



**State Term Contract  
No. 25101600-21-STC  
For  
Medium and Heavy Trucks**

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida and **Tampa Truck Center LLC** (Contractor) with its principal place of business located at 7528 US Highway 301 North, Tampa, Florida 33637, collectively referred to herein as the “Parties.”

Accordingly, the Parties agree as follows:

**I. Initial Contract Term.**

The Initial Contract Term shall be for five years. The Initial Contract Term shall begin on October 1, 2021. The Contract shall expire on September 30, 2026 unless terminated earlier in accordance with the Special Contract Conditions.

**II. Renewal Term.**

Upon mutual written agreement, the Parties may renew this Contract, in whole or in part, pursuant to the incorporated Special Contract Conditions.

**III. Order of Precedence.**

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

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

- a) This Contract document
- b) Exhibit A, Scope of Work
- c) Exhibit B, Price Sheet(s)
- d) Exhibit C, Additional Special Contract Conditions
- e) Exhibit D, Special Contract Conditions
- f) Exhibit E, Price Quote Form (PQF)
- g) Exhibit F, Acknowledgement of Order Form
- h) Exhibit G, Preferred Pricing Affidavit

**State Term Contract  
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**IV. Contract Management.**

**Department's Contract Manager:**

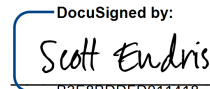
Christopher McMullen  
Division of State Purchasing  
Florida Department of Management Services  
4050 Esplanade Way, Suite 360  
Tallahassee, Florida 32399-0950  
Telephone: (850) 922-9867  
Email: [christopher.mcmullen@dms.fl.gov](mailto:christopher.mcmullen@dms.fl.gov)

**Contractor's Contract Manager:**

Scott Endris  
Tampa Truck Center LLC.  
7528 US Highway 301 North  
Tampa, Florida 33637  
Telephone: (813) 293-0866  
Email: [sendris@southporttruck.com](mailto:sendris@southporttruck.com)

This Contract is executed by the undersigned officials as duly authorized. This Contract is not valid and binding on all Parties until signed and dated by both Parties.

**Tampa Truck Center LLC**

DocuSigned by:  
  
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[Name]

9/27/2021 | 10:35 AM CDT

**Date:**

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

\_\_\_\_\_  
**J. Todd Inman, Secretary**

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

**State Term Contract  
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**IV. Contract Management.**

**Department's Contract Manager:**

Christopher McMullen  
Division of State Purchasing  
Florida Department of Management Services  
4050 Esplanade Way, Suite 360  
Tallahassee, Florida 32399-0950  
Telephone: (850) 922-9867  
Email: [christopher.mcmullen@dms.fl.gov](mailto:christopher.mcmullen@dms.fl.gov)

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[Name]

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

*J. Todd Inman*  
J. Todd Inman, Secretary

*9/29/2021*  
Date:



## Exhibit A Scope of Work

### 1. Definitions

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

**Accepted Brands** – The Manufacturer(s) specified by the Department for a particular Base Vehicle Specification.

**Approved Equivalent** – A Representative Model manufactured by a producer/provider other than Accepted Brands which meet the required Base Vehicle Specifications. Equivalence is determined by the Department by comparing the Representative Model's vehicle specifications with the Base Vehicle Specifications. The Department reserves the right to independently verify information provided by the Bidder, including but not limited to, the equivalence of Representative Models.

**Base Vehicle Specification** – A Department-specified Commodity that may include vehicle size, axle configuration, class, gross vehicle weight rating (GVWR), and other information listed by the Department herein, which identifies the requirements, specifications, terms, and conditions herein, and may include Components, Features, or Configurations different than those provided by a Manufacturer on their standard base version of the Commodity.

**Business Day** – Monday through Friday, inclusive, except for those holidays specified in section 110.117, Florida Statutes (F.S.), from 8:00 a.m. to 5:00 p.m. at the Customer's location.

**Commodity Code** – The State's numeric code for classifying Commodities and contractual services which meet specific requirements, specifications, terms, and conditions herein. Florida has adopted the United Nations Standard Products and Services Code (UNSPSC) for classifying Commodities and services.

**Component, Feature or Configuration** – An element, piece, part, module, package, element Group, piece Group, parts Group, module Group, or package Group of a Commodity, Representative Model or Option.

**Contract** – The written agreement between the Department and the awarded Bidder(s) resulting from ITB No. 21-25101600-ITB.

**Contractor** – A vendor that entered into a Contract with the Department as a result of ITB No. 21-25101600-ITB. A Contractor can be a Manufacturer or Dealer.

**Customer** – A State Agency or Eligible User.

**Dealer** – A Manufacturer's certified representative who has been authorized by the Manufacturer to market, sell, provide, and service the Representative Models and Options from the Manufacturer. Dealers may be Contractor-owned and -controlled (in whole or in part) or independently owned and controlled.

**Department** – The Department of Management Services, a State Agency.

**Free on Board (FOB) Destination** – As defined in section 672.319(1)(b)., Florida Statutes.

**Gross Vehicle Weight Rating (GVWR)** – The combined weight of vehicle and its payload capacity.

**Group** – A collection of Base Vehicle Specifications, as described in this Scope of Work, and Exhibit B, Price Sheet(s).

**Heavy Truck** – The Federal Highway Administration (FHWA), truck group classes 7 - 8.

**Manufacturer** – The original producer or provider of Representative Models or Options which possess the minimum quality, reliability, service, and value required by the Department and Customers. May be used interchangeably with "Brand".

**Manufacturer's Last Order Date** – The final date on which the Manufacturer stops producing the model year of a Representative Model which meets the requirements, specifications, terms, and conditions of the Contract.

**Manufacturer's Suggested Retail Price (MSRP)** – The Manufacturer's recommended retail selling price, list price, catalog price, distributor price, published price, or other usual customary pricing that would be paid by the purchaser for specific Representative Models, Options, and contractual services without benefit of a Contract. MSRPs shall be formally published by the Manufacturer, publicly listed and available, and verifiable by the Department. If two or more prices fit this definition for a pertinent Commodity, equipment model, or contractual service, the Contractor will supply the lowest price as the MSRP.

**Medium Truck** – The Federal Highway Administration (FHWA), truck group classes 3 – 6.

**MSRP Credit** – The MSRP of the Option that is deducted from the MSRP of the Vehicle price paid by the Customer if the Option is removed from the Vehicle.

**MSRP List** – A collection of MSRPs and related information broken down by specific Representative Models and their associated Options. MSRPs shall be formally published by the Manufacturer, publicly listed and available, and verifiable by the Department. In the priority listed below, only the following are acceptable sources of current MSRPs and MSRP Lists for use under this Contract:

- Manufacturer's Annual U.S. Price Book;
- Manufacturer's official website or dealer software; and
- Autodata, Inc. d/b/a Chrome Data's Carbook Pro Fleet Edition.

**MSRP Sheet** – The MSRP sheet provides the MSRP and specification(s) for the Representative Model(s) bid. Also known as a Build Sheet.

**Net Price** – The final price paid by the Customer after applying all discounts and credits.

**Non-OEM Option** – An Option produced by a Manufacturer other than the Manufacturer of the associated Representative Model.

**OEM Option** – An Option produced by the Manufacturer of the associated Representative Model.

**Option** – A Manufacturer's new and unused optional Component, Feature, or Configuration not specified by the Department as standard on the Base Vehicle Specifications, and which is intended for the specific Representative Model. Equipment which meets the requirements, specifications, terms, and conditions herein, and may be installed to, uninstalled from, or provided with or separately from the Representative Model by the Manufacturer, port or Dealer, as specified, ordered, legal, customary, reasonable, and prudent in the industry or specified by the Manufacturer. May include OEM Options and Non-OEM Options and may be considered aftermarket options.

**Original Equipment Manufacturer (OEM)** – The original producer of a Commodity.

**Representative Model** – A specific Medium or Heavy Truck that meets a Base Vehicle Specification. A Representative Model may include Manufacturer's name, trade name, Brand name, make name, model name, model number, catalog number, or other information provided which meets the requirements, specifications, terms, and conditions specified by the Department herein, and may include Components, Features, or Configurations different than those provided by a Manufacturer, port, and Dealer on their standard version of the Commodity. Also known as Standard Model, Representative Vehicle, Standard Vehicle, or Vehicle.

