SUBJECT: Piggyback State of Florida Contract #43230000-15-02 Licensing Solutions Providers (LSP) of Microsoft Software and Services

BID #: PSC-0404-21 **OPEN DATE: 02/24/2015**

GENERAL GOVERNMENT AWARDS COMMITTEE

KIND AND BASIS OF CONTRACT: PIGGYBACK CONTRACT – PERIOD OF SERVICE FROM FEBRUARY 1, 2016 THROUGH JANUARY 31, 2019, WITH THREE (3) RENEWAL YEARS OPTION

AGENCY: INFORMATION TECHNOLOGIES DIVISION

BASIS OF AWARD: Piggyback State of Florida Contract #43230000-15-02 Licensing Solutions Providers (LSP) of Microsoft Software and Services

NUMBER OF BIDS INVITED: ( ) NUMBER RECEIVED: ( ) OTHER ( )

SUMMARY OF BIDS AND RECOMMENDED ACTIONS:
Recommend approval to Piggyback State of Florida Contract #43230000-15-02 Licensing Solutions Providers (LSP) of Microsoft Software and Services, with SHI International Corp., to purchase Microsoft Office 365 licenses, Software Assurance, and services for Citywide use. Period of service will commence on July 1, 2021 and continue for one (1) year. The requested total expenditure not-to-exceed $996,129.91.

FUNDING SOURCES: 53101.113002.531180.000000.00000698
53101.113002.546620.000000.00000698
To be executed by formal contract through Office of General Counsel and process via purchase order(s)

ATTACHMENTS: Recommendation Memo; Risk Approval; State Contract; Vendor Quote

ANALYST: _____ **RESPECTFULLY SUBMITTED** _____
RUBEN OLA
GREGORY PEASE, CHIEF
PROCUREMENT DIVISION

CONCURRENCE BY: Kenneth Lathrop, Chief of Information Technologies Division/CIO

(ALL AWARD ACTIONS SUBJECT TO LAWFULLY APPROPRIATED FUNDS)
ACTION OF GGAC COMMITTEE ON RECOMMENDATIONS ABOVE
MEMBERS APPROVING ____ MEMBERS DISAPPROVING ____ DATE: _____

_____ _____ OTHER: _____

_____ _____

_____ _____

ACTION OF AWARDING AUTHORITY DATE _____

APPROVED _____ DISAPPROVED _____

OTHER _____

SIGNATURE OF AUTHENTICATION _____

INFORMATION TECHNOLOGIES DIVISION

CITY OF JACKSONVILLE

DATE: May 28, 2021

TO: Greg Pease, Chief of Procurement Division

THRU: Kenneth E. Lathrop, Chief of Information Technologies / CIO

Kenneth E. Lathrop — Digitally signed by Kenneth E. Lathrop Date: 2021.05.28 13:51:17 -04'00'

FROM: Elizabeth Brown, IT Operations Manager

Elizabeth Brown — Digitally signed by Elizabeth Brown Date: 2021.05.28 13:21:27 -04'00'

RE: **Piggyback State of Florida Contract #43230000-15-02 Licensing Solutions Providers (LSP) of Microsoft Software and Services**

The Information Technologies Division (ITD) requests approval to piggyback the State of Florida's (SOF) Contract #43230000-15-02 - Licensing Solutions Providers of Microsoft (MSFT) Software and Services with SHI International Corp., as per Section 126.211 and Section 126.309 of the City Ordinance Code. The SOF contract was competitively procured via Invitation to Negotiate (ITN), No. 07-43230000-L. The scope of services for #43230000-15-02 includes the purchase of Microsoft software licenses and maintenance, with optional support offerings. ITD intends to purchase Microsoft Office 365 licenses and Software Assurance at SOF contract pricing, as described in Exhibit A - Product Descriptions and Pricing Schedule. Prices listed in Exhibit A will remain fixed during the entire contract term.

ITD Management recommends utilizing the SOF contract to purchase Microsoft Office 365 licenses and services for citywide use. The initial term of the agreement will commence on July 1, 2021 and continue for one (1) year. The total not-to-exceed amount for the agreement is $996,129.91.

Upon award approval, ITD will request a formal contract through the Office of General Counsel.

FUNDING SOURCES: 53101.113002.531180.000000.00000698
53101.113002.546620.000000.00000698

Tracy Geake — Digitally signed by Tracy Geake Date: 2021.05.28 13:30:19 -04'00'

Your favorable consideration of ITD's request is appreciated.

Attachments: Vendor Quotes # 20542229, # 20542250
State of Florida Contract No. 43230000-15-02
Exhibit A Product Descriptions and Pricing Schedule
SOF vs. COJ Cost Comparison
Risk Management Approval

CC: Gary Steffens, Enterprise Architect Manager
Robert Gray, Enterprise Technology Infrastructure Manager
Amy Hills, Desktop Services Manager
Mark Deas, Server Infrastructure Manager
Thomas Ossi, Technology Contract and Records Manager
Alexander Ciprian, IT Contract Administrator

Client#: 38440 SHIINTER1

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/18/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

APPROVED
By Itzel Ehrman at 3:57 pm, May 21, 2021

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh & McLennan Agency LLC
One Executive Drive
Somerset, NJ 08873

CONTACT NAME:
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS: somersetclsupport@mma-ne.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Fire Insurance Co of Hartford	20478
INSURER B : Continental Insurance Company	35289
INSURER C : American Casualty Company of Reading PA	20427
INSURER D : Continental Insurance Co of NJ	42625
INSURER E : Continental Casualty Company	20443
INSURER F :	

INSURED
SHI International Corp.
290 Davidson Avenue
Somerset, NJ 08873

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	X	X	6050250197	09/30/2020	09/30/2021	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$15,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER						GENERAL AGGREGATE	$2,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$2,000,000
	OTHER:							$
E	AUTOMOBILE LIABILITY	X	X	6050291509	09/30/2020	09/30/2021	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR			6081819517	09/30/2020	09/30/2021	EACH OCCURRENCE	$15,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$15,000,000
	DED X RETENTION $10000							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		X	650251110	09/30/2020	09/30/2021	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
D	Error & Omission/ Cyber Liability			596831142	09/30/2020	09/30/2021	$6,000,000 Occ/Agg	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

THIS CERTIFICATE SUPERCEDES ANY PREVIOUSLY ISSUED CERTIFICATES.
City of Jacksonville, its members, officials, officers, employees and agents are included as Additional Insured when required by written contract, agreement or permit, but only with respect to the General Liability and Automobile Liability insurance and subject to the provisions and limitations of the policies. General Liability and Automobile Liability is written on a primary and non-contributory basis when required (See Attached Descriptions)

CERTIFICATE HOLDER

FL-City of Jacksonville
117 W Duval Street, Suite 335
Jacksonville, FL 32202

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Wm. A. Cilento

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DESCRIPTIONS (Continued from Page 1)

by written contract, agreement or permit and subject to the provisions and limitations of the policies. Waiver of subrogation applies to General Liability and Automobile Liability policies when required by written contract, agreement or permit and subject to the provisions and limitations of the policy. Waiver of subrogation applies to the Workers Compensation coverage when required by written contract, agreement or permit and subject to the provisions and limitations of the policy where permissible by state law.

Exhibit A
Licensing Solutions Providers of Microsoft Software and Services
State of Florida Contract #: 43230000-15-02
Product Descriptions and Pricing Schedule

Product Description	Part Number	Qty	License Cost	Extended Total
Audio Conferencing License - Audio Conferencing in Office 365 enables users to call in to Microsoft teams app meetings from their phones. Audio Conferencing allows up to 250 phone attendees.	LK3-00001	45	$42.24	$1,900.80
Exchange Online Archiving - Microsoft Exchange Online Archiving is a Microsoft 365 cloud-based, enterprise-class archiving solution for organizations. Exchange Online Archiving assists these organizations with their archiving, compliance, regulatory, and eDiscovery challenges while simplifying on-premises infrastructure, and thereby reducing costs and easing IT burdens.	4ES-00001	2648	$26.41	$69,933.68
Office 365 E1 License - Office 365 E1 includes web-based apps like Excel and Outlook integrated with cloud services like OneDrive and Teams that enable productivity from anywhere. • The latest web-based Office apps and business services. Office desktop apps not included. • Email, file storage and sharing, meetings, and instant messaging. • Five layers of security and monitoring help keep your data safe. • Guaranteed 99.9% uptime.	U4S-00002	435	$78.24	$34,034.40
Office 365 F3 License - Connect your frontline workforce with and experiences that allow: • Office web and mobile apps • One hub for teamwork with Microsoft Teams • Connect and stay organized with business class-email • Five layers of security and monitoring to keep your data safe	3KS-00001	2213	$33.25	$73,582.25
Office 365 E3 License - Office 365 E3 is a cloud-based suite of productivity apps and services with information protection and compliance capabilities included. • Install Office mobile apps on up to five PCs or Macs, five tablets, and five phones per user. • Protect information with message encryption, rights management, and data loss prevention for email and files. • Safeguard corporate data by allowing more secure access to company resources and enabling safe sharing of sensitive information inside and outside your organization. • Facilitate legal compliance and email archiving with eDiscovery and mailbox hold.	AAA-11894	3474	$215.16	$747,465.84
SQL Server Enterprise Core Software Assurance - Includes both the core database engine and add-on services, with a range of tools for creating and managing a SQL Server cluster. Software Assurance is a comprehensive program that includes an extensive set of technologies, services, rights, and benefits to help you and your organization get the most out of your investments in IT.	7JQ-00343	2	$2,198.87	$4,397.74
SQL Service Standard Core Software Assurance - Standard Edition delivers basic data management and business intelligence database for departments and small organizations to run their applications and supports common development tools for on-premises and cloud - enabling effective database management with minimal IT resources. Software Assurance is a comprehensive program that includes an extensive set of technologies, services, rights, and benefits to help you and your organization get the most out of your investments in IT.	7NQ-00292	11	$573.76	$6,311.36
Windows Server Standard Core Software Assurance - Windows Server 2019 is the operating system that bridges on-premises environments with Azure, adding additional layers of security while helping you modernize your applications and infrastructure. Software Assurance is a comprehensive program that includes an extensive set of technologies, services, rights, and benefits to help you and your organization get the most out of your investments in IT.	9EM-00267	2	$136.92	$273.84
Core CAL Bridge for Office 365 - Microsoft Client Access License (CAL) Suite Bridges are used when you are transitioning from a CAL Suite (on-premises) to a comparable product and online service combination.	AAA-12414	350	$19.20	$6,720.00
Office 365 Advanced Threat Protection Plan 1 - A cloud-based email filtering service that helps protect your organization against unknown malware and viruses by providing robust zero-day protection, and includes features to safeguard your organization from harmful links in real time	3GU-00001	350	$18.60	$6,510.00
Contingency Funding - Additional funding available to implement licensing needs for new employees, season workers, and summer youth program participants. These funds will be encumbered as needed.	N/A	1	$45,000.00	$45,000.00
			Grand Total	$996,129.91

State of Florida Pricing							COJ Pricing		
Part Number	Item Name	Purchase Period	Purchase Unit	Estimated Retail Price	Florida Cost	Discount	Part Number2	Purchase Unit	COJ Cost
TJ7-00001	Audio Conf ShrdSvr ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 4.40	$ 3.52	18.50%	LK3-00001	12 Months	$ 42.24
AAA-12414	CoreCALBridgeO365 ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 1.96	$ 1.60	18.50%	AAA-12414	12 Months	$ 19.20
KF5-00002	Defender for O365 Plan 1 SubVL Per User	Non-Specific	1 Month(s)	$ 1.90	$ 1.55	18.50%	3GU-00001	12 Months	$ 18.60
TUA-00007	ExchOnlnArchExchSvr ShrdSvr ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 2.70	$ 2.20	18.50%	4ES-00001	12 Months	$ 26.41
T6A-00024	O365E1 ShrdSvr ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 8.00	$ 6.52	18.50%	U4S-00002	12 Months	$ 78.24
AAA-10842	O365E3 ShrdSvr ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 22.00	$ 17.93	18.50%	AA-11894	12 Months	$ 215.16
TPA-00001	O365F3 ShrdSvr ALNG SubsVL MVL PerUsr	Non-Specific	1 Month(s)	$ 3.40	$ 2.77	18.50%	3KS-00001	12 Months	$ 33.25

