

**FLORIDA DEPARTMENT OF HEALTH  
OFFICE OF MEDICAL MARIJUANA USE**



**INVITATION TO NEGOTIATE  
FOR  
MEDICAL MARIJUANA SEED-TO-SALE TRACKING SYSTEM  
DOH 20-014**

Refer **ALL** Inquiries to Procurement Officer:

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## SECTION 1.0 INTRODUCTION

### 1.1 Overview

The Florida Department of Health (Department) invites interested vendors to submit replies to this Invitation to Negotiate (ITN) for a seed-to-sale tracking system as described in this ITN. The solicitation will be administered through the Vendor Bid System (VBS), the State internet-based vendor information system at [http://www.myflorida.com/apps/vbs/vbs\\_www.main\\_menu](http://www.myflorida.com/apps/vbs/vbs_www.main_menu).

This ITN describes the anticipated scope of work and Department goals, solicits detailed replies, outlines the evaluation and negotiation process, and establishes the framework for developing a contract. The anticipated scope of work and functionality for the contract is found in Attachment A, Scope of Work and Functionality. The proposed draft contract for this solicitation is found in Attachment B.

### 1.2 Background

The Department is the sole state of Florida governmental agency tasked with implementing and enforcing the medical marijuana statutes and constitutional provisions.

As part of its responsibilities and powers, the Department must establish, maintain, and control, a computer software tracking system that traces the cultivation, processing, and final sale of marijuana throughout the state. Specifically, section 381.986(8)(d), Florida Statutes, provides:

The department shall establish, maintain, and control a computer software tracking system that traces marijuana from seed to sale and allows real-time, 24-hour access by the department to data from all medical marijuana treatment centers and marijuana testing laboratories. The tracking system must allow for integration of other seed-to-sale systems and, at a minimum, include notification of when marijuana seeds are planted, when marijuana plants are harvested and destroyed, and when marijuana is transported, sold, stolen, diverted, or lost. Each medical marijuana treatment center shall use the seed-to-sale tracking system established by the department or integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established by the department. Each medical marijuana treatment center may use its own seed-to-sale system until the department establishes a seed-to-sale tracking system. The department may contract with a vendor to establish the seed-to-sale tracking system. The vendor selected by the department may not have a contractual relationship with the department to perform any services pursuant to this section other than the seed-to-sale tracking system. The vendor may not have a direct or indirect financial interest in a medical marijuana treatment center or a marijuana testing laboratory.

There are currently 22 licensed medical marijuana treatment centers (MMTCs) and seven certified marijuana testing laboratories (CMTLs) in the state of Florida. Each MMTC is required to operate a vertically integrated supply chain to cultivate, process, transport, and dispense marijuana to qualified patients and their caregivers. Dispensing of marijuana is reflected in the Medical Marijuana Use Registry, as well as in each MMTC's own point of sale system. However, once a seed-to-sale tracking system is established by the Department, each MMTC will be required to use the Department's system or integrate its own seed-to-sale tracking system with the system established by the Department.

The definitions set forth in section 381.986, Florida Statutes, and the Department's implementing rules (Chapter 64-4, Florida Administrative Code) and emergency rules (located at <https://knowthefactsmmj.com/rules-and-regulations/>), are applicable to this ITN.

### **1.3 Purpose of the ITN**

The purpose of this ITN is to explore the various questions identified in this ITN and determine, through the negotiation process, the preferred solution to achieve the goals of the ITN. The Department intends to make a single award for all services sought in this ITN; however, the Department reserves the right to make no award, as determined to be in the best interest of the State.

### **1.4 Questions Being Explored and Facts Being Sought**

Vendors are not to respond directly to these questions. The Department is seeking a solution to the questions being explored in this section. The Department will use the information obtained throughout this ITN process to assist in developing opinions and positions regarding the following questions:

- (a) How can the Department most effectively and efficiently establish a seed-to-sale system in accordance with this ITN and applicable Florida law?
- (b) Is the Department's anticipated scope of work and functionalities contained in Attachment A, Scope of Work and Functionality, sufficient, or are there functionalities and solution components that should be added, eliminated, or modified?
- (c) How can the Department establish flexibility for future system changes (e.g., implementing new functionality, system enhancements, new system users, legislative mandates)?
- (d) What performance metrics or performance standards can vendors offer in order to provide greater vendor accountability?

- (e) How can the Department achieve transparency (e.g., pricing, staffing, licensing) in establishing, maintaining, and controlling a seed-to-sale system?
- (f) What additional value-added services can vendors offer that are in the best interest of the State?
- (g) How can the Department ensure pricing remains competitive throughout the entire term of the contract?
- (h) What is the best approach to achieve the ITN goals?

### **1.5 Specific Goals of the ITN**

- (a) To procure a seed-to-sale system that satisfies the requirements of section 381.986, Florida Statutes.
- (b) To establish a contract promoting a cost-efficient purchase and maintenance of a seed-to-sale system leveraging the latest available technology.
- (c) To establish a flexible contract that provides the ability to effectuate future policy and program changes. Future changes may include, but are not limited to: implementing new functionality, system enhancements, new system users, or legislative mandates.
- (d) To establish a contract that represents a combination of deliverables and pricing preferred by the Department and select the vendor providing the best overall value to the State.
- (e) To establish a contract promoting vendor transparency in operational activities and staffing.

### **1.6 Procurement Officer and Restriction on Communication**

Pursuant to section 287.057(23), Florida Statutes, the Procurement Officer is the sole point of contact from the date of release of this ITN until 72-hours after the notice of intended award is posted. Violation of this provision may be grounds for rejecting a reply. The Department's Procurement Officer for all communications regarding this ITN is:

Diana Trahan  
Procurement Officer  
Florida Department of Health  
4052 Bald Cypress Way, Bin B07  
Tallahassee, FL 32399-1749



Email: [diana.trahan@flhealth.gov](mailto:diana.trahan@flhealth.gov)

Refer ALL inquiries in writing to the Procurement Officer by email and place the solicitation number in the subject line of all emails to the Procurement Officer. No facsimiles or telephone calls will be accepted for any reason. Any such contact by a prospective vendor's affiliate, a person with a relevant business relationship with a prospective vendor, or an existing or prospective subcontractor to a prospective vendor is assumed to be on behalf of a prospective vendor unless otherwise shown.

### 1.7 Anticipated Contract Term

The Department anticipates that the contract will begin November 1, 2021, or on an earlier date if feasible; however, negotiations may result in a later date. The anticipated length of the initial term of the contract is five years, however the negotiations may result in a shorter or longer period in the resulting contract.

### 1.8 Renewal

The contract may be renewed for periods not to exceed the term of the original contract. Renewal may be for yearly or multiple-year increments. Renewals must be in writing, subject to the same terms and conditions set forth in the initial contract and any written amendments signed by the parties. Such renewal is at the Department's sole discretion, will be contingent upon satisfactory performance evaluations as determined by the Department, and will be subject to the availability of funds. Any renewal will consider the vendor's ability to (i) establish pricing guarantees, (ii) ensure competitive pricing and services, and (iii) ensure appropriate pricing improvements when warranted by market conditions and/or program modifications.

### 1.9 Schedule of Events and Deadlines

The table below contains the Schedule of Events and Deadlines for this solicitation. The dates and times are subject to change. It is the vendor's responsibility to check for any changes. All updates or revisions to any of the dates and times will be accomplished by an addendum to the solicitation and posted on the VBS. Vendors are responsible for submitting all required documentation by the dates and times specified below. All times listed are Eastern Time in Tallahassee, Florida.

Event	Due Date	Location
ITN posted on the VBS	May 10, 2021	<b>Posted to the Vendor Bid System at:</b> <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>

Deadline to submit questions to the Procurement Officer	May 21, 2021 at 4:00 p.m. Eastern Time	<b>Submit to:</b> Florida Department of Health Central Purchasing Office <b>Attention:</b> Diana Trahan Suite 310 4052 Bald Cypress Way, Bin B07 Tallahassee, FL 32399-1749 E-mail: <a href="mailto:Diana.Trahan@flhealth.gov">Diana.Trahan@flhealth.gov</a>
Department's <i>anticipated</i> posting of answers to Vendor's questions	June 4, 2021	<b>Posted to Vendor Bid System at:</b> <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>
Deadline to submit Reply and all required documents to the Procurement Officer	<b>Must be received PRIOR TO:</b> June 24, 2021 at 1:00 p.m. Eastern Time	<b>Submit to:</b> Florida Department of Health Central Purchasing Office <b>Attention:</b> Diana Trahan Suite 310 4052 Bald Cypress Way, Bin B07 Tallahassee, FL 32399-1749
Public Opening of Replies	June 24, 2021 at 3:00 p.m. Eastern Time	<b>PUBLIC OPENING</b>  Florida Department of Health 4052 Bald Cypress Way Suite 310 Tallahassee, FL 32399
Anticipated Evaluations Phase	June 28, 2021 through July 19, 2021	Evaluation Team Members to begin evaluations individually.
Anticipated Meeting of Evaluators to Confirm Scores	July 21, 2021 at 3:00 p.m. Eastern Time	<b>PUBLIC MEETING</b>  Florida Department of Health 4052 Bald Cypress Way Suite 310 Tallahassee, Florida 32399
Anticipated Negotiations Phase	July 22, 2021 through September 27, 2021	
Anticipated Public Meeting of Negotiators to Recommend Award	September 28, 2021 at 3:00 p.m. Eastern Time	<b>PUBLIC MEETING</b>  Florida Department of Health 4052 Bald Cypress Way Suite 310 Tallahassee, Florida 32399

Anticipated Posting of Intent to Award	September 28, 2021	<b>Posted to Vendor Bid System at:</b> <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>
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## SECTION 2.0 THE ITN PROCESS

### 2.1 Overview

An ITN is a method of competitively soliciting commodities and/or services under section 287.057(1)(c), Florida Statutes. The ITN process is generally divided into two phases: Evaluation and Negotiation.

The Evaluation Phase involves the Department’s initial evaluation of vendor replies. During the Evaluation Phase, replies will be evaluated to establish a competitive range of replies reasonably susceptible of award. The Department will then select one or more vendors within the competitive range with which to commence negotiations.

The Negotiation Phase involves negotiations with the vendor(s) selected for negotiations. During the Negotiation Phase, the Department may request revised replies or best and final offers based on the negotiations. The Department intends to post a Notice of Intent to Award after negotiations, identifying the responsive and responsible vendor that provides the best value. Vendors will not be formally eliminated from the ITN process until the posting of the Notice of Intent to Award. Final contract terms will be established during the Negotiation Phase.

Any reservation or listing of reservations in this ITN of the Department’s rights and discretion is not intended to be exhaustive and shall not be construed to limit the Department’s rights and discretion in conducting this procurement.

### 2.2 Official Notices and ITN Documents

All notices, decisions, intended decisions, and addenda relating to this procurement will be electronically posted at [http://myflorida.com/apps/vbs/vbs\\_main\\_menu](http://myflorida.com/apps/vbs/vbs_main_menu) (the Vendor Bid System or VBS).

**IT IS THE RESPONSIBILITY OF ALL VENDORS TO CHECK THE VBS FOR INFORMATION AND UPDATES.**

In the event of conflict in terms among the foregoing during this ITN process, the following order of precedence will apply:

- (a) Addenda to the ITN, if any;
- (b) This ITN including all attachments

## 2.3 Contacting Department Personnel

### 2.3.1 Contact Other than During the Negotiation Phase

Vendors responding to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the end of the 72-hour period following the agency posting the notice of intended award, excluding Saturday, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the Procurement Officer (see Section 287.057(23), Fla. Stat.) or as provided in the solicitation documents. Violation of the provision may be grounds for rejecting a reply.

Any such contact by a prospective vendor's affiliate, a person with a relevant business relationship with a prospective vendor, or an existing or prospective subcontractor to a prospective vendor is assumed to be on behalf of a prospective vendor unless otherwise shown.

### 2.3.2 Contact During the Negotiation Phase

During the Negotiation Phase of this ITN: (i) any contact and communication between a vendor's negotiation team members and the Department's negotiation team members is permissible, but only "on the record" (as required by section 286.0113(2), Florida Statutes) during the negotiation meetings; and (ii) communication between a vendor's lead negotiator and the Procurement Officer outside of the negotiation meetings is permissible as long as the communication is by email.

## 2.4 Vendor Questions

Vendors may submit written questions regarding the terms, conditions, and requirements of the ITN and its attachments, and any processes described in those documents. Vendor questions should be submitted in writing to the Procurement Officer by email. The deadline for submission of questions is reflected in Section 1.9 ("Schedule of Events and Deadlines") of this ITN. Each vendor's submission of questions should be clearly labeled "ITN for Seed-to-Sale Tracking System" and should include the ITN number in the subject line of the email. Questions will not constitute a protest or objection to the solicitation terms.

To be considered, questions should be submitted in the following format:

Question #	Vendor	ITN Section	ITN Page #	Question

## 2.5 Special Accommodation

Persons with disability requiring special accommodations should call the Department's Purchasing office at least five business days prior to any public opening or meeting at (850) 245-4199. If hearing or speech impaired, please contact the Department's Purchasing office through the Florida Relay Service, at 1-800-955-8771 (TTY).

## **2.6 Replies**

### **2.6.1 Reply Deadline**

Replies to this ITN must be submitted to and received by the Department no later than the date and time provided in Section 1.9 ("Schedule of Events and Deadlines") via delivery to the Procurement Officer at the address described in Section 1.6 ("Procurement Officer and Restriction on Communication").

All methods of delivery or transmittal to the Procurement Officer are exclusively the responsibility of the vendor and the risk of non-receipt or delayed receipt will be borne exclusively by the vendor. Replies not received at the specified address by the deadline will be rejected and returned to the vendor, except that the Department will retain the original reply for use in the event of a dispute.

### **2.6.2 Firm Reply**

By participating in this ITN, a vendor acknowledges and agrees that its final reply will remain firm until 120 days after the later of either the Department's posting of the intended award or the conclusion of any protest of the intended award through final appellate disposition.

### **2.6.3 Use and Disclosure of Reply Contents**

All contents of a reply or during this ITN process becomes the exclusive property of the Department and may not be removed by the vendor. The Department will have the right to use any or all ideas or adaptations of the ideas presented in a reply. Selection or rejection of a reply will not affect this right.

## **2.7 Clarification Process**

The Department may request clarification from the vendor for resolving ambiguities or questioning information presented in its reply. Clarifications may be requested throughout the solicitation process. The vendor's answers to requested clarifications must be in writing and must address only the information requested, unless the clarification is requested during a negotiation session and the Department allows the vendor to provide it verbally during the session or during a follow-up session. The vendor's answers to requested clarifications must be submitted to the Department within the time specified by the Department in the request for clarification.

## **2.8 Reply Cure Process**

If the Department determines that a nonmaterial, curable deficiency in a reply may result in the disqualification of a vendor, the Department may notify the vendor of the deficiency and a timeframe within which to provide the information. This process is at the sole discretion of the Department; therefore, the vendor is advised to ensure that its reply is compliant with the ITN at the time of submittal.

## **2.9 Cost of Preparation**

Neither the Department nor the State of Florida is liable for any costs incurred by a vendor in responding to this ITN or otherwise participating in this procurement.

## **2.10 Public Records and Vendor's Confidential Information**

### **2.10.1 Public Records**

All electronic and written communications pertaining to this ITN, whether sent from or received by the Department, are subject to the Florida Public Records Law. Section 2.10.4 ("How to Claim Protection for Exempt Materials") below addresses the submission of trade secret and other information a vendor contends is exempted from public inspection.

### **2.10.2 Replies Are Public Record**

All materials submitted in response to this ITN will be a public record subject to the provisions of Chapter 119, Florida Statutes. Selection or rejection of a reply for contract award does not affect the public record status of the materials.

### **2.10.3 Replies Will Be Subject to Public Inspection**

Unless exempted by law, all public records are subject to public inspection and copying under Florida's Public Records Law, Chapter 119, Florida Statutes. A time-limited exemption from public inspection is provided for the contents of a reply pursuant to section 119.071(1)(b), Florida Statutes. Once that exemption expires, all contents of a reply become subject to public inspection unless another exemption applies. Any claim of trade secret exemption for any information contained in a vendor's reply to this solicitation will be waived upon submission of the reply to the Department, unless the claimed trade secret information is submitted in accordance with Section 2.10.4 ("How to Claim Protection for Exempt Materials").

### **2.10.4 How to Claim Protection for Exempt Materials**

If a vendor considers any portion of the documents, data, or records submitted in its reply to be a trade secret and/or otherwise exempt from public inspection or disclosure pursuant to Florida's Public Records Law, the vendor must prominently and conspicuously mark all such information in the reply (original and 6 copies) as "Confidential – Exempt from Public Disclosure." The vendor must submit a brief, written description of the grounds for claiming exemption from the Public Records Law, including the specific statutory citation for each exemption claimed.

A vendor must also simultaneously provide the Department with a **separate**, electronic, redacted copy of its reply, redacting all data or information claimed to be exempt from public disclosure. The vendor should only redact the specific data or information that is confidential or exempt from public disclosure. The file name of the electronic, redacted copy must contain the name of the vendor, the ITN number and "Redacted Copy" (e.g., Vendor Name DOH 20-014 Redacted Copy.pdf). The first page of the electronic, redacted copy and each page on which information is redacted must prominently display the phrase "Redacted Copy." Except for the redactions, the redacted copy must be an exact duplicate of the original, unredacted reply. This submission must be made no later than the reply submittal deadline listed in Section 1.9 ("Schedule of Events and Deadlines") of this ITN.

### **2.10.5 Public Records Requests**

If a vendor fails to mark any materials submitted to the Department as exempt from public disclosure, the vendor waives the exemption under Chapter 119, Florida Statutes. Vendors exclusively bear the burden of complying with this section to ensure their exempt information is appropriately marked.

### **2.10.6 Department Not Obligated to Defend Vendor's Claims**

The Department is not obligated to agree with a vendor's claim of exemption and, by submitting a reply, the vendor agrees to defend its claim that any or some portion of the reply is exempt from inspection and copying under Florida's Public Records Law. Further, by submitting a reply, the vendor agrees to protect, defend, indemnify, and hold harmless the Department for any and all claims and litigation (including litigation initiated by the Department), including attorney's fees and costs, arising from or in any way relating to the vendor's assertion that the redacted portions of its reply are exempt from public disclosure under Chapter 119, Florida Statutes.

## **2.11 General Instructions to Vendors PUR 1001 FORM and General Contract Conditions PUR 1000**

The Florida Administrative Code requires that the Department include the standard PUR 1001 Form "General Instructions to Respondents" and the PUR 1000 "General Contract Conditions" with this solicitation. The PUR 1001 and the PUR 1000 forms can be found at:

[http://www.dms.myflorida.com/business\\_operations/state\\_purchasing/documents\\_forms\\_references\\_resources/purchasing\\_forms](http://www.dms.myflorida.com/business_operations/state_purchasing/documents_forms_references_resources/purchasing_forms)).

The Department is permitted by the Florida Administrative Code, however, to override the provisions of both forms. Accordingly, the terms and conditions of PUR 1001 do not apply to this solicitation and are instead modified and superseded by the instructions, technical specifications, and scope of work requirements contained throughout this ITN, all of which should be considered Special Conditions. The terms and conditions of PUR 1000 do not apply to this solicitation and are instead modified and superseded by the proposed contract included as Attachment B to this ITN.

## **2.12 Subcontracting**

The successful vendor is fully responsible for all work performed under the resultant contract of this solicitation. If a vendor intends to use any subcontractors to perform the work, such subcontractors must be identified in Form 7 of this ITN. If a vendor should need to replace a subcontractor prior to the Department posting a notice of intent to award, the vendor must provide to the Procurement Officer a request to substitute the subcontractor, explaining why the vendor seeks to substitute the subcontractor. The vendor must provide an updated Form 7 subcontractor form regarding the proposed subcontractor substitute with the request. The substitution will be subject to Department approval.

The vendor acknowledges that it will not be released of its contractual obligation to the Department because of any subcontract. The Department may treat the vendor's use of a subcontractor not disclosed during the ITN process or approved by the Department as a breach of the resulting contract.

## **2.13 Protests**

Section 120.57(3), Florida Statutes, applies to this solicitation.

### **2.13.1 Time Limits for Filing Protests**

Any person whose substantial interests are adversely affected by the decision or intended decision made by the Department pursuant to this solicitation must file with the Department a notice of intent to protest in writing within 72 hours (excluding State holidays, Saturdays and Sundays) after the posting of the Department's notice of decision or intended decision.

### **2.13.2 Protest of Terms, Conditions, and Specifications**

With respect to a protest of the terms, conditions, and specifications contained in this solicitation, including any provisions governing the methods for scoring or ranking replies, awarding contracts, or for modifying or amending any contract, the notice of intent to



protest shall be filed in writing within 72 hours (excluding State holidays, Saturdays, and Sundays) after the posting of the solicitation. For purposes of this provision, the term “the solicitation” includes this ITN; any addenda, responses to written questions; clarifications; or other document concerning the terms, conditions, or specifications of the solicitation.

### **2.13.3 Bond Must Accompany Formal Protest**

When protesting a decision or intended decision (including a protest of the terms, conditions, and requirements of the solicitation), the protestor must post a bond equal to one percent of the estimated contract amount. See section 287.042(2)(c), Florida Statutes.

The estimated contract amount is not subject to protest. The protest bond must be conditioned upon the payment of all costs and charges that are adjudged against the protestor in the administrative hearing in which the action is brought and in any subsequent appellate court proceeding. In lieu of a bond, the Department will accept a cashier’s check, official bank check, or money order. An original cashier’s check, official bank check, or money order must be posted in the same fashion as a protest bond.

**FAILURE TO POST AN ORIGINAL BOND FOR THE REQUISITE AMOUNT AT THE TIME OF FILING THE FORMAL WRITTEN PROTEST WILL RESULT IN A DENIAL OF THE PROTEST.**

### **2.13.4 Filing a Protest**

A formal written protest is “filed” when actually received by the Department’s Agency Clerk. Filing of a formal written protest may be achieved by hand-delivery, courier, or mail. Actual delivery by the deadline will remain the responsibility solely of the protestor, and the risk of non-receipt or delayed receipt will be borne exclusively by the protestor.

A protest bond must be posted together with the formal written protest. A protest bond is “posted” when the original bond is physically tendered to the Agency Clerk. Bonds (and cashier’s checks, official bank checks, or money orders) cannot be posted by facsimile, email, or other transmission that does not result in the original being physically tendered to the Department. Actual posting of an original bond by the deadline will remain the responsibility solely of the protestor, and the risk of non-receipt or delayed receipt will be borne exclusively by the protestor.

**FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 120.57(3), FLORIDA STATUTES, OR FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED BY LAW WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.**

## **2.14 Department's Reserved Rights**

### **2.14.1 Waiver of Minor Irregularities**

The Department reserves the right to waive minor irregularities when to do so would be in the best interest of the State of Florida. A minor irregularity is a variation from the terms and conditions of this ITN that does not affect the price of the reply or give the vendor a substantial advantage over other vendors and thereby restrict or stifle competition and does not adversely impact the interest of the Department. At its sole discretion, the Department may allow a vendor to correct minor irregularities, but the Department is under no obligation to do so.

### **2.14.2 Right to Inspect, Investigate, and Rely on Information from Other Sources**

The Department reserves the right to inspect a vendor's facilities and operations, to investigate any vendor representations, and to rely on information about a vendor in the Department's records or known to Department personnel in making its best value determination. In this regard, the Department reserves the right to seek information from outside sources regarding the vendor and the vendor's offerings, capabilities, references, and performance, if the department determines that such information is pertinent to the ITN and if the Department determines in its sole discretion that it is in the State's best interest to seek such information. The Department may consider such information throughout the solicitation process including, but not limited to, determining whether the award is ultimately in the best interest of the State. This may include, but is not limited to, the Department engaging consultants, subject matter experts, and others to ensure the Department has a complete understanding of the information provided pursuant to the solicitation.

### **2.14.3 Rejection of All Replies**

The Department reserves the right to reject all replies at any time, including after an award is made and by doing so the Department will have no liability to any vendor.

### **2.14.4 Withdrawal of ITN**

The Department reserves the right to withdraw the ITN at any time, including after an award is made and by doing so the Department will have no liability to any vendor.

### **2.14.5 Reserved Rights After Notice of Intent to Award**

The Department reserves the right, after posting notice thereof, to withdraw or amend its notice of intent to award and re-open negotiations with any vendor at any time prior to execution of a contract.

### 2.14.6 No Contract Until Execution

A notice of intent to award under this ITN will not constitute or form any contract between the Department and a vendor. No contract will be formed until such time as the vendor and the Department formally execute a written contract.

### 2.15 Diversity

The Department is dedicated to fostering the continued development and economic growth of minority-, veteran-, and women-owned businesses. Participation of a diverse group of vendors doing business with the State is central to the Department's effort. To this end, minority-, veteran- and women-owned business enterprises are encouraged to participate in the State's procurement process as both prime responders and subcontractors under prime contracts.

### 2.16 Attorney's Fees

Under no circumstance will the Department be responsible for attorney's fees in any pre- or post-award dispute with any vendor or prospective vendor.

## SECTION 3.0 RESPONDING TO THE ITN

### 3.1 Overview

Replies should provide a straightforward, concise description of the vendor's ability to provide the solution sought by the solicitation. Excessive information distracts readers from focusing on essentials. When responding to specific questions or requests for information, vendors must reprint each question or request in its entirety before the vendor's response.

The vendor's reply may not apply any conditions or exceptions to any mandatory requirements of the solicitation. Any such conditions or exceptions will be ignored and of no effect.

Do not incorporate or reference dynamic links that are external to the reply documents. Provide screen shots in lieu of references to websites. References to dynamic links (Universal Resource Locators) will not be considered or evaluated as part of the reply.

### 3.2 Submittal of Replies

Each vendor is responsible for ensuring that its reply is delivered at the proper time and to the proper place. **REPLIES MUST BE RECEIVED AT OR BEFORE THE TIME AND DATE** reflected on the schedule included in Section 1.9 ("Schedule of Events and Deadlines") of this ITN. The Department will reject late replies.

The face of each box containing a reply submitted to the Department must be addressed to the attention of the Procurement Officer, indicate the Departmental Purchasing address (as provided in Section 1.6, ("Procurement Officer and Restriction on Communication")), and state the ITN title and number. Any submitted documents claimed to be exempt from Florida's Public Records Law must comply with the provisions of Section 2.10.4 ("How to Claim Protection for Exempt Materials") at the time of the reply submission.

The reply must be submitted in a properly marked, sealed box(es) containing the following:

- (a) One original and six separate, bound paper copies of all volumes of the reply;
- (b) Six electronic copies on six separate portable drives. **This set of electronic copies must not include the Price Reply** (See ITN Section 3.3 ("Format of Reply")). Acceptable portable drives include a portable hard drive, thumb drive, and similar devices. The portable drive must have a USB connection and must be compatible with Microsoft operating systems. The PDF file containing the reply must be named in the following format: "[Vendor's Name] Reply to Seed to Sale ITN"; and
- (c) One electronic redacted copy of the entire reply on a separate portable drive in readable PDF format (if applicable, as described in Section 2.10.4 ("How to Claim Protection for Exempt Materials") of this ITN).

### 3.3 Format of Reply

**VENDORS MUST SUBMIT REPLIES IN THE FOLLOWING FORMAT AND ORDER IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED. EACH REPLY MUST BE TABBED AS FOLLOWS:**

#### **Volume 1: General Information and Forms**

- **Tab A: Introductory Section**

The following documents will comprise the Introductory Section of a vendor's reply to this ITN:

- (a) Transmittal Letter. The purpose of this letter is to transmit the reply. The transmittal letter should be brief and signed by an individual who is authorized to commit the vendor to the services and requirements as stated in this ITN. The transmittal letter must also include the name and contact information for the vendor's primary contact person for this solicitation. The transmittal letter must not exceed one page.

- (b) Title Page and Table of Contents. The title page should bear the name and address of the vendor and the name and number of this ITN. This should be followed by a table of contents for the entire reply.
- (c) Declaration of Exempt Information. A listing of information that is claimed to be exempt from public disclosure must be provided immediately following the table of contents. This listing must identify each section of the reply that has been marked as exempt and excluded from the redacted copy provided with the reply as described in Section 2.10 (“Public Records and Vendor’s Confidential Information”) of this ITN.

- **Tab B: Corporate Performance History (see ITN Section 5)**

Vendors must respond to each question and request for information in Section 5 (“Corporate Performance History – Reply Disclosures”) of this ITN. Vendors must restate each question or request for information and provide a response to the question or request for information in a different colored font. Failure to submit a response to a question or request for information or any subparts of a question or request for information may disqualify the vendor from further consideration.

- **Tab C: Proof of Bonding Capacity (see ITN Section 6)**

Vendors must include a surety commitment letter as described in ITN Section 6 (“Proof of Bonding Capacity”).

- **Tab D: Vendor Information and Required Forms (see ITN Section 9).**

Vendors must include the following forms:

- Form 1 – Vendor Certification must be completed as specified in Section 9 (“Forms”).
- Form 2 – Notice of Conflict of Interest must be completed as specified in Section 9 (“Forms”).
- Form 3 – Non-Collusion Affidavit must be completed as specified in Section 9 (“Forms”).
- Form 4 – Statement of No Involvement must be completed as specified in Section 9 (“Forms”).
- Form 5 – Business/Corporate Reference must be completed as specified in Section 9 (“Forms”).

- Form 6 – Corporate Information must be completed as specified in Section 9 (“Forms”).
- Form 7 – Subcontractors must be completed as specified in Section 9 (“Forms”).

### **Volume 2: Technical Reply**

Vendors must respond to each question and request for information in Section 7 (“Technical Reply”) of this ITN. Failure to submit a response to a question or request for information or any subparts of a question or request for information may result in a lower-scored technical reply.

### **Volume 3: Price Reply**

Vendor must submit a price reply as provided in ITN Section 8 (“Price Reply”).

## **SECTION 4.0 EVALUATION, SELECTION, AND AWARD**

The Department intends to award the contract to the responsible and responsive vendor that presents the best value to the State after negotiations are conducted.

This procurement may be supported by technical advisors and subject matter experts who will provide information and technical support to the Department. To assist with this procurement process, the Department has contracted with Deloitte Consulting LLP (“Deloitte”) as a technical subject matter expert for this solicitation. Deloitte will not receive override commissions or any other valuable consideration, in any form, from any involved party when such fee proceeds are from, or may be attributable to, the award of the contract with the Department. Fees earned by Deloitte relating to this procurement will be limited exclusively to those fees paid under the contract for services between Deloitte and the Department.

### **4.1 Evaluation Phase**

#### **4.1.1 Evaluation Criteria and Process**

All replies will be reviewed by the Department to determine responsiveness prior to the qualitative evaluation and scoring of the replies. Failure to provide the Proof of Bonding Capacity required by Section 6, the Price Reply required by Section 8, or the Vendor Information and Required Forms required by Section 9, will result in the vendor being deemed nonresponsive. Responses to Section 7 (“Technical Reply”) will be scored at the evaluation phase but will not be used to determine responsiveness.

The Department will establish an Evaluation Team to qualitatively evaluate and score replies. The Evaluation Team will score according to Section 4.1.2.1 (“Technical Reply Scoring”) of this ITN. The Evaluation Team will hold a public meeting to submit their scores to the Procurement Officer.

#### 4.1.2 Scoring of Replies During Evaluation Phase

Each evaluator will be provided a copy of each responsive vendor’s Volume 2 Technical Reply. The evaluators will evaluate Technical Replies using the assessment scale in Section 4.1.2.1 (“Technical Reply Scoring”). The Department will use the evaluators’ Technical Scores together with the Price Scores (see Section 4.1.2.2 (“Price Scoring”)) to establish a competitive range of vendors reasonably susceptible of award.

##### 4.1.2.1 Technical Reply Scoring

Technical Replies will be scored based on responses to Section 7 (“Technical Reply”). In all responses, clarity is necessary. Evaluators are not expected to decipher vague, ambiguous, overly complex, or otherwise difficult to understand responses. Any reply that is not clearly presented in terms of its narrative description may be down-scored.

For the Experience and Background portion of the Technical Reply (Section 7.1), the Evaluators will consider how well the vendor demonstrates experience in performing services or supplying products of similar scope and size using the following point scale system:

Assessment	Assessment Description	Evaluator Score
<b>Exceptional</b>	<ul style="list-style-type: none"> <li>Extensive, substantial experience providing products and services that are similar to the services sought through this ITN</li> </ul>	<b>4</b>
<b>Good</b>	<ul style="list-style-type: none"> <li>Considerable experience providing products and services that are similar to the services sought through this ITN</li> </ul>	<b>3</b>
<b>Adequate</b>	<ul style="list-style-type: none"> <li>Some experience providing products and services that are similar to the services sought through this ITN</li> </ul>	<b>2</b>
<b>Poor</b>	<ul style="list-style-type: none"> <li>Minimal experience providing products and services that are similar to the services sought through this ITN</li> </ul>	<b>1</b>
<b>Inadequate</b>	<ul style="list-style-type: none"> <li>No experience providing products and services that are similar to the services through this ITN</li> </ul>	<b>0</b>

The Evaluation Team will apply the scoring guidelines of “Understanding,” “Functionality” and “Capability” to each vendor’s Technical Requirements (Section 7.2) portion of the Technical Reply, using the following point scale system:

<b>Point Scale System</b>		
<p><b>Understanding:</b> The knowledge of and familiarity with the subject and demonstrated comprehension of the requested individual components and the whole.</p> <p><b>Functionality:</b> The quality of having a practical use, the quality of being functional, the particular use or set of uses for which something is designed, and the sum or any aspect of what a product can do for a user.</p> <p><b>Capability:</b> The ability to meet the stated requirements through a set of controllable and measurable faculties, features, functions, processes, or services.</p>		
<b>Assessment</b>	<b>Assessment Description</b>	<b>Evaluator Score</b>
<b>Exceptional</b>	<ul style="list-style-type: none"> <li>• Demonstrates superior understanding of the project</li> <li>• Greatly exceeds desired functionality or services described in Attachment A</li> <li>• Provides excellent and innovative capability</li> </ul>	<b>4</b>
<b>Good</b>	<ul style="list-style-type: none"> <li>• Demonstrates above-average understanding of the project</li> <li>• Partially exceeds desired functionality or services described in Attachment A.</li> <li>• Provides above-average capability</li> </ul>	<b>3</b>
<b>Adequate</b>	<ul style="list-style-type: none"> <li>• Demonstrates general understanding of the project</li> <li>• Meets desired functionality or services described in Attachment A.</li> <li>• Provides acceptable capability</li> </ul>	<b>2</b>
<b>Poor</b>	<ul style="list-style-type: none"> <li>• Demonstrates insufficient project understanding</li> <li>• Partially addresses desired functionality or services described in Attachment A.</li> <li>• Presents limited capability</li> </ul>	<b>1</b>
<b>Inadequate</b>	<ul style="list-style-type: none"> <li>• Demonstrates lack of understanding of the project</li> </ul>	<b>0</b>



	<ul style="list-style-type: none"> <li>• Fails to meet desired functionality or services described in Attachment A.</li> <li>• Fails to demonstrate capability</li> </ul>	
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Fractional scores will not be assigned by evaluators.

The Technical Replies will be scored in nine categories identified in the table below. Within each of the nine categories, each evaluator will assign a score from zero to four for each item in the category. The categories are found in Attachment A, Scope of Work and Functionality, and Section 7.1 (“Experience and Background”). The maximum possible unweighted points for each category are as follows:

Category	Maximum Unweighted Points
Experience and Background (Section 7.1)	24
Business Functionality (Attachment A)	212
Hardware and Hosting (Attachment A)	100
Security and Privacy (Attachment A)	44
Testing (Attachment A)	12
Project Management and Staffing (Attachment A)	84
Training (Attachment A)	24
Maintenance and Support (Attachment A)	72
System Change Management (Attachment A)	36

Each evaluator’s Technical Score for a vendor will be calculated using this formula:

$$100 \left[ \left( \frac{BF}{212} \right)^{(0.20)} + \left( \frac{HH}{100} \right)^{(0.15)} + \left( \frac{SP}{44} \right)^{(0.15)} + \left( \frac{TE}{12} \right)^{(0.10)} + \left( \frac{PM}{84} \right)^{(0.10)} + \left( \frac{T}{24} \right)^{(0.05)} + \left( \frac{MS}{72} \right)^{(0.10)} + \left( \frac{SCM}{36} \right)^{(0.10)} + \left( \frac{E}{24} \right)^{(0.05)} \right]$$

In the above formula:

- E denotes the vendor’s Experience and Background unweighted points.
- BF denotes the vendor’s Business Functionality unweighted points.
- HH denotes the vendor’s Hardware and Hosting unweighted points.
- SP denotes the vendor’s Security and Privacy unweighted points.
- TE denotes the vendor’s Testing unweighted points.

- PM denotes the vendor’s Project Management and Staffing unweighted points.
- T denotes the vendor’s Training unweighted points.
- MS denotes the vendor’s Maintenance and Support unweighted points.
- SCM denotes the vendor’s System Change Management unweighted points.

After this calculation is performed, the Technical Score will be rounded to two decimal points.

Each vendor’s Technical Score by an evaluator will range between 0 and 100 per the above formula.

There will be three evaluators, so each vendor will receive three Technical Scores. The Technical Scores from each evaluator will be added together to generate the vendor’s Total Technical Score. A vendor’s Total Technical Score will be a number between 0 and 300.

#### **4.1.2.2 Price Scoring**

Each vendor’s Price Reply will be scored based on the following formula:

$$100 \left[ \frac{\text{Lowest Vendor's Total Initial-Term Price}}{\text{Vendor's Total Initial-Term Price}} \right]$$

The resulting score will be rounded two decimal places and will be the vendor’s Price Score.

The Price Score will be computed by the Procurement Officer. The Evaluation Team will not review the Price Reply and will not otherwise be made aware of the prices or Price Score.

Vendors may not submit an initial term price that totals zero dollars. Any reply containing an initial term price that totals zero dollars will be deemed non-responsive.

#### **4.1.2.3 Total Evaluation Score**

A vendor’s Total Evaluation Score will be calculated using this formula:

$$100 \left[ \left( \frac{T}{300} \right) (0.75) + \left( \frac{P}{100} \right) (0.25) \right]$$

In this formula, T denotes the vendor’s Total Technical Score, and P denotes the vendor’s Price Score. The resulting score will be rounded two decimal places and will be the vendor’s Total Evaluation Score.

A vendor’s Total Evaluation Score will be between 0 and 100.

#### **4.1.2.4 Competitive Range**

The Total Evaluation Scores will establish the competitive range of replies reasonably susceptible of contract award.

### **4.2 Negotiation Phase**

#### **4.2.1 Goal of Negotiation Process**

Generally, the negotiation process is intended to enable the Department to determine which vendor's replies presents the best solution and ultimately the best value to the State. The Department intends to negotiate the scope of work, terms, and conditions of a resulting contract during the negotiation phase.

#### **4.2.2 Negotiation Process**

After a competitive range of replies is established in the Evaluation Phase, the Department intends to select at least two vendors for negotiations. Although the Department intends to negotiate with at least two vendors, it reserves the right to select fewer or more vendors with whom to negotiate.

No presumption of preference or merit in the negotiation process or for contract award will arise from the scores awarded during the Evaluation Phase, and such scores, weights, and ranking will not carry over to the Negotiation Phase.

The Department will establish a Negotiation Team to conduct the negotiations, assess the final value proposition of each vendor, and make a best value award decision based on the selection criteria (identified in Section 4.3.2 ("Selection Criteria")). The Negotiation Team will not be bound by Evaluation Phase scoring or weighting, has full authority to reassess any of the Evaluation Phase determinations, and may consider any additional information that comes to its attention during the Negotiation Phase.

Vendors may be provided an opportunity to recommend value alternatives and provide information and alternative solution options during the Negotiation Phase. The Department reserves the right to negotiate all terms, solutions, and pricing if the Department determines that such negotiated terms would provide the best value to the State with any or all vendors. The Negotiation Team may address each proposed alternative during negotiations but is under no obligation to accept a proposed alternative.

The Department may negotiate sequentially or concurrently (or a combination of both) and may at any time during the Negotiation Phase eliminate a vendor from further consideration. Additionally, the Department reserves the right to conclude negotiations at any time and proceed to contract award.

### **4.2.3 Vendor Attendance at Negotiation Sessions**

Negotiation sessions are the formal meetings between the Negotiation Team and the vendor(s). The Department reserves the right to require attendance at negotiation sessions by particular representatives of the vendor; such as, the executive sponsor, the contract manager, or other individuals that will perform a critical role in establishment and maintenance of the seed-to-sale system.

The Department also reserves the right to limit the numbers of persons who may attend negotiations on behalf of a vendor.

### **4.2.4 Revised Replies and Best and Final Offers**

During the Negotiation Phase, the Department may request additional information, clarification, and revisions to replies (including best and final offers and revised best and final offers) until it is satisfied that it has achieved the best value to the State.

Failure to provide any information requested by the Department during the Negotiation Phase may result in termination of negotiations with the vendor.

### **4.2.5 Other Department Rights During Negotiations**

The Department reserves the right at any time during the negotiation process to:

- Engage in sequential or concurrent negotiations with any responsive vendors.
- Schedule additional negotiation sessions with any, some, or all responsive vendors.
- Require any, some, or all responsive vendors to provide additional, revised, or final replies addressing specified topics.
- Require any, some, or all responsive vendors to provide a written best and final offer and revised best and final offers.
- Require any, some, or all responsive vendors to address services, prices, or conditions offered by any other vendor; however, the Department shall have no obligation to do so.
- Pursue a contract with one or more responsive vendors for the goods and services encompassed by this solicitation.
- Arrive at an agreement with any responsive vendor, finalize principal contract terms with such vendor, and terminate negotiations with any or all

other vendors, regardless of the status of or scheduled negotiations with such other vendors.

- Decline to conduct further negotiations with any vendor.
- Re-open negotiations with any vendor.
- Take any additional administrative steps the Department deems necessary in determining the final award, including additional fact-finding, evaluation, or negotiation where consistent with the terms of this solicitation.
- Review and rely on relevant information contained in the replies.
- Include subject matter experts or other interested persons in negotiations with vendors, vendor presentations, and meetings at which negotiation strategies are discussed.
- Obtain and check references to assess extent of success or failure of past projects by the vendors.
- Request pricing options or models different from the initial pricing.
- Request additional references.
- Contact current or former customers of the vendor.
- Request any information from the vendors that will assist in conducting negotiations and achieving best value.
- Revise, add, delete, change, or modify any part of Attachment A.

The Department has sole discretion in deciding whether and when to take the foregoing actions during negotiations, the scope and manner of such actions, and whether to provide concurrent notice to vendor and public notice of any such decision.

#### **4.2.6 Negotiation Meetings Not Open to Public**

Negotiations between the Department and vendors are temporarily exempted from Chapter 286, Florida Statutes.

Negotiation Team strategy meetings are exempted by section 286.0113(2)(b)2., Florida Statutes.

The Department will record all meetings of the Negotiation Team, as required by law, and such recordings will eventually become a public record. During negotiations, a vendor

must inform the Department if any portion of the meetings should be considered exempt because of discussions of trade secrets or other exempt information so that the Department can make appropriate arrangements for the segregation of the recording.

#### **4.2.7 Performance Measures**

Pursuant to section 287.058, Florida Statutes, the resulting Contract must contain performance measures which specify the required minimum level of acceptable service to be performed. This contract provision will be based on the final determination of the tasks and deliverables that result from negotiations.

#### **4.2.8 Financial Consequences**

Pursuant to section 287.058, Florida Statutes, the resulting Contract must contain financial consequences that will apply if the vendor fails to perform in accordance with the Contract terms. This contract provision will be based on the final determination of the performance measures that result from negotiations.

### **4.3 Final Selection and Notice of Intent to Award Contract**

#### **4.3.1 Award Selection**

The Department will select for contract award the responsive and responsible vendor that provides the best value to the State based on the selection criteria in Section 4.3.2 (“Selection Criteria”).

#### **4.3.2 Selection Criteria**

The Department’s best value determination will be based on the following selection criteria:

1. The capability, design, and quality of the vendor’s approach, solutions, and functionality to meet the State’s needs as described in this ITN and as negotiated.
2. Experience and skills of the vendor and vendor’s proposed staff relative to the proposed solution.
3. Vendor’s references and track record implementing similar solutions to the ones specified in this ITN.
4. Vendor’s overall experience and workmanship in its business field.
5. Vendor’s pricing.

#### **4.3.3 Department’s Negotiation Team Decision**

The Department's Negotiation Team will determine which vendor's offer and final reply, if any, provides the best value to the State based on the selection criteria. In so doing, the Negotiation Team will not engage in scoring, but will arrive at its decisions by majority vote during a public meeting.

The scores from the Evaluation Phase will not carry over into the Negotiation Phase, and the Negotiation Team will not be bound by those scores.

The Negotiation Team's decision notwithstanding, the Department reserves the right to reject all replies at any time and/or cancel and withdraw the solicitation without making award, including without limitation after any vote of the Negotiation Team.

#### **4.3.4 Posting Notice of Intent to Award**

If the Department decides to award a contract, it will post a Notice of Intent to Award Contract, stating its intent to contract with the vendor identified therein, on the VBS. If the Department decides to reject all replies, it will post its notice on the VBS.

#### **4.4 Vendor Registration in MyFloridaMarketPlace**

The awarded vendor, if any, must register in MyFloridaMarketPlace (MFMP) prior to contract execution. For additional information, please visit:

[https://www.dms.myflorida.com/business\\_operations/state\\_purchasing/myfloridamarketplace](https://www.dms.myflorida.com/business_operations/state_purchasing/myfloridamarketplace)

#### **4.5 Composition of the Contract**

The Department intends that the contract awarded as a result of this ITN will be comprised of Attachment A, Scope of Work and Functionality, and the draft Seed-to-Sale Tracking System Contract provided in Attachment B to this ITN, which contains proposed general contract terms and conditions. The Department intends to negotiate the contract terms in Attachment B during the Negotiation Phase, but is under no obligation to accept any changes proposed by a vendor to the terms during those negotiations.

**Any attempts to red-line or modify the terms of the Department's proposed contract will be disregarded and ignored by the Department during the Evaluation Phase. Therefore, a vendor should not include in their original reply any alterations or edits to the Department's proposed contract. Vendors must price their reply assuming no changes to the proposed Attachment B Contract.**

## **SECTION 5.0 CORPORATE PERFORMANCE HISTORY – REPLY DISCLOSURES**

**Instructions:** Each vendor shall provide responses to the following questions and request for information. The vendor's response to this section will not be scored. It will, however, be considered by the Negotiation Team during negotiations. Within your reply, print the question or request for information and then provide your response in a different color font. Include this information in your reply Volume 1 (see ITN Section 3.3 ("Format of Reply")).

1. Identify all public entity clients within the last five years that the vendor, or any of its affiliates, are or were in contract with for the performance of services similar to those required in this ITN. Include the contact information of the public entity's contract manager. The Department may contact those entities regarding the vendor's performance of the contract.
2. Have you been involved in any acquisitions or mergers within the last five years?
  - (a) If yes, describe.
3. For the performance of services or provision of goods similar to those required in this ITN, have you ever been notified of or been declared in breach or default of a contract; received written notice that you were considered to be in breach or default; or been defaulted on a contract with any other business entity?
  - (a) If so, provide the particulars, including when, where, which parties were involved, what occurred, and the ultimate outcome.
4. Have you ever been issued a letter of non-compliance on a contract involving products and services similar to those required in this ITN?
  - (a) If so, advise when, where and the ultimate outcome of such actions.
5. Have you ever terminated or given notice of termination of any contract for which you provided products and services similar to those required in this ITN?
  - (a) If so, provide the particulars, including when, where, which parties were involved, what occurred, and the ultimate outcome.
6. Have you ever received notice of termination or had a contract terminated by the other party for which you provided products and services similar to those required in this ITN?
  - (a) If so, provide the particulars, including when, where, which parties were involved, what occurred, and the ultimate outcome.



7. Have you ever been assessed or paid liquidated damages/performance credits or any other type of penalty for failure to meet performance metrics regarding the provision of products and services similar to those required in this ITN?
  - (a) If so, advise when, where, the amount(s) paid and the outcome of such actions.
8. Describe any discipline, fines, litigation and/or government action taken, threatened or pending against your company or any entities of your company during the last five years regarding the provision of products and services similar to those required in this ITN. This information must include whether the vendor has had any registrations, licenses, and/or certification suspended or revoked in any jurisdiction within the last five years, along with an explanation of circumstances.
9. Identify and describe all security breaches and/or security incidents (that may not have reached the level of a breach) within the last 5 years related to the products and services your business offers and supplies to customers. Explain how this was handled by the organization.
10. Identify and describe all convictions of the vendor; its affiliates (as defined in section 287.133(1)(a), Florida Statutes); and all directors, officers, and employees of the firm and its affiliates for violation of state or federal antitrust laws with respect to a public contract for violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract. This includes disclosure of the names of current employees who were convicted of contract crimes while in the employ of another company.

## **SECTION 6.0 PROOF OF BONDING CAPACITY**

**Instructions:** The vendor must submit a letter of commitment issued by a bonding company authorized to issue bonds in the State of Florida for a performance bond with a penal sum no less than the vendor's total proposed price in its price reply. Include this information in your reply Volume 1 (see ITN Section 3.3 ("Format of Reply")).

## **SECTION 7:0 TECHNICAL REPLY**

**Instructions:** In your Technical Reply, reprint the question or request for information and then supply your response in a different-colored font. Technical Replies must be submitted in Volume 2 of your reply (see ITN Section 3.3 ("Format of Reply")).

### **7.1 Experience and Background**

1. Describe the vendor's experience in providing similar products and services, including a brief history of the organization, its growth, and its ownership structure.
2. Describe the vendor's experience with public sector clients.
3. How many years has the vendor provided products and services to:
  - (a) Public sector clients?
  - (b) Private sector clients?
4. State the total number of clients the vendor has been supporting in the past twelve months, for similar products and services and describe how the scope of services is similar to the services sought through this ITN.
5. Do you expect to make major changes to your proposed product and services within the next 24 months (e.g., new versions, additional functionality, etc.)?
  - (a) If yes, describe the changes and the expected schedule of changes.
6. Describe the key advantages of your organization and particular differentiators that set your organization apart from other industry competitors.

Failure to submit a response to any item above may result in a lower score.

## **7.2 Technical Requirements**

The awarded vendor will be expected to comply with the Scope of Work and Functionality requirements listed in Attachment A, as negotiated. Accordingly, the following questions should be answered with sufficient detail so that the reader can be informed of the initial solution offered and how that solution would be implemented. Each question or request for information corresponds to a service and functionality component listed in the Attachment A. Each of the service and functionality components listed in Attachment A contains several items. A vendor's response will be scored as provided in this ITN and serve as the basis to begin negotiations if invited to the negotiation phase.

**Instructions:** Vendors must reprint each item within the service and functionality components and provide a proposed solution to the item in a different-colored font. For example, the Business Functionality component contains items BF-1.1 through BF-6.6. Vendors must reprint each item within Business Functionality (BF-1.1 through BF-6.6) and provide a proposed solution to each item in a different colored font. Failure to submit a proposed solution to any item may result in a lower score.

1. Describe and explain your proposed solution to each item in Business Functionality (BF-1.1 through BF-7.6) in Attachment A.

2. Describe and explain your proposed solution to each item in Hardware and Hosting (HH-1.1 through HH-6.8) in Attachment A.
3. Describe and explain your proposed solution to each item in Security and Privacy (SP-1.1 through SP-2.1) in Attachment A.
4. Describe and explain your proposed solution to each item in Testing (TE-1.1 through TE-1.3) in Attachment A.
5. Describe and explain your proposed solution to each item in Project Management and Staffing (PM-1.1 through PM-11.1) in Attachment A.
6. Describe and explain your proposed solution to each item in Training (T-1.1 through T-1.6) in Attachment A.
7. Describe and explain your proposed solution to each item in Maintenance and Support (MS-1.1 through MS-7.3) in Attachment A.
8. Describe and explain your proposed solution to each item in Systems Change Management (SCM-1.1 through SCM-1.9) in Attachment A.

### **7.3 Value Added Services**

A vendor may offer services other than those specifically outlined in this solicitation that it believes offer additional benefits to the Department (Value-Added Services). Innovative ideas, new concepts, and additional services will be considered. Information provided in this section will not be scored by the Evaluation Team but will be considered by the Negotiation Team if the vendor is invited to negotiations.

**Instructions:** Provide a description and explanation of any Value-Added Services that you are offering. If you are not offering any Value-Added Services, then please so state.

## **SECTION 8.0 PRICE REPLY**

**Instructions:** Vendors are required to provide their proposed pricing by year and as a total for the initial five-year term. Vendor are also required to provide renewal pricing for each year of a five (5) year renewal. Only the total initial-term pricing will be scored per Section 4.1.2.2 (“Price Scoring”) of this ITN. Pricing must be all inclusive to cover the entire Scope of Work and Functionality in Attachment A and contractual requirement of the draft contract in Attachment B. Price Replies will be scored according to the formula in Section 4.1.2.2 (“Price Scoring”) of this ITN. The Price Reply must be submitted in Volume 3 (see ITN Section 3.3 (“Format of Reply”)).

### **8.1 Format of Price Reply**

Price replies must be provided to the Department by submitting a completed Attachment C, Price Reply.

### **SECTION 9.0 FORMS**

**Instructions:** The following forms (Form 1 through Form 7) must be completed and attached in their entirety with the signature of the vendor's authorized agent. The information submitted by vendors on the following form will not be scored. Include these forms in Volume 1 (see ITN Section 3.3 ("Format of Reply")).

## FORM 1 – VENDOR CERTIFICATION

As the person authorized to sign on behalf of \_\_\_\_\_ [vendor name], I certify the following:

1. The above-named vendor understands that all information provided by, and representations made by, the vendor are material and will be relied on by the Department in awarding the contract. Any misstatement will be treated as fraudulent concealment from the Department of true facts relating to the submission of the reply. A misrepresentation is punishable by law, including but not limited to Chapter 817, Florida Statutes. Accordingly, all information and representations contained in this reply are true and accurate to the best of my knowledge, and no modifications have been made to this ITN Section 9 form submitted with the vendor's reply.
2. The above-named vendor has not been placed within the last 36 months on the Department of Management Service's Convicted Vendor List or on a similar list maintained by any other governmental entity.
3. The above-named vendor is not currently under suspension of debarment by the State of Florida or any other governmental entity.
4. The above-named vendor and its affiliates, subsidiaries, directors, officers, and employees are not, to their knowledge, currently under investigation by any governmental authority and have not in the last 10 years been convicted or found liable for any act prohibited by law in any jurisdiction involving conspiracy or collusion with respect to bidding on any public contract.
5. The above-named vendor currently has no delinquent obligations to the State of Florida, including a claim by the State for liquidated damages under any other contract.
6. The above-named vendor has fully informed the Department in writing of all convictions of the vendor; its affiliates (as defined in section 287.133(1)(a), Florida Statutes); and all directors, officers, and employees of the firm and its affiliates for violation of state or federal antitrust laws with respect to a public contract for violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract. This includes disclosure of the names of current employees who were convicted of contract crimes while in the employ of another company.
7. Neither the vendor nor any person associated with it in the capacity of owner, partner, director, officer, principal, investigator, project director, manager, auditor, or position involving the administration of federal funds:

Has within the preceding three years been convicted of or had a civil judgment rendered against them or is presently indicted for or otherwise criminally or civilly charged for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state, or local government transaction or public contract; violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or

Has within a three-year period preceding this certification had one or more federal, state, or local government contracts terminated for cause or default.

8. The vendor has made a diligent inquiry of its employees and agents responsible for preparing, approving, or submitting the response, and has been advised by each of them that he or she has not participated in any communication, consultation, discussion, agreement, collusion, act or other conduct inconsistent with any of the statements and representations made in the response.

9. The vendor agrees to indemnify, defend, and hold harmless the Department and its employees against any cost, damage, or expense which may be incurred or be caused by any error in the vendor's preparation of its bid.

10. The vendor confirms that it does not presently have a contractual relationship with the Department to perform any services pursuant to section 381.986, Florida Statutes.

11. The vendor confirms that it does not have a direct or indirect financial interest in an MMTC or a CMTL, as mandated pursuant to section 381.986(8)(d), Florida Statutes. The term "interests" as used here shall have the same meaning as the term is defined in Florida Administrative Code Rule 64.4.001(12).

Signature of Authorized Representative:

\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2021

Mailing Address:

\_\_\_\_\_

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Email Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

**FORM 2 – NOTICE OF CONFLICT OF INTEREST**

Vendor Name: \_\_\_\_\_

For the purpose of participating in the solicitation process and complying with the provisions of Chapter 112, of the Florida Statutes, the undersigned corporate officer states as follows:

The persons listed below are corporate officers, directors or agents and are currently employees of the State of Florida or one of its agencies:

_____	_____
_____	_____
_____	_____

The persons listed below are current State employees who own an interest of ten percent or more in the vendor named above:

_____	_____
_____	_____
_____	_____

Signature of Authorized Representative:

\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2021



**FORM 3 – NON-COLLUSION AFFIDAVIT**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, of \_\_\_\_\_, am authorized to make this affidavit on behalf of my firm and its owner, directors and officers. I am the person responsible in my firm for the price(s) and amount(s) of this reply, and the preparation of the reply. I state that:

1. The price(s) and amount(s) of this reply have been arrived at independently and without consultation, communication or agreement with any other vendor or potential vendor.
2. Neither the price(s) nor the amount(s) of this reply, and neither the approximate price(s) nor approximate amount(s) of this reply, have been disclosed to any other vendor or person who is a vendor, Provider, potential Provider, Proposer, or potential Proposer, and they will not be disclosed before reply submission.
3. No attempt has been made or will be made to induce any vendor or persons to refrain from submitting a reply for the contract, or to submit a price(s) higher than the prices in this reply, or to submit any intentionally high or noncompetitive price(s) or other form of complementary reply.
4. The reply of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive reply.

I state that I and the named vendor understand and acknowledge that the above representations are material and important, and will be relied on by the State of Florida for which this reply is submitted. I understand and my firm understands that any misstatement in this affidavit is, and shall be treated as, fraudulent concealment from the State of Florida of the true facts relating to the submission of responses for the contract.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

Name of Vendor:

\_\_\_\_\_

Signed by:

\_\_\_\_\_

Print Name:

\_\_\_\_\_

Being duly sworn deposes and says that the information herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

Notary Public:

My Commission Expires:

**FORM 4 – STATEMENT OF NO INVOLVEMENT**

I, \_\_\_\_\_, as an authorized representative of \_\_\_\_\_, certify that no member of this firm nor any person having any interest in this firm has been involved with the Department of Health to assist it in:

- 1. Developing this solicitation; or
- 2. Performing a feasibility study concerning the scope of work contained in this Invitation to Negotiate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

Name of Vendor:

\_\_\_\_\_

Signed by:

\_\_\_\_\_

Print Name:

\_\_\_\_\_

## FORM 5 – BUSINESS/CORPORATE REFERENCE

Provide at least three references for clients for whom you currently or within the last 24 months provide similar products and services in the tables below. References must include at least one reference for which the proposed Contract Manager provides services. (Add additional tables as needed for this response.)

Information	Reference #1
Company name	
Contact person	
Title	
Address	
City	
State	
Telephone number	
Email address	
Size of account	
Contract period	
Brief summary of services	

Information	Reference #2
Company name	
Contact person	
Title	
Address	
City	
State	
Telephone number	
Email address	
Size of account	
Contract period	
Brief summary of services	

Information	Reference #3
Company name	
Contact person	
Title	
Address	
City	
State	
Telephone number	
Email address	
Size of account	

Contract period	
Brief summary of services	

Name of Vendor:

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Signed by:

---

Print Name:

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## FORM 6 –CORPORATE INFORMATION

**Instructions:** Complete the form below with information for each requested item below.

### 1. Vendor General Information

Company Information	Response
Vendor's legal name	
Address	
City	
State	
ZIP Code	
Web address	
Corporate tax status	
Federal Employer Identification Number (FEIN)	

### 2. Contact Information

Identify the primary contact person responsible for the overall development of the vendor's reply.

Primary Contact	Response
Name	
Title	
Address	
City	
State	
ZIP Code	
Telephone number	
Email address	

### 3. Executive Sponsor

Provide the following information regarding the Executive Sponsor that will be assigned to the State's account. This individual is the highest-ranking officer with direct involvement in the State's account. In addition, submit a resume or curriculum vitae for the Executive Sponsor shown below.

Executive Sponsor	Response
Name	
Title	
Address	
City	

State	
ZIP Code	
Telephone number	
Email address	
Years of industry experience	
Years with the organization	
Years in the current position	

4. Contract Manager

Provide the following information regarding the Contract Manager that will be assigned to the Contract. This individual provides oversight of account services under the Contract. In addition, submit a resume or curriculum vitae for the Contract Manager shown below.

<b>Contract Manager</b>	<b>Response</b>
Name	
Title	
Address	
City	
State	
ZIP Code	
Telephone number	
Email address	
Years of industry experience	
Years with the organization	
Years in the current position	

## FORM 7 – SUBCONTRACTORS

Provide responses below for each subcontractor that the vendor proposes to perform any of the required services under the contract. If additional subcontractors are proposed, copy and insert additional tables and update the header (i.e., subcontractor #2). Submission of this information does not indicate the Department’s approval (see Section 2.14 (“Subcontracting”) of this ITN, but provides the Department with information on proposed subcontractors for initial review.

Information	Subcontractor #1
Subcontractor Name	
Corporate address, telephone number, and website	
Office address, telephone number, and website of the proposed Subcontractor that will be performing any of the required services under the contract	
Primary contact person name, address, email address and telephone number	
Brief summary of the history of the Subcontractor's company and information about the growth of the organization on a national level and within the State of Florida	
Describe any significant government action or litigation taken or pending against the Subcontractor's company or any entities of the Subcontractor's company during the most recent five years	
List and describe the services the Subcontractor will be responsible for in the performance of the contract	
Explain the process for monitoring the performance of the subcontractor and measuring the quality of its results.	
Is this Subcontractor currently registered as a Minority Business Enterprise (CMBE) or Women-Owned Business (WBE) certified by the State of Florida?	



Describe the process that you will implement during the contract term to ensure that background checks will be completed on the subcontractor.	
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Name of Vendor: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**END OF TEXT**

**ATTACHMENT A**  
**SCOPE OF WORK AND FUNCTIONALITY**

This Attachment A - Scope of Work and Functionality addresses the functionality and services that the Department believes are necessary for a complete seed-to-sale solution. This Attachment A is intended to reflect the requested service and functionality components the Department is seeking the vendor to offer. Although this Attachment A includes references to service and functionality components that “must,” “shall,” or “will” be delivered during contract performance, some of the services and functionality may be subject to change or deletion during negotiations and final services and functionality will be resolved through the negotiations process. Although the Department reserves the right to negotiate any service or functionality components during the negotiation process, the vendor agrees that its initial reply is based on the assumption that Attachment A and Attachment B of the ITN apply as written prior to negotiations.

**I. BUSINESS FUNCTIONALITY**

<b>Global</b>	
BF-1.1	The system must, at a minimum, have the ability to: define user roles and access for the Department, Medical Marijuana Treatment Centers (MMTCs), and Certified Marijuana Testing Laboratories (CMTLs); create and maintain new and existing users with configurable approval rules and permissions (this may require integration with a third-party system); create and maintain a list of users and associate items to the user list; put users on hold and document the reason in a comment field; allow users to pull their own detail (reporting requirement); capture user contact information for correspondence; and transmit, receive, and record documents to/from users electronically.
BF-1.2	The system must have the ability to track marijuana in real-time, including weight, volume, and other data points required by Florida law and as may be set forth in administrative rule. The tracking system must include, at a minimum, real-time notifications during each stage of the process, including: planting, growing, harvesting, processing, storing, transporting, laboratory testing, inventory, dispensations, sales, wholesale purchases, destruction and disposal of marijuana. The system must also include real-time notification when marijuana is stolen, diverted, or lost. Additionally, the system must track the weight and volume of marijuana waste through its destruction and disposal. The system must provide real-time analytics for daily dispensations.
BF-1.3	The system must track in real-time, utilizing an RFID identifier, a barcode, and/or a unique number identifier, all marijuana back to the original source. Tracking shall include at a minimum: 1) Harvest data (e.g., strain, marijuana wet weight, marijuana dry weight, other material wet weight, other material dry weight, location of harvested material, time

	and date of harvest, and waste); 2) Product processing data (e.g., product type, quantity, weight, volume, waste, manufacture date, and expiration date, if applicable); 3) Product transportation data; 4) Testing data; 5) Dispensing data, including patient-related data; and 6) All other data deemed necessary to track the product from origin to patient for the purposes of public health, public safety, or to benefit patients.
BF-1.4	The system must retain an audit trail of modifications to records and provide system backup and archiving.
BF-1.5	The system must be able to record at a minimum, an RFID, a barcode, and/or a unique number identifier at every point in the chain of custody of marijuana, in every form, from seed to sale.
BF-1.6	The system must be able to set up and maintain multiple physical locations and room locations within a facility for a given MMTC within the database which allows Department staff to view the data of all MMTCs at the global or granular level.
BF-1.7	The system must allow the Department to add new MMTCs and CMTLs and to update existing MMTC and CMTL information, including updates in the event of an emergency and ownership changes. The system must allow the department to override current data systems to verify the data in seed-to-sale and to prevent unlawful diversion.
BF-1.8	The system must, at a minimum, meet the Department's IT policy for data retention requirement of five (5) years from the transaction date for any records generated in the seed-to-sale system, with the exception of receipts, which are required to be maintained in accordance with Florida's General Records Schedule, GS1-SL.
BF-1.9	The system must track all movement of marijuana including the transfer of marijuana from MMTCs to CMTLs, from CMTLs to other CMTLs, and from CMTLs to MMTCs.
BF-1.10	The system must be scalable to account for developments including legislative changes, judicial rulings and market demand.
BF-1.11	The Contractor at the Department's request must facilitate a monthly technical user group consisting of stakeholders (e.g., the Department, MMTCs, the Contractor) prior to launch as well as once the system is implemented. The Contractor must participate in monthly governance end-user meetings at the request of the Department. The Department will invite the participants and develop the agenda for such meetings.
BF-1.12	The Department shall have complete access to and own all data in the seed-to-sale system at all times.
BF-1.13	The system must have the ability to integrate with current or future systems (e.g., the Department's licensing system).
BF-1.14	The system must have a robust Application Programming Interface (API) that defines data standards for upload from other systems (e.g., the seed-to-sale and Enterprise Resource Planning (ERP) systems currently used by MMTCs). The system must make available real-time API integration via secure web service.

BF-1.15	The API specifications for all system functionality must be fully documented and provided to approved MMTCs, CMTLs, and the Department.
BF-1.16	The system must allow MMTCs and CMTLs to demonstrate the correct use of the system, or API, before they are authorized to submit data to the Department.
BF-1.17	The system must allow real-time, 24-hour access by the Department to data from all MMTCs and CMTLs.
BF-1.18	The Contractor must be located within the U.S. and perform all tasks related to the ITN inside the U.S. No offshore development services may be used.
BF-1.19	Onsite visits to Department offices will be required during solution development at the Department's discretion.
BF-1.20	The Contractor shall meet with and present the Department with a project plan within 30 days of award execution.
BF-1.21	The system must operate in real-time and be accessible 24 hours a day, seven days a week, via the Internet by the Department, MMTCs, and CMTLs at any given time, with the exception of announced scheduled maintenance.
<b>Cultivation</b>	
BF-2.1	The system must allow MMTCs to track marijuana through each stage of cultivation and the destruction and disposal of marijuana waste generated during the cultivation process.
BF-2.2	The system must allow MMTCs to flag harvest failures and track wholesale purchases and sales.
BF-2.3	The system must allow MMTCs to track products used in the cultivation of marijuana (e.g. pesticides, fungicides, and growth regulators).
<b>Processing</b>	
BF-3.1	The system must allow MMTCs to track all methods, materials, and ingredients used in the processing of medical marijuana products, and marijuana waste destruction and disposal resulting from the production of usable product.
BF-3.2	The system must allow each MMTC to create the active and inactive ingredient lists for each medical marijuana product (cannabinoid content and excipients).
BF-3.3	The system must allow each MMTC to track remediated products and remediated products must be traceable back to the original retail batch.
<b>Laboratory Testing</b>	
B-4.1	The system must track and account for each sample sent for required regulatory compliance testing to a CMTL.
BF-4.2	The system must track and account for marijuana waste destruction and disposal of any marijuana received.

BF-4.3	The system must exchange electronic data with CMTLs (the list of CMTLs may change over time, and there must be a mechanism for the Department to update the list as needed).
BF-4.4	The seed-to-sale system must electronically send sample information to, including the unique sample identifier and test requisitions, and receive certificates of analysis
BF-4.5	The system must store detailed results of laboratory testing, including data and PDF documentation.
BF-4.6	The system must flag any usable product that failed regulatory compliance testing and flag the target analyte failed. The system must have the ability to track previously failed retail batches that will be resampled and retested or remediated.
BF-4.7	The system must include a list of Department-approved CMTLs and must be able to link the CMTLs to the MMTCs for which they are conducting regulatory compliance testing.
BF-4.8	The system must allow an MMTC to send samples of a given retail batch to multiple CMTLs for testing and tracking in the seed-to-sale system.
BF-4.9	<p>The system must track and report, in real time, and in a data-driven, editable, searchable format, required regulatory compliance testing performed, including which CMTL performed the analysis, the specific results, and the pass / fail status of each retail batch. The MMTC must also have the ability to track and report, in a data-driven, editable, and searchable format, the percentage of retail batches passing potency testing and contaminants unsafe for human consumption.</p> <p><b>Note:</b> An MMTC may use more than one CMTL to test different analytes (or components) within the product. For example, the sample may be sent to CMTL A to test for contaminants unsafe for human consumption and to CMTL B to test for the cannabinoid profile.</p>
<b>Dispensing</b>	
BF-5.1	The system must capture all sales and dispensations of usable product, including, but not limited to, the following: time and date of dispensation, dispensing facility data, patient data, employee ID / Name, product dispensed (including batch number), weight or volume of product dispensed, and sale price. The system must link every usable product dispensed to a passing certificate of analysis generated by the CMTL.
BF-5.2	The system must track the dispensation of marijuana delivery devices, including, but not limited to, the following: time and date of dispensation, dispensing facility data, patient data, employee ID / Name, marijuana delivery device dispensed, and sale price.
BF-5.3	The system must capture data from a patient or caregiver's Registry ID Card.
BF-5.4	The system must allow the MMTCs to set the price of usable product and marijuana delivery devices.

BF-5.5	The system must track product returns at all levels, including reason for return, date of returned product, and destruction.
BF-5.6	The system must generate a unique serial number for each dispensing transaction. In addition, the system must have the ability to ingest in a free field, the MMTC's serial number for reconciliation purposes.
<b>Transportation</b>	
BF-6.1	The system must at a minimum, flag a retail batch that has failed regulatory compliance testing to prevent the failed retail batch from being released for transport to dispensing facilities of an MMTC.
BF-6.2	The system must have the ability to split a given retail batch for distribution to multiple dispensing facilities.
BF-6.3	The system must generate a transportation manifest that is compliant with section 381.986(8)(g), Florida Statutes.
BF-6.4	The system must have the ability to receive and generate a transportation manifest generated from an MMTC's seed-to-sale tracking system in accordance with section 381.986(8)(g), Florida Statutes.
BF-6.5	The system must track a retail batch to dispensing facilities and track backwards from the product dispensed to the patient in the event of a recall.
<b>Reporting</b>	
BF-7.1	The system must have the ability to produce ad hoc reports on all data elements including metadata, in addition to the requirements listed within this Reporting section.
BF-7.2	The system must have the ability to produce reports electronically, in a specified format (e.g., CSV, PDF) and for a given timeframe, including, but not limited to, the reports regarding cultivation, processing, laboratory testing, transportation, organization-level, facility-level dispensing history, patient-level dispensing history, medical marijuana product availability, medical marijuana product utilization, destruction, returns, and production statistics.
BF-7.3	The system must produce reports electronically, in a timeframe and specified format (e.g., CSV, PDF) as determined by the Department, for the gross sales of medical marijuana, including the facility in which the marijuana was cultivated, processed, and dispensed.
BF-7.4	The system must generate, in real time, a file of dispensing data on demand, using the standard specific to version(s) mandated by the Department, so the MMTC can report to the Department after a product has been sold to a patient or caregiver.
BF-7.5	The system must have the ability to report all returned usable product (including RFID, barcode, and/or unique identifier number) and marijuana delivery devices and document the reason for the return.
BF-7.6	The system must generate an inventory checklist (e.g., cycle count) on demand to resolve an immediate inventory discrepancy.

## II. HARDWARE AND HOSTING

<b>Hardware and Software</b>	
HH-1.1	The Contractor shall provide all equipment, including hardware, software, and other infrastructure necessary to aid the Contractor in meeting the requirements of this contract at no additional cost to the Department, including any licenses that must be procured and maintained.
HH-1.2	The system's website must be robust enough to accommodate multiple electronic devices, for example, tablets and mobile devices.
<b>Hosting Environment</b>	
HH-2.1	The Contractor shall maintain a hosting environment secured as described in the Department's IT Security Policy to provide required services under this Contract.
HH-2.2	The Contractor shall have an alternate secure site available in the event that it is not possible to restore operations in the primary site within the Recovery Time Objective (RTO) of four (4) hours as described in the Department's IT Policy.
HH-2.3	The Contractor must provide separate QA and Training environments identical in configuration to the one in production and such environment must be accessible by the Department for testing, prototyping and training.
HH-2.4	All seed-to-sale solution data will be owned by the Department and will be retained for the Department for a duration of the remaining portion of the current year, plus six (6) additional years, and will be backed up, co-located and replicated to be in compliance with State requirements. In addition, upon contract termination or expiration, all data must be provided to the Department using an agreed upon format and method of delivery at no additional cost to the Department.
HH-2.5	The standard system should be robust enough to accommodate core functionality, customized reports, and data off-the-shelf without need for software development coding.
<b>Hardware and Hosting Services</b>	
HH-3.1	Contractor agrees to perform all tasks considered normal and routine solution services consistent with the scope of this ITN.
<b>Network, Server and Application Security</b>	
HH-4.1	All software, including operating systems and middleware, used to host the system shall be patched no more than one month after patch availability to minimize security vulnerabilities.
HH-4.2	Contractor must have a process to manage internal staff and external user accounts and system access permissions compliant with Department standards.
<b>System Management and Monitoring</b>	



HH-5.1	The Contractor shall monitor all servers and applications in accordance with Department standards.
HH-5.2	The Contractor shall use appropriate automated and manual tools and processes to monitor performance, as well as prevent and detect unauthorized access.
HH-5.3	The Contractor must specify the configuration of hardware and software platforms on which the new solution will be implemented, as well as their configurations.
HH-5.4	All servers and devices shall have currently supported and hardened operating systems, employing up to date anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities.
HH-5.5	The Contractor must secure SSL certificate.
HH-5.6	System must retain a history of all network and application accesses including a history of all transactions performed while the user was logged on. This information must be retained in accordance with Florida's General Records Schedule, GS1-SL.
HH-5.7	The Contractor shall restore the system, online availability, and database functionality (includes front-end) within recovery time objective (RTO) of four (4) hours of a disaster affecting the service provider's data center. RTO is the maximum acceptable (tolerable) period in which the system may be down for an unexpected, unplanned event. This includes applying transaction iterations to the disaster recovery system up to the point where the production system was when it went offline. The Contractor must also maintain a Recovery Point Objective (RPO) of one (1) minute. RPO is the maximum acceptable (tolerable) period in which data might be lost from an IT system because of a major incident.
<b>Business Continuity and Disaster Recovery</b>	
HH-6.1	The Contractor shall define, implement and exercise adequate business continuity and disaster recovery procedures. These procedures will be reviewed and approved by the Department prior to implementation.
HH-6.2	The Contractor shall develop business continuity and disaster recovery plans that address the recovery of business, hardware, software and data that meet the Department recovery time and recovery point objectives.
HH-6.3	The Contractor shall adhere to a defined and documented back-up schedule and procedure, including regular, full, and incremental back-up.
HH-6.4	The Contractor shall conduct and annually verify the proper functionality of its back-ups, off-site data storage, and restore operations.
HH-6.5	Back-up media shall be securely transferred from the primary site to another secure location to avoid complete data loss with the loss of a facility.
HH-6.6	Data on media transferred outside of a secure facility shall be encrypted with an algorithm and key approved by the Department.
HH-6.7	The Contractor must maintain a disaster recovery site located away from the main site where the primary system is hosted.

HH-6.8	System must be flexible to account for customized reports of the data storage and data backup information (e.g., SQL Enterprise).
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### III. SECURITY AND PRIVACY

Organization	
SP-1.1	The Contractor shall identify the primary information security officer that possesses a widely recognized information security certification.
SP-1.2	The Contractor shall develop and provide a comprehensive information security, privacy, and confidentiality plan within thirty (30) business days of contract approval by the Department.
SP-1.3	The Contractor shall schedule security review meetings which include DOH OIT and pertinent Department staff at least monthly.
SP-1.4	The Contractor shall provide a security risk assessment at least annually.
SP-1.5	The Contractor shall comply with all applicable laws and procedures pertaining to security and confidentiality including, but not limited to, those listed in the Department's Information Technology policies and those contained in Attachment D, Standard Application and Data Security/Confidentiality Policy. In the event of any conflict between the terms in Attachment A and Attachment D, the more stringent term shall govern.
SP-1.6	The Contractor must fulfill regulatory requirements to which the information system will be subject to, including, but not limited to, the following: <ul style="list-style-type: none"> <li>• Section 282.318, Florida Statutes, "Information Technology Security Act"</li> <li>• Sections 282.601 - 282.606, Florida Statutes, "Accessibility of Information and Technology"</li> <li>• Florida Administrative Code Chapter 60GG-2 "Information Technology Standards"</li> <li>• Florida Administrative Code Chapter 60-8 "Accessible and Electronic Information Technology"</li> <li>• Chapter 119, Florida Statutes, "Public Records"</li> </ul>
SP-1.7	The Contractor must fulfill regulatory requirements to which the data held within and processing performed by the system will be subject to, including, but not limited to, the following: <ul style="list-style-type: none"> <li>• Section 501.171, Florida Statutes, Florida Information Protection Act of 2014 (FIPA)</li> <li>• Criminal Justice Information Services (CJIS) Security Policy</li> <li>• Section 381.987, Florida Statutes, "Public Health: General Provisions"</li> </ul>
SP-1.8	The Contractor will work with the Department on application compliance. Existing application and infrastructure security controls will be evaluated against current policies. If needed, the Contractor will configure, troubleshoot, and monitor security related tools and technologies to protect the Department from cyber risks.
SP-1.9	The Contractor will work with the Department on activities pertaining to the development and maintenance of a security program. It will work with the Department to identify opportunities to enhance and track compliance with the security program.

SP-1.10	The Contractor must provide System Access reports documenting all access granted to the system and all successful attempts to gain access to the system.
<b>Operations</b>	
SP-2.1	<p>The Contractor shall:</p> <ul style="list-style-type: none"> <li>• Provide to the Department, in writing, evidence of security testing of solutions prior to release for use;</li> <li>• Provide to the Department, in writing, the contents of the system for third party certification program and proof that it can be reconciled without loss of data or security;</li> <li>• Demonstrate what level of system security will be provided using such artifacts as reports, third party audit results, etc.; and,</li> <li>• Demonstrate security capabilities around processes and personnel.</li> </ul>

#### IV. TESTING

TE-1.1	Development testing must include at a minimum: Unit, Integration, System, Regression, Interface, Performance, Usability, Stress, User Acceptance Testing (UAT), Parallel, Software Patching and Fix, and Business Continuity Testing (Disaster Recovery) Testing.
TE-1.2	The Contractor shall: <ul style="list-style-type: none"><li>• Design, implement, and manage Test environments, including the developer (DEV) environment, systems test (ST) environment, and user acceptance test (UAT) environment;</li><li>• Design, implement, and manage from a detailed testing work plan that is integrated into the overall project management plan; and,</li><li>• Design testing documentation to include, at a minimum: testing approach, detailed test plans, expected results, testing schedules, test scripts, and defect tracking.</li></ul>
TE-1.3	All patches and updates shall be fully tested prior to implementation in the production environment. The Contractor will maintain a test environment to be used for such testing, as well as other functions as may be required.

## V. PROJECT MANAGEMENT AND STAFFING

Project Management	
PM-1.1	<p>The Contractor shall provide a Project Management Professional (PMP)-certified project manager with a minimum of 8 years' experience in software solutions who will be responsible for management of the project to ensure successful completion of the scope of services. The project manager (PM) will follow an "agreed upon" approach based on established project management best practices following Project Management Institute (PMI) / Project Management Body of Knowledge (PMBOK) recommended methods. Subject matter expertise in cannabis is preferred but not required.</p>
PM-1.2	<p>The Project Management Plan shall abide by Rule 60GG-1, Florida Administrative Code, and include, at a minimum:</p> <ul style="list-style-type: none"> <li>• Use of a Project Manager</li> <li>• A kick-off meeting and initial working session</li> <li>• Project Scope Statement</li> <li>• Project Schedule, to integrate with the master schedule for the overall program</li> <li>• Project Budget</li> <li>• Quality Management Plan</li> <li>• Risk Management Plan</li> <li>• Change Control Process</li> <li>• Acceptance Management Process</li> <li>• Issue Management and Escalation Process</li> <li>• Communication Management Process</li> <li>• Organizational Change Management Process</li> <li>• Development and Management Plan for Project Resources</li> <li>• Implementation and Transition Plan</li> <li>• Regular project management meetings, and status reporting</li> </ul> <p>Unless otherwise directed or approved by the Department, the Contractor shall maintain a project schedule using a Department-approved software tool. Project schedule is subject to review and approval by the Department. The project schedule must include a relevant and sufficiently detailed work breakdown structure (WBS). The project schedule shall clearly identify predecessor and successor activities, task dependencies, deliverables, key milestones, milestones, and critical path. The project schedule shall be baselined. Actuals will be tracked and variance from baseline will be measured and reported on a weekly reporting cycle. Any significant variance from baseline or re-baselining of the schedule must be submitted for review and approval by the Department.</p> <p>The Contractor shall confer with the Project Director (or his/her designee), as necessary, to assess the impact and likelihood of occurrence of identified risks. The Contractor shall develop risk mitigation plans for identified risks based on risk rating, as directed by the Department. The Contractor shall</p>

	effectively collaborate with the Department PM to utilize the risk log maintained by the Contractor and identify the most critical project-level risks that need to be reported on the overall project status report and potentially escalated to the Steering Committee.
PM-1.3	The Contractor shall ensure that the configuration, implementation and transition plan for the solution and its seamless integration with other components of the medical marijuana program are such that the overall project objectives are achieved on time and on budget.
PM-1.4	All project artifacts and deliverables will be submitted for review and must be approved by the Department.
<b>Project Tracking and Status Reporting</b>	
PM-2.1	The Contractor shall track progress against the project schedule and report status in a format approved by the Department. The Contractor project lead or designee will also work closely and collaboratively with the Department project manager or designee to provide status and other related updates specific to the seed-to-sale solution implementation on a monthly schedule to be finalized in a timely and comprehensive manner to support the generation of the overall project status report.
PM-2.2	During development and implementation, the Contractor shall provide daily status briefings on production operations. Beyond immediate implementation for the first thirty (30) days of the system being in production, the Contractor shall provide weekly status briefings of production operations.
PM-2.3	The daily and weekly status briefings shall include, at a minimum, an assessment of progress against plan, any slipped or slipping tasks, risks and issues, mitigation plans, and changes needed to the Go- Live Plan or Transition Plan.
PM-2.4	The daily and weekly status briefings shall include, at a minimum, an assessment of progress against plan, any slipped or slipping tasks, risks and issues, mitigation plans, and changes needed to the implementation plan or transition plan.
<b>Risk, Issue, Decision, and Action Tracking</b>	
PM-3.1	The Contractor shall provide an open communication method with which team members and stakeholders can collaborate on project risks, issues, decisions, and action items as directed and consistent with the Department's project management methodology.
<b>Meetings</b>	
PM-4.1	Unless otherwise designated or approved, all project meetings shall take place at State offices in Tallahassee, FL. Subject to negotiation.
<b>Reports and Information Access</b>	
PM-5.1	The Contractor shall provide ad hoc progress reports, data, and information as requested by the Department.
<b>Project Documents and Artifacts</b>	

PM-6.1	The Contractor shall maintain a repository, accessible to State staff, of all project documents and artifacts and maintain a version history of all project documents and artifacts.
<b>Ownership of Information</b>	
PM-7.1	Data, information, and reports collected or prepared by the Contractor as part of the project shall be deemed to be owned by the Department.
<b>Contract Transition</b>	
PM-8.1	The Contractor shall develop and submit, three (3) months prior to conclusion of the Contract, a detailed transition plan to facilitate the seamless transition of the responsibility of the system operations to another entity. The transition plan should, at a minimum, include procedures for data erasure, documentation, and cooperation in moving the system to a different entity while maintaining all agreed service levels at all times.
PM-8.2	The Contractor shall cooperate with any new Contractor and with Department staff to ensure that all existing data is supplied and that any data and/or code and documentation needed to provide continuity of the project is supplied to the Department and de-identification and consolidation methods are fully transferred.
PM-8.3	Data shall be transmitted or supplied as directed by the Department. Any transfer media shall become the property of the Department.
PM-8.4	At the end of the contract and following approval by the Department, the Contractor shall securely destroy all program data held or stored by the Contractor.
<b>Staffing</b>	
PM-9.1	The Contractor project manager will be responsible for maintaining and managing a current resource plan at all times and report on any related significant issues or changes. Should it become necessary to replace key staff, the Contractor will notify the Department as soon as the need arises, shall provide replacement staff members with equal or superior skills and qualifications, and shall ensure sufficient time to complete knowledge transfer before the replaced staff is off-boarded, when possible. The Contractor shall obtain the Department's approval of the replacement key staff.
PM-9.2	All staff biographies / resumes, including: <ul style="list-style-type: none"> <li>• Engagement Manager (Senior Executive)</li> <li>• Project Manager (primary point of contact for the Department project manager)</li> <li>• Configuration Lead (responsible for architecting all technical aspects of the solution, leading the configuration and initial setup of the solution to meet the specific needs of the Department, and unit/integration/system testing of the same)</li> <li>• Implementation Lead (responsible for leading the user acceptance testing, the implementation, the user training, the rollout, and the post-implementation support)</li> </ul>



	• Other staff members
<b>Quality Assurance</b>	
PM-10.1	Throughout the duration of the project, the Contractor shall perform routine quality assurance measures as planned in the quality management plan. The quality management plan shall ensure the software, data, and all other supporting processes to accomplish daily operation tasks adhere to a set of quality checks to assist in proactively identifying potential risks associated with the project and any project lags. The Contractor must communicate its plan.
<b>Correction of Deficiencies</b>	
PM-11.1	Any corrections of deficiencies relating to the Contract Scope of Services requirements or deliverables, and any investigation necessary to determine the source of such deficiencies, shall be completed by the Contractor at no cost to the Department.

## VI. TRAINING

T-1.1	The Contractor shall provide training for the Department including, the Office of Medical Marijuana Use (OMMU), Office of Information Technology (OIT), MMTC staff, and CMTL staff. The schedule for these trainings should be planned in consultation with the Department and provided to the Department with sufficient notice which will allow for at least ten (10) business days for coordinating attendance.
T-1.2	The Contractor shall provide the recorded webinar training. This training must include each of the topics as specified in this section and any other materials identified by the Department or the Contractor that would aid the MMTC or the Department in their utilization of this software solution.
T-1.3	Training must include, at a minimum, the following topics: <ul style="list-style-type: none"> <li>• Software configuration;</li> <li>• User administration;</li> <li>• Security features;</li> <li>• Password reset instructions;</li> <li>• Functionality related to the inventory and chain of custody management for the manufacture, transportation, laboratory testing, transport, distribution, recall tracking, dispensing, sale, and reporting of medical marijuana;</li> <li>• Reporting features;</li> <li>• Interfaces with other systems such as those used by the MMTCs and CMTLs;</li> <li>• FAQs/troubleshooting documentation; and</li> <li>• Train-the-trainer for Department personnel.</li> </ul>
T-1.4	The Contractor shall track and maintain training enrollment and completion status for all persons authorized by the Department to access the system, as stipulated by the Department, and produce daily status reports for the duration of the training. The Contractor shall develop and deliver training material in electronic and paper format for classroom training.
T-1.5	The Contractor must provide training manuals and guides for modules specific to approved system user access groups.
T-1.6	The Contractor must provide a plan to train Department staff, MMTC staff, and CMTL staff on how to operate the seed-to-sale system within thirty (30) days of contract execution. The plan should include, at a minimum, the training schedule (dates and times) and the content of the training, which is subject to review and approval by the Department. The Contractor must provide training to Department staff, MMTC staff, and CMTL staff when the seed-to-sale system has software upgrades or scheduled changes impacting the operation of the seed-to-sale system. The Contractor must provide a separate and distinct system training environment dedicated for training purposes including Train-the-trainer for Department personnel.

**VII. MAINTENANCE AND SUPPORT**

<b>Support Service Objectives</b>	
MS-1.1	The Contractor shall provide reasonable, consistent, high quality-delivery of support and maintenance services for the seed-to-sale solution for the duration of the contract.
MS-1.2	The Contractor shall oversee and maintain the seed-to-sale solution so that all software and hardware (e.g., servers – physical or virtual, scanners, ODAs, storage, switches, firewalls) are current and supported technology, as deemed appropriate for State business functions.
MS-1.3	The Contractor shall provide support services via the call center, e-mail support and web-based support for the term of the contract to designated representatives. The Contractor shall provide access to Contractor’s support resources for quick resolution, feedback, troubleshooting, and support. All Contractor personnel providing the support services pursuant to this Attachment shall have expertise and be fully trained in issue (incident and problem) identification and resolution or escalation relating to the seed-to-sale solution. Contractor personnel shall provide access to Contractor’s software engineering and technical resources for quick resolution, feedback, troubleshooting, and support. All incidents and problems shall be logged in designated on-line support management software. The reported incidents and problems shall be viewable in detail and summary format by designated representatives.
MS-1.4	The Contractor shall provide to the Department monthly maintenance and support reports in a mutually agreed upon format. The report(s) shall document past performance, future scheduled maintenance activities, scheduled and unscheduled downtimes, and system changes.
<b>General Support Requirements</b>	
MS-2.1	Upon termination of the Agreement, the Contractor will provide or make available an encrypted copy of the Department’s data to the Department. Upon written acknowledgement of verified receipt and decryption of the data by the Department, the Contractor shall irreversibly erase all State data from its systems. The Contractor shall also certify, in writing, that the action has taken place.
<b>System Management and Monitoring</b>	
MS-3.1	The Contractor will notify the Department about unscheduled downtime prior to the unscheduled downtime taking place if they are aware in advance. In the event that the unscheduled downtime is unknown prior, the Contractor shall notify the Department within one hour of the event and complete required reports as prescribed in seed-to-sale maintenance and support requirements.

MS-3.2	The Contractor shall notify the Department in writing of cyber or physical security issues within one (1) hour of becoming aware of an issue. The Contractor shall also provide a monthly report, in writing, about cyber or physical security risks.
<b>Maintenance and Updates</b>	
MS-4.1	The Contractor periodically deploys scheduled releases of the seed-to-sale solution into the seed-to-sale solution technical environments.
MS-4.2	<p>Except in cases of emergency, the Contractor shall notify the Department, in writing, at least thirty (30) days prior to activating each maintenance update, software upgrade, or other scheduled change. If it is determined that additional time is necessary to address any impact on the integration of the seed-to-sale solution with other system components of the overall solution, the maintenance update, software upgrade, or other scheduled change shall be rescheduled to a later date as mutually agreed upon by the Contractor and the Department. Notification shall include the following, at a minimum:</p> <ul style="list-style-type: none"> <li>• Date of maintenance update, software upgrade, or other scheduled change activation;</li> <li>• Notes describing the maintenance update, software upgrade, or other scheduled change content;</li> <li>• Date, time, and duration of time required to deploy the maintenance update, software upgrade, or other scheduled change; and,</li> <li>• Results of tests that document satisfactory test run of the maintenance update, software upgrade, or other scheduled change in the pre-production (staging) environment of the seed-to-sale solution.</li> </ul>
MS-4.3	<p>Contractor shall apply continuous quality assurance efforts and resources (“24 hours a day, seven days a week”) to resolve any defect, malfunction or bug in the seed-to-sale solution identified by the Department, otherwise brought to Contractor’s attention, or a defect, malfunction or bug of which Contractor should reasonably become aware (A “defect” is an error, flaw, mistake, failure, fault or “undocumented feature” in the seed-to-sale solution that causes a deviation, which in the Department’s reasonable discretion is detrimental, from its intended behavior or performance as specified in its written specifications.) The Contractor must notify the Department in writing of its plan for resolving a defect, malfunction or bug within 24 hours of the Contractor’s awareness of the defect, malfunction or bug. Then the Contractor is responsible for providing daily updates to the Department until the defect, malfunction or bug is resolved.</p>
<b>Maintenance Schedule</b>	
MS-5.1	Contractor shall perform at a minimum, routine, scheduled maintenance on a regular basis to ensure proper operation. The maintenance shall be within the service levels defined. The maintenance shall be performed between the hours of 11:00 PM EST on Saturday and 6:00 AM EST on Sunday. The Contractor shall provide the Department with 72 hours advanced notice, in writing, of scheduled maintenance whenever possible.

MS-5.2	Contractor may need to perform emergency maintenance, such as when a service capability cannot be met by a nonperforming application with no workaround, or when necessitated by a security patch installation or hardware replacement. The Contractor shall provide the Department with notice of emergency maintenance in accordance with the change management as defined.
<b>Update Management</b>	
MS-6.1	Activities include services required to appropriately manage and document changes to the application(s) and/or any of the seed-to-sale solution (hardware, software, hosting, etc., excluding services related to implementation) components. Update management also includes services required to appropriately manage and document changes to the underlying seed-to-sale solution hardware and software components.
MS-6.2	The Contractor shall install all hardware and software patches, maintenance updates, and other utilities according to vendor recommendations, as required to maintain system operations and security. All critical patches shall be applied within thirty (30) days of general release, or sooner if requested by the Department.
MS-6.3	The Contractor shall coordinate activities with the Department prior to any requested or required changes to the seed-to-sale solution and hosting platform that may affect the service capability performance of any of the seed-to-sale environments. Any changes to the seed-to-sale solution must be managed consistent with the SOW and documented change management procedures defined during the seed-to-sale solution implementation.
<b>Monitoring and Reporting Services</b>	
MS-7.1	<p>Contractor shall provide monitoring and reporting services that include the activities associated with the ongoing surveillance, tracking, escalation, resolution and reporting of application development problems. These problem management activities require coordination with the designated help desk. This monitoring shall include, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Monitoring the health of the application and notifying the operations team of potential issues;</li> <li>• Monitoring the connections between the different layers of the seed-to-sale solution;</li> <li>• Monitoring for critical exceptions within the application;</li> <li>• Monitoring the transaction and login rates for capacity and security;</li> <li>• Monitoring the connections between the different layers of the system and the public internet;</li> <li>• The Monitoring Plan shall provide a specific list of all physical devices (if dedicated hardware is used to host the Solution), hosts, ports, URLs, Web sites and other components that are required to be actively monitored; and,</li> <li>• The Monitoring Plan shall include the provisions for the detection of actions that attempt to compromise the confidentiality, integrity, or availability of resources or data.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Contractor shall generate and provide to the Department system usage and performance reports on a monthly and on an exception basis, including the following:</li> <li>• Server up-time and down-time;</li> <li>• All outages, including issue and resolution;</li> <li>• All changes, patches, and upgrades implemented;</li> <li>• System access; and,</li> <li>• Any other issues and resolution</li> </ul> <p>On a monthly basis, Contractor shall provide to the Department a consolidated list of major activities being performed, their status, and plans for the next reporting period.</p>
MS-7.2	<p>Contractor must provide service level management activities that include applying a severity level to each reported issue, monitoring and monthly reporting of SLA activity.</p>
MS-7.3	<p>The SLA, attached to the Management Services, defines the performance standards and levels the Contractor will provide. The purpose of this section is to report on the compliance of the Contractor to these service level items and their respective performance standards. It shall include, but is not limited to, (e.g., Technology Support Center Availability, Application Availability(Application Availability— web/mobile (internal user),and Application Availability— Web/Mobile (external user)) As-Built Documentation Maintenance, Application Guides, Restore of Backup Media, Backup/Archive Management, Security Management, Passwords – Establish security profiles to govern employee and agency access to sensitive data, Inventory Tracking and Maintenance, Resolve Critical Problems (without workaround), Resolve Critical Problems (with workaround),Resolve Non-Critical Problems (without workaround), Resolve Non-Critical Problems (With Workaround), Software License Management Support, Security Management Services, Disaster Recovery, Project Management, Key Staff, Key staff vacancies, Technical Reviews and Meetings and Status Reports.</p>

## **VIII. SYSTEMS CHANGE MANAGEMENT**

SCM-1.1	Costs for System enhancement projects will be based on the hourly blended rate indicated within the appropriate section of the ITN.
SCM-1.2	The System needs to have the ability to perform enhancements using established procedures and in a manner that expects changes as a result of user growth, changing legislation, improvements in software and hardware, and strategic planning.
SCM-1.3	Version control must be enabled to facilitate the restoration of an application to prior development stages as a result of maintenance, tracking and auditing of modifications to an application's components over time.
SCM-1.4	Turnover Management must be practiced during the promotion of software changes across different phases of the life cycle (e.g., development, unit test, systems test and production), including management of the approval process, production turnover, and software migration control.
SCM-1.5	Contractor shall provide enhancements to the seed-to-sale system at the request of the Department, throughout the contract term. All enhancements must be requested in writing and the Contractor must provide a scope of work documenting the estimated number of hours for each position assigned, the position rate (rates will be established during procurement and negotiation) and estimated total of the work.
SCM-1.6	Contractor shall respond in writing within five (5) business days of receipt of a request by the Department to make an enhancement to the system. The response must include a preliminary assessment of the number of hours required to perform the enhancement.
SCM-1.7	No enhancement will be performed until written approval is received as specified by the Department.
SCM-1.8	The system must support any enhancements or changes that will be required by the Department.
SCM-1.9	The system needs to be easily enhanced. Explain how you will be able to add new categories, new license types, test types and the ability to add and remove fields.

## ATTACHMENT B

### DRAFT CONTRACT FOR SEED-TO-SALE TRACKING SYSTEM BETWEEN FLORIDA DEPARTMENT OF HEALTH AND <<PARTY NAME>>

This Contract is between the FLORIDA DEPARTMENT OF HEALTH (Department), an agency of the State of Florida, with offices at 2585 Merchants Row Blvd., Tallahassee, Florida 32311, and (Contractor), collectively the Parties.

#### SECTION 1. CONTRACT DOCUMENTS AND HIERARCHY

The Contract, including any exhibits referred to herein, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter. The Contract consists of the documents listed below:

1. This final Contract document
2. Exhibit A – Scope of Work
3. Exhibit B – Price Reply
4. Exhibit C – Service Level Agreements (TBD)

#### SECTION 2. TERM

##### 2.1 Initial Term

The initial term of the Contract is five years beginning on the last date it is signed by all Parties.

##### 2.2 Renewal Term

The Department may renew this Contract for periods not to exceed 5 renewal years. Renewal may be for yearly or multiple-year increments. Any such renewal is at the Department's sole discretion, will be contingent upon satisfactory performance evaluations as determined by the Department, and will be subject to the availability of funds. Any renewal will consider the vendor's ability to (i) establish pricing guarantees throughout the contract term, (ii) ensure competitive pricing and services throughout the contract term, and (iii) ensure appropriate pricing improvements when warranted by market conditions and/or program modifications.

#### SECTION 3. PAYMENTS

##### 3.1 Pricing

The Contractor shall adhere to the prices as stated in Exhibit B to this Contract.



Contractor's yearly price shall be divided into equal monthly payments.

### **3.2 Service Level Agreements**

A Service Level Agreement (SLA) violation as described in Exhibit \_\_\_ shall be considered a breach of the Contract. The resulting damages to the Department from such a breach are by their nature impossible to ascertain presently and will be difficult to ascertain in the future. The issues involved in determining such damages will be numerous, complex, and unreasonably burdensome to prove. The parties acknowledge that these financial consequences are liquidated damages for damage to the Department from that specific breach, exclusive of any right to other legal or equitable remedies, not intended to be a penalty and solely intended to compensate for unknown and unascertainable damages. The Contractor therefore agrees to credit the Department consistently with Exhibit \_\_\_.

### **3.3 Price Adjustments**

Prior to opting for any renewal period, the Department reserves the right to further negotiate reduction in pricing for the renewal years. The Contractor agrees to engage in good faith negotiations for the renewal years pricing, if requested by the Department.

### **3.4 Detailed Invoices**

The Contractor shall submit monthly, detailed invoices for fees or other compensation for services or expenses in detail sufficient enough for a proper pre-audit and post-audit. The Department reserves the right to request additional documentation as needed.

### **3.5 Appropriations**

The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature.

## **SECTION 4. CONTRACT ADMINISTRATION**

### **4.1 Department Contract Administrator**

The Contract Administrator whose responsibilities will be to maintain this Contract is as follows:

\_\_\_\_\_  
Departmental Purchasing  
Florida Department of Health  
2585 Merchants Row Blvd. Tallahassee, Florida 32311  
Telephone:  
Email:

In the event that the Department changes the Contract Administrator, the Department will notify the Contractor in writing via email. Such changes do not require a formal written

amendment to the Contract.

#### 4.2 Contract Manager

The Contract Manager who is primarily responsible for overseeing the Contractor's daily performance of its duties and obligations pursuant to the terms of this Contract is:

TBA

<Insert vendor name>

<Insert vendor physical address> Telephone: (850) XXX-XXXX Email:

In the event that the Department changes the Contract Manager, the Department will notify the Contractor in writing via email. Such changes do not require a formal written amendment to the Contract.

#### 4.3 Contractor Representative

The Contractor's employee who is responsible for overseeing the Contractor's daily performance of its duties and obligations pursuant to the terms of this Contract is:

Jane Doe

<Insert vendor name>

<Insert vendor physical address> Telephone: (850) XXX-XXXX Email:

[jane.doe@xxxxxx.com](mailto:jane.doe@xxxxxx.com)

In the event that the Contractor changes the Contractor Representative, the Contractor will notify the Department in writing via email. Such changes do not require a formal written amendment to the Contract.

### SECTION 5. COMPLIANCE WITH LAWS

#### 5.1 Compliance

The Contractor shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. The Contractor shall comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status or veteran's status. Violation of any laws, rules, codes, ordinances or licensing requirements shall be grounds for Contract termination or non-renewal of the Contract.

#### 5.2 Notice of Legal Actions

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

### **5.3 Convicted and Discriminatory Vendors**

Pursuant to sections 287.133 and 287.134, Florida Statutes, the following restrictions are placed on the ability of persons placed on the convicted vendor list or the discriminatory vendor list.

#### **5.3.1. Convicted Vendors**

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, Florida Statutes, for Category Two for a period of 36 months following the date of being placed on the convicted vendor list.

#### **5.3.2. Discriminatory Vendors**

An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.

The Contractor shall notify the Department if it or any of its suppliers, subcontractors or consultants have been placed on the convicted vendor list or the discriminatory vendor list during the life of the Contract.

#### **5.3.3. Cooperation with the Inspector General**

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

## **SECTION 6. DEPARTMENT OF STATE, CORPORATE STATUS CERTIFICATE**

Contractor and any subcontractors that assert corporate status must provide the Department conclusive evidence, per section 607.0127, Florida Statutes, of a certificate of status if a Florida corporation, or of a certificate of authorization if a foreign corporation obtained from the Florida Department of State per section 607.0128, Florida Statutes, not subject to any

qualification stated in the certificate, and maintain such status through the life of the Contract.

## **SECTION 7. LIABILITY AND WORKER'S COMPENSATION INSURANCE**

During the Contract term, the Contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract, which, at a minimum, shall be as follows: workers' compensation and employer's liability insurance per Florida statutory limits (currently \$200,000 per accident, \$200,000 per person and \$500,000 policy aggregate) covering all employees engaged in any Contract work; commercial general liability coverage on an occurrence basis in the minimum amount of \$1,000,000 (defense cost shall be in excess of the limit of liability), naming the State as an additional insured; and automobile liability insurance covering all vehicles, owned or otherwise, used in the Contract work, with minimum combined limits of \$500,000, including hired and non-owned liability and \$5,000 medical payment. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor and is of the essence of the Contract. The Contract shall not limit the types of insurance Contractor may desire to obtain or be required to obtain by law. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies shall be through insurers authorized to write policies in the State of Florida. The Contractor shall have their insurance carrier note the Department as an additional insured.

## **SECTION 8. PUBLIC RECORDS**

### **8.1 Access to Public Records**

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

### **8.2 Redacted Copies of Confidential Information**

If the Contractor considers any portion of any documents, data, or records submitted to the Department to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, the Contractor must simultaneously provide the Department with a separate redacted copy of the information it claims as confidential and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy shall contain the Contract title and number, and shall be clearly titled "Confidential." The redacted copy should only redact those portions of material that the Contractor claims is confidential, proprietary, trade secret or otherwise not subject to disclosure.

### **8.3 Request for Redacted Information**

In the event of a public records or other disclosure request pursuant to Chapter 119, Florida

Statutes, the Florida Constitution or other authority, to which documents that are marked as “Confidential” are responsive, the Department will provide the Contractor-redacted copies to the requestor. If a requestor asserts a right to the Confidential Information, the Department will notify the Contractor such an assertion has been made. It is the Contractor’s responsibility to assert that the information in question is exempt from disclosure under Chapter 119 or other applicable law. If the Department becomes subject to a demand for discovery or disclosure of the Confidential Information of the Contractor under legal process, the Department shall give the Contractor prompt notice of the demand prior to releasing the information labeled “Confidential” (unless otherwise prohibited by applicable law). The Contractor shall be responsible for defending its determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

#### **8.4 Indemnification**

The Contractor shall protect, defend, and indemnify the Department for any and all claims arising from or relating to the Contractor’s assertion that the redacted portions of any materials submitted to the Department relating in any way to this Contract are confidential, proprietary, trade secret, or otherwise not subject to disclosure. If the Contractor fails to submit a redacted copy of information it claims is Confidential, the Department is authorized to produce the entire documents, data, or records submitted to the Department in answer to a public records request or other lawful request for these records. The Department may use counsel of its choosing to defend any such claims, and the Contractor shall promptly pay the Department’s invoices for legal services on a monthly basis for all costs and expenses, including legal fees, incurred in defending such claims.

#### **8.5 Contractor as Agent**

Solely for the purposes of this section, the contract manager is the agency custodian of public records. If, under this Contract, the Contractor is providing services and is acting on behalf of a public agency, as provided by section 119.0701, Florida Statutes, the Contractor shall:

**8.5.1** Keep and maintain public records required by the public agency to perform the service.

**8.5.2** 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 reasonable time and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

**8.5.3** 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.

**8.5.4** 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.

**8.5.5 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 FOR THE CONTRACT MANAGER.**

## **SECTION 9. E-VERIFY**

Pursuant to section 448.095, Florida Statutes, the Contractor is required to register with and use the E-Verify system operated by the U.S. Department of Homeland Security (DHS) to verify the work authorization status of all new employees hired by the Contractor during the Contract term. Also, the Contractor shall include in related subcontracts a requirement that subcontractors performing work or providing services pursuant to this Contract provide the Contractor with an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. The Contractor shall maintain a copy of such affidavit for the duration of the Contract term. Notwithstanding any other provision in the Contract, the Contractor shall provide the Department full access to the Contractor's books and records to allow the Department to audit and confirm compliance with section 448.095, Florida Statutes.

In order to implement this provision, the Contractor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution.

Upon each Contractor or subcontractor new hire, the Contractor shall provide a statement within five days to the Contract Manager identifying the new hire with its E-Verify case number.

## **SECTION 10. SCRUTINIZED COMPANY LIST**

If the Contract exceeds \$1,000,000.00 in total, not including renewal years, Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List created pursuant to sections 215.473 and

215.4725, Fla. Stat., respectively. Pursuant to sections 287.135(5) and 287.135(3), Fla. Stat., Contractor agrees the Department may immediately terminate the Contract for cause if the Contractor is found to have submitted a false certification or if Contractor is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List, or is engaged in a boycott of Israel during the term of the Contract.

## **SECTION 11. GEOGRAPHIC LOCATION OF DATA AND SERVICES**

All data generated, used, or stored by the Contractor pursuant to the Contract must reside and remain in the United States and must not be transferred outside of the United States. Such data must not be accessed by any persons outside the United States. All services provided under the Contract, including any call center or other help services, must be performed by persons located in the United States.

## **SECTION 12. RECORDS RETENTION**

The Contractor shall retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers and documents that were made in relation to this Contract. Contractor shall retain all documents related to this Contract in compliance with the rules or guidelines of the Florida Department of State for record retention by state agencies.

## **SECTION 13. GIFTS**

The Contractor will not offer to give or give any gift to any State of Florida employee. The Contractor will ensure that its subcontractors, if any, will comply with this provision.

## **SECTION 14. VENDOR OMBUDSMAN**

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

## **SECTION 15. MONITORING BY THE DEPARTMENT**

The Contractor shall permit all persons who are duly authorized by the Department to inspect and copy any records, papers, documents, facilities, goods and services of the Contractor that are relevant to this Contract and to interview clients, employees and subcontractor employees of the Contractor to assure the Department of satisfactory performance of the terms and conditions of this Contract. Following such review, the Department may deliver to the Contractor a written report of its finding(s) and direct the Contractor to develop a corrective action plan. This provision does not limit the Department's other rights in this Contract.

## SECTION 16. AUDITS

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

## SECTION 17. BACKGROUND SCREENING, RECORD RETENTION, AND WARRANTY OF SECURITY

All Contractor employees, subcontractors, and agents performing work under the Contract must comply with all security and administrative requirements of the Department.

### 17.1 Background Screening

In addition to any background screening required by the Contractor as a condition of employment, the Contractor warrants that it will conduct a criminal background screening of, or ensure that such a screening is conducted for, each of its employees, subcontractor personnel, independent contractors, leased employees, volunteers, licensees or other person, hereinafter referred to as "Person" or "Persons," operating under their direction who directly perform services under the Contract, whether or not the Person has access to Data, as well as those who have access, including indirect access, to Data, whether or not they perform services under the Contract. The Contractor warrants that all Persons will have passed the Background Screening described herein before they have Access to Data or begin performing services under the contract. The look-back period for such background screenings shall be for a minimum of six years where six years of historical information is available.

"Access" means to review, inspect, approach, instruct, communicate with, store data in, retrieve data from, or otherwise make use of any data, regardless of type, form, or nature of storage. Access to a computer system or network includes local and remote access.

"Data" means a representation of information, knowledge, facts, concepts, computer software, computer programs or instructions, that it is exempt or confidential under Florida or federal law, or protected health information as defined in 45 C.F.R. § 160.103. Data may be in any form, including but not limited to, storage media, computer memory, in transit, presented on a display device, or in



physical media such as paper, film, microfilm, or microfiche. Data includes the original form of the Data and all metadata associated with the Data.

The minimum background check process will include a check of the following databases through a law enforcement agency or a Professional Background Screener accredited by the National Association of Professional Background Screeners or a comparable standard:

- Social Security Number Trace; and
- Criminal Records (Federal, State and County criminal felony and misdemeanor, national criminal database for all states which make such data available).

The Contractor agrees that each Person will be screened as a prior condition for performing services or having access to Data. The Contractor is responsible for any and all costs and expenses in obtaining and maintaining the criminal background screening information for each Person described above. The Contractor will maintain documentation of the screening in the Person's employment file. The Contractor will abide by all applicable laws, rules and regulations including, but not limited to the Fair Credit Reporting Act and/or any equal opportunity laws, rules, regulations or ordinances.

#### **17.1.1 Disqualifying Offenses**

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

- Computer related or information technology crimes
- Fraudulent practices, false pretenses and frauds, and credit card crimes
- Forgery and counterfeiting
- Violations involving checks and drafts
- Misuse of medical or personnel records
- Felony theft

If the Contractor finds a Disqualifying Offense for a Person within the last six (6) years from the date of the court's disposition, it may obtain information regarding the incident and determine whether that Person should continue providing services under the Contract or have access to Data. The Contractor will consider the following factors only in making the determination: i.) nature and gravity of the

offense, ii.) the amount of time that lapsed since the offense, iii.) the rehabilitation efforts of the person and iv.) relevancy of the offense to the job duties of the Person. If the Contractor determines that the Person should be allowed access to Data, then Contractor shall maintain all criminal background screening information and the rationale for such access in the Person's employment file.

#### **17.1.2 Refresh Screening**

The Contractor will ensure that all background screening will be refreshed every year from the time initially performed for each Person during the Term of the Contract.

#### **7.1.3 Self-Disclosure**

The Contractor shall ensure that all Persons have a responsibility to self-report within three calendar days to the Contractor any updated court disposition regarding any disqualifying offense, regardless of adjudication (adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict). The Contractor shall immediately reassess whether to disallow that Person access to any State of Florida premises or from directly performing services under the Contract. Additionally, the Contractor shall require that the Person complete an annual certification that they have not received any additional criminal misdemeanor or felony record regardless of adjudication (adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) for the Disqualifying Offenses and shall maintain that certification in the employment file.

In addition, the Contractor shall ensure that all Persons have a responsibility to self-report to the Contractor within three calendar days, any arrest for any Disqualifying Offense. The Contractor shall notify the Contract Manager within 24 hours of all details concerning any reported arrest.

#### **17.2 Duty to Provide Secure Data**

The Contractor will maintain the security of Data including, but not limited to, a secure area around any display of such Data or Data that is otherwise visible. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information. Data cannot be disclosed to any person or entity that is not directly approved to participate in the scope of work set forth in this Contract.

#### **17.3 Department's Ability to Audit Screening Compliance and Inspect Locations**

The Department reserves the right to audit the Contractor's background screening process upon two days prior written notice to the Contractor during the Term of the Contract. Department will have the right to inspect the Contractor's working area, computer systems, and/or location upon two business days prior written notice to the Contractor to ensure that access to the Data is secure and in compliance with the Contract and all applicable state and federal rules and regulations.

#### **17.4 Record Retention**

The Contractor shall retain a list of all Persons with Access to Data, including a statement

confirming that each Person has passed the Background Screening required herein. Such a statement shall not include the substance of the screening results, only that the Person has passed the screening.

The Contractor shall create a written policy for the protection of Data, including a policy and procedure for Access to Data.

The Contractor shall document and record, with respect to each instance of Access to Data:

- 1) The identity of all individual(s) who accessed Data in any way, whether those individuals are authorized Persons or not;
- 2) The duration of the individual(s)' access to Data, including the time and date at which the access began and ended;
- 3) The identity, form, and extent of Data accessed, including, but not limited to, whether the individual accessed partial or redacted versions of Data, read-only versions of Data, or editable versions of Data; and
- 4) The nature of the access to Data, including whether Data was edited or shared with any other individual or entity during the duration of the access, and, if so, the identity of the individual or entity.

The Contractor shall retain the written policy and information required in this subsection for the duration of this Contract and a period of no less than five (5) years from the date of termination of this Contract and any Contract extensions. The written policy and information required in this subsection shall be included in the Department's audit and screening abilities as defined in subsection 19.3. The written policy and information required in this subsection shall also be subject to immediate disclosure upon written or oral demand at any time by the Department or its designated agents or auditors.

Failure to compile, retain, and disclose the written policy and information as required in this subsection shall be considered a breach of the Contract. The resulting damages to the Department from a breach of this subsection are by their nature impossible to ascertain presently and will be difficult to ascertain in the future. The issues involved in determining such damages will be numerous, complex, and unreasonably burdensome to prove. The parties acknowledge that these financial consequences are liquidated damages, exclusive of any right to other legal or equitable remedies, not intended to be a penalty and solely intended to compensate for unknown and unascertainable damages. The Contractor therefore agrees to credit the Department the sum of \$2,500.00 for each breach of this subsection.

## **17.5 Indemnification**

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

choosing to defend any such claims, and the Offeror shall promptly pay the Department's invoices for legal services on a monthly basis for all costs and expenses, including legal fees, incurred in defending such claims.

## **SECTION 18. PERFORMANCE BOND**

Within 30 days of contract execution, Contractor will deliver to the Department's Contract Manager a Performance Bond with a penal sum of [to be determined]. The bond shall be used to guarantee satisfactory performance by the Contractor throughout the term of the contract. The Performance Bond shall be maintained throughout the term of the Contract, issued by an acceptable surety company which is licensed to do business in the State of Florida, as determined by the Department, and must name the Department as the obligee.

The Contractor and surety shall provide the Department prior written notice or immediate notice upon knowledge of any attempt to cancel or to make any other material change in the Performance Bond, or of the Contractor's failure to pay bond premiums. The Department shall not be responsible for any premiums or assessments on or in relation to the Performance Bond.

The Performance Bond is to protect the Department from the failure of the Contractor's performance in accordance with the Contract. No payments shall be made to the Contractor until the Performance Bond is in place and approved by the Department in writing. Within 30 days of contract execution, and by contract execution anniversary each year following, the Contractor shall provide the Department with a surety bond continuation certificate or other acceptable verification that the Performance Bond is valid and has been renewed for an additional year.

## **SECTION 19. NO OFFSHORING AFFIDAVIT**

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

The Contractor agrees that a violation of items listed above will result in immediate and irreparable harm to the Department and will entitle the Department to a credit of \$50,000 per violation, with a total cap of \$500,000 per event. This credit is intended only to cover the Department's internal staffing and administrative costs as well as the diminished value of Services provided under the Contract and will not preclude the Department from recovering other damages it may suffer as a result of such violation. For purposes of determining the damages due hereunder, a group of violations relating to a common set of operative facts (e.g., same location, same time period, same off-shore entity) will be treated as a single event. A violation of this provision will also entitle the Department to recover damages, if any, arising from a breach of this section and constitutes an event of default.

Notwithstanding any provision of this Contract to the contrary, the Contractor shall notify the

Department as soon as possible and in all events within one (1) business day in the event it discovers any Data is breached, any unauthorized access of Data occurs (even by persons or companies with authorized access for other purposes), any unauthorized transmission of Data or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one employee/retiree or the entire population. The notification shall be clear and conspicuous and include a description of the following:

- (a) The incident in general terms.
- (b) The type of personal information that was subject to the unauthorized access and acquisition.
- (c) The number of individuals who were, or potentially have been affected by the breach.
- (d) The actions taken by the Contractor to protect the Data information from further unauthorized access. However, the description of those actions in the written notice may be general so as not to further increase the risk or severity of the breach.

Upon becoming aware of an alleged security breach or security incident, the Contractor Security Officer shall set up a conference call with the Department's Contract Manager. The conference call invitation shall contain a brief description of the nature of the event. When possible, a thirty (30) minutes notice shall be given to allow Department personnel to be available for the call. If the designated time is not practical for the Department, an alternate time for the call shall be scheduled.

All available information shall be shared on the call. The Contractor shall answer all questions based on the information known at that time and shall answer additional questions as additional information becomes known. The Contractor shall provide the Department with final documentation of the incident, including all actions that took place. If the Contractor becomes aware of a security breach or security incident outside of normal business hours, the Contractor shall notify the Department's Contract Manager within one (1) business day.

## **SECTION 21. TRANSACTION FEE**

The State of Florida has instituted MyFloridaMarketPlace, a statewide eProcurement System ("System"). Pursuant to section 287.057(22), Florida Statutes, all payments shall be assessed Transaction Fee which the Contractor shall pay to the State, unless exempt pursuant to rule 60A-1.032, F.A.C.

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

Contractor shall receive a credit for any Transaction Fee paid by the Contractor for the purchase of any item(s) if such item(s) are returned to the Contractor through no fault, act, or omission of the Contractor. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the Contractor's failure to perform or comply with specifications or requirements of the agreement.

Failure to comply with these requirements shall constitute grounds for declaring the Contractor in default and recovering re-procurement costs from the Contractor in addition to all outstanding fees. **CONTRACTORS DELINQUENT IN PAYING TRANSACTION FEES MAY BE SUBJECT TO BEING REMOVED FROM THE DEPARTMENT OF MANAGEMENT SERVICES' VENDOR LIST AS PROVIDED IN RULE 60A-1.006, F.A.C.**

## **SECTION 22. INVOICING AND PAYMENT**

Invoices shall contain the Contract number, purchase order number if applicable, and the appropriate vendor identification number. The Department may require any other information from the Contractor that the Department deems necessary to verify any purchase order placed under the Contract.

Payment shall be made in accordance with sections 215.422 and 287.0585, Florida Statutes, which govern time limits for payment of invoices. Invoices that must be returned to a Contractor due to preparation errors will result in a delay in payment. Contractors may call (850) 413-7269 Monday through Friday to inquire about the status of payments by State Agencies. The Department's failure to pay, or delay in payment, shall not constitute a breach of the Contract and shall not relieve the Contractor of its obligations to the Department.

## **SECTION 23. TAXES**

The State does not pay Federal excise or sales taxes on purchases of products. The State will not pay for any personal property taxes levied on the Contractor or for any taxes levied on employees' wages. Any exceptions to this paragraph shall be explicitly noted by the Department in the Contract.

## **SECTION 24. GOVERNMENTAL RESTRICTIONS**

If the Contractor believes that any governmental restrictions have been imposed that require alteration of the material, quality, workmanship or performance of the products offered under the Contract, the Contractor shall immediately notify the Department in writing, indicating the specific restriction. The Department reserves the right and the complete discretion to accept any such alteration or to cancel the Contract at no further expense to the Customer or Department.

## **SECTION 25. LOBBYING AND INTEGRITY**

The Department shall ensure compliance with sections 11.062, 216.347, Florida Statutes. The Contractor shall not, in connection with this or any other agreement with the State, directly or indirectly (1) offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for any State officer or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone any gratuity for the benefit of, or at the direction or request of, any State officer or employee. For purposes of clause (2), "gratuity" means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. Upon request of the Department Inspector General, or other authorized State official, the Contractor shall provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor shall retain such records for the longer of (1) three years after the expiration of the Contract or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dhis.dos.state.fl.us/barm/genschedules/gensched.htm>). The Contractor agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for any costs of investigations that do not result in the Contractor's suspension or debarment.

## **SECTION 26. INDEMNIFICATION**

The Contractor shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the Department its officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Contractor, its agents, employees, partners, or subcontractors, provided, however, that the Contractor shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the Department.

Further, the Contractor shall fully indemnify, defend, and hold harmless the Department from any suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right, provided, however, that the foregoing obligation shall not apply to the Department's misuse or modification of the Contractor's products or the Department's operation or use of Contractor's products in a manner not contemplated by the Contract. If any product is the subject of an infringement suit or in the Contractor's opinion is

likely to become the subject of such a suit, the Contractor may at its sole expense procure for the Department the right to continue using the product or to modify it to become non-infringing. If the Contractor is not reasonably able to modify or otherwise secure for the Department the right to continue using the product, the Contractor shall remove the product and refund to the Department the amounts paid in excess of a reasonable rental for past use. The Department shall not be liable for any royalties.

The Contractor's obligations under the preceding two paragraphs with respect to any legal action are contingent upon the Department giving 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. The Contractor shall not be liable for any cost, expense, or compromise incurred or made by the Department in any legal action without the Contractor's prior written consent, which shall not be unreasonably withheld.

## **SECTION 27. SUSPENSION OF WORK**

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

## **SECTION 28. TERMINATION FOR CONVENIENCE**

The Department, by 30 days written notice to the Contractor, may terminate the Contract in whole or in part when the Department determines in its sole discretion that it is in the State's interest to do so. The Contractor shall not furnish any product or service after the effective date of termination, except as necessary to complete the continued portion of the Contract, if any. The Contractor shall not be entitled to recover any cancellation charges or lost profits.

## **SECTION 29. TERMINATION FOR CAUSE**

The Department may terminate the Contract if the Contractor defaults or breaches this Contractor or fails to abide by any statutory, regulatory, or licensing requirement. If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the termination shall be automatically deemed a termination for convenience as if the termination had been issued for the convenience of the Department. The rights and remedies of the Department in this clause are in addition to any other rights and remedies provided by law or under the Contract.



## **SECTION 30. FORCE MAJEURE, NOTICE OF DELAY, AND NO DAMAGES FOR DELAY**

The Contractor shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor shall notify the Department in writing of the delay or potential delay and describe the cause of the delay either: (1) within ten (10) days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result; or (2) if delay is not reasonably foreseeable, within five (5) days after the date the Contractor first had reason to believe that a delay could result. No claim other than for an extension of time shall be asserted against the Department. The Contractor shall not be entitled to an increase in the Contract price, damages, 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 shall perform at no increased cost. **THE FOREGOING SHALL CONSTITUTE THE CONTRACTOR'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy.

## **SECTION 31. CHANGES**

The Department may unilaterally require, by written order, changes altering, adding to, or deducting from the Contract specifications, provided that such changes are within the general scope of the Contract. The Department may make an equitable adjustment in the Contract price or delivery date if the change affects the cost or time of performance. Such equitable adjustments require the written consent of the Contractor, which shall not be unreasonably withheld. If these changes cannot be fulfilled by the Contractor, the Department may solicit separate bids to satisfy them.

## **SECTION 32. ADVERTISING**

Subject to chapter 119, Florida Statutes, the Contractor shall not publicly disseminate any information concerning the Department without prior written approval from the Department, including, but not limited to mentioning the Department in a press release or other promotional material, identifying the Department as a reference, or otherwise linking the Contractor's name to the Department in any material published, either in print or electronically.

## **SECTION 33. ASSIGNMENT**

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

#### **SECTION 34. ANTITRUST ASSIGNMENT**

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

#### **SECTION 35. DISPUTE RESOLUTION**

Any dispute concerning performance of the Contract shall be decided by the Department's designated contract manager, who shall reduce the decision to writing and serve a copy on the Contractor. The exclusive venue of any legal or equitable action that arises out of or relates to the Contract shall be the appropriate state court in Leon County, Florida; in any such action, Florida law shall apply and the parties expressly waive any right to jury trial.

#### **SECTION 36. EMPLOYEES, SUBCONTRACTORS, AND AGENTS**

All Contractor employees, subcontractors, or agents performing work under the Contract shall be properly trained technicians who meet or exceed industry standard training qualifications. Upon request, Contractor shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors, or agents performing work under the Contract must comply with all security and administrative requirements of the Department and shall comply with all controlling laws and regulations relevant to the services they are providing under the Contract. The Department may conduct, and the Contractor shall cooperate in, a security background check or otherwise assess any employee, subcontractor, or agent furnished by the Contractor. The Department may refuse access to, or require replacement of, any personnel for cause, including, but not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with the Department's security or other requirements. Such approval shall not relieve the Contractor of its obligation to perform all work in compliance with the Contract. The Department may reject and bar from any facility for cause any of the Contractor's employees, subcontractors, or agents.

#### **SECTION 37. SECURITY AND CONFIDENTIALITY**

The Contractor shall comply fully with all security procedures of the United States, State of Florida, and the Department in performance of the Contract. The Contractor shall not divulge to third parties any confidential information obtained by the Contractor in the course of performing Contract work, including, but not limited to, security procedures, business operations information, or commercial proprietary information in the possession of the

Department. The Contractor shall not be required to keep confidential information or material that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the Department's confidential information, or material that is otherwise obtainable under state law as a public record. To insure confidentiality, the Contractor shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this paragraph shall survive the Contract.

### **SECTION 38. WARRANTY OF AUTHORITY**

Each person signing the Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.

### **SECTION 39. WARRANTY OF 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 convicted vendor list maintained pursuant to section 287.133, Florida Statutes, 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.

### **SECTION 40. NOTICES**

All notices required under the Contract shall be delivered by certified mail, return receipt requested, by reputable air courier service, or by personal delivery to the agency designee identified in the original solicitation, or as otherwise identified by the Department. Notices to the Contractor shall be delivered to the person who signs the Contract. Either designated recipient may notify the other, in writing, if someone else is designated to receive notice.

### **SECTION 41. PRISON REHABILITATIVE INDUSTRIES AND DIVERSIFIED ENTERPRISES, INC. (PRIDE)**

Section 946.515(6), Florida Statutes requires the following statement to be included in the contract: " 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 products it offers is available at <http://www.pridefl.com>.

## **SECTION 42. PRODUCTS AVAILABLE FROM THE BLIND OR OTHER HANDICAPPED**

Section 413.036(3), Florida Statutes requires the following statement to be included in the contract: "IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INsofar AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED."

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

## **SECTION 43. MODIFICATION OF TERMS**

The Contract contains all the terms and conditions agreed upon by the parties, which terms and conditions shall govern all transactions between the Department and the Contractor. The Contract may only be modified or amended upon mutual written agreement of the Department and the Contractor. No oral agreements or representations shall be valid or binding upon the Department or the Contractor. No alteration or modification of the Contract terms, including substitution of services or product, shall be valid or binding against the Department. The Contractor may not unilaterally modify the terms of the Contract any way. The Department's acceptance of product or processing of documentation on forms furnished by the Contractor for approval or payment shall not constitute acceptance of the proposed modification to terms and conditions.

## **SECTION 44. WAIVER**

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

## **SECTION 45. EXECUTION IN COUNTERPARTS**

The Contract may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

## **SECTION 46. SEVERABILITY**

If a court deems any provision of the Contract void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.

DRAFT

**Attachment C—Price Reply**

**INITIAL TERM**

Initial Term Year 1 \_\_\_\_\_

Initial Term Year 2 \_\_\_\_\_

Initial Term Year 3 \_\_\_\_\_

Initial Term Year 4 \_\_\_\_\_

Initial Term Year 5 \_\_\_\_\_

**Total Initial Term Price** \_\_\_\_\_

**RENEWAL TERM**

Renewal Year 1 \_\_\_\_\_

Renewal Year 2 \_\_\_\_\_

Renewal Year 3 \_\_\_\_\_

Renewal Year 4 \_\_\_\_\_

Renewal Year 5 \_\_\_\_\_

**ATTACHMENT D**  
**Standard Application and Data Security/Confidentiality Policy**

This attachment sets forth standard information security protection policies for any contract between the Department of Health (Department) and service providers, vendors, and information trading partners (collectively, Providers).

The term State Data means any electronic information including, but not limited to, records, files, computer programs, and databases, that are owned by the state of Florida.

1. **Hosting Data or Applications** – This section applies to all contracts whereby a Provider is hosting data, or hosting an application that processes data, on behalf of the Department. Provider will comply with the following:
  - a. Provider, its employees, subcontractors, and agents will comply with all security and administrative requirements of the Department in performance of any contract. Provider will provide immediate notice to the Department’s Information Security Manager (ISM), or their designee, in the event it becomes aware of any security breach and any unauthorized transmission of State Data as described below or of any allegation or suspected violation of security requirements of the Department.
  - b. Provider will produce, upon entering a contract, a current security audit (no more than 12 months old) performed by a third party that is certified to perform such audits that demonstrate the use of sound security measures and practices by the Provider hosting the data or application that is processing data, as defined by a nationally recognized security framework. Provider will produce the status of any corrective action plans underway to address deficiencies found in the security audit. Provider must provide an annual update on any open corrective action plans associated with the most recent audit’s noted deficiencies. The Department has the right to require Provider to produce a new or updated audit every three years during the contract term, at Provider’s expense.
  - c. Provider will provide a copy of its American Institute of Certified Public Accountants (AICPA) “Standards for Attestation Engagements no. 18” (SSAE 18) Service Organization Controls (SOC) Report, SOC 2, Type 2, to the Department within 30 days of contract execution. For each additional year of the contract, at the request of the Department, Provider will obtain a current American Institute of Certified Public Accountants (AICPA) “Standards for Attestation Engagements no. 18” (SSAE 18).
  - d. Data Loss Prevention: Provider will perform periodic backups of all data (files, programs, databases, electronic records, etc.) hosted by Provider

on behalf of the Department sufficient to ensure no data loss occurs, and that data will be restored from backup when necessary at the Provider's sole expense. In the event of loss of any State Data or records, where such loss is due to the negligence of Provider or any of its subcontractors or agents, the Department may be entitled to sanctions by law or financial consequences per the Contract.

- e. Breach: A confirmed event that compromises the confidentiality, integrity or availability of information or data. In the event of a breach of any State Data where such breach is due to the negligence of Provider or any of its subcontractors or agents, the Department may be entitled to sanctions by law or financial consequences per the Contract. Provider may be subject to administrative sanctions for failure to comply with section 501.171, Florida Statutes, for any breach of data, due to a failure to maintain adequate security, and responsible for any costs to the Department for the breach caused by Provider.
- f. Data Protection: No State Data or information will be stored in, processed in, or shipped to offshore locations or outside of the United States of America, regardless of method, except as required by law. Access to State Data will only be available to approved and authorized staff, including offshore Provider personnel, that have a legitimate business need. Requests for offshore access will be submitted in accordance with the Department established processes and will only be allowed with express written approval from the Deputy Secretary of Operations. Third parties may be granted time-limited terminal service access to IT resources as necessary for fulfillment of related responsibilities with prior written approval by the ISM. Third parties will not be granted remote access via VPN, private line, or firewall holes, without an approved exemption. Requests for exceptions to this provision must be submitted to the ISM for approval. When remote access needs to be changed, the ISM will be promptly notified. Provider will abide by all Department and state of Florida data encryption standards regarding the transmission of confidential or confidential and exempt information. Documented encryption standards will be provided upon request. Offshore data access must be provided via a trusted method such as SSL, TLS, SSH, VPN, IPsec or a comparable protocol approved by the ISM. Confidential information must be encrypted using an approved encryption technology when transmitted outside of the network or over a medium not entirely owned or managed by the Department.
- g. Notice Requirement: Provider will notify the Department upon detection of anomalous or malicious traffic within the scope of contracted services. To the extent applicable, failure to notify the Department of events or incidents that result in breach will subject Provider to legal sanctions,



financial consequences per the contract and/or any costs to the Department of such breach of security.

- h. Data Retention: Provider must retain data as follows:
  - i. Copies: At contract termination or expiration, submit copies of all finished or unfinished documents, data, studies, correspondence, reports and other products prepared by or for Provider under the contract; submit copies of all State Data to the Department in a format to be designated by the Department in accordance with section 119.0701, Florida Statutes; shred or erase parts of any retained duplicates containing personal information of all copies to make any personal information unreadable.
  - ii. Originals: At contract termination or expiration--retain its original records, and maintain, in confidence to the extent required by law, Provider's original records in un-redacted form, until the records retention schedule expires and to reasonably protect such documents and data during any pending investigation or audit.
  - iii. Both Copies and Originals: Upon expiration of all retention schedules and audits or investigations and upon notice to the Department, destroy all State Data from Provider's systems including, but not limited to, electronic data and documents containing personal information or other data that is confidential and exempt under Florida public records law.

2. **Application Provisioning** – This section applies to all contracts whereby a Provider is making available a software application to be used by the Department for collecting, processing, reporting, and storing data. Provider's software application used for the Department's automation and processing must support, and not inhibit, each of the following Department security requirements:

- a. Users must never share account passwords or allow other users to use their account credentials. Users are responsible for all activities occurring from the use of their account credentials.
  - i. Department employees are responsible for safeguarding their passwords and other authentication methods by not sharing account passwords, email encryption passwords, personal identification numbers, smart cards, identification badges, or other devices used for identification and authentication purposes.
  - ii. Passwords will not be passed or stored in plain text. Passwords must be encrypted or secured by other means when stored or in transit.
- b. Department employees will be accountable for their account activity.

- i. Audit records will allow actions of users to be uniquely traced for accountability purposes.
  - ii. User accounts must be authenticated at a minimum by a complex password. Department accounts will require passwords of at least 10 characters to include an upper and lowercase letter, a number, and a special character.
  - iii. Department employees must log-off or lock their workstations prior to leaving the work area.
  - iv. Workstations must be secured with a password-protected screensaver with the automatic activation feature set at no more than 10 minutes.
- c. Department employees must not disable, alter, or circumvent Department security measures.
  - d. Computer monitors must be protected to prevent unauthorized viewing.
  - e. Consultation involving confidential information must be held in areas with restricted access.
  - f. Confidential information must be printed using appropriate administrative, technical, and physical safeguards to prevent unauthorized viewing.
  - g. Access to data and information systems must be controlled to ensure only authorized individuals are allowed access to information and that access is granted upon a “need-to-know” basis only.
  - h. User accounts will be deleted or disabled, as appropriate, within 30 days of employment termination, non-use of account for 60 consecutive days, or under direction of a manager or Personnel and Human Resource Management’s notification of a security violation.
  - i. Confidential information will not be disclosed without proper authority. It is the responsibility of each member of the workforce to maintain the confidentiality of information and data. Any employee who discloses confidential information will ensure sufficient authorization has been received, the information has been reviewed and prepared for disclosure as required, and no revocation of the requesting document has been received.
  - j. All employees are responsible for protecting Department data, resources, and assets in their possession.
  - k. All employees are responsible for immediately notifying their local information security coordinator of any violation of Department security policies, or suspected/potential breach of security.

- I. All employees will be knowledgeable of the classifications of data and information and the proper handling of data and information.
3. **Data Interchange** – This section applies to contracts whereby the Department will be sending data transmissions to, or receiving data transmissions from, a Provider for the purpose of independent processing. Examples include: sending laboratory orders to a laboratory, receiving laboratory results, sending billing information to a clearing house, receiving billing results or notification of payment, sending vital statistics to the Social Security Administration, sending physician licensing information to Florida’s Agency for Health Care Administration, receiving continuing education credit information for medical profession licensees, etc. Data interchange contracts must have a data sharing agreement in place. Provider will comply with the following:
- a. Follow all Department and state of Florida data encryption standards regarding the transmission of confidential or confidential and exempt information between the Department and the Provider. Documented encryption standards will be provided upon request. All transmission of confidential or confidential and exempt data must utilize a protected protocol such as SSL, TLS, SSH, VPN, IPsec or a comparable protocol approved by the ISM.
  - b. Use of any connection to the Department’s network will be for retrieving information delivered by the Department, or sending data to the Department, and not for any other access to resources on the Department’s network.
  - c. Protect and maintain the confidentiality of all data, files, and records, deemed to be confidential or confidential and exempt, retrieved from the Department pursuant to this agreement. The user will immediately notify the Department’s ISM of any loss or breach of information originating from the Department and retrieved by Provider.
4. **All IT Services** – This section applies to all contracts whereby a Provider is providing IT services to the Department.

Provider will protect and maintain the confidentiality of all data, files, and records, deemed to be confidential or confidential and exempt, acquired from the Department pursuant to this agreement. Except as required by law or legal process and after notice to the Department, Provider will not divulge to third parties any confidential information obtained by Provider or its agents, distributors, resellers, subcontractors, officers or employees in the course of performing contract work, including, but not limited to, security design or architecture, business operations information, or commercial proprietary information in the possession of the state or the Department.