**State** – The State of Florida.

## 2. Purpose

To provide Customers within the State the ability to acquire new and unused Medium and Heavy Trucks. The Contractor shall provide Medium and Heavy Trucks in accordance with the specifications contained herein. The Medium and Heavy Truck Commodities offered under the Contract shall be classified under six Groups, which are listed and described as follows:

| Group No. | Group Description          |
|-----------|----------------------------|
| 1         | CHASSIS CABS               |
| 2         | FLAT BED DUMP TRUCKS       |
| 3         | DUMP TRUCKS                |
| 4         | FLAT BED STAKE BODY TRUCKS |
| 5         | DRY FREIGHT TRUCKS         |
| 6         | TRUCK TRACTORS             |

The Contract is intended to cover only those Medium and Heavy Trucks generally used by the State as listed and described herein and does not include all varieties of Medium and Heavy Trucks that are commercially available. The Department in its sole discretion shall determine the eligibility and acceptability of all Commodities available and included under the Contract.

**The Contractor shall be responsible for immediately removing all non-eligible and Department unauthorized Commodities under the Contract from the Contractor's MSRP List.**

### **3. Commodity Specifications and Standards**

The Base Vehicle Specifications and Options are based on the available information known to the Department at the time of the solicitation, including the known needs of Customers and information obtained using Autodata, Inc. d/b/a Chrome Data's Carbook Pro Fleet Edition. Options listed in Exhibit B, Price Sheet (C.4) were identified based on known Customer needs and the respective Manufacturer's data. The Contract specifications and standards form a part of the overall specifications for the listed Representative Models, except as modified or noted herein. Any conflict between the Department's Contract specifications and standards and the Manufacturer's specifications will be resolved in favor of the Department specifications and standards.

The Contractor shall ensure that all Commodities, including all Representative Models, Options, and the respective Components, Features, or Configurations, shall individually and jointly comply with the following:

- a. All Commodities shall be designed, constructed, equipped, assembled, and installed to be fully suitable for their intended use, purpose, and service per the Scope of Work;
- b. All Commodities shall be new and unused (except as specified in the Transportation and Delivery section of the Scope of Work), for the current Manufacturer's model year or later, of current or recent production, and of the latest design and construction;
- c. All Representative Models shall be diesel powered. choices for alternative fuel fuels (compressed natural gas ("CNG"), diesel, electric, gasoline (E-10 to E-85), liquefied petroleum gas ("LPG"), natural gas, or propane powered) can be listed for reference and customer selection if desired.
- d. All Commodities shall include all Option standard features, equipment, and components installed by Manufacturer or Dealer according to the Manufacturer's current standard procedures, requirements, and specifications;
- e. All Representative Models shall meet the Automatic Air Brake Drain System Specifications, which are available at <https://www.dms.myflorida.com/content/download/152586/1015180/file/AIRBRAKE.pdf>;
- f. All Commodities shall be free of damage, defect, and rust which may affect appearance, operability, functionality, or serviceability;
- g. All Commodities shall comply with current legal, customary, reasonable, and professional standards of the Medium and Heavy Trucks industry;

- h. All Commodities shall comply with current mandatory and applicable federal and State Medium and Heavy Trucks requirements including, but not limited to, all legal, safety, and environmental standards and requirements; and
- i. All Commodities shall meet the requirements, specifications, terms, and conditions herein.

No Contractor's or Dealer's advertising or identification (name, logos, etc.) is permitted on the Commodities, including all Representative Models and Options and their components. Commodity Manufacturer's advertising or identification (name, model, logos, etc.) is permitted on the respective Commodities if such advertising or identification is a Manufacturer's standard on the specific Commodity. The Contractor shall be responsible for removing, without damage, all impermissible or unacceptable advertising or identification. The Department reserves the right to, in its sole discretion, determine what advertising or identification is considered unacceptable.

**Delivery of non-conforming Commodities and contractual services, which are not remedied as required herein, may be cause for default proceedings and Contract termination.**

#### 4. Truck Body Specifications

Contractors shall satisfy the truck body requirements in accordance with the specifications contained herein.

| Group No. | Base Vehicle Code  | Description                             | Specification              |
|-----------|--------------------|-----------------------------------------|----------------------------|
| 1         | N/A                | Chassis Cab Only                        | N/A                        |
| 2         | 210, 240           | 12 Foot Flat Bed Heavy-Duty Dump Body   | <a href="#">FLAT-12</a>    |
|           | 220, 230, 250, 260 | 14 Foot Flat Bed Heavy-Duty Dump Body   | <a href="#">FLAT-14</a>    |
| 3         | 310, 330           | Four Cubic Yard Heavy-Duty Dump Body    | <a href="#">DUMP-4</a>     |
|           | 320, 340           | Five Cubic Yard Heavy-Duty Dump Body    | <a href="#">DUMP-5</a>     |
|           | 350, 360           | Eight Cubic Yard Heavy-Duty Dump Body   | <a href="#">DUMP-8</a>     |
|           | 370, 380           | 12 Cubic Yard Heavy-Duty Dump Body      | <a href="#">DUMP-12</a>    |
| 4         | 410, 440, 450, 460 | 14 Foot Extra Heavy-Duty Stake Body     | <a href="#">STAKE-14</a>   |
|           | 420                | 18 Foot Extra Heavy-Duty Stake Body     | <a href="#">STAKE-18</a>   |
|           | 430                | 22 Foot Extra Heavy-Duty Stake Body     | <a href="#">STAKE-22</a>   |
| 5         | 510                | 16 Foot Van Body, Aluminum, Dry Freight | <a href="#">FREIGHT-16</a> |
|           | 520                | 20 Foot Van Body, Aluminum, Dry Freight | <a href="#">FREIGHT-20</a> |
|           | 530                | 24 Foot Van Body, Aluminum, Dry Freight | <a href="#">FREIGHT-24</a> |
| 6         | N/A                | Truck Tractor Only                      | N/A                        |

The Contract is only intended to cover Medium and Heavy Trucks used or utilized by the State as listed and described herein and does not include all varieties of Medium and Heavy Trucks that are commercially available. The Department in its sole discretion shall determine the eligibility and acceptability of all Commodities available and included under the Contract.

## **5. Options, Components, Features and Configurations**

All Representative Models, Options, must be manufactured by the specified Manufacturer of the Commodity provided. Where a Representative Model is specified for an Option, Component, Feature or Configuration only the specified Commodity may be offered and provided. All Options, Components, Features or Configurations must be new and meet the requirements, specifications, terms, and conditions herein, and are subject to prior Customer approval. All Options, Components, Features or Configurations of the Representative Model, as specified by the Department and ordered by the Customer, shall be fully assembled and installed by the Manufacturer, except as follows:

- If the Option, Component, Feature or Configuration is specified as a port installed or Dealer installed Option, Component, Feature or Configuration by the Manufacturer; or
- If the Option, Component, Feature or Configuration is not available from the Manufacturer, the Option, Feature, or Component may be assembled by its respective Manufacturer and installed by the Contractor.

## **6. Luxury or Sport Vehicles or Features**

Unless otherwise indicated within the Base Vehicle Specification, no luxury or sports features will be considered or permitted. The Department, in its sole determination, shall determine what is a luxury or sport feature. To date, the Department has determined luxury or sports features include the following:

- Manufacturer's Signature or Specialty editions; and
- Leather upholstery (seats or interior), sunroofs, and moon roofs.

## **7. Installation**

When installation is required, Contractor shall be responsible for placing and installing the equipment or parts in the required locations at no additional charge, unless otherwise specified in the Price Sheet. All materials used in the installation shall be new and unused and shall be free of defects that would diminish the appearance of any Commodity or render it structurally or operationally unsound. Installation includes the furnishing of any equipment, rigging, and materials required to install or replace the equipment or parts in the proper location. Contractor shall protect the site from damage and shall repair damages or injury caused during installation by Contractor or its employees or agents. If any alteration, dismantling, excavation, etc., is required to achieve installation, the Contractor shall promptly restore the structure or site to its original condition. The Contractor shall perform installation work so as to cause the least inconvenience and interference with Customers and with proper consideration of others on site. Upon completion of the installation, the location and surrounding area of work shall be left clean and in a neat and unobstructed condition, with everything in satisfactory repair and order.

### **7.1 Body Transfer and 3<sup>rd</sup> Party Body Installations**

In the event the Customer chooses to purchase or supply a cab and chassis separately, the Contractor must facilitate obtaining the required Manufacturer Certified Certificate, perform Manufacturer required pre-delivery inspection, and ensure all proper tag and title documents are present pursuant to Florida license requirements. The Manufacturer must certify that it conforms to all Federal Motor Vehicle Safety Standards (FMVSS). The Contractor is responsible for facilitating body transfers and installations at no additional cost to the Customer. While facilitating body transfers and installations, the Contractor must ensure that all work is performed by a certified vendor and that all work meets or exceeds FMVSS

standards. The Customer may incur an additional cost for installation by the Contractor or body upfitter. The installation cost may vary due to the body configuration; however, the price shall be included on the Price Quote Form (PQF) from the Contractor.

#### **8. Full-Service Repair Facilities**

The Contractor shall maintain at least one factory-authorized service station or servicing dealer within the State to perform warranty repairs and adjustments throughout the Contract term at no additional cost to Customer(s) or the Department. The Contractor shall promptly notify the Department in writing of any changes thereto. The Contractor shall be responsible for all service performed, regardless of whether the Contractor or their approved dealer actually performed the service.

Notwithstanding the foregoing, the Contractor may offer Customers "after warranty" service agreements for the maintenance and repair of goods after the initial warranty expires. The Contractor will list this additional service as a separate item on the invoice.

#### **9. Federal and State Standards**

It is the intent of the Department that all specifications herein are in full and complete compliance with all federal and State laws, requirements, and regulations applicable to the type and class of Commodities and contractual services being provided. This includes, but is not limited to, Federal Motor Vehicle Safety Standards ("FMVSS"), Occupational Safety and Health Administration ("OSHA"), Environmental Protection Agency ("EPA") Standards, and State laws, requirements, and regulations that apply to the type and class of Commodities and contractual services being provided. It is the intent of the Department that the Contractor(s) comply with all applicable federal and State regulations regarding the Commodities and contractual services' specifications, safety, and environmental requirements, including any legislation or regulations which become effective during the term of the Contract and shall become a part of the Contract. The Contractor(s) shall meet or exceed any such requirements of the laws and regulations applicable to the type and class of commodities and contractual services provided. If an apparent conflict exists, the Contractor, regardless of whether it's the Manufacturer or Dealer, shall contact the DMS Contract Manager immediately.

#### **10. Acceptable Publications**

The Customer may request, and the Contractor shall provide, within three Business Days of any request, acceptable and supporting information or documentation relative to its product. Acceptable and supporting information or documentation includes, but is not limited to:

1. A copy of the Manufacturer's Computer Printout (Ford "DORA"/"Commercial Truck Tools", Freightliner "Spec Pro", International "Vehicle Specifications", Mack "Order/Customer/Vehicle Information", or Approved Equivalent) for each Commodity offered.
2. MSRP List. The MSRP and MSRP List may not be custom or solely developed, created, maintained, altered, revised, changed, or utilized for purposes of the solicitation and resulting contract (see definition, MSRP).
3. Manufacturer's standard warranties; and
4. The Manufacturer's official fleet or retail websites.

During the term of the Contract, the Contractor shall supply printed sales literature and technical information to Customers upon request, unless the literature and information requested is

available on the Contractor's or Manufacturer's website. If the literature and information is available on the Contractor's website, the Contractor shall direct the requesting Customer to its specific website location.

### **11. Testing**

Samples of delivered Commodities may be selected at random by Customers or Department and tested for compliance with the requirements, specifications, terms, and conditions.

### **12. Warranty**

The Manufacturer's standard warranty shall cover all Commodities and contractual services offered through the Contract. The Manufacturer's standard warranty is required to provide coverage against defective material, workmanship, and failure to perform in accordance with the specifications and required performance criteria. The Manufacturer's standard warranty coverage shall be identical to or exceed the most inclusive of those normally provided for the Commodities and contractual services specified herein that are sold to any Federal, state, or local governments. The Manufacturer's standard warranty shall be in effect for a minimum term of one year from the Customer's acceptance, as specified in the Final Inspection and Acceptance section and shall begin only at the time of acceptance by the Customer.

Should the Manufacturer's standard warranty conflict with any requirements, specifications, terms, or conditions of the Contract, the Contract requirements, specifications, terms, and conditions shall prevail. The Manufacturer's standard warranty terms and conditions are not part of the Contract requirements, specifications, terms, and conditions.

### **13. Recall(s)**

In the event there is a recall of any of the Commodities, including but not limited to any Vehicle, Options, Components, Features or Configurations, or any other any parts therein, ("Vehicle Recall"), the Contractor shall provide reasonable assistance to the Department in developing a recall strategy and shall cooperate with the Department and the Customers in monitoring the recall operation and in preparing such reports as may be required. Each Contractor shall, at the request of the Department or any Customer, give the Department and each Customer reasonable assistance in locating and recovering any equipment or recalled equipment. Each Contractor shall immediately notify and provide copies to the Department of any communications, whether relating to recalls or otherwise, with any Customer. The Contractor shall ensure defective recalled equipment are rectified, replaced, and destroyed in compliance with all applicable laws, rules or regulations and the Department's reasonable instructions. All Contractor efforts relating to recalled equipment shall be at Contractor's own expense.

### **14. Manufacturer's Last Order Date, Production Notification, and Representative Model Replacement**

The Contractor shall notify the Department's Contract Manager of a contracted Vehicle Manufacturer's Last Order Date by email no later than 30 calendar days prior to the effective date of the Manufacturer's Last Order Date. In the event the Manufacturer gives less than 30 calendar days' notice of a Last Order Date to the Contractor, the Contractor shall notify the Department's Contract Manager no later than the next Business Day by email or telephone following Contractor receiving notice of the Last Order Date from the Manufacturer. The Contractor shall immediately provide copies of the Manufacturer's notice of the Manufacturer's Last Order Dates to the Department's Contract Manager upon request.

The Contractor shall notify the Customer and the Department's Contract Manager in writing of any production schedule changes associated with the Customer's order within one Business Day.

Upon receipt of a purchase order from a Customer, the Contractor shall immediately notify the ordering Customer of any conflicts with the Manufacturer's Last Order Date by telephone and include the Manufacturer's Last Order Date in the completed Acknowledgement of Order Form provided to Customer in accordance with the Acknowledgement of Order section listed in the Scope of Work. Should the Contractor improperly notify a Customer or the Department of a Manufacturer's Last Order Date, it may be grounds for termination of the Contract. Upon receipt of the required telephone notification or the Acknowledgement of Order Form notifying the Customer of the Manufacturer's Last Order Date, the Customer may cancel the purchase order without penalty, or maintain the purchase order knowledgeable of the risk of potential non-Delivery without recourse. Upon receipt of the required telephone notification or the Acknowledgement of Order Form notifying the Customer of the Manufacturer's Last Order Date, all purchase orders received by the vendor and maintained by the Customer after a Manufacturer's Last Order Date shall be subject to awarded Commodity availability.

After the Manufacturer's Last Order Date, the Contractor may provide the new model year of the awarded Commodity, which meets the specifications herein, at the existing Contract Prices, discounts, requirements, terms, and conditions.

If the Contractor wishes to replace any awarded Representative Model due to a revision, alteration, addition, or technical improvement, the Contractor shall submit the Representative Model change to the Department's Contract Manager. The proposed replacement must meet or exceed the Department's Base Vehicle Specifications for the awarded Representative Model and must meet or exceed the Contract requirements, specifications, terms, and conditions. Additionally, the replacement offered must be equal to or less than the current Contract Price for the awarded Representative Model the Contractor is seeking to update. The Contractor shall provide the Department with any documents requested by the Department to fully review the Contractor's request. The Department, at its sole discretion, will make the determination to accept or reject the proposed replacement. If the Department rejects the proposed replacement or if there is no proposed replacement offered for a Representative Model that is no longer available, the Department may, at its sole discretion, remove the Representative Model from the Contract.