Pricing Proposal
Quotation #: 20542229
Created On: 5/28/2021
Valid Until: 6/27/2021

Duval County Clerk of Circuit Court

Gerald Cates
501 W Adams St, Suite 5090
Jacksonville, FL 32202
UNITED STATES
Phone: (904) 255-1852
Fax:
Email: Gerald.Cates@DuvalClerk.com

Inside Account Manager

Shaina Chinchilla
290 Davidson Avenue
Somerset, NJ 08873
Phone: 800-543-0432
Fax: 732-868-6055
Email: Shaina_Chinchilla@shi.com

All Prices are in US Dollar (USD)

	Product	Qty	Your Price	Total
1	O365GCCE3 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: AAA-11894 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** AAA-10842	350	$215.16	$75,306.00
2	CoreCALBridgeO365 ALNG SubsVL MVL PerUsr Microsoft - Part#: AAA-12414 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022	350	$19.20	$6,720.00
3	O365AdvThrtPrtctPln1GCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: 3GU-00001 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** KF5-00002	350	$18.60	$6,510.00
			Total	$88,536.00

Additional Comments

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

Pricing Proposal
Quotation #: 20542250
Created On: 5/28/2021
Valid Until: 6/27/2021

City of Jacksonville

Alexander Ciprian
117 West Duval Street
Suite 375
Jacksonville, FL 32202
United States
Phone:
Fax:
Email: Aciprian@coj.net

Inside Account Manager

Shaina Chinchilla
290 Davidson Avenue
Somerset, NJ 08873
Phone: 800-543-0432
Fax: 732-868-6055
Email: Shaina_Chinchilla@shi.com

All Prices are in US Dollar (USD)

	Product	Qty	Your Price	Total
1	AudioConfGCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: LK3-00001 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3 TJ7-00001	45	$42.24	$1,900.80
2	ExchOnlnArchGCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: 4ES-00001 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3 TUA-00007	2648	$26.41	$69,933.68
3	O365GCCE1 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: U4S-00002 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3 TUA-00007	435	$78.24	$34,034.40
4	O365GCCE3 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: AAA-11894 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3 AAA-10842	3124	$215.16	$672,159.84
5	O365GCCF3 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: 3KS-00001 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022	2213	$33.25	$73,582.25

Note: Year 1 of 3 TPA-00001

6	SQLSvrEntCore ALNG SA MVL 2Lic CoreLic Microsoft - Part#: 7JQ-00343 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3	2	$2,198.87	$4,397.74
7	SQLSvrStdCore ALNG SA MVL 2Lic CoreLic Microsoft - Part#: 7NQ-00292 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022 **Note:** Year 1 of 3	11	$573.76	$6,311.36
8	WinSvrSTDCore ALNG SA MVL 16Lic CoreLic Microsoft - Part#: 9EM-00267 Contract Name: Licensing Solutions Providers (LSP) of Microsoft Software and Services Contract #: 43230000-15-02 Coverage Term: 7/1/2021 – 6/30/2022	2	$136.92	$273.84
			Total	$862,593.91

Additional Comments

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES
state purchasing
We serve those who serve Florida

State Term Contract
No. 43230000-15-02
Licensing Solutions Providers of Microsoft Software and Services

This State Term Contract (Contract) is between the State of Florida, Department of Management Services (Department), Division of State Purchasing, an agency of the State of Florida with offices at 4050 Esplanade Way, Tallahassee, FL 32399-0950, and SHI International Corp. (Contractor) with offices at 290 Davidson Ave. Somerset, NJ 08873.

The Department entered into overarching agreements with Microsoft Corporation (Microsoft), to standardize the use of Microsoft products and services in the State of Florida (State). Based on those agreements the Department issued Invitation to Negotiate (ITN), No. 07-43230000-L, Licensing Solutions Providers of Microsoft Software and Services, to identify a Microsoft Licensing Solutions Provider (LSP) to provide Microsoft licenses and services to the State. The Contractor submitted a Responsive reply to the ITN. After negotiations the Department determined that the Contractor's reply is the most advantageous to the State and has decided to enter into this Contract.

Accordingly, and in consideration of the mutual assurances contained in the Contract, the Department and Contractor agree as follows:

I. Scope of Work

The Contractor shall provide Microsoft software licenses and maintenance with optional support offerings in accordance with the ITN. The Contractor will coordinate with Customers regarding Microsoft required enrollment agreements which may be a condition of purchasing licenses off of this contract. Those enrollment agreements may further define the scope of services.

II. Contract Term

The initial term of this Contract will be three years. The initial contract shall begin on February 1, 2016 or on the last date in which it is signed by all parties, whichever is later.

III. Renewal Terms

Upon satisfactory performance by the Contractor and written mutual agreement of the parties, the Contract may be renewed for a renewal term not to exceed three years under the same terms and conditions in place at the time of renewal and with the approved renewal pricing specified in the Contractor's response to the ITN.

IV. Florida Price

The Contractor shall provide the Florida Price on the Contractor Florida Price Spreadsheets (Attachments A-D) that are posted on the Department's website.

Contingent upon approval by the Department Contract Manager, updates to the Contractor Florida Price Spreadsheets shall be posted on the Department's website. The Department reserves the right to remove products or services from the Contractor Florida Price Spreadsheets as needed in the best interest of the State.

Microsoft determines pricing levels and ERP pricing for its products. If Microsoft lowers prices, or pricing levels at any time, the Contractor shall immediately adjust the Florida pricing to reflect the lower prices. The Contractor will monitor Microsoft pricing and if at any time additional discounts become available to the state, Contractor will incorporate the discounts into this contract without delay. Contractor will continually provide the best available pricing to the state.

V. Contract

This document, together with the following exhibits set forth the entire understanding of the parties and supersedes all prior agreements, whether written or oral.

All exhibits listed below are incorporated in their entirety, and form part of this Contract.

The Contract has the following exhibits:

Exhibit A: Special Contract Conditions
Exhibit B: General Contract Conditions, Form PUR 1000 (10/06)
Exhibit C: Contract Forms
Exhibit D: ITN No. 07-43230000-L
Exhibit E: Contractor's Response to ITN No. 07-43230000-L

In case of conflict, the documents shall have priority in the following order as listed:

a) This document
b) Exhibit D: ITN No. 07-43230000-L
c) Exhibit A: Special Contract Conditions
d) Exhibit B: General Contract Conditions
e) Exhibit C: Contract Forms
f) Exhibit E: Contractor's Response to ITN No. 07-43230000-L

VI. Amendments

No oral modifications to this Contract are permitted. All modifications to this Contract must be in writing and signed by both parties.

Notwithstanding the order listed in section V, amendments executed after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent amendment will take precedence over anything else that is part of the Contract.

VI. Contract Notices

In addition to the provisions in section 38 of Form PUR 1000 (10/06), contract notices may be delivered by email to the Contractor's designated contact person as prescribed in section VII.

VII. Contract Management

The Department employee who is primarily responsible for maintaining the Contract administration file, serves as the contract manager, and is the Department's designated contact person shall be listed on the Department's website.

The Contractor's employee who is primarily responsible for overseeing the Contractor's contract responsibilities and is the Contractor's designated contact person, shall be named by the Contractor and will be listed on the Department's website.

Either Party may appoint a different Contract Manager, which shall not constitute an amendment to the Contract, by sending written notice to the other party. Any communications regarding the Contract shall be addressed to the Contract Manager.

All questions and customer service issues concerning this Contract shall be directed to the designated contact person.

This Contract is executed upon signature of authorized officers as of the dates signed below:

State of Florida **Department of Management Services:**		**Contractor:** **SHI International Corp.**	
By:	_____	**By:**	_____
Name:	_____	**Name:**	_____
Title:	_____	**Title:**	_____
Date:	_____	**Date:**	_____

VI. Contract Notices

In addition to the provisions in section 38 of Form PUR 1000 (10/06), contract notices may be delivered by email to the Contractor's designated contact person as prescribed in section VII.

VII. Contract Management

The Department employee who is primarily responsible for maintaining the Contract administration file, serves as the contract manager, and is the Department's designated contact person shall be listed on the Department's website.

The Contractor's employee who is primarily responsible for overseeing the Contractor's contract responsibilities and is the Contractor's designated contact person, shall be named by the Contractor and will be listed on the Department's website.

Either Party may appoint a different Contract Manager, which shall not constitute an amendment to the Contract, by sending written notice to the other party. Any communications regarding the Contract shall be addressed to the Contract Manager.

All questions and customer service issues concerning this Contract shall be directed to the designated contact person.

This Contract is executed upon signature of authorized officers as of the dates signed below:

State of Florida **Department of Management Services:**		**Contractor:** **SHI International Corp.**	
By:	[signature]	**By:**	Natalie Slowik
Name:	Erin Rouc	**Name:**	Natalie Slowik
Title:	Deputy Secretary	**Title:**	Senior Manager - Contracts & RFPs
Date:	1-29-16	**Date:**	1/28/16

EXHIBIT A: SPECIAL CONTRACT CONDITIONS

1. ELECTRONIC INVOICE

The Contractor may supply electronic invoices in lieu of paper-based invoices for those transactions processed through the MyFloridaMarketPlace (MFMP). Electronic invoices may be submitted to the Customer through the Ariba Network (AN), whose usage is not mandatory. Contractor may incur a fee for use of the AN. If Contractor chooses to participate in the AN, electronic invoices shall be submitted to the Customer in one of three mechanisms as listed below.

a) COMMERCE EXTENSIBLE MARKUP LANGUAGE (CXML)
This standard establishes the data contents required for invoicing via cXML within the context of an electronic environment. This transaction set can be used for invoicing via the AN for catalog and non-catalog goods and services. The cXML format is the Ariba preferred method for electronic invoicing.

b) ELECTRONIC DATA INTERCHANGE (EDI)
This standard establishes the data contents of the Invoice Transaction Set (810) for use within the context of an EDI environment. This transaction set can be used for invoicing via the AN for catalog and non-catalog goods and services.

c) PURCHASE ORDER (P.O.) FLIP VIA ARIBA NETWORK (AN)
The online process allows suppliers to submit invoices via the AN for catalog and non-catalog goods and services. Contractors have the ability to create an invoice directly from their Inbox in their AN account by simply "flipping" the P.O. into an invoice. This option does not require any special software or technical capabilities.

For the purposes of this section, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider of MFMP, a State Contractor, the right and license to use, reproduce, transmit, distribute, and publicly display within the system the information outlined above. In addition, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider the right and license to reproduce and display within the system the Contractor's trademarks, system marks, logos, trade dress, or other branding designation that identifies the products made available by the Contractor under the Contract.

The Contractor may work with the MFMP management team to obtain specific requirements for the Electronic Invoicing upon contract award.

2. PRODUCT AND CATALOG SPECIFICATIONS (SERVICES INCLUDED, IF APPLICABLE)

The Contractor shall submit all Catalog changes to the Department for review. Once approved in writing by the Department, the product Catalog submitted will be incorporated into the Contract. Any additional terms and conditions contained in the product Catalog language will not be included in the Contract.

3. PURCHASING CARD PROGRAM

Contractor must accept the Universal card format Purchasing Cards (e.g., American Express, MasterCard, and Visa). However, the Purchasing Card is not the exclusive method of payment (e.g., Purchase Order). The method of ordering and payment (e.g., Purchase Order, Purchasing Card) shall be selected by the Eligible User.

4. COMPLIANCE WITH LAWS

The Contractor shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of Federal, State, and local agencies having jurisdiction and authority. For example, Chapter 287, of the Florida Statutes and Rule 60A of the Florida Administrative Code govern the Contract. The Contractor shall comply with section 274A of the Immigration and Nationalization Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of any such applicable laws, roles, codes, ordinances and licensing requirements, shall be grounds for Contract termination.

5. LIABILITY AND WORKER'S COMPENSATION INSURANCE

During the Contract term, the Contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract, which, at a minimum, shall be: workers' compensation and employer's liability insurance per Florida statutory limits (currently $100,000 per accident, $100,000 per person, and $500,000 policy aggregate) covering all employees engaged in any Contract work; commercial general liability coverage on an occurrence basis in the minimum amount of $500,000 (defense cost shall be in excess of the limit of liability), naming the State as an additional insured; and automobile liability insurance covering all vehicles, owned or otherwise, used in the Contract work, with minimum combined limits of $500,000, including hired and non-owned liability, and $5,000 medical payment. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor and is of the essence of the Contract. The Contract shall not limit the types of insurance Contractor may desire to obtain or be required to obtain by law. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies shall be through insurers authorized to write policies in Florida.

6. DETAIL OF BILLS

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

7. PAYMENT TIMEFRAME

Section 215.422, Florida Statutes (F.S.), provides that agencies have five (5) working days to inspect and approve commodities or contractual services. Items may be tested for compliance with specifications. Items delivered not conforming to specifications may be rejected and returned at the Contractor's expense. Interest penalties for late payment are also provided for in section 215.422, F.S. A Vendor Ombudsman, whose duties include acting as an advocate for Vendors who may be experiencing problems obtaining timely payment(s) from an Agency, may be contacted at 850-413-5516, or Vendors may call the State Comptroller's Hotline at 1-800-848-3792.

8. MYFLORIDAMARKETPLACE FEES

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), Florida Statutes. Payments issued by Agencies or Eligible Users to Vendors for purchases of commodities or contractual services are subject to Transaction Fees, as prescribed by rule 60A-1.031, Florida Administrative Code, or as may otherwise be established by law.

Effective November 1st, 2015, through July 1st, 2016, in accordance with Senate Bill 2502-A, the Transaction Fees imposed for use of the State of Florida's eProcurement systems will change from one percent (1%) to seven-tenths of one percent (.70%) of the payment issued. The Transaction Fees imposed shall be based upon the date of issuance of the payment.

Any questions regarding the Transaction Fees should be directed to the MFMP Customer Service Desk, at 866-352-3776, BuyerHelp@myfloridamarketplace.com or VendorHelp@myfloridamarketplace.com.

Vendors shall submit monthly reports required by the rule. All reports shall be subject to audit. Failure to pay Transaction Fees or submit reports shall constitute grounds for default and exclusion from business with the State of Florida.

9. PAYMENT AUDIT

Records of costs incurred under terms of the Contract shall be maintained and made available to the Agency upon request at all times during the period of the Contract, and for a period of three years thereafter. Records of costs incurred shall include the Contractor's general accounting records, together with supporting documents and

records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Agency for audit.

10. BILLS FOR TRAVEL

Travel expenses are not reimbursable unless specifically authorized in writing and shall be reimbursed only in accordance with section 112.061, Florida Statutes.

11. PUBLIC RECORDS

Access to Public Records

To the extent required by the Florida Public Records Act, Chapter 119, F.S., the Contractor shall maintain and allow access to public records made or received in conjunction with the Contract.

(a)The Department may unilaterally cancel the Contract for refusal by the Contractor to allow access to all public records, including documents, papers, letters, or other material 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 119.07(1), Florida Statutes.

(b) If, under this Contract, the Contractor is providing services and is acting on behalf of a public agency as provided by section 119.0701(1)(b), Florida Statutes, the Contractor shall:

(1) Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the service.

(2) Provide the public with access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

(3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.

(4) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the Contractor upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.

Protection of Trade Secrets or Other Confidential Information
(a) If the Contractor considers any portion of materials made or received in the course of performing the Contract ("contract-related materials") to be trade secret under section 812.081, Florida Statutes, or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as "confidential" when submitted to the Department.

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

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

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

12. RETENTION OF RECORDS

Contractor shall retain sufficient documentation to substantiate claims for payment under the Contract, and all other records made in relation to the Contract, for five (5) years after expiration or termination of the Contract.

13. COMMUNICATIONS AND CONFIDENTIALITY

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

F.S. The Contractor's confidentiality procedures shall be consistent with the most recent version of the Customer's security policies, protocols, and procedures. The Contractor shall also comply with any applicable professional standards with respect to confidentiality of information.

14. INTELLECTUAL PROPERTY

The parties do not anticipate that any Intellectual Property will be developed or created as a result of the Contract. However, in such case as it is developed or created, any Intellectual Property developed or created as a result of the Contract will belong to and be the sole property of the State of Florida. This provision will survive the termination or expiration of the Contract.

15. PREFERRED PRICE AFFIDAVIT REQUIREMENT

The Department will provide the Preferred Pricing Affidavit, incorporated by reference, for completion by an authorized representative of the Contractor attesting that the Contractor is in compliance with the preferred pricing provision in section 4(b) of the PUR 1000 form. The Contractor agrees to submit to the Department, at least annually, the completed Preferred Pricing Affidavit.

16. EMPLOYMENT VERIFICATION (E-VERIFY)

In accordance with Executive Order Number 11-116, the Contractor agrees to utilize the U.S. Department of Homeland Security's E-Verify system, https://e-verify.uscis.gov/emp, to verify the employment of all new employees hired by the Contractor during the Contract term for the services specified in the Contract. Also, Contractor shall include in related subcontracts a requirement that subcontractors performing work or providing services pursuant to the Contract utilize the E-Verify system to verify employment of all new employees hired by the subcontractor during the Contract term.

17. SCRUTINIZED COMPANY LIST

In accordance with subsection 287.135(5), Florida Statutes, the Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, Florida Statutes.

In accordance with 287.135, the Department may unilaterally terminate this contract if it determines that the Contractor has submitted a false certification as provided under subsection 287.135 (5), or that it is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List.

18. CONVICTED AND DISCRIMINATORY VENDOR LISTS

In accordance with sections 287.133 and 287.134, F.S., an entity or affiliate who is on the Convicted Vendor List or the Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract.

19. TERMINATION FOR CONVENIENCE

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

20. TERMINATION FOR CAUSE

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

21. COMMITMENT TO DIVERSITY IN GOVERNMENT CONTRACTING

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by minority-, women-, wartime-, and service-disabled veteran business enterprises in the economic life of the State. The State of Florida Mentor Protégé Program connects minority-, women-, wartime-, and service-disabled veteran business enterprises with private corporations for business development mentoring. We strongly encourage firms doing business with the State of Florida to consider this initiative. For more information on the Mentor Protégé Program, please contact the Office of Supplier Diversity at (850) 487-0915 or osdhelp@dms.myflorida.com.

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

22. BUSINESS REVIEW MEETINGS

The Department reserves the right to schedule business review meetings as frequently as necessary. The Department will provide the format for the Contractor's agenda. Prior to the meeting, the Contractor shall submit the completed agenda to the Department for review and acceptance. The Contractor shall address the agenda items and any of the Department's additional concerns at the meeting. Failure to comply with this section may result in the Contractor being found in default and contract termination.

23. ETHICAL BUSINESS PRACTICES

Contractors shall work in partnership with the State to ensure a successful and valuable Contract. Ethical practices are required of State employees, Contractors, and all parties

representing the Contractor. All work performed under this Contract will be subject to review by the Inspector General of the State of Florida, and any findings suggesting unethical business practices may be cause for termination or cancellation.

24. GRATUITIES

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

25. LOBBYING

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

26. COOPERATION WITH INSPECTOR GENERAL

Pursuant to subsection 20.055(5), F.S., Contractor, and any subcontractor to the Contractor, understand and will comply with their duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor shall provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor shall retain such records for three (3) years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: http://dos.myflorida.com/library-archives/records-management/general-records-schedules/), whichever is longer. The Contractor agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees.

27. PRODUCT VARIATIONS/CUSTOM ORDERS

New variations, substitutions, including custom orders of existing software licenses, maintenance and services awarded under the Contract will be considered by the

Department if it is in the best interest of the State. All modifications and special requests must receive prior written approval from the Department or Customer before execution of the purchase. Proposed changes are not to compromise the integrity of the software licenses, maintenance or services performance.

28. DELAYS AND COMPLAINTS

Delivery delays and service complaints will be monitored on a continual basis. Documented inability to perform under the conditions of the Contract (via the established Complaint to Vendor process (PUR 7017 form) may result in default proceedings and cancellation.

29. SALES AND USE TAX

It is the responsibility of the Contractor to determine how work accomplished under this Contract would be subject to a Use Tax as written in the "Sales and Use Tax" Rule 12A-1, Florida Administrative Code. Any questions concerning the Use Tax as it relates to this contract shall be directed to the Taxpayer Assistance section at the Department of Revenue (DOR) (800) 352-3671, Monday through Friday, 8 a.m. to 7 p.m. (ET). For more information visit the DOR website at http://dor.myflorida.com/dor/businesses.

30. INSURANCE, LOSS DEDUCTIBLE

The Department and Customer shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the contractor providing such insurance. Upon request, the Contractor shall furnish the Department or Customer an insurance certificate proving appropriate coverage is in full force and effect.

31. INSURANCE, SUBCONTRACTOR'S PUBLIC LIABILITY AND PROPERTY DAMAGE

The Contractor shall require each of its subcontractors to secure and maintain during the life of the subcontract, insurance of the type specified in section 5, Liability and Workers Compensation Insurance, or the Contractor may insure the activities of its subcontractors in the Contractor's policy, as specified in the Liability and Workers Compensation Insurance Section of this contract.

32. INDEMNITY

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

33. PAYMENT FOR CLAIMS

The Contractor guarantees the payment of all just claims for materials, supplies, tools, or labor and other just claims against the Contractor or any employee, agent, subcontractor, assignee or delegate in connection with the Contract.

34. PERFORMANCE AND PAYMENT BONDS

The authority and responsibility for requesting performance and payment bonds shall rest with the Customer. Under this contract, the Customer issuing the purchase order may request a performance and payment bond as deemed necessary by the size of the job. Inability to provide a bond shall result in the Contractor being found in default of the contract.

35. WARRANTY

The Microsoft standard warranty shall cover all software and the Contractor's warranty shall cover Value-added services provided under this the Contract. The Microsoft standard warranty is required to provide coverage against defective software, workmanship, and failure to perform in accordance with the specifications and required performance criteria. The Microsoft and Contractor warranty coverage must 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 State or local governments.

Should the Microsoft or Contractor warranty conflict with any requirements, specifications, terms, or conditions of the Contract, the Contract terms and conditions shall prevail.

36. CONTRACT REVISIONS

Notwithstanding General Contract Conditions, section 42 of the PUR 1000 Form, the following types of revisions can be made to the Contract upon written authorization by the Department:

a) Contractor's Company Information and Contacts
b) Contract Administrator
c) Contract Forms
d) Catalog Revisions

The Contractor shall use the appropriate form to request changes to the items listed above and shall submit the form to the Department for review and approval. Only the above listed provisions can be made without a formal Contract amendment. General Contract Conditions, section 42 of the PUR 1000, apply to all other modifications to the Contract.

37. FINANCIAL CONSEQUENCES

The Contract Administrator shall periodically review the Contractor's Compliance with the responsibilities and deliverables in the Contract. If the Contractor fails to meet and

comply with the responsibilities and deliverables established in the Contract, Contractor will be subject to damages. See Exhibit C, section 18 for additional information.

38. THIRD PARTY AUDITS AND REPORTING REQUIREMENTS

At no additional cost to the State, the Contractor is to contract with an independent third party firm (to be approved by the Department) to conduct, at a minimum, at least one random sampling of the Contractor's price list per quarter in accordance with Section 6.23 of the ITN.

The Contractor's failure to comply with this requirement may result in financial consequences and may also result in the Contractor's immediate removal from the Contract.

EXHIBIT B: GENERAL CONTRACT CONDITIONS

State of Florida
PUR 1000
General Contract Conditions

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1. Definitions. The definitions contained in s. 60A-1.001, F.A.C. shall apply to this agreement. The following additional terms are also defined:

(a) "Contract" means the legally enforceable agreement that results from a successful solicitation. The parties to the Contract will be the Customer and Contractor.

(b) "Customer" means the State agency or other entity identified in a contract as the party to receive commodities or contractual services pursuant to a contract or that orders commodities or contractual services via purchase order or other contractual instrument from the Contractor under the Contract. The "Customer" may also be the "Buyer" as defined in the PUR 1001 if it meets the definition of both terms.

(c) "Product" means any deliverable under the Contract, which may include commodities, services, technology or software.

(d) "Purchase order" means the form or format a Customer uses to make a purchase under the Contract (e.g., a formal written purchase order, electronic purchase order, procurement card, contract or other authorized means).

2. Purchase Orders. In contracts where commodities or services are ordered by the Customer via purchase order, Contractor shall not deliver or furnish products until a Customer transmits a purchase order. All purchase orders shall bear the Contract number, shall be placed by the Customer directly with the Contractor, and shall be deemed to incorporate by reference the Contract terms and conditions. Any discrepancy between the Contract terms and the terms stated on the Contractor's order form, confirmation, or acknowledgement shall be resolved in favor of terms most favorable to the Customer. A purchase order for services within the ambit of section 287.058(1) of the Florida Statutes shall be deemed to incorporate by reference the requirements of subparagraphs (a) through (f) thereof. Customers shall designate a contract

manager and a contract administrator as required by subsections 287.057(15) and (16) of the Florida Statutes.

3. Product Version. Purchase orders shall be deemed to reference a manufacturer's most recently release model or version of the product at the time of the order, unless the Customer specifically requests in writing an earlier model or version and the contractor is willing to provide such model or version.

4. Price Changes Applicable only to Term Contracts. If this is a term contract for commodities or services, the following provisions apply.

(a) Quantity Discounts. Contractors are urged to offer additional discounts for one time delivery of large single orders. Customers should seek to negotiate additional price concessions on quantity purchases of any products offered under the Contract. State Customers shall document their files accordingly.

(b) Best Pricing Offer. During the Contract term, if the Customer becomes aware of better pricing offered by the Contractor for substantially the same or a smaller quantity of a product outside the Contract, but upon the same or similar terms of the Contract, then at the discretion of the Customer the price under the Contract shall be immediately reduced to the lower price.

(c) Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. A Contractor shall submit to the Contract Specialist documentation identifying the proposed (1) starting and ending dates of the promotion, (2) products involved, and (3) promotional prices compared to then-authorized prices. Promotional prices shall be available to all Customers. Upon approval, the Contractor shall provide conspicuous notice of the promotion.

(d) Trade-In. Customers may trade-in equipment when making purchases from the Contract. A trade-in shall be negotiated between the Customer and the Contractor. Customers are obligated to actively seek current fair market value when trading equipment, and to keep accurate records of the process. For State agencies, it may be necessary to provide documentation to the Department of Financial Services and to the agency property custodian pursuant to Chapter 273, F.S.

(e) Equitable Adjustment. The Customer may, in its sole discretion, make an equitable adjustment in the Contract terms or pricing if pricing or availability of supply is affected by extreme and unforeseen volatility in the marketplace, that is, by circumstances that satisfy all the following criteria: (1) the volatility is due to causes wholly beyond the Contractor's control, (2) the volatility affects the marketplace or industry, not just the particular Contract source of supply, (3) the effect on pricing or availability of supply is substantial, and (4) the volatility so

affects the Contractor that continued performance of the Contract would result in a substantial loss.

5. Additional Quantities. For a period not exceeding ninety (90) days from the date of Contract award, the Customer reserves the right to acquire additional quantities up to the amount shown on the Contract but not to exceed the threshold for Category Two at the prices submitted in the response to the solicitation.

6. Packaging. Tangible product shall be securely and properly packed for shipment, storage, and stocking in appropriate, clearly labeled, shipping containers and according to accepted commercial practice, without extra charge for packing materials, cases, or other types of containers. All containers and packaging shall become and remain Customer's property.

7. Inspection at Contractor's Site. The Customer reserves the right to inspect, at any reasonable time with prior notice, the equipment or product or plant or other facilities of a Contractor to assess conformity with Contract requirements and to determine whether they are adequate and suitable for proper and effective Contract performance.

8. Safety Standards. All manufactured items and fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate State inspector. Acceptability customarily requires, at a minimum, identification marking of the appropriate safety standard organization, where such approvals of listings have been established for the type of device offered and furnished, for example: the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and/or National Electrical Manufacturers' Association for electrically operated assemblies; and the American Gas Association for gas-operated assemblies. In addition, all items furnished shall meet all applicable requirements of the Occupational Safety and Health Act and state and federal requirements relating to clean air and water pollution.

9. Americans with Disabilities Act. Contractors should identify any products that may be used or adapted for use by visually, hearing, or other physically impaired individuals.

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

11. Transportation and Delivery. Prices shall include all charges for packing, handling, freight, distribution, and inside delivery. Transportation of goods shall be FOB Destination to any point within thirty (30) days after the Customer places an Order. A Contractor, within five (5) days after receiving a purchase order, shall notify the Customer of any potential delivery

delays. Evidence of inability or intentional delays shall be cause for Contract cancellation and Contractor suspension.

12. Installation. Where installation is required, Contractor shall be responsible for placing and installing the product in the required locations at no additional charge, unless otherwise designated on the Contract or purchase order. Contractor's authorized product and price list shall clearly and separately identify any additional installation charges. All materials used in the installation shall be of good quality and shall be free of defects that would diminish the appearance of the product or render it structurally or operationally unsound. Installation includes the furnishing of any equipment, rigging, and materials required to install or replace the product 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. 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.

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

14. Transaction Fee. The State of Florida has instituted MyFloridaMarketPlace, a statewide eProcurement System ("System"). Pursuant to section 287.057(23), Florida Statutes (2002), all payments shall be assessed a Transaction Fee of one percent (1.0%), which the Contractor shall pay to the State, unless exempt pursuant to 60A-1.032, F.A.C.

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

certifies their correctness. All such reports and payments shall be subject to audit by the State or its designee.

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

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

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

At the State's option, Contractors may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Current guidelines require that Contractor supply electronic invoices in lieu of paper-based invoices for those transactions processed through the system. Electronic invoices shall be submitted to the Customer through the Ariba Supplier Network (ASN) in one of the following mechanisms – EDI 810, cXML, or web-based invoice entry within the ASN.

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

16. Taxes. The State does not pay Federal excise or sales taxes on direct purchases of tangible personal property. The State will not pay for any personal property taxes levied on the Contractor or for any taxes levied on employees' wages. Any exceptions to this paragraph shall be explicitly noted by the Customer in the special contract conditions section of the solicitation or in the Contract or purchase order.

17. Governmental Restrictions. If the Contractor believes that any governmental restrictions have been imposed that require alteration of the material, quality, workmanship or performance of the products offered under the Contract, the Contractor shall immediately notify the Customer

in writing, indicating the specific restriction. The Customer reserves the right and the complete discretion to accept any such alteration or to cancel the Contract at no further expense to the Customer.

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

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

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

foregoing obligation shall not apply to a Customer's misuse or modification of Contractor's products or a Customer's operation or use of Contractor's products in a manner not contemplated by the Contract or the purchase order. If any product is the subject of an infringement suit or in the Contractor's opinion is likely to become the subject of such a suit, the Contractor may at its sole expense procure for the Customer the right to continue using the product or to modify it to become non-infringing. If the Contractor is not reasonably able to modify or otherwise secure the Customer the right to continue using the product, the Contractor shall remove the product and refund the Customer the amounts paid in excess of a reasonable rental for past use. The customer shall not be liable for any royalties.

The Contractor's obligations under the preceding two paragraphs with respect to any legal action are contingent upon the State or Customer giving the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense. The Contractor shall not be liable for any cost, expense, or compromise incurred or made by the State or Customer in any legal action without the Contractor's prior written consent, which shall not be unreasonably withheld.

20. Limitation of Liability. For all claims against the Contractor under any contract or purchase order, and regardless of the basis on which the claim is made, the Contractor's liability under a contract or purchase order for direct damages shall be limited to the greater of $100,000, the dollar amount of the contract or purchase order, or two times the charges rendered by the Contractor under the purchase order. This limitation shall not apply to claims arising under the Indemnity paragraph contain in this agreement.

Unless otherwise specifically enumerated in the Contract or in the purchase order, no party shall be liable to another 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 party has been advised that such damages are possible. No party shall be liable for lost profits, lost revenue, or lost institutional operating savings. The State and 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.

21. Suspension of Work. The Customer may in its sole discretion suspend any or all activities under the Contract or purchase order, at any time, when in the best interests of the State to do so. The Customer shall provide the Contractor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor shall comply with the notice and shall not accept any

purchase orders. Within ninety days, or any longer period agreed to by the Contractor, the Customer shall either (1) issue a notice authorizing resumption of work, at which time activity shall resume, or (2) terminate the Contract or purchase order. Suspension of work shall not entitle the Contractor to any additional compensation.

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

23. Termination for Cause. The Customer may terminate the Contract if the Contractor fails to (1) deliver the product within the time specified in the Contract or any extension, (2) maintain adequate progress, thus endangering performance of the Contract, (3) honor any term of the Contract, or (4) abide by any statutory, regulatory, or licensing requirement.
Rule 60A-1.006(3), F.A.C., governs the procedure and consequences of default. The Contractor shall continue work on any work not terminated. Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from events completely beyond the control, and without the fault or negligence, of the Contractor. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is completely beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted products were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule. If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Customer. The rights and remedies of the Customer in this clause are in addition to any other rights and remedies provided by law or under the Contract.

24. Force Majeure, Notice of Delay, and No Damages for Delay. The Contractor shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor shall notify the Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five (5) days after the date the Contractor first had reason to believe that a delay could result. **THE**

FOREGOING SHALL CONSTITUTE THE CONTRACTOR'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages, other than for an extension of time, shall be asserted against the Customer. The Contractor shall not be entitled to an increase in the Contract price or payment of any kind from the Customer for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor shall perform at no increased cost, unless the Customer determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State or to Customers, in which case the Customer may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers with respect to products 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 products 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.

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

26. Renewal. Upon mutual agreement, the Customer and the Contractor may renew the Contract, in whole or in part, for a period that may not exceed 3 years or the term of the contract, whichever period is longer. Any renewal shall specify the renewal price, as set forth in the solicitation response. The renewal must be in writing and signed by both parties, and is contingent upon satisfactory performance evaluations and subject to availability of funds.

27. Purchase Order Duration. Purchase orders issued pursuant to a state term or agency contract must be received by the Contractor no later than close of business on the last day of the contract's term to be considered timely. The Contractor is obliged to fill those orders in accordance with the contract's terms and conditions. Purchase orders received by the contractor after close of business on the last day of the state term or agency contract's term shall be considered void.

Purchase orders for a one-time delivery of commodities or performance of contractual services shall be valid through the performance by the Contractor, and all terms and conditions of the

state term or agency contract shall apply to the single delivery/performance, and shall survive the termination of the Contract.

Contractors are required to accept purchase orders specifying delivery schedules exceeding the contracted schedule even when such extended delivery will occur after expiration of the state term or agency contract. For example, if a state term contract calls for delivery 30 days after receipt of order (ARO), and an order specifies delivery will occur both in excess of 30 days ARO and after expiration of the state term contract, the Contractor will accept the order. However, if the Contractor expressly and in writing notifies the ordering office within ten (10) calendar days of receipt of the purchase order that Contractor will not accept the extended delivery terms beyond the expiration of the state term contract, then the purchase order will either be amended in writing by the ordering entity within ten (10) calendar days of receipt of the contractor's notice to reflect the state term contract delivery schedule, or it shall be considered withdrawn.

The duration of purchase orders for recurring deliveries of commodities or performance of services shall not exceed the expiration of the state term or agency contract by more than twelve months. However, if an extended pricing plan offered in the state term or agency contract is selected by the ordering entity, the contract terms on pricing plans and renewals shall govern the maximum duration of purchase orders reflecting such pricing plans and renewals.

Timely purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the state term or agency contract shall apply to the recurring delivery/performance as provided herein, and shall survive the termination of the Contract.

Ordering offices shall not renew a purchase order issued pursuant to a state term or agency contract if the underlying contract expires prior to the effective date of the renewal.

28. Advertising. Subject to Chapter 119, Florida Statutes, the Contractor shall not publicly disseminate any information concerning the Contract without prior written approval from the Customer, including, but not limited to mentioning the Contract in a press release or other promotional material, identifying the Customer or the State as a reference, or otherwise linking the Contractor's name and either a description of the Contract or the name of the State or the Customer in any material published, either in print or electronically, to any entity that is not a party to Contract, except potential or actual authorized distributors, dealers, resellers, or service representative.

29. Assignment. The Contractor shall not sell, assign or transfer any of its rights, duties or obligations under the Contract, or under any purchase order issued pursuant to the Contract, without the prior written consent of the Customer. In the event of any assignment, the Contractor remains secondarily liable for performance of the contract, unless the Customer

expressly waives such secondary liability. The Customer may assign the Contract with prior written notice to Contractor of its intent to do so.

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

31. Dispute Resolution. Any dispute concerning performance of the Contract shall be decided by the Customer's designated contract manager, who shall reduce the decision to writing and serve a copy on the Contractor. The decision shall be final and conclusive unless within twenty one (21) days from the date of receipt, the Contractor files with the Customer a petition for administrative hearing. The Customer's decision on the petition shall be final, subject to the Contractor's right to review pursuant to Chapter 120 of the Florida Statutes. Exhaustion of administrative remedies is an absolute condition precedent to the Contractor's ability to pursue any other form of dispute resolution; provided, however, that the parties may employ the alternative dispute resolution procedures outlined in Chapter 120.

Without limiting the foregoing, the exclusive venue of any legal or equitable action that arises out of or relates to the Contract shall be the appropriate state court in Leon County, Florida; in any such action, Florida law shall apply and the parties waive any right to jury trial.

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

33. Security and Confidentiality. The Contractor shall comply fully with all security procedures of the United States, State of Florida and Customer in performance of the Contract. The Contractor shall not divulge to third parties any confidential information obtained by the Contractor or its agents, distributors, resellers, subcontractors, officers or employees in the

course of performing Contract work, including, but not limited to, security procedures, business operations information, or commercial proprietary information in the possession of the State or Customer. The Contractor shall not be required to keep confidential information or material that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the State's or Customer's confidential information, or material that is otherwise obtainable under State law as a public record. To insure confidentiality, the Contractor shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this paragraph shall survive the Contract.

34. Contractor Employees, Subcontractors, and Other Agents. The Customer and the State shall take all actions necessary to ensure that Contractor's employees, subcontractors and other agents are not employees of the State of Florida. Such actions include, but are not limited to, ensuring that Contractor's employees, subcontractors, and other agents receive benefits and necessary insurance (health, workers' compensations, and unemployment) from an employer other than the State of Florida.

35. Insurance Requirements. During the Contract term, the Contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor. Upon request, the Contractor shall provide certificate of insurance. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies shall be through insurers authorized or eligible to write policies in Florida.

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

37. Warranty of Ability to Perform. The Contractor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Contractor's ability to satisfy its Contract obligations. The Contractor warrants that neither it nor any affiliate is currently on the convicted vendor list maintained pursuant to section 287.133 of the Florida Statutes, or on any similar list maintained by any other state or the federal government. The Contractor shall immediately notify the Customer in writing if its ability to perform is compromised in any manner during the term of the Contract.

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

39. Leases and Installment Purchases. Prior approval of the Chief Financial Officer (as defined in Section 17.001, F.S.) is required for State agencies to enter into or to extend any lease or installment-purchase agreement in excess of the Category Two amount established by section 287.017 of the Florida Statutes.

40. Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE). Section 946.515(2), F.S. requires the following statement to be included in the solicitation: "It is expressly understood and agreed that any articles which are the subject of, or required to carry out, the Contract shall be purchased from the corporation identified under Chapter 946 of the Florida Statutes (PRIDE) in the same manner and under the same procedures set forth in section 946.515(2) and (4) of the Florida Statutes; and for purposes of the Contract the person, firm, or other business entity carrying out the provisions of the Contract shall be deemed to be substituted for the agency insofar as dealings with such corporation are concerned." Additional information about PRIDE and the products it offers is available at http://www.pridefl.com.

41. Products Available from the Blind or Other Handicapped. Section 413.036(3), F.S. requires the following statement to be included in the solicitation: "It is expressly understood and agreed that any articles that are the subject of, or required to carry out, this contract shall be purchased from a nonprofit agency for the Blind or for the Severely Handicapped that is qualified pursuant to Chapter 413, Florida Statutes, in the same manner and under the same procedures set forth in section 413.036(1) and (2), Florida Statutes; and for purposes of this contract the person, firm, or other business entity carrying out the provisions of this contract shall be deemed to be substituted for the State agency insofar as dealings with such qualified nonprofit agency are concerned." Additional information about the designated nonprofit agency and the products it offers is available at http://www.respectofflorida.org.

42. Modification of Terms. The Contract contains all the terms and conditions agreed upon by the parties, which terms and conditions shall govern all transactions between the Customer and the Contractor. The Contract may only be modified or amended upon mutual written agreement of the Customer and the Contractor. No oral agreements or representations shall be valid or binding upon the Customer or the Contractor. No alteration or modification of the Contract terms, including substitution of product, shall be valid or binding against the Customer. The Contractor may not unilaterally modify the terms of the Contract by affixing additional terms to product upon delivery (e.g., attachment or inclusion of standard preprinted forms, product literature, "shrink wrap" terms accompanying or affixed to a product, whether written or electronic) or by incorporating such terms onto the Contractor's order or fiscal forms or other documents forwarded by the Contractor for payment. The Customer's acceptance of product or processing of documentation on forms furnished by the Contractor for approval or payment shall not constitute acceptance of the proposed modification to terms and conditions.

43. Cooperative Purchasing. Pursuant to their own governing laws, and subject to the agreement of the Contractor, other entities may be permitted to make purchases at the terms and conditions contained herein. Non-Customer purchases are independent of the agreement between Customer and Contractor, and Customer shall not be a party to any transaction between the Contractor and any other purchaser.

State agencies wishing to make purchases from this agreement are required to follow the provisions of s. 287.042(16)(a), F.S. This statute requires the Department of Management Services to determine that the requestor's use of the contract is cost-effective and in the best interest of the State.

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

45. Annual Appropriations. The State's performance and obligation to pay under this contract are contingent upon an annual appropriation by the Legislature.

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

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

EXHIBIT C: CONTRACT FORMS

Forms included in this Contract:

- Quarterly Reporting (Excel File)
- Contact Information Worksheet
- Ordering Instructions
- Savings / Price Reductions
- Preferred Pricing Affidavit
- Product Update (Excel File)

Quarterly Report (Excel file)

Quarterly Report Form.xlsx

Contractor Information Worksheet

Contractor_Information_Worksheet.doc

Ordering Instructions

Ordering Instructions.doc

Savings / Price Reductions

Savings-Reduction Verification.doc

Preferred Pricing Affidavit

Preferred Pricing Affidavit.docx

Product Update

Product Update Form.xls

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

state purchasing

We serve those who serve Florida

Invitation to Negotiate

For

Licensing Solutions Providers of Microsoft Software and Services

ITN No. 07-43230000-L

Florida Department of Management Services

ITN Issue Date: December 17, 2014

Replies Due: February 17, 2015
2:00 p.m. Eastern Time

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1 Introduction

The State of Florida ("State"), Department of Management Services (DMS or "Department"), invites interested vendors to submit replies to this Invitation to Negotiate (ITN) in accordance with these solicitation documents for the purchase and delivery of Microsoft software licenses, maintenance and services. The purpose of the solicitation is to establish a three year State Term Contract (STC), for use by all State of Florida agencies and Other Eligible Users (OEUs) with potential options for renewals as allowed by Chapter 287, Florida Statutes. Subsection 287.012(28), Florida Statutes, defines STC as "indefinite quantity contracts competitively procured by the Department pursuant to section 287.057, Florida Statutes, available for use by Eligible Users." Information regarding the desired Microsoft software, maintenance, and services can be found in section 5, Selection Methodology, of this solicitation document and in section 7, Statement of Work (SOW).

This solicitation will be administered using the Department's e-sourcing tool, MyFloridaMarketPlace (MFMP). Information about submitting a reply can be found in section 3, General and Special Instructions and section 4, Vendor Submission, of this solicitation. Vendors interested in submitting a reply to this solicitation must substantially comply with all of the terms and conditions described within.

1.1 Objective

The goal is to obtain the most cost effective Microsoft software licenses, maintenance and services for the State of Florida. Responsible Vendors must have the capability to provide the Microsoft software licenses, maintenance and services in all respects in accordance with the solicitation documents and to the satisfaction of the Department.

The current Microsoft STC (252-001-09-1) has an average annual volume of $47 million dollars for software licenses, maintenance and services provided by a Microsoft approved Licensing Solutions Provider (LSP). Sales volume is for informational purposes only and should not be construed as representing actual, guaranteed, or minimum purchase under any new STC.

1.2 Term

The initial term of the contract will be three years with up to three renewal years. The contract may be renewed for a period that will not exceed the initial contract term, at the renewal pricing or discount rate specified in the contract. The contract term is expected to begin on or about June 1, 2015.

1.3 Single Award

The Department intends to make a statewide award to one Licensing Solutions Provider (LSP). However, the Department reserves the right to award to one or multiple Responsive and Responsible Vendors, as described in section 5, or to make no award, as determined to be in the best interests of the State.

1.4 Definitions

In addition to the definitions in the PUR 1000 and 1001, the definitions listed below apply to this solicitation. In case of a conflict between the definitions listed in the PUR documents and the definitions listed below, the definitions listed below will take precedence.

1.4.1 Catalog

A Department approved list of software licenses, maintenance and services or description of services within the scope of the ITN arranged systematically with corresponding Florida Prices.

1.4.2 Contract

The agreement that results from this competitive procurement, if any, between the Department and the Responsive and Responsible Vendor(s) who provides the best value to the State of Florida. (This definition replaces the definition in the PUR 1000.)

1.4.3 Contract Administrator

The DMS Contract Administrator.

1.4.4 Contractor(s)

The responsive and responsible vendor(s) awarded a Contract pursuant to this solicitation.

1.4.5 Customer

Any Eligible User as defined in this solicitation.

1.4.6 Eligible User

As defined in subsection 287.012(11), Florida Statutes and Rule 60A-1.005, Florida Administrative Code

1.4.7 Enrollment for Education Solutions (EES)

The Microsoft Volume Licensing Enrollment for Education Solutions (EES) offering, formerly known as the Microsoft Campus Agreement, provides qualified academic customers, of all sizes, a simplified way to acquire Microsoft software and services under a single subscription agreement. The Enrollment for Education Solutions agreement provides assured coverage for desktop platform software licenses, maintenance and services through one annual count of Full-time Equivalent (FTE) employees, the ability to add additional software licenses, maintenance and services as needed, student licensing options, and Software Assurance.

1.4.8 Enterprise

The total business operations in the United States of Eligible User(s) without regard to geographic location where such operations are performed or the entity that is actually performing such operations on behalf of Eligible Users.

1.4.9 Estimated Reference Price (ERP)

The price set by Microsoft for Florida Level D (Government) and Florida Level A (Academic). Should Florida's licensing purchases move the state into a different level or different discount rate (based on State of Florida purchases) as defined by Microsoft, the ERP and Florida price is to reflect that change.

1.4.10 Error Corrections

Machine executable software code furnished by the software publisher, which corrects the software so as to conform to the applicable warranties, performance standards and/or obligations of the software publisher.

1.4.11 Florida Price

The ceiling price listed on the Vendor Price Sheet, which is calculated per this solicitation and resulting Contract that can be paid by Customers for Microsoft software licenses, maintenance, and services.

1.4.12 Licensed Software

Software transferred upon the terms and conditions set forth in the Contract. "Licensed Software" includes error corrections, upgrades, enhancements or new releases, and any deliverables due under a maintenance or service contract (e.g., patches, fixes, program temporary fix (PTF), programs, code or data conversion, or custom programming).

1.4.13 Licensee

One or more Eligible Users who acquire licensed software from Contractor by issuing a Purchase Order in accordance with the terms and conditions of the Contract; provided that, for purposes of compliance with an individual license, the term "Licensee" is to be deemed to refer separately to the individual Eligible User who took receipt of and who is executing the software licenses, maintenance and services, and who is to be solely responsible for performance and liabilities incurred. In the case of acquisitions by State Agencies, the Licensee is to be the State of Florida.

1.4.14 Licensing Solutions Provider (LSP)

Approved by Microsoft to provide licensing expertise to enable cost-effective solutions for applicable devices using both on-premises and cloud based software licenses, maintenance and services. For this solicitation, the LSP model will follow the indirect pricing and billing model such that Microsoft provides pricing to the LSP and the LSP sets the customer purchase price. The customer places orders and remits payment to the LSP. In addition to qualifying as a Microsoft LSP, LSPs have at least five years' experience providing the software licenses, maintenance and services described in this solicitation to other government entities similar in size and buying power to Florida from October 1, 2009 to the present.

1.4.15 Master Business Agreement (MBA)
The overarching agreement that is established by Microsoft with the State of Florida under which all Microsoft licensing agreements are established.

1.4.16 Microsoft Cloud Solutions
Software and platforms that are sold "as a service" and are accessed remotely through the internet. Examples of Microsoft cloud solutions include, but are not limited to, Office 365, Azure, Microsoft Dynamics, Windows Intune, and Microsoft Cloud OS.

1.4.17 Microsoft Core Competencies
Competency standards Microsoft uses to rate the capability, expertise and commitment of entities, including LSPs. Microsoft Silver competencies represent consistent capability, expertise and commitment while Gold competencies demonstrate best-in-class capability within a specific Microsoft solution area.

1.4.18 Microsoft Enterprise Agreement (EA)
Allows government organizations with more than 250 personal computers, devices and/or users to license Microsoft software and cloud services over a three-year period at the best available pricing.

1.4.19 Microsoft Enterprise License
A license grant of unlimited rights to deploy, access, use, and execute Software licenses, maintenance and services anywhere within the Enterprise up to the maximum capacity stated on the Purchase Order or in the Contract.

1.4.20 Other Eligible User (OEU)
Eligible Users who are not state agencies.

1.4.21 Software licenses, maintenance and services
A deliverable under any solicitation or contract, which may include commodities, services, and/or technology. The term "Software licenses, maintenance and services" includes Licensed Software.

1.4.22 Respondent
A vendor/company that submits a reply to this solicitation.

1.4.23 Responsible Vendor
As defined in subsection 287.012(25), Florida Statute. A vendor who has the capability, in all respects, to fully perform the Contract requirements and the integrity and reliability that will assure good faith performance.

1.4.24 Responsive Vendor
As defined in subsection 287.012(27), Florida Statute. A vendor that has submitted a reply that conforms in all material respects to the solicitation.

1.4.25 Select Plus Agreement

A single, organization-wide agreement for volume licensing that supports both centralized and decentralized purchasing of Licensed Software on an as-needed basis.

1.4.26 Software

A generic term for organized collections of computer data and instructions, often broken into two major categories: system software that provides the basic non-task-specific functions of the computer, and application software, which is used by users to accomplish specific tasks.

1.4.27 Software Assurance (SA)

The provision of 24x7 support, deployment planning services, end-user and technical training, and the latest software releases. Software Assurance must be made available to Customers by the Contractor; however, the purchase of SA is an option.

1.4.28 State

The State of Florida.

1.4.29 State Purchasing

The division within the Department responsible for administration of this solicitation and will be responsible for day-to-day administration of the Contract.

1.4.30 Value-added Services

Non-core services offered to enhance a vendor's proposed offer. These services are to provide direct enhancement to Microsoft software licenses, maintenance and services and may or may not include a charge.

1.4.31 Vendor(s)

The entity or entities capable, authorized to provide, and in the business of providing a commodity or contractual service as described within this solicitation.

1.5 Commodity Codes

Applicable commodity codes for this solicitation are as follows:

UNSPSC Codes:

- 43230000 Software
- 43231500 Business function specific software
- 43231507 Project management software
- 43231513 Office suite software
- 43232300 Data management and query software
- 43232400 Development software

- 43232500 Educational or reference software
- 43232700 Network application software
- 43232701 Application server software
- 43232705 Internet browser software
- 43232800 Network management software
- 43232900 Networking software
- 43233004 Operating system software
- 43233400 Utility and device driver software

1.6 Special Accommodations

Any person requiring a special accommodation due to a disability should contact the Department's Americans with Disabilities Act (ADA) Coordinator, at (850) 922-7535. Requests for accommodation for meetings must be made at least five workdays prior to the meeting. A person who is hearing or speech impaired can contact the ADA Coordinator by using the Florida Relay Service at (800) 955-8771 (TDD).

1.7 Procurement Officer

The person named below is the Procurement Officer issuing the above listed solicitation. The Procurement Officer is the sole point of contact for information regarding this solicitation from the date of release of the solicitation until the contract award is made and announced in the Vendor Bid System (VBS).

1.7.1 The Procurement Officer for this solicitation is:

Mina Barekat
Associate Category Manager
Division of State Purchasing
Florida Department of Management Services
4050 Esplanade Way, Suite 360, Tallahassee, FL 32399-0950
Phone: 850-488-1985
Email: Mina.Barekat@dms.myflorida.com

1.8 Submitting Questions

All questions regarding the content of this solicitation must be submitted in accordance with section 5 of the PUR 1001 form, which is incorporated into this solicitation by reference in section 3 of the solicitation. Instructions for submitting questions can be found in section 2.4 of this solicitation.

1.9 Limit on Contact Reminder

As a reminder, section 21 of the PUR 1001 form is incorporated into this solicitation by reference in section 3 of the solicitation, please note:

"Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the end of the 72-hour period following the agency posting the notice of intended award, excluding Saturdays, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the procurement officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a reply."

1.10 Supporting Documentation

All supporting documentation is to be included as part of the Respondent's reply. Failure to provide all supporting documentation may result in the rejection of the reply.

1.11 Must, Shall and Will

Although this ITN uses terms such as "must", "shall", and "will" and defines certain items as requirements, the Department reserves the right, in its discretion, to waive any minor irregularity, technicality, or omission if the Department determines that it is in the best interest of the State to do so. However, failure to provide requested information may result in the rejection of a reply. There is no guarantee that the Department will waive an omission or deviation, or that any Vendor with a reply containing a deviation or omission will advance to the negotiation stage of this procurement. The Department may reject any reply not submitted in the manner specified by this solicitation.

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2 The Solicitation

2.1 Governance

The solicitation is governed by Chapter 287, Florida Statutes, and Rule 60.A-1, Florida Administrative Code. The Department posts solicitations on the Vendor Bid System (VBS) to initiate the process. Replies to the solicitation from the Responsive and Responsible vendors will be evaluated against the Selection Methodology found in section 5.

The solicitation has the following statuses and phases:

2.1.1 The Solicitation Statuses

A solicitation formally begins when the Department posts a Notice of Solicitation in the VBS. The VBS is the State of Florida's system of record, and all competitive solicitations are posted there.

Generally, the Notice of Solicitation posted in VBS consists of the solicitation number and name, as well as instructions for responding to the solicitation.

Solicitations conducted in MFMP can exist in two statuses:

- Preview
- Open

2.1.2 Solicitation in Preview Status

An ITN published in MFMP is initially in Preview Status. When a solicitation is in Preview Status, potential Respondents and the general public can view and download all the information related to a particular solicitation. Vendors who are registered with MFMP are able to submit questions using MFMP's Messaging tab. The Department will answer all questions submitted through the MFMP Messaging system in a formal Question and Answer Addendum as described in subsection 2.5.

A solicitation remains in Preview Status until the Question and Answer Addendum is issued.

2.1.3 Solicitation in Open Status

Once the Question and Answer Addendum is issued, a solicitation enters Open Status. When a solicitation is in Open Status, all vendors who are registered with MFMP may submit replies until the Reply Due Date listed in the Timeline of Events, subsection 2.2.

2.1.4 Phases of the ITN Process

The ITN process is divided into two phases. The Evaluation Phase involves the Department's initial evaluation of replies. During the Evaluation Phase, all responsive replies will be evaluated against the evaluation criteria set forth in this ITN to establish a competitive range of replies reasonably susceptible of award. The Department will

then select one or more Respondents within the competitive range with which to commence negotiations.

The Negotiation Phase involves negotiations with the selected Respondent(s). During the Negotiation Phase, the Department may request revised replies and/or best and final offers based on the negotiations. Following negotiations, the Department will post a notice of intended contract award, identifying the Responsive and Responsible Respondent(s) that provides the best value to the state.

2.2 Timeline of Events

Respondents should become familiar with the Timeline of Events. A copy of the Timeline of Events is available for download in subsection 4.7.5.

The dates and times within the Timeline of Events may be subject to change. All changes to the Timeline of Events will be through an Addendum to the solicitation posted to the VBS and added to the solicitation in MFMP. It is the responsibility of the Respondent to check for any changes in both locations.

Event	Time	Date
Solicitations Notification posted in the VBS Solicitation Opens in MFMP in Preview Mode		12/17/2014
Public Meeting: Pre-Reply Conference and MFMP Training **Non-Mandatory** for Respondents Betty Easley Conference Center 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	01/09/2015
Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015
Question Submission Deadline	2:00 p.m.	01/20/2015
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015

Event	Time	Date
Replies Due in MFMP Sourcing	2:00 p.m.	02/24/2015
Public Meeting: Reply Opening **Non-Mandatory** for Respondents 4050 Esplanade Way, room 335K Tallahassee, FL 32399	2:01 p.m.	02/24/2015
Public Meeting: Evaluation Team Recommendation to Stage 2, Negotiations **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:30 p.m.	03/11/2015
Anticipated posting of negotiation vendors		03/25/2015
Negotiation Sessions		04/01/2015 – 04/17/2015
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	04/29/2015
Anticipated date to post Notice of Intent to Award.	On or about	05/13/2015
Anticipated Contract Start Date	On or about	06/01/2015

All Events following the Reply Opening are anticipated and subject to change in time, date, and location. Activities during the Evaluation Phase may alter the Timeline of Events. The Department will update the Timeline of Events in an Addendum if any changes occur.

2.3 Public Meetings During the Solicitation

The Department may conduct Public Meetings. Members of the general public, current vendors, potential vendors, and interested persons are invited to attend any Public Meeting. Anyone attending these meetings is requested, but not obligated, to register their attendance in a means provided by the Department at the time and location of the meeting.

Each public meeting will be held according to the Timeline of Events, subsection 2.2.

2.4 Question Submission Period

The Department invites interested and registered vendors to submit questions regarding the solicitation through the MFMP "Messaging" tab (referred to as the "Q&A Board" in PUR 1001) during the defined Question Submission Period. The Question Submission Period begins in MFMP when the Department publishes a solicitation and closes according to the Timeline of Events, subsection 2.2 of this solicitation.

The purpose of this Question Submission Period is to assist the Department in "...assuring the vendor's full understanding of the solicitation requirements" in accordance with subsection 287.057(2), Florida Statutes, by providing registered vendors with written binding answers to questions about the solicitation.

In order to submit a question, vendors must be registered in MFMP and able to access the 'Messages' tab in the solicitation dashboard per the PUR 1001 Form incorporated into this solicitation by reference in section 3 of the solicitation.

Questions must be submitted via the Q&A Board within MFMP and must be received no later than the time and date reflected on the Timeline. Questions are to be answered in accordance with the Timeline. All questions submitted is to be published and answered in a manner that all respondents will be able to view. Respondents are not to contact any other employee of the Buyer or the State for information with respect to this solicitation. Each respondent is responsible for monitoring the MFMP site for new or changing information. The Department shall not be bound by any verbal information or by any written information that is not contained within the solicitation documents or formally noticed and issued by the Department's contracting personnel.

2.5 Question and Answer (Q&A) Addendum

The Department will issue an addendum containing the questions submitted by registered vendors and the written binding answers of the Department. This addendum will be issued according to the Timeline of Events, subsection 2.2.

2.6 Additional Addenda

The Department reserves the right to modify this solicitation by issuing additional addenda. Addenda may modify any aspect of this solicitation. Any addenda issued will be posted on the VBS and within MFMP. It is the vendor's responsibility to check for any changes to a solicitation prior to submitting a reply.

2.7 Contract Formation

The Department intends to enter into a Contract with the awarded vendor(s) pursuant to the Selection Methodology in section 5. The Contract will be composed of the following:

- Contract Cover Sheet

- Special Contract Terms and Conditions
- General Contract Conditions
- Statement of Work (SOW)
- Vendor Price Sheets
- Contract Forms
- Other Documentation (as required)

A vendor's reply to this solicitation is its agreement to and waiver of any objections, not already waived by lack of timely proper petition under paragraph 120.57(3)(b), Florida Statutes, regarding the General and Special Contract Terms and Conditions and to the SOW.

2.8 Reply Contents

The Respondent reply is to be organized as directed in subsection 4.4 of this solicitation. Respondents are to complete each section entirely or the Respondent may be deemed nonresponsive.

2.9 Documentation

All documentation supplied by a vendor as part of its sealed reply to this solicitation becomes the exclusive property of the Department upon the Reply Opening listed in the Timeline of Events, subsection 2.2.

2.10 Replacement or Withdrawal of Reply to a Solicitation

A vendor may replace or withdraw a submitted reply to a solicitation at any time prior to the Reply Opening listed in the Timeline of Events, subsection 2.2. See subsection 3.2 for instructions regarding entering and revising replies in MFMP.

2.11 Diversity

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

Companies that desire to be certified as a small, minority-, veteran-, or women-owned business can request certification information from the Department's Office of Supplier Diversity, which can be reached by clicking here.

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3 General (PUR 1001) and Special Instructions to Respondents

This section contains the general instructions, special instructions, and helpful information for Respondents.

3.1 General (PUR 1001) Instructions

General Instructions to Respondents (PUR 1001) is incorporated into this solicitation by reference and may be downloaded and viewed by clicking on the link here: PUR 1001

3.2 Special Instructions

This section contains special instructions regarding MFMP vendor registration, sourcing tips and training information, as well as, information regarding who may respond and how to submit a reply.

3.2.1 MFMP Registration

In order to submit a question or reply, vendors must have a current vendor registration and be listed as 'active' for "Sourcing Events" within the MFMP Vendor Information Portal (VIP). The VIP can be accessed via this link: https://vendor.myfloridamarketplace.com/. The MFMP may be accessed using the following link: https://sourcing.myfloridamarketplace.com

Registered State of Florida Vendors: Login using your MFMP Vendor Information Portal username and password to view active solicitations. To see other solicitation information, please go to the VBS. Click here to go to VBS.

Public Access: If you wish to view active solicitations click the 'Public Access' button. To see other solicitation information, please go to the VBS. Click here to go to VBS. To participate in a solicitation within MFMP, you must be a registered MFMP vendor. If you are not currently registered with MFMP you must:

1. Create an account through the MFMP VIP.
2. Within MFMP - VIP, indicate on the Solicitations page that you wish to participate in electronic solicitations.
3. Within MFMP - VIP, in the Commodity Selections section, select the commodity codes for the goods and services that your business would like to provide to the State. You will not be informed of events for commodities that you do not select here.

Please Note that changes made in MFMP - VIP, including new registrations, will take effect the following business day. Click here to register.

All Vendors: Vendors must complete their registration **at least 48 hours** before a reply submission is due.

In order to join an event in MFMP and post questions related to the solicitation, Respondent must review and accept the agreement to use MFMP (see tips below).

3.2.2 Sourcing Tips and Training

a) After logging into MFMP, "My Events" lists events the Respondent already chose to "Join" (i.e., you intend to submit a formal reply).

b) "Public Events" lists those events associated with the Respondent's registered commodity codes listed in their VIP accounts, but the Respondent has not yet "Joined."

c) Joining an event moves the event from "Public Events" to "My Events," allows the Respondent to submit questions about the event, and alerts Respondents to any associated updates (e.g., addenda, event edits, etc.).

d) Respondents must join an event to submit replies to solicitations.

e) To respond to a solicitation, respondents must review and accept the electronic agreement on the "Review and Accept Agreement" page. Click the radio button next to, "I accept the terms of this agreement." The Sourcing acceptance acknowledgement agreement is a general agreement that prospective Respondents accept the broad overall requirements of the solicitation as being focused on the good/service sought, and the general requirements of how the Department seeks delivery of that good/service. It is a preliminary acknowledgement that terms and conditions (T&Cs) are accepted in terms of understanding what the solicitation is calling for, and it is not a legally binding agreement that all T&Cs are accepted as is, without further question, clarification, and negotiations.

   MFMP will request that the Respondent acknowledge that all T&C generally described are understood, and accepted for purposes of understanding generally what is being solicited.

   No Respondent is bound to the T&C outlined in the solicitation until the final evaluations, award, and Contract occurs.

f) When responding, save work frequently – at intervals less than 20 minutes. MFMP automatically times out after 20 minutes of inactivity. Any unsaved information will be lost when the system times out.

g) Clicking the "Save" button within MFMP only saves solicitation replies.

h) To transmit replies to the state, Respondents must click "Submit Entire Reply."

i) After clicking the "Submit Entire Reply" button, Respondents are responsible to verify and validate any submitted reply in MFMP to assure their replies are accurate and complete prior to the reply closing time.

j) Respondents should allow sufficient time, prior to the Solicitation event period closing, to address any errors and resubmit revised replies.

k) To validate replies; please do the following before the Solicitation period ends:
   i. Click the "Reply History" link to confirm that your "submitted" reply is visible, and therefore formally submitted.

   ii. Confirm that a status of "Accepted" displays next to your submitted reply.

   iii. Click on the Reference number of your submitted reply to review the submission.

   iv. Please check the following:

      - ☐ Text boxes – Is your entire answer viewable?
      - ☐ Yes/No questions – Are the displayed answers correct?
      - ☐ Attachments – Will attachments open and are the documents viewable, complete and the correct one for that attachment request?

For questions, please contact the MFMP Customer Service Desk at 1-866-352-3776 or email vendorhelp@myfloridamarketplace.com.

The awarded vendor(s) will be required to pay the required transaction fees as specified in section 14 of the PUR 1000, unless an exemption has been requested and approved prior to the award of the contract, pursuant to subsection 287.042(h), Florida Statutes.

3.2.3 Training

MFMP offers a vendor training guide on the DMS website at: http://www.dms.myflorida.com/business_operations/state_purchasing/myfloridamarketplace/mfmp_vendors/vendor_toolkit/mfmp_sourcing_3_0_upgrade. Respondents may download the pdf document for review. In addition, MFMP training will be offered to vendors as indicated in subsection 2.2, Timeline of Events.

3.3 Who May Respond

The Department will evaluate replies from Responsive and Responsible vendors that are LSPs, (as defined in this solicitation), which have been approved by Microsoft as LSPs and have at least five years' experience providing Microsoft software licenses, maintenance and services described in this solicitation to other government entities similar in size and buying power to Florida from October 1, 2009 to the present. Respondents must be able to sell Enterprise Agreements (including EES for academic) and Select Plus licensing agreements. Respondents may not satisfy either the LSP requirement or the volume requirement through association with one or more other LSPs or association with other Responsive and Responsible vendors. In addition, to be eligible for award, a Respondent is to demonstrate the capability to perform a statewide contract in the State of Florida, meet the criteria listed in section 4, section 7, and answer "yes" to all Qualification Questions listed in subsection 4.1 of this solicitation.

3.4 How to Submit a Reply

Respondents are to submit their replies electronically via MFMP. The Department will only evaluate replies submitted using MFMP. Respondents are to answer the qualification questions listed in subsection 4.1 in order to be able to submit a reply.

Replies that do not contain all of the requested information may be deemed non-responsive. Fancy bindings, colored displays, and promotional material are not desired. The emphasis of each reply is to be on completeness and clarity of content, prepared simply and economically, providing a straightforward, concise delineation of the respondent's capabilities to satisfy the requirements of this ITN.

Respondents are responsible for submitting their replies by the date and time specified in the Timeline of Events located in subsection 2.2 of this solicitation. **The Department will not consider late replies.**

3.5 Additional Information

By submitting a reply, the vendor certifies that it agrees to and satisfies all criteria specified in the solicitation. The Department may request, and a Respondent is to provide, supporting information or documentation. Failure to supply supporting information or documentation as requested may result in the vendor being determined to not be a responsive vendor and their replies not being evaluated.

3.6 Alternate Reply

Respondent may only submit one reply. Within the reply the Respondent is to submit pricing and discounts as provided in the Vendor Price Sheet. The Department seeks each Respondent's single-best Reply for the State of Florida as outlined in the ITN, specifically section 4, Vendor Submission, and section 7, Statement of Work.

4 Vendor Submission

Section 4 of this solicitation contains the substance of the requested reply. Although vendors are to read and consider this entire solicitation, responding vendors will submit and provide documentation only as required in this section Respondents are to answer all questions and submit all documentation requested as part of this section, in accordance with the instructions presented for each subsection.

4.1 Qualification Questions

Responding vendors shall submit a Yes/No Reply to the following Qualification Questions within MFMP. A responding vendor must meet the qualifications identified and certify their compliance with the requirements in the following Qualification Questions in order to be considered Responsible and Responsive for award.

Vendors must answer all qualifying questions truthfully. **VENDORS THAT ANSWER 'NO' TO ANY OF THE QUALIFICATION QUESTIONS WILL BE CONSIDERED NON-RESPONSIVE AND THEIR REPLIES WILL NOT BE EVALUATED.**

Qualification Questions	
Question 1	Does Respondent certify that the person submitting the reply is authorized to submit a reply on behalf of their company?
Question 2	Does the Respondent certify that their company is an authorized LSP for Microsoft software licenses, maintenance and services?
Question 3	Does the Respondent certify that it has at least five years' experience providing Microsoft software licenses, maintenance and services described in this solicitation to other government entities similar in size and buying power to Florida from October 1, 2009 to the present?
Question 4	Does Respondent certify that it is not a Discriminatory Vendor or Convicted Vendor as defined in sections 7 and 8 of the PUR 1001?
Question 5	Does Respondent certify that it is not on the Suspended / Complaints to Vendor lists? Click on this link to confirm: lists

Question 6	Does Respondent certify that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List pursuant to section 215.473, Florida Statutes?
Question 7	Does Respondent certify its representation that all the statements contained within section 9 of PUR 1001 (Respondents Representation and Authorization) are true as applied to Respondent?
Question 8	Does the Respondent certify that it will, if awarded, submit to the Department, at least annually, a completed and signed Preferred Pricing Affidavit as outlined in subsection 4.4.1.5 and required by 6.10?
Question 9	Does the Respondent certify that it has an ACTIVE registration with the Florida Department of State, Division of Corporations?

4.2 Vendor Price Sheets

Pricing replies (government and academic) are to be organized as directed in in section 4.4.1.5, Vendor Price Sheet Submission. Responding vendors are to submit complete replies as specified in the "Vendor Price Sheet" or the responding vendor may be determined a non-responsive vendor and its reply may not be evaluated. Please attach the Vendor Price Sheet(s) as directed in the "Pricing Reply" link provided in subsection 4.5.

In addition to providing the required Reply information within the Vendor Price Sheet, the responding vendor agrees and confirms that they have not altered the information, specifications, and contents of the Vendor Price Sheet, as created by the Department. Any alteration of the Vendor Price Sheet specifications or contents may result in the Respondent not being considered a Responsive Respondent and their replies not being evaluated.

Please upload completed Vendor Price Sheet(s) as indicated in subsection 4.5 of this solicitation document.

4.3 Documentation

Respondents are to upload an electronic copy of the requested documentation in the following sections. The following conditions apply to each item in this section:

- In the case where the Department provides an attachment (i.e. "Download the Worksheet / Price Sheet / Form) that is able to be electronically filled in, responding

vendors are to download the attachment, fill it out, and then attach the completed copy in the link provided in section 4.5, Vendor Reply Upload, within MFMP.

- In the case of original or signed documentation, responding vendors may attach scanned copies of original documents.

- In the case where multiple original or signed items are requested, please combine multiple scanned items into a single PDF attachment.

- MFMP accepts files up to 20 Megabytes in size.

4.3.1 Reply Format

Respondent is to provide, in subsection 4.5.3, Upload Tab 2, a reply that is specific to section 7 of this ITN. The Respondent is to respond to this section by inserting their reply immediately below the text of each numbered provision and respond to each sub-provision of sections 7.6 to 7.21 with one of the following:

a. **Agreed**
   Where the term is acceptable as stated.

b. **Modification Proposed**
   Where Respondent is unable to accept the term as stated but will accept a modification of the term. Respondent must provide: (1) the reason for its inability to accept the term as stated and (2) modified language which would be acceptable.

c. **Not Agreed**
   Where the term is completely unacceptable to Respondent and no modification is possible. Respondent must state the reason such term is unacceptable.

Paragraphs in section 7 identified with a reply of "Modification Proposed" or "Not Agreed" may be discussed during negotiation sessions, if the respondent is promoted during the initial evaluation period to the negotiations stage. The Department reserves the right, but does not intend, to negotiate any other section of the solicitation except for price. However, the Department reserves the right to modify, when in the best interest of the state and within the scope of the ITN, by addition or deletion, terms and conditions during the negotiation process.

4.4 Contents of Reply

Respondents are to submit their reply in the following format with all information indicated in each section below. (See subsection 4.5 for upload instructions.)

4.4.1 Technical Information

Replies are to be organized in sections as directed below. Respondents are to complete each section entirely or the Respondent may be deemed non-responsive. Submit the following sections of the Reply as a single attachment through the MFMP.

The Reply is to be organized as follows:

4.4.1.1 Tab 1 Company Information

Tab 1 is to contain the following information:

a) Company name and address(es)

b) The company's principle place of business

c) An executive summary of the reply. (Do not include any pricing information in the executive summary.)

d) Contractor Information Worksheet, Attachment 1

Respondent is to submit one completed Attachment 1 with the reply. This form identifies persons responsible for answering questions about the reply and administering the Contract. The Worksheet can be downloaded as indicated below. Respondents are to fill out the Worksheet and upload it at the link provided in subsection 4.5.

DOWNLOAD ATTACHMENT 1, THE CONTRACTOR INFORMATION WORKSHEET

e) Ordering Instructions, Attachment 2

The Respondent is to submit one completed Attachment 2 with the reply. This form identifies the contact information, phone numbers, remit to address, and any special instructions necessary for Customers to successfully place an order with Respondent. The form can be downloaded below. Respondents are to fill out Attachment 2 and upload it at the link provided in subsection 4.5.

DOWNLOAD ATTACHMENT 2, ORDERING INSTRUCTIONS

f) Authorization to Do Business in Florida

Vendors who wish to conduct business in the State of Florida must be registered with the Florida Department of State, Division of Corporations. Licensing Solutions Providers responding to this solicitation must have an ACTIVE registration listed on the website at www.sunbiz.org. Active registration must be maintained throughout the term of the Contract. The active registration requirement includes any "doing business as" (dba) fictitious names that the Respondent intends to use in the Contract.

g) Capacity

The Respondent is to describe their ability to provide Microsoft software products and associated services to all Eligible Users throughout the State of Florida. Respondents are to detail their ability to provide coverage to the various entities throughout the state in the following areas:

- Sales of software licenses and maintenance
- License management
- Customer support
- Training

Capacity in all of the above areas must cover the entire state. If the Respondent is not able to provide coverage to the entire state on their own, the Respondent is to describe their plan to obtain partners to ensure that the entire state is covered so that all Eligible User can acquire the software and services they require. Scoring of Capacity is outlined in section 5.6 of the solicitation.

4.4.1.2 Tab 2 Experience and Ability to Provide Microsoft Software

Tab 2 is to contain the following information:

a) Brief history of the company

b) Company's organizational chart

Respondent is to provide information regarding their company organization as it pertains to this solicitation (i.e. Contract Manager, Contract Manager's supervisor, support staff for licensing, support staff for services, sales staff, etc.). Respondent is to include the name of the individual filling each of the top level positions and their contact information.

c) Prior Work Experience

Respondent is to provide information regarding prior work experience with similar contracts or services and must be able to demonstrate that they have operated as a Microsoft LSP, in a government setting, providing Microsoft software and services as defined in subsection 1.4.14 of this solicitation.

d) LSP Experience

The Respondent must be able to provide documentation that demonstrates Respondent has been certified by Microsoft as a LSP for a minimum of the past five years. The respondent must show that it has experience providing Microsoft software licensing, maintenance and services to government entities in size and buying power to Florida from December 1, 2009 to the present. Experience may be combined from

multiple accounts within that time period. This documentation is in addition to that requested in 4.4.1.2 (f).

e) Expertise

Respondent's expertise is to be detailed as outlined below and will be evaluated based upon the Respondent's ability to demonstrate those abilities as shown in section 5.6, Evaluation Criteria and Scoring, in the following areas:

1. Knowledge of Microsoft Licensing and Agreements
   Respondents are to demonstrate a strong knowledge of Microsoft licensing processes and procedures and an ability to explain those processes and procedures in layman's terms so that all Customers will have a clear expectation and understanding. To demonstrate this ability, Respondents are to provide a sample explanation of a standard licensing agreement as part of their reply to this section.

   Respondent is to provide information to demonstrate their knowledge of Microsoft licensing and the associated agreements (Select Plus, EA, and EES) and their experience in managing these various types of agreements in a government and academic setting. Information may include training completed, Microsoft course certifications, contracts previously managed, documentation of licensing specialists within the Respondent's organization and any other information the Respondent deems necessary to fully demonstrate their ability to provide information to Customers regarding the various types of Microsoft licenses in a clear and concise manner.

2. Microsoft Core Competencies, Attachment 3
   Respondent is to download and submit a completed Attachment 3 and provide supporting documentation as identified in section 7.5, LSP Competencies.

   Download Attachment 3, Microsoft Core Competency Checklist

3. Knowledge of Government and Agencies
   Respondent is to document their clear understanding of government purchasing processes and lead time requirements based on their prior experience with similar size government entities and detail their ability to provide Microsoft software licenses and associated services to Florida government and academic entities. Documentation is to demonstrate that Respondent is fully capable of working with all Eligible Users, which are made up of various sizes, requirements, and purchasing needs (centralized and decentralized purchasing procedures).

4. License Management
   Respondent is to document their detailed proposed plan for managing all Microsoft software licenses sold under the Contract as described in section 7.6.2, License Management.

5. Subject Matter Experience
   Respondent is to provide documentation to demonstrate that they are an expert in providing Microsoft software licenses and services. Documentation may include employee certifications that demonstrate special Microsoft knowledge or skills maintained by Respondent, the number of employees within the Respondent's organization capable of meeting the Microsoft Competencies outlined in section 7.5 and the manner in which those employees will be made available to respond to various needs of the state as detailed within this ITN, awards received related to Microsoft software achievements, and any other documentation Respondent wishes to provide to demonstrate that they are the best vendor to provide Microsoft software licensing and services to the State.

6. Customer Service
   Respondent is to provide their definition of good customer service as it relates to a potential contract and explain their plan to provide the best possible customer service to all state agencies and OEUs, provide a plan to monitor the customer service provided to Eligible Users by Respondent's staff and sales team, and a plan for corrective measures to ensure Respondent can maintain the highest quality of customer service possible.

7. Training and Instruction
   Respondents are to document a training and instruction plan that clearly demonstrates the LSP's ability to provide, implement, and monitor their proposed training and instructions for each of the items listed below and detailed in section 7.6.4, Training and Instruction:

   a) Microsoft Certified Training for Resellers
      Respondent is to provide documentation to demonstrate completion of all Microsoft Certification Training (MCT). Documentation of training certification is required for this solicitation. See section 7.6.4.1 for additional information.

   b) Customer Training
      Respondent is to provide training to customers on the various Microsoft software, licenses, maintenance and services. Training may be web-based,

classroom instruction, tip sheets, individualized or in any other method appropriate for Microsoft software, licenses, maintenance and services.

c) Staff Training
Respondent is to provide documentation of the types of training it will employ to ensure that their staff are knowledgeable of Microsoft software licenses, maintenance and services and can provide information to Eligible Users in a way that is easily understandable to assist Eligible Users in making the appropriate licensing decisions for their agency, to provide excellent customer service, to ensure that sales to Eligible Users align with contract requirements and approved Florida Pricing, and to ensure that all staff dealing with Eligible Users have a thorough understanding of the Contract requirements (once awarded).

8. Transition Plan
Respondent is to provide a transition plan that details how the Respondent will assist customers during the transition from the incumbent under Contract 252-001-09-1, to the awardee under this solicitation as an onboarding process and is to provide an exit strategy from the Contractor under this solicitation to any potential new vendor at the end of the contract term.

Plan details are to, at a minimum, include the following:

- Transition of customer information from incumbent to awardee;
  - Customer location and contact information
  - Customer licenses owned and licenses purchased
  - Customer Agreement expiration dates
  - Any particular Customer issues or concerns for which the awardee should be aware
- Agreement tracking process to assist Customers in ensuring that there are no lapses in Customer agreements with regard to renewals;
- Risk mitigation processes and procedures; and
- Communications plan.

f) Software Publisher's Certification, Attachment 4

Respondent is to submit one completed, signed and dated, Attachment 4, Software Publisher's Certification, to the Department electronically using MFMP as part of their Reply. The Attachment 4 form must certify that the Respondent is directly authorized by Microsoft to provide the software licenses, maintenance and services contained in Respondent's reply. Attachment 4 is to be executed by an authorized Microsoft representative only and may not be completed by the

LSP. LSP agreements will not be accepted in lieu of a Software Publisher's Certification form.

Download Attachment 4, Software Publisher's Certification

g) Reply to Statement of Work, sections 7.6 – 7.23

The Respondent is to submit their reply to section 7 as outlined in subsection 4.3.1 above.

Failure to provide all of the required documentation and corresponding information noted in Tab Two with the Reply may result in the Respondent being deemed non-responsive.

4.4.1.3 Tab 3 References and Past Performance

a) References:

Respondent is to provide a minimum of five governmental and/or academic references for Microsoft software sold in the United States in the last twenty-four months. References provided should support the Respondent's ability to meet the needs of Eligible Users under a Florida STC. References are to include the following: the name of the agency, university, city, county or school board, contact information and indicate the specific software product or services and where it was purchased. Failure to supply the required documentation may result in disqualification of the reply.

References are to pertain to current and ongoing software sales or services or those that were completed prior to October 1, 2014. References are not to be given by:

1) Persons employed by the Department within the past three years.
2) Persons currently or formerly employed or supervised by the Respondent or its affiliates.
3) Board members within the Respondent's organization.
4) Relatives of any of the above.

Each reference is to include the following information:

1) Company name, address, name of principal contact, telephone number, Email address, contract number, contract term, description of contract, and contract dollar value.

2) References will be contacted by the Department and asked the questions identified in the Reference document.

3) Respondents are to download the attached Reference form and complete the top section of the reference form. (The form may be duplicated for each reference provided. Completed forms may be combined and attached as one document.)

b) Past Performance, Attachment 5

Vendor past performance will be considered as part of the evaluation process and will be assessed during the reference checks identified in subsection 4.4.1.3.a, References, and in section 5.6, Evaluation Criteria and Scoring. Past performance questions listed on Attachment 5 will enable the Department to determine the Respondent's ability to perform with regard to this solicitation.

DOWNLOAD ATTACHMENT 5, REFERENCE/PAST PERFORMANCE

4.4.1.4 Tab 4 Disputes

Respondents are to identify all contract disputes Respondent (including its affiliates, subcontractