.
- 10.9.11 The Contractor shall not back-Meter a Mail Piece.

## **11. Local Courier Services and Route(s)**

- 11.1.1 The Contractor shall perform Local Courier Service Route(s) for Correspondence as directed by the Customer. Routes will be established by the Department or Customers.
- 11.1.2 The Contractor shall not assess Local Courier Service Route(s) fees for handling Postal Mail. The handling of Postal Mail is a component of Mail Processing.
- 11.1.3 When requested by the Customer, the Contractor shall sort Correspondence in order to group pieces for distribution to a common destination.
- 11.1.4 The Contractor shall provide Local Courier Service Route(s) in the following Florida counties: Leon, Duval, Orange, Hillsborough, Miami-Dade, and Escambia. Additional locations may be required by the Department or Customer.
- 11.1.5 The Contractor shall obtain, and maintain a record of, signatures from the Customer for Accountable Mail. The Contractor shall electronically track and report Accountable Mail delivery.

## **12. Holidays**

The Contractor shall provide Customers all services during Business Days. The following days are observed as holidays by state agencies in accordance with section 110.117, F.S.:

- New Year's Day
- Birthday of Martin Luther King, Jr., third Monday in January
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day, November 11
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day

If any of these holidays falls on Saturday, the preceding Friday shall be observed as a holiday. If any of these holidays falls on Sunday, the following Monday shall be observed as a holiday. Customers may have additional holiday(s) observed specifically by the Customer which will be detailed in the Customer's contract or Customer's Specific Scope of Work.



**13. Routine Communications**

Contractor shall send all routine communications and reports related to the Contract to the Department's contract manager. If any information listed on the Vendor Information and Ordering Instructions attachments changes during the life of the Contract, then the Contractor shall update the attachments and submit to the Department's contract manager.

Communications relating to a specific order should be addressed to the contact person identified on the order. Communications may be by e-mail, regular mail, or telephone.

**14. Purchasing Card**

The State of Florida has implemented a purchasing card program. Purchasing Card acceptance for purchase is a mandatory requirement for the Contract but is not the exclusive method of payment. If the state changes its Purchasing Card platform during the term of Contract, the Contractor shall make any necessary changes to accommodate the state's new Purchasing Card platform within 30 days of notification of such change.

**15. Contract Reporting**

The Contractor shall report information on orders received from Customers associated with this Contract. The Contractor shall submit reports in accordance with the following schedule:

Report	Period Covered	Due Dates
MFMP Transaction Fee Report	Calendar month	15 calendar days after the end of each month
Quarterly Sales Report	State's Fiscal Quarter	30 calendar days after close of the period
Diversity Report (submitted to the Customer)	State Fiscal Year	30 calendar days after close of the period
Preferred Pricing Affidavit	Annual	Contract anniversary date
Proof of Insurance	Annual	Upon policy renewal

**16. MFMP Transaction Fee Reports**

The Contractor is required to submit monthly MFMP Transaction Fee Reports in the Department's electronic format. Reports are due 15 calendar days after the end of the reporting period. For information on how to submit Transaction Fee Reports online, please reference the detailed fee reporting instructions and vendor training presentations available online at the Transaction Fee and Reporting section and Training for Vendors 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](mailto:feeprocessing@myfloridamarketplace.com) or telephone 866-FLA-EPRO (866-352-3776) from 8:00 a.m. to 6:00 p.m. Eastern Time.

**17. Quarterly Sales Report**

The Contractor shall submit a quarterly sales report electronically, in the required format, to the Department contract manager within 30 calendar days after close of each quarter. The quarterly sales report can be found here:

[https://www.dms.myflorida.com/business\\_operations/state\\_purchasing/vendor\\_resources/quarterly\\_sales\\_report](https://www.dms.myflorida.com/business_operations/state_purchasing/vendor_resources/quarterly_sales_report)

[erly sales report format](#). Failure to provide the quarterly sales report, or other reports requested by the Department, may result in the imposition of financial consequences or the Contractor being found in default and may result in termination of the Contract. Initiation and submission of the quarterly sales report are 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 Contractor may be placed in probationary status or the Department may terminate the Contract.

- Quarter 1 – (July-September) – due 30 calendar days after the close of the period
- Quarter 2 – (October-December) – due 30 calendar days after the close of the period
- Quarter 3 – (January-March) – due 30 calendar days after the close of the period
- Quarter 4 – (April-June) – due 30 calendar days after the close of the period

The Department may not consider renewal of a Contract or price adjustments if the Contractor is late on submitting required reports or for outstanding fees owed.

### **18. Diversity Report**

At the Customer's request, the Contractor shall report the Customer's specific 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 Customer ordering under the terms of this Contract.

### **19. Ad-hoc Report**

The Department may require additional Contract information such as copies of purchase orders or ad hoc sales reports. The Contractor shall submit these specific ad hoc requests for reports within the specified amount of time as requested by the Department.

### **20. Business Review Meetings**

In order to maintain the partnership between the Department and the Contractor, 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
- Review of continuous improvement ideas that may help lower total costs and/or improve business efficiencies.

### **21. Financial Consequences**

Financial Consequences may be assessed for failure to timely perform or submit a report as required by the Contract and shall be paid via check or money order in US Dollars, and made out to the Department of Management Services, within thirty (30) calendar days after the required report submission date. Financial consequences may be assessed on a daily basis for each individual failure until the performance or submittal is accomplished and will apply to each target period beginning with the first full month or quarter of the Contract's performance and each and every month and quarter thereafter. The State of Florida reserves the right to withhold payment or implement other appropriate remedies, such as Contract termination or nonrenewal, when the Contractor has failed to comply with these provisions of the Contract. The Contractor

and the Department agree that the financial consequences for non-performance are an estimate of damages which are difficult to ascertain and are not penalties. In addition to Customer Specific Financial Consequences within the Customer Specific Scope of Work, the following Financial Consequences shall apply:

<b>Deliverable</b>	<b>Performance Metric</b>	<b>Performance Due Date</b>	<b>Financial Consequence for Non-Performance (Per Calendar Day Late/Not Received by the Contract Manager)</b>
Contractor will timely submit complete Quarterly Sales Reports	All Quarterly Sales Reports will be submitted timely with the required information	Reports are due on or before the 30 <sup>th</sup> calendar day after the close of each State fiscal quarter	\$250
Contractor will timely submit complete MFMP Transaction Fee Reports	All MFMP Transaction Fee Reports will be submitted timely with the required information	Reports are due on or before the 15 <sup>th</sup> calendar day after the close of each month	\$100

## 22. Price Adjustments

Prices may not be adjusted during the initial term of the Contract. For the renewal term of the Contract, the prices will be the renewal term prices specified on the Cost Proposal; however, the renewal term prices may be adjusted no earlier than twelve (12) months after the start date of the renewal term and, thereafter, or no earlier than twelve (12) months after the effective date of the previous price adjustment. Price increases must be supported by a change in the Producer Price Index (PPI) for the Series ID(s) shown in the table below. This information is published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS), and is available at <http://www.bls.gov/data/>.

<b>Service</b>	<b>Series ID</b>	<b>Product</b>
Production Print Copying	PCU32311K32311K5	Digital printing
Sorting	PCU323120323120	Support activities for printing

Folding and Inserting Scanning and Indexing		
Fulfillment Services Mail Services Customer Service Associate Mail Services Supervisor	PCU561380561380102	Temporary help services, light and heavy industrial
Local Courier Service Route(s)	PCU4921104921101	Standard courier services
Storage/Warehousing	PCU493110493110	General warehousing and storage
Document Composition	PCU561380561380101	Temporary help services, office and clerical

The change in PPI for the first price adjustment after the start date of the renewal term shall be determined using the PPI for the month in which the renewal term began and the latest available non-preliminary PPI at the time of the price adjustment request (a preliminary PPI is indicated on the BLS website with a "(P)" notation). The change in PPI for second and subsequent price adjustments shall be determined using the latest PPI that was used to support the previous price adjustment and the latest available non-preliminary PPI at the time of the request.

When requesting a price increase, the Contractor shall submit a written justification to the contract manager detailing the reason(s) for the request; an increase in the PPI is not sufficient justification for a price increase by itself. Price increases shall not exceed the percent change in PPI or three percent (3%), whichever is less. The percent change in PPI shall be calculated using the following formula:

$$\frac{(B - A)}{A} = Z$$

Where:

A = earliest PPI (PPI at the time the renewal term began or previous price adjustment)

B = latest PPI (latest available non-preliminary PPI at the time of price adjustment request)

Z = percent change in PPI

The Department reserves the exclusive right to approve or deny any price adjustment request. Price adjustments will not be considered for any Contractor with any contractual non-performance issues including, but not limited to, outstanding fees or monies due under this Contract or overdue reports or documentation including, but not limited to, a Quarterly Sales Report or an MFMP Transaction Fee Report.

A price adjustment does not constitute a change to the Contract requiring an amendment executed by both Parties. After the Department approves a price adjustment in a written communication to the Contractor, it will incorporate the price adjustment onto the price sheet listed on the State Purchasing Contract website. Price adjustments may not be applied retroactively. The Department reserves the right to request price decreases at any time during the term of the

Contract if it is found to be in the best interest of the State. Price decreases issued by the Contractor are permissible at any time during the initial and renewal terms.

**23. Product/Service Adjustments**

Requested product/service adjustments/changes may be submitted once annually and must be approved by the Department and added to the Contract before being offered to Customers.

**24. Subcontracting**

Contractor and Applicable Subcontractors, Resellers, Distributors and Dealers: By execution of a Contract, the Contractor acknowledges that it will not be released of its contractual obligations to the Department because of any subcontractor, reseller, distributor or dealer. The Contract terms are applicable to subcontractors, resellers, distributors and dealers and shall apply to the Contractor's affiliates, partners, teammates, or any other third-party vendors providing commodities and performing services in furtherance of the Contract. The Contractor is fully responsible for satisfactory completion of all work performed under the Contract.

**25. E-Verify**

The Contractor (and its subcontractors) have an obligation to utilize the U.S. Department of Homeland Security's (DHS) E-Verify system for all newly hired employees. By executing this Contract, the Contractor certifies that it is registered with, and uses, the E-Verify system for all newly hired employees. The Contractor must obtain an affidavit from its subcontractors in accordance with paragraph (2)(b) of section 448.095, F.S., and maintain a copy of such affidavit for the duration of the Contract. In order to implement this provision, the Vendor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution.

This section serves as notice to the Contractor regarding the requirements of section 448.095, F.S., specifically sub-paragraph (2)(c)1, and the Department's obligation to terminate the Contract if it has a good faith belief that the Contractor has knowingly violated section 448.09(1), F.S. If terminated for such reason, the Contractor will not be eligible for award of a public contract for at least one year after the date of such termination. The Department reserves the right to order the immediate termination of any contract between the Contractor and a subcontractor performing work on its behalf should the Department develop a good faith belief that the subcontractor has knowingly violated section 448.095(1), F.S.

**Attachment F: Cost Proposal  
Request For Proposals  
Solicitation No. 20-80141800-RFP  
Mail Services**

**INSTRUCTIONS**

1. The Respondent is required to provide a Unit Rate (Same Day Delivery to USPS) for all Mail Processing Services and a Unit Rate for all Other Mail Services for both the Initial Term and Renewal Term. **The Respondent must enter a price in all yellow highlighted cells. The Department will assume there is no price for any yellow highlighted cell left empty. The Department will not evaluate a Cost Proposal if any yellow highlighted cell(s) are left empty or blank by the Respondent.**
2. All prices must be in U.S. Dollars (\$USD; e.g. \$99,999.99), and price ranges will not be accepted. The price shall be completed to two decimal places; amounts cannot include fractions of cents (e.g. \$0.005).
3. The Maximum Unit Rates for Next Day Delivery to USPS and the Maximum Unit Rates for Delayed Delivery to USPS are automatically calculated based on the Respondent's price input for each Mail Processing Service and the corresponding Minimum Service Discount provided in the Basis of Award section of the RFP; the Minimum Service Discounts are also provided on the Cost Proposal.
4. The Cost Proposal (Attachment F) establishes pricing for the initial term of the contract and any renewals. The Respondent shall not exceed this pricing when providing services under any resultant contract.
5. Prices shall be based on meeting or exceeding the requirements contained in the Scope of Work (Attachment C).

**Attachment F: Cost Proposal  
Request For Proposals  
Solicitation No. 20-80141800-RFP  
Mail Services**

**Respondent's Name:** Exela Enterprise Solutions

INITIAL TERM						
Mail Processing Services	Unit of Measure	Unit Rate (Same Day Delivery to USPS)	Minimum <u>Next Day</u> Service Discount	Maximum Unit Rate ( <u>Next Day</u> Delivery to USPS)	Minimum <u>Delayed</u> Service Discount	Maximum Unit Rate ( <u>Delayed</u> Delivery to USPS)
Production Print (includes <u>Contractor's provision of</u> data processing with- and standard white paper)	Per Page Impression	\$0.02	10%	\$0.02	20%	\$0.02
Sorting Letters	Per Mail Piece	\$0.02	25%	\$0.02	45%	\$0.01
Sorting Flats	Per Mail Piece	\$0.19	5%	\$0.18	10%	\$0.17
Folding and Inserting (up to 15 pages)	Per Mail Piece	\$0.04	20%	\$0.03	25%	\$0.03
Copying - Color impressions with ( <u>includes Contractor's provision of data processing and</u> standard white paper)	Per Page Impression	\$0.08	20%	\$0.06	30%	\$0.06
Copying - Black and white impressions with ( <u>includes Contractor's provision of data processing and</u> standard white paper)	Per Page Impression	\$0.02	20%	\$0.02	30%	\$0.01
Fulfillment Services - Pick and pack, up to 25 items per package	Per Package	\$2.50	10%	\$3.96	20%	\$3.52
Fulfillment Services - Pick and pack, more than 25 items per package	Per Package	\$5.00	10%	\$8.96	20%	\$7.96
Other Mail Services	Unit of Measure	Unit Rate				
Local Courier Service Route(s)	Per Day / Per Stop	\$7.00				
Storage/Warehousing	Per Pallet / Per Month	\$7.20				
Mail Services Customer Service Associate	Per Hour / Per Staff	\$18.17				
Mail Services Supervisor	Per Hour / Per Staff	\$21.82				
Document Composition Services	Per Hour	\$150.00				
Scanning and Indexing	Per Page	\$0.29				

RENEWAL TERM						
Mail Processing Services	Unit of Measure	Unit Rate (Same Day Delivery to USPS)	Minimum Next Day Service Discount	Maximum Unit Rate (Next Day Delivery to USPS)	Minimum Delayed Service Discount	Maximum Unit Rate (Delayed Delivery to USPS)
Production Print (includes Contractor's provision of data processing with and standard white paper)	Per Page Impression	\$0.02	10%	\$0.02	20%	\$0.02
Sorting Letters	Per Mail Piece	\$0.02	25%	\$0.02	45%	\$0.01
Sorting Flats	Per Mail Piece	\$0.20	5%	\$0.19	10%	\$0.18
Folding and Inserting (up to 15 pages)	Per Mail Piece	\$0.04	20%	\$0.03	25%	\$0.03
Copying - Color impressions with (includes Contractor's provision of data processing and standard white paper)	Per Page Impression	\$0.08	20%	\$0.06	30%	\$0.06
Copying - Black and white impressions with (includes Contractor's provision of data processing and standard white paper)	Per Page Impression	\$0.02	20%	\$0.02	30%	\$0.01
Fulfillment Services - Pick and pack, up to 25 items per package	Per Package	\$2.50	10%	\$4.08	20%	\$3.62
Fulfillment Services - Pick and pack, more than 25 items per package	Per Package	\$5.00	10%	\$9.23	20%	\$8.20
Other Mail Services	Unit of Measure	Unit Rate				
Local Courier Service Route(s)	Per Day / Per Stop	\$7.21				
Storage/Warehousing	Per Pallet / Per Month	\$7.42				
Mail Services Customer Service Associate	Per Hour / Per Staff	\$21.93				
Mail Services Supervisor	Per Hour / Per Staff	\$24.58				
Document Composition Services	Per Hour	\$154.50				
Scanning and Indexing	Per Page	\$0.30				



**Attachment J**  
**Customer Specific Scope of Work**

This Customer Specific Scope of Work (SOW) is between the [Customer Name] an agency or eligible user of the State of Florida, with offices at [Customer address], and [Company Name] ("Contractor"), authorized to transact business in the State of Florida with offices at [Company address].

The Parties agree to this Customer Specific SOW pursuant to State Term Contract No. 80141800-21-STC in accordance with the terms and conditions of the Contract. The Parties therefore agree as follows.

**SECTION 1. ADDITIONS TO THE STATE TERM CONTRACT SCOPE OF WORK REQUESTED BY THE CUSTOMER**

- 1.1 [insert if applicable: Work Activities]
- 1.2 [insert if applicable: Deliverables]
- 1.3 [insert if applicable: Expectations]
- 1.4 [insert if applicable: Timelines]
- 1.5 [insert if applicable: Financial Consequences]
- 1.6 [insert if applicable: Description of Mail Services required]
- 1.7 [insert if applicable: Compensation for services to be rendered]
- 1.8 [insert if applicable: Special handling instructions]
- 1.9 [insert if applicable: Mail Processing requirements]
- 1.10 [insert if applicable: Billing and remittance instructions]
- 1.11 [insert if applicable: Contact information]
- 1.12 [insert if applicable: Estimated Volume]
- 1.13 [insert if applicable: Reporting requirements]

### **Attachment I 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 during the procurement process.

*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: Presort house

Company Name: Pitney Bowes Presort Services

Contact Name: Mr. Nathan (Nate) Polete

Address: 8551 Westside Industrial Drive Suite 7, Jacksonville FL, 32219

Telephone: 904.786.2900

Email: Nathan.Polete@pb.com

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

This vendor is a presort house that ensures the mail is sorted to take advantage of the discounted postage rate from the USPS.

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