**In the event that a Representative Model is no longer available or no longer meets the Contract specifications, the Contractor shall be responsible for notifying the Department's Contract Manager in writing within seven calendar days.**

## **15. Vehicle Needs**

All State agencies shall comply with sections 287.14(2) and 287.151, F.S. Customers shall communicate their vehicle performance needs and requirements to the designated Contractor representatives identified in the Contract prior to requesting the Exhibit E, Price Quote Form (PQF). The Customer is encouraged to seek more than one quote from the identified awarded Contractors of the Vehicle, where available.

## **16. Price Quotes**

The Contractor prepares and submits to the Customer a price quote for the requested Commodity(ies) using Exhibit E, Price Quote Form (PQF). All requested Representative Model(s), Options (including aftermarket options) and Options discount(s) shall be itemized on the PQF, along with the applicable pricing information. Options shall be listed separately and include specific brand and model information, along with labor charges and installation charges listed separately. The price quoted for the Representative Model(s) and Options discount shall not exceed the current Contract's prices and discounts. The PQF shall be completed by the Contractor and returned to the Customer within two Business Days of the Contractor's receipt of

the Customer's Request for a Quote. Customers are encouraged to seek more than one quote from the identified awarded Contractors, where available. Customers may negotiate with the Contractor to establish a lower price through a greater discount percentage off MSRP.

### **17. DMS Approval (State Agency Only)**

After receipt of the Contractor completed PQF that is acceptable to the Customer, the Customer will develop a justification to support price reasonableness and complete DMS Form MP6301, Request for Acquisition of Motor Vehicle(s) and Mobile Equipment; DMS Form MP6301 is available at: [https://www.dms.myflorida.com/business\\_operations/fleet\\_management\\_and\\_federal\\_property\\_assistance/fleet\\_management/purchase\\_of\\_mobile\\_equipment](https://www.dms.myflorida.com/business_operations/fleet_management_and_federal_property_assistance/fleet_management/purchase_of_mobile_equipment).

The Customer shall submit a completed MSRP List and DMS Form MP6301, along with the PQF completed by the Contractor, to the DMS Bureau of Fleet Management for approval.

### **18. Purchase Order**

Upon the Department's approval of a State Agency request, the Customer shall process a purchase order using normal purchasing processes. The purchase order will include a copy of the Department approved Exhibit E, PQF. All orders submitted by Customers of the Contract shall be placed using a purchase order. Purchase orders issued by Customers shall be in accordance with the, Price, Sheet(s), requirements, specifications, terms, and conditions of the Contract.

The following terms apply to the Contractor and the Customer's use of a purchase order:

**18.1** Customers may only place, and Contractors shall only accept, purchase orders for Vehicles included in the Contractor's awarded Contract. Customers are responsible for including the following information on and with the purchase order, for each Vehicle ordered:

18.1.1 Customer name and contact information;

18.1.2 Contractor Information;

18.1.3 State Term Contract Number and Name;

18.1.4 Representative Model Information; Commodity Code and Line Number, standard description, and price; Paint/finish color if other than the standard white (or other standard color if white is not available from the Manufacturer); Option Information (if applicable, individually listed): Manufacturer's Option Code and Description, Option MSRP, Option Discount, and Option Net Price or Option MSRP Credit (as applicable, per the Ceiling Prices section and the Charges and Fees section). State Agencies must include a copy of the applicable Exhibit E, Price Quote Form (PQF) and accompanying MSRP List with any submitted requisition;

18.1.5 Aftermarket Options not procured under this Contract shall be separately itemized on the PQF and the purchase order, along with the applicable pricing information. Aftermarket Options shall be listed by specific brand and model, with labor charges, including installation, listed separately. Pricing for

Customer orders of aftermarket Options not procured under this Contract shall not exceed the current MSRP at the time of verification by the Department;

18.1.6 New License Plate Fee (if applicable, per the Commodities Title and Registration section of this solicitation);

18.1.7 Any Customer special instructions, requirements, specifications, terms, and conditions; and

18.1.8 The total cost for the Representative Model and Option(s) (if any) and New License Plate Fee (if applicable).

**18.2** The Contractor shall place an order with the Manufacturer(s) within seven calendar days of receipt of the purchase order unless the Contractor has the ordered Representative Model in their possession that meets the Customer's purchase order requirements. All orders placed with the Manufacturer(s) shall be made in full compliance with the requirements, specifications, terms, and conditions herein.

**18.3** The Contractor shall honor all purchase orders received during the Contract period and which are received prior to the Manufacturer's Last Order Date for Commodities the Contractor is currently awarded. Purchase orders are deemed received upon delivery. This may allow for the provision of the next new model year of the awarded Commodity, which meets the specifications herein, at the existing Contract prices, discounts, requirements, terms, and conditions.

**18.4** The Contractor, from receipt of the purchase order until delivery is made to the Customer, shall promptly notify the Customer of any potential delivery delays. Additionally, the Contractor must promptly advise the Customer if their order may not be delivered prior to the end of the Customer's Fiscal Year (State Agency's Fiscal Year ends June 30). Note: Evidence of intentional delays in delivery may be cause for default proceedings and Contract termination.

## **19. Acknowledgement of Order**

For each order, the Contractor shall provide the ordering Customer with a fully completed Exhibit F, Acknowledgement of Order Form, within five Business Days of receiving the Customer's order.

## **20. Accept Order**

The Contractor agrees to deliver the awarded Vehicle(s) and equipment listed on the purchase order in accordance with the prices, discounts, requirements, specifications, terms, and conditions of the Contract and purchase order. The Contractor must email the fully completed Exhibit F, Acknowledgement of Order Form to the Customer within five Business Days from the date the Contractor receives the purchase order. Failure of the Contractor to provide the ordering Customer the Acknowledgement of Order Form within five Business Days from the date the Contractor received the purchase order will be considered acceptance of the order by default, which, if necessary, shall require the provision of the next new model of the vehicle which meets the requirements, specifications, terms, and conditions herein and shall not exceed the Contract ceiling price for the Customer ordered Vehicle. If a new model year of the awarded Commodity is not available or cannot be delivered within the contractual timeframe, the Contractor must provide a comparable new model of equal or better value which meets or

exceeds the requirements, specifications, terms, and conditions herein and shall not exceed the Contract ceiling price for the Customer ordered Vehicle.

The Contractor's proposed substitution is subject to prior approval by the Customer and the Department.

The Contractor must provide the following information in the Exhibit F, Acknowledgement of Order Form:

- 20.1** The estimated delivery date of the Commodity(ies) (including aftermarket Options);
- 20.2** The Manufacturers' order confirmation, unless the Contractor has the Representative Model which conforms with the Customer's purchase order in stock;
- 20.3** The Commodity(ies) (including aftermarket Options), in their possession, if applicable;
- 20.4** The Manufacturer's associated production schedule; and
- 20.5** The Manufacturer's Last Order date and the date notice was provided to the Department's Contract Manager in accordance with the Manufacturer's Last Order Date, Production Notification, and Representative Model Change section listed in the Scope of Work.

Submission of Exhibit F, Acknowledgement of Order Form is the responsibility of the Contractor without prompting or notification by the Department's Contract Manager or Customer.

**The Contractor's failure to submit completed Acknowledgement of Order forms to the ordering Customers may be cause for default proceedings and Contract termination.**

## **21. Transportation and Delivery**

In conjunction with the Ceiling Prices section listed in the Scope of Work, all net prices shall include all charges for packing, handling, freight, distribution, and delivery. Transportation and delivery of goods shall be Free on Board (FOB) Destination to any point statewide as follows:

- 1.** Equipment not in stock or unavailable from a Manufacturer at time of order must be delivered within 120 calendar days after receipt of order, unless otherwise agreed to by the Customer. For any delivery not made within the 120 calendar day timeframe, the Department's Contract Manager must be notified by the Contractor and given a copy of the purchase order. The Contractor must provide the Department's Contract Manager any requested information and a timeframe for completion of the order.
- 2.** Equipment in stock must be delivered within 14 calendar days after receipt of the order with one exception: Commodities requiring post-Manufacturer Dealer installed Options or accessories shall be delivered within 30 calendar days after receipt of the Commodities from the Manufacturer(s).

Delivery of the awarded new, unused Vehicle(s) is defined as receipt of the awarded new Vehicle at the Customer's place of business or designated location, or if the Customer chooses, at the Contractor's place of business. The Contractor must give the ordering Customer written notice of

delivery at least 24 hours prior to the delivery. Deliveries will be received only between 8:00 a.m. and 3:00 p.m. (Customer's local time) during Business Days unless previously arranged and approved by the Customer in writing.

Deliveries of awarded new Vehicles are made by either private or common carrier transport; or where delivery may be accomplished by driving the self-propelled vehicle with less than 250 odometer miles at delivery, the self-propelled vehicle may, with the Customer's prior approval, be driven to the delivery location. The Contractor must make every effort to minimize the number of odometer miles at delivery. At the Customer's option, vehicles with more than 250 odometer miles at delivery may be rejected, or \$0.50 per mile in excess of 250 odometer miles may be deducted from the invoice and payment owed to Contractor. The Contractor must comply with the Manufacturer's break-in requirements and all applicable traffic and safety laws. All vehicle Commodities delivered by the Contractor to the Customer shall contain no less than one-quarter tank of fuel as indicated by the fuel gauge at the time of delivery.

The Contractor will perform the standard Manufacturer's Pre-Delivery Inspection (PDI) and is responsible for delivering an awarded Vehicle that is properly serviced, clean, and in brand new operating condition. Pre-delivery service, at a minimum, shall include the following:

1. Complete lubrication of operating chassis, engine, and mechanisms with Manufacturer's recommended grades of lubricants.
2. Check and fill all fluid levels to ensure proper fill;
3. Adjust engine(s), motor(s), and drive(s) to proper operating condition(s);
4. Inflate tires (including any spares) to proper pressures;
5. Check to ensure proper operation of all accessories, gauges, lights, and mechanical and hydraulic features;
6. Clean equipment, if necessary, and remove all unnecessary tags, stickers, papers, etc.; and
7. Ensure that the Vehicle is completely assembled (unless otherwise noted in the specification) including but not limited to, the Representative Model, Options, Components, Features or Configurations (if applicable), aftermarket Options (if applicable), and thoroughly tested and ready for operation upon delivery.

All Vehicles shall be delivered with each of the following applicable documents completed and included:

1. Copy of the Manufacturer's Pre-Delivery Inspection (PDI) form, which meets or exceeds the requirements herein;
2. Copy of the ordering Customer's purchase order;
3. Copy of the applicable Contract specification(s) and Contractor's current Price Sheet (C.4) information;

4. Copy of the Manufacturer's Invoice(s) for each awarded Commodity, including individual Representative Model, Options, Required aftermarket Options (if applicable), aftermarket Options (if applicable), in the shipment;
5. Proof of Manufacturer's MSRP (commonly known as the window sticker) if applicable, which shall not be adhered to the Vehicle and instead provided with the documents listed herein;
6. Manufacturer's certificate of origin, if applicable;
7. Manufacturer's operator manual, and (if not included in the operator manual) one copy of the Manufacturer's lubrication and maintenance instructions;
8. Copy of the Manufacturer's standard warranty certifications;
9. Sales Tax Exemption Form, if applicable;
10. Temporary tag and 20 day extension tag, if applicable; and DHSMV 82040, Application for certificate of title and vehicle registration, if applicable.

**Deliveries that do not include the above applicable forms and publications, or that have forms that have been altered, or are not properly completed, may be refused. Repeated failures by the Contractor to include the above properly completed forms and publications, or that have submitted altered forms, to the ordering Customer may be cause for default proceedings and Contract termination.**

These Transportation and Delivery requirements, terms, and conditions also apply to the re-delivery of an awarded Commodity that was previously rejected upon initial delivery.

## **22. Inspection and Acceptance**

Section 6.4, Inspection and Acceptance of Commodities, of the Special Contract Conditions exhibit is supplemented by adding the following:

The Customer, within five Business Days of delivery, should inspect the Commodity received for acceptability. The Customer should compare the physical Commodity delivered, contract prices, discounts, requirements, specifications, Customer order, and Manufacturer's MSRP Window Sticker / Manufacturer's Invoice(s) to ensure the Commodity received meets or exceeds the requirements, specifications, terms, and conditions of the Contract and Customer Order. Additionally, the Customer should inspect the Commodity for any physical damage. The Contractor is obligated to correct any errors or damage. Failure by the Customer to discover an error in the Commodity shall not relieve the Contractor from its obligation to correct the error or damage in the event it is found any time after the Commodity is delivered.

The Parties agree that inspection and acceptance shall be the Customer's responsibility and occur at the location of the Customer's place of business or designated location, or if the Customer chooses, at the Contractor's place of business. Title and risk of loss or damage to all Commodities shall be the responsibility of the Contractor until the Commodity is accepted by the Customer. The Contractor shall be responsible for filing, processing, and collecting all damage claims. The Customer shall assist the Contractor by:

- Recording any evidence of visible damage on all copies of the delivering carrier's bill of lading;
- Reporting any known visible and concealed damage to the carrier and the Contractor;
- Confirming said reports in writing within 15 Business Days of delivery, requesting that the carrier inspect the damaged merchandise; and
- Providing the Contractor with a copy of the carrier's bill of lading and damage inspection report.

Transportation and delivery of the Commodity does not constitute acceptance for the purpose of payment. Acceptance of the Commodity and authorization of payment shall be given by the Customer only after a thorough inspection indicates that the Commodity is undamaged and meets the Contract requirements, specifications, terms, and conditions. Should the delivered Commodity be damaged or differ in any respect from the Contract requirements, specifications, terms, and conditions, payment shall be withheld until such time as the Contractor completes the required Customer-approved, corrective action.

If the Commodity requires service or adjustments as part of the Customer-approved identified corrective action(s), the Contractor shall either correct the issue or be responsible for reimbursing the Manufacturer's local service dealer or others selected by the Customer to remedy the defect. The Contractor shall initiate such required service or adjustments within two Business Days following notification by the Customer. The Commodity shall not be accepted until all service or adjustments are satisfactory, and the Commodity is re-delivered in acceptable condition. All costs of transportation and delivery incurred for initial delivery and any re-deliveries due to non-Customer error or Commodity damage are the responsibility of the Contractor.

The Customer shall notify the Department of any Contract deviation that it cannot resolve with the Contractor. The Department and Customer shall develop a corrective action plan related to the Contract deviation, which may include the Customer's permanent refusal to accept the Commodity, in which case the Commodity shall remain the property of the Contractor, and the Customer and the State shall not be liable for payment for any portion thereof.

### **23. Commodity Compliance and Compatibility**

It is the Contractor's responsibility to ensure that the Commodity(ies) supplied are compliant with the Contract requirements, specifications, terms, and conditions. Additionally, the Contractor shall ensure that the Representative Model, Options, and aftermarket Options ordered by the Customer and provided by the Contractor are fully compatible with each other. Upon acceptance of the Customer's purchase order, the Contractor is obligated to deliver Commodities that are fully compliant and compatible with the purchase order requirements, specifications, terms, and conditions.

In the event any ordered Representative Model, Options, aftermarket Options, Vehicle's respective features, equipment, components, or configuration are found by the Customer to be missing, incorrect, defective, damaged, non-compatible, or non-compliant, the Customer may require the Contractor to do one or more of the following:

- Install or repair at its own cost the Commodity, including but not limited to, the Representative Model, Options, Components, Features or Configurations, and aftermarket Options;

- Replace at its own cost the Commodity, including but not limited to, the Representative Model, Options, Components, Features or Configurations, aftermarket Options, and the Vehicle's respective features, equipment, and components; or
- Refund the purchase price of the applicable Commodity, including but not limited to, the Representative Model, Options, Components, Features or Configurations, and aftermarket Options to the Customer.

**Any changes necessary after the delivery of the Commodity / Commodities that are required to bring a Commodity / Commodities into compliance or compatibility due to an incorrect order fulfillment by the Contractor are to be accomplished at the Contractor's expense.**

#### **24. Commodities' Title and Registration**

Contractor shall title and register Vehicles delivered under the Contract for the Customer in accordance with Florida law, including Chapters 319 and 320, F.S. The Contractor shall provide any necessary form(s) that must be signed by an authorized representative of the Customer with the awarded Commodity(ies) at delivery, and the Contractor shall obtain any necessary signature(s) and complete the titling and registration process for the Customer within the timeframe agreed to by the Customer and the Contractor.

In the event the Customer is permitted by law to obtain title and registration for the Vehicle independent of the Contractor, and chooses to obtain title and registration independent of the Contractor, the Customer shall notify the Contractor in writing of this decision no later than three Business Days following receipt of the Acknowledgement of Order Form. However, the Customer shall then be obligated to title and register the awarded Commodity, and the Contractor shall provide the Customer any documents necessary for the Customer to do so at the time of delivery.

The Contractor may obtain special plates such as "State", "County", or "City" from most county tax offices, but agency plates such as "DOT", "DC", "DNR", etc. shall be obtained from the Department of Highway Safety and Motor Vehicles, Division of Motor Vehicles, in Tallahassee, Florida.

In addition, Customers may elect to transfer an existing license plate, or may choose to obtain a new license plate, for which additional fees may apply.

- The Contractor is not required to obtain new license plates for the Customer unless there is a notation, and a new license plate fee is included on the purchase order.
- The Customer's purchase order notation for a new license plate shall include the request for a new license plate, what type of license plate is required, and a Customer point of contact including the person's name, title, and telephone number should there be any questions.

#### **25. Deletions**

During the Contract Term, the Department shall have the right to delete Commodities, including but not limited to, Groups, Manufacturers, brand names, and Representative Models, from this agreement by removing them from Exhibit B, Price Sheet (C.4). Commodities may be removed at the sole discretion of the Department.

## 26. Price Adjustments

Prices may be adjusted with the introduction of a new year model(s) for a Representative Model(s) awarded to the Contractor and any associated Option(s) awarded in the "OPTIONS" Specification Category of the price sheet. Prices may be adjusted no earlier than 12 months after the start date of the Contract and, thereafter, or no earlier than 12 months after the effective date of the previous price adjustment. Price increases must be supported by a change in the Producer Price Index (PPI) for the Series ID(s) shown in the table below. This information is published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS), and is available at <http://www.bls.gov/data/>.

| Series ID    | Product              |
|--------------|----------------------|
| 336120336120 | Heavy duty truck mfg |

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

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

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

Where:

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

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

Z = percent change in PPI

For any price adjustment request which exceeds the percent change in PPI, an exception may be considered by submitting to the Department's Contract Manager a revised MSRP and supporting documentation detailing substantial model improvements which provide additional value to the State. If an exception is approved, the pricing adjustment will be calculated by applying the same percentage discount off MSRP as submitted in the original bid.

The Department reserves the exclusive right to approve or deny any price adjustment request. Price adjustments will not be considered for any Contractor with any contractual non-performance issues including, but not limited to, outstanding fees or monies due under this Contract or overdue reports or documentation including, but not limited to, a Quarterly Sales Report or an MFMP Transaction Fee Report. A price adjustment does not constitute a change to the Contract requiring an amendment executed by both Parties. After the Department approves a price adjustment in a written communication to the Contractor, it will incorporate the price adjustment onto the price sheet listed on the State Purchasing Contract website.

OEM Options Discounts and Non-OEM Options Discounts, as awarded on the price sheet for each Representative Model, may not be reduced during the life of the Contract.

## **27. Ceiling Prices**

The Representative Model Price for each Representative Model listed in the Contractor's submitted Price Sheet (C.4), shall be the not-to-exceed Ceiling Prices under the Contract. The Options discount listed in the Contractor's submitted Price Sheet (C.4) shall be the minimum discount applied to Options.

### **27.1 Charges and Fees**

The ceiling prices are inclusive of all charges and fees, including but not limited to, the following:

1. Administrative;
2. Environmental;
3. Title Application and Registration;
4. License Plate Transfer;
5. Preparation;
6. Handling;
7. Freight;
8. Distribution;
9. Shipping;
10. Delivery to any point within the State;
11. Warranty;
12. Tire and Battery Fee;
13. Any other charges or fees necessary to deliver the Representative Model according to the requirements, specifications, terms, and conditions, exclusive of taxes;
14. Profit; and
15. Installation (for Options, including aftermarket Options).

## **28. Options Discount**

The discount percentage, listed for the Representative Model's Options, shall be the minimum discount percentage applied off the current MSRP (Price, not MSRP Credit) for Options during the Contract period. If an Option has a positive MSRP (e.g., \$1.00), then the Option Discount (e.g., 10%) will provide a lower Option Net Price for the individual Option (e.g., \$1.00 MSRP x (1-10% Options Discount)] = \$0.90 Option Net Price); Option's Net Prices shall be rounded to the nearest whole cent.

Option's MSRP Credits will be stated as the MSRP list price, with the Option Discount applied. The Option's discount percentage does not apply to the Options listed on the pricing sheets and shall only be applied to upgrades made to the Representative Model specifications based on performance needs.

### **29. Contractor's Use of Dealers**

The Contractor may engage Dealers in accordance with the terms herein to provide sales and support for the awarded Commodities offered under this Contract. In the event the Contractor elects to use Dealers, the Contractor shall remain fully accountable for ensuring that the Dealer complies with the terms of this Contract. In the event the Dealers fail to comply with the terms of this Contract, the Contractor shall remain fully liable. The Contractor shall ensure that Dealers remain current with the Contractor's authorized Commodities and pricing listed in the price sheet. The Contractor shall remain responsible for receiving purchase orders and shall remain responsible for invoicing the Customer for payment. All invoices shall remain in the name of the Contractor. The Contractor may not utilize Dealers until receiving express authorization from the Department. Information regarding the Contractor's addition of Dealers can be found at the following link: [https://www.dms.myflorida.com/business\\_operations/state\\_purchasing/vendor\\_resources/subcontractor\\_dealer\\_reseller\\_forms](https://www.dms.myflorida.com/business_operations/state_purchasing/vendor_resources/subcontractor_dealer_reseller_forms).

### **30. Performance Qualifications**

The Department reserves the right to investigate or inspect at any time whether the Commodities, qualifications, or facilities offered by Contractor meet the Contract requirements. The Contractor shall at all times during the Contract term remain responsive and responsible. In determining Contractor's responsibility as a Contractor, the Department may consider all information or evidence which is gathered or comes to the attention of the Department which demonstrates the Contractor's capability to fully satisfy the requirements of the solicitation and the Contract.

If the Department determines the terms of the Contract are not complied with, or that the equipment or parts proposed to be furnished does not meet the specified requirements set forth herein, or that the qualifications, financial standing, or facilities are not satisfactory, or that performance is untimely, the Department may terminate the Contract.

### **31. Contract Reporting**

The Contractor shall report information on orders received from Customers associated with this Contract. No revised MSRP lists, or price adjustments will be considered for any Contractor who has outstanding reports, or any other documentation required under the Contract. The Contractor shall submit reports in accordance with the following schedule:

| <b>Report</b>               | <b>Period Covered</b>  | <b>Due Date</b>                              |
|-----------------------------|------------------------|----------------------------------------------|
| MFMP Transaction Fee Report | Calendar month         | 15 calendar days after the end of each month |
| Quarterly Sales Report      | State's Fiscal Quarter | 30 calendar days after close of the period   |

|                                                                                        |                   |                                            |
|----------------------------------------------------------------------------------------|-------------------|--------------------------------------------|
| Diversity Report<br>(submitted to the Customer)                                        | State Fiscal Year | 30 Business Days after close of the period |
| Preferred Pricing Affidavit (in<br>accordance with the Special<br>Contract Conditions) | Annual            | Contract Anniversary Date                  |

### 32. MFMP Transaction Fee Report

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

### 33. Quarterly Sales Reports

The Contractor shall submit a quarterly sales report electronically, in the required format, to the Department's Contract Manager within 30 calendar days after close of each quarter. The quarterly sales report can be found at the following link: [https://www.dms.myflorida.com/business\\_operations/state\\_purchasing/vendor\\_resources/quarterly\\_sales\\_report\\_format](https://www.dms.myflorida.com/business_operations/state_purchasing/vendor_resources/quarterly_sales_report_format).

Failure to provide the quarterly sales report will result in the imposition of financial consequences and may result in the Contractor being found in default and the termination of the Contract. Initiation and submission of the quarterly sales report are the responsibility of the Contractor without prompting or notification by the Department. Sales will be reviewed on a quarterly basis. If no sales are recorded during the period, the Contractor must submit a report stating that there was no activity. If no sales are recorded in two consecutive quarters, the Contractor may be placed in probationary status or the Department may terminate the Contract.

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

### 34. Diversity Report

The Contractor shall report to each Customer, spend with certified and other minority business enterprises. These reports shall include the period covered, the name, minority code and Federal Employer Identification Number of each minority business utilized during the period, Commodities provided by the minority business enterprise, and the amount paid to each minority business on behalf of each purchasing agency ordering under the terms of this Contract.

### 35. Ad Hoc Reports

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

### 36. Business Review Meetings

In order to maintain the relationship between the Department and the Contractor, each quarter the Department may request a business review meeting. The business review meeting may include, but is not limited to, the following:

- Successful completion of deliverables
- Review of the Contractor's performance
- Review of minimum required reports
- Addressing of any elevated Customer issues
- Review of continuous improvement ideas that may help lower total costs and improve business efficiencies.

### 37. Financial Consequences

Financial Consequences will be assessed for failure to timely perform or submit a report as required by the Contract and shall be paid via check or money order in US Dollars, and made out to the Department of Management Services or the specific Customer, where applicable. Financial Consequences will be assessed daily for each individual failure until the performance or submittal is accomplished to the Department's or Customer's satisfaction, unless stated otherwise. For the submissions of reports, financial consequences will apply to each target period beginning with the first full month or quarter of the Contract's performance and each month and quarter thereafter

| Deliverable                                                            | Performance Metric                                                                      | Performance Due Date                                                                                        | Financial Consequence for Non-Performance                        |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Contractor will timely submit completed Quarterly Sales Reports        | All Quarterly Sales Reports will be submitted timely with the required information      | Reports are due on or before the 30 <sup>th</sup> calendar day after the close of each State fiscal quarter | \$250 per Calendar Day late/not received by the Contract Manager |
| Contractor will timely submit completed MFMP Transaction Fee Reports   | All MFMP Transaction Fee Reports will be submitted timely with the required information | Reports are due on or before the 15 <sup>th</sup> calendar day after the close of each month                | \$100 per Calendar Day late/not received by the Contract Manager |
| Contractor will timely provide accurate Price Quote Forms to Customers | All Price Quote Forms will be timely provided to Customers with accurate information    | Upon Customer request                                                                                       | \$25 per inaccurate or untimely Price Quote Form                 |

|                                                                                                                                                     |                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                 |                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Contractor will adhere to the Manufacturer's Last Order Date, Production Notification, and Representative Model Change section of the Scope of Work | The Contractor shall adhere to the notification requirements listed in the Manufacturer's Last Order Date, Production Notification, and Representative Model Change section of the Scope of Work | Notice will be provided pursuant to the Manufacturer's Last Order Date, Production Notification, and Representative Model Change section of the Scope of Work, no later than 30 calendar days prior to the effective date of the Manufacturer's Last Order Date | \$250 per occurrence |
| Customer will timely provide Diversity Report (submitted to the Customer)                                                                           | Timely provide diversity report                                                                                                                                                                  | Report will be provided no later than 10 Business Days after the end of the State fiscal year                                                                                                                                                                   | \$250 per occurrence |
| Ad hoc report(s)                                                                                                                                    | Provide ad hoc reports as requested                                                                                                                                                              | Ad hoc reports will be provided within the timeframe agreed to by the Department and the Contractor, or Customer and Contractor                                                                                                                                 | \$250 per occurrence |

**No favorable action will be considered for any contractor who has outstanding Contract Quarterly Sales Reports, MFMP Transaction Fee Reports, or any other documentation, to include fees / monies that is required under this Contract.**



**Exhibit C**  
**ADDITIONAL SPECIAL CONTRACT CONDITIONS**

A. Special Contract Conditions revisions: the corresponding subsections of the Special Contract Conditions referenced below are replaced in their entirety with the following:

**2.2 Renewal.**

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(14), F.S.

**3.7 Transaction Fees.**

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(24), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

**5.1 Conduct of Business.**

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c) and (g), F.S., are hereby incorporated by reference.

Nothing contained within this Contract shall be construed to prohibit the Contractor from disclosing information relevant to performance of the Contract or purchase order to members or staff of the Florida Senate or Florida House of Representatives.

Pursuant to section 287.057(26), F.S., the Contractor shall answer all questions of, and ensure a representative will be available to, a continuing oversight team.

The Contractor will comply with all applicable disclosure requirements set forth in section 286.101, F.S. In the event the Department of Financial Services issues the Contractor a final order determining a third or subsequent violation pursuant to section 286.101(7)(c), F.S., the Contractor shall immediately notify the Department and applicable Customers and shall be disqualified from Contract eligibility.

#### 5.4 Convicted, Discriminatory, Antitrust Violator, and Suspended Vendor Lists.

In accordance with sections 287.133, 287.134, and 287.137, F.S., the Contractor is hereby informed of the provisions of sections 287.133(2)(a), 287.134(2)(a), and 287.137(2)(a), F.S. For purposes of this Contract, a person or affiliate who is on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List during the term of the Contract.

In accordance with section 287.1351, F.S., a vendor placed on the Suspended Vendor List may not enter into or renew a contract to provide any goods or services to an agency after its placement on the Suspended Vendor List.

A firm or individual placed on the Suspended Vendor List pursuant to section 287.1351, F.S., the Convicted Vendor List pursuant to section 287.133, F.S., the Antitrust Violator Vendor List pursuant to section 287.137, F.S., or the Discriminatory Vendor List pursuant to section 287.134, F.S., is immediately disqualified from Contract eligibility.

#### 5.6 Cooperation with Inspector General and Records Retention.

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

#### 8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F.S., made or received by the Contractor in conjunction with the Contract unless the records are exempt from s. 24(a) of Art. I of the State Constitution and section 119.071(1), F.S.

#### 8.1.2 Statutory Notice.

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

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT [PUBLICRECORDS@DMS.FL.GOV](mailto:PUBLICRECORDS@DMS.FL.GOV), (850) 487-1082 OR 4050 ESPLANADE WAY, SUITE 160, TALLAHASSEE, FLORIDA 32399-0950.**

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

(a) Keep and maintain public records required by the public agency to perform the service.

(b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.

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

#### 12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, and the Office of the Auditor General shall also have authority to perform audits and inspections.

### 13.2 E-Verify.

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

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

B. Special Contract Conditions additions: the following subsection is added to the Special Contract Conditions:

### 12.3 Document Inspection.

In accordance with section 216.1366, F.S., the Department or a state agency is authorized to inspect the: (a) financial records, papers, and documents of the Contractor that are directly related to the performance of the Contract or the expenditure of state funds; and (b) programmatic records, papers, and documents of the Contractor which the Department or state agency determines are necessary to monitor the performance of the Contract or to ensure that the terms of the Contract are being met. The Contractor shall provide such records, papers, and documents requested by the Department or a state agency within 10 Business Days after the request is made.

**Exhibit D**

**SPECIAL CONTRACT CONDITIONS**

**JULY 1, 2019 VERSION**

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

## **SECTION 1. DEFINITION.**

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

### **1.1 Customer.**

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

## **SECTION 2. CONTRACT TERM AND TERMINATION.**

### **2.1 Initial Term.**

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

### **2.2 Renewal.**

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

### **2.3 Suspension of Work and Termination.**

#### **2.3.1 Suspension of Work.**

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

#### **2.3.2 Termination for Convenience.**

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

#### **2.3.3 Termination for Cause.**

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

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

### **SECTION 3. PAYMENT AND FEES.**

#### **3.1 Pricing.**

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

#### **3.2 Price Decreases.**

The following price decrease terms will apply to the Contract:

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

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

**3.2.3 Sales Promotions.** In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, the Contractor may conduct sales promotions involving price reductions for a specified lesser period. The Contractor must submit documentation identifying the proposed: (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

#### **3.3 Payment Invoicing.**

The Contractor will be paid upon submission of invoices to the Customer after delivery and acceptance of commodities or contractual services is confirmed by the Customer. Invoices must contain sufficient detail for an audit and contain the Contract Number and the Contractor's Federal Employer Identification Number.

#### **3.4 Purchase Order.**

A Customer may use purchase orders to buy commodities or contractual services pursuant to the Contract and, if applicable, the Contractor must provide commodities or contractual services pursuant to purchase orders. Purchase orders issued pursuant to the Contract must be received by the Contractor no later than the close of business on the last day of the Contract's term. The Contractor is required to accept timely purchase orders specifying delivery schedules that extend beyond the Contract term even when such extended delivery will occur after expiration of the Contract. Purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the Contract shall survive the termination or expiration of the Contract and apply to the Contractor's performance. The duration of purchase orders for recurring deliverables shall not exceed the expiration of the Contract by more than twelve months. Any purchase order terms and conditions conflicting with these Special Contract Conditions shall not become a part of the Contract.

#### **3.5 Travel.**

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

### 3.6 Annual Appropriation.

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

### 3.7 Transaction Fees.

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

### 3.8 Taxes.

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

### 3.9 Return of Funds.

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

## **SECTION 4. CONTRACT MANAGEMENT.**

### 4.1 Composition and Priority.

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

### 4.2 Notices.

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

### 4.3 Department's Contract Manager.

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

Department's Contract Manager Name

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

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

#### 4.4 Contractor's Contract Manager.

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

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

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

#### 4.5 Diversity.

##### 4.5.1 Office of Supplier Diversity.

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

##### 4.5.2 Diversity Reporting.

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

#### 4.6 RESPECT.

Subject to the agency determination provided for in section 413.036, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES;

AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INsofar AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about RESPECT and the commodities or contractual services it offers is available at <https://www.respectofflorida.org>.

#### 4.7 PRIDE.

Subject to the agency determination provided for in sections 287.042(1) and 946.515, F.S., the following statement applies:

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

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

### **SECTION 5. COMPLIANCE WITH LAWS.**

#### 5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference.

#### 5.2 Dispute Resolution, Governing Law, and Venue.

Any dispute concerning performance of the Contract shall be decided by the Department's designated Contract Manager, who will reduce the decision to writing and serve a copy on the Contractor. The decision of the Contract Manager shall be final and conclusive. Exhaustion of this administrative remedy is an absolute condition precedent to the Contractor's ability to pursue legal action related to the Contract or any other form of dispute resolution. The laws of the State of Florida govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives all privileges and rights relating to venue it may have under Chapter 47, F.S., and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to, those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

#### 5.3 Department of State Registration.

Consistent with Title XXXVI, F.S., the Contractor and any subcontractors that assert status, other than a sole proprietor, must provide the Department with conclusive evidence of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity.

#### 5.4 Suspended, Convicted, and Discriminatory Vendor Lists.

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

#### 5.5 Scrutinized Companies - Termination by the Department.

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

#### 5.6 Cooperation with Inspector General and Records Retention.

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

### **SECTION 6. MISCELLANEOUS.**

#### 6.1 Subcontractors.

The Contractor will not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all its subcontracted work. The Department supports diversity in its procurements and contracts, and requests that the Contractor offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The

Contractor may contact the OSD at [osdhelp@dms.myflorida.com](mailto:osdhelp@dms.myflorida.com) for information on certified small business enterprises available for subcontracting opportunities.

#### 6.2 Assignment.

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

#### 6.3 Independent Contractor.

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

#### 6.4 Inspection and Acceptance of Commodities.

##### 6.4.1 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage will remain with the Contractor. The Contractor will be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer will: record any evidence of visible damage on all copies of the delivering carrier's bill of lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's bill of lading and damage inspection report.

##### 6.4.2 Rejected Commodities.

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

#### 6.5 Safety Standards.

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

#### 6.6 Ombudsman.

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

#### 6.7 Time is of the Essence.

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

#### 6.8 Waiver.

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

#### 6.9 Modification and Severability.

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

#### 6.10 Cooperative Purchasing.

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

### **SECTION 7. LIABILITY AND INSURANCE.**

#### 7.1 Workers' Compensation Insurance.

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

#### 7.2 General Liability Insurance.

The Contractor must secure and maintain Commercial General Liability Insurance, including bodily injury, property damage, products, personal and advertising injury, and completed operations. This insurance must provide coverage for all claims that may arise from performance of the Contract or completed operations, whether by the Contractor or anyone directly or indirectly employed by the Contractor. Such insurance must include the State of Florida as an additional insured for the entire length of the resulting contract. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the resulting contract.

#### 7.3 Florida Authorized Insurers.

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

#### 7.4 Performance Bond.

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

#### 7.5 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Customer and the State of Florida, its officers, employees, and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret, or intellectual property right or out of any acts, actions, breaches, neglect, or omissions of the Contractor, its employees, agents, subcontractors, assignees, or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees, or delegates are not independent contractors in relation to the Customer. The Contract does not constitute a waiver of sovereign immunity or consent by the Customer or the State of Florida or its subdivisions to suit by third parties. Without limiting this indemnification, the Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

#### 7.6 Limitation of Liability.

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

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

#### 8.1 Public Records.

##### 8.1.1 Termination of Contract.

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

#### 8.1.2 Statutory Notice.

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

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS, AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.**

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

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.
- (d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

#### 8.2 Protection of Trade Secrets or Otherwise Confidential Information.

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

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

#### 8.2.2 Public Records Requests.

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

#### 8.2.3 Indemnification Related to Confidentiality of Materials.

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

#### 8.3 Document Management.

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

#### 8.4 Intellectual Property.

##### 8.4.1 Ownership.

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

##### 8.4.2 Patentable Inventions or Discoveries.

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

##### 8.4.3 Copyrightable Works.

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

### **SECTION 9. DATA SECURITY.**

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

## **SECTION 10. GRATUITIES, LOBBYING, AND COMMUNICATIONS.**

### **10.1 Gratuities.**

The Contractor will not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State of Florida officer's or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State of Florida officer or employee.

### **10.2 Lobbying.**

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

### **10.3 Communications.**

#### **10.3.1 Contractor Communication or Disclosure.**

The Contractor shall not make any public statements, press releases, publicity releases, or other similar communications concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

#### **10.3.2 Use of Customer Statements.**

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

## **SECTION 11. CONTRACT MONITORING.**

### **11.1 Performance Standards.**

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Contract. The Department and the Customer will be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof.

### **11.2 Performance Deficiencies and Financial Consequences of Non-Performance.**

#### **11.2.1 Proposal of Corrective Action Plan.**

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

#### **11.2.2 Retainage for Unacceptable Corrective Action Plan or Plan Failure.**

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

### **11.3 Performance Delay.**

#### **11.3.1 Notification.**

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

#### **11.3.2 Liquidated Damages.**

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

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

The Contractor will not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay, and the delay is due directly to fire, explosion, earthquake, windstorm, flood, radioactive or toxic chemical hazard, war, military hostilities, terrorism, civil emergency, embargo, riot, strike, violent civil unrest, or other similar cause wholly beyond the Contractor's reasonable control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. The foregoing does not excuse delay which could have been avoided if the Contractor implemented any risk mitigation required by the Contract. In case of any delay the Contractor believes is excusable, the Contractor will notify the Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) calendar days after the cause that created or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five (5) calendar days after the date the Contractor first had reason to believe that a delay could result. The foregoing will constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages will be asserted by the Contractor. The Contractor will not be entitled to an increase in the Contract price or payment of any kind from the Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor will perform at no increased cost, unless the Department determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State of Florida or to Customers, in which case the Department may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers and the Department with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

## **SECTION 12. CONTRACT AUDITS.**

### **12.1 Performance or Compliance Audits.**

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, the Office of the Auditor General also have authority to perform audits and inspections.

## 12.2 Payment Audit.

Records of costs incurred under terms of the Contract will be maintained in accordance with section 8.3 of these Special Contract Conditions. Records of costs incurred will include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, the State of Florida's Chief Financial Officer, or the Office of the Auditor General.

## **SECTION 13. BACKGROUND SCREENING AND SECURITY.**

### 13.1 Background Check.

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

### 13.2 E-Verify.

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

### 13.3 Disqualifying Offenses.

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

- (a) Computer related crimes;
- (b) Information technology crimes;

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

#### 13.4 Confidentiality.

The Contractor must maintain confidentiality of all confidential data, files, and records related to the commodities or contractual services provided pursuant to the Contract and must comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor must also comply with any applicable professional standards with respect to confidentiality of information.

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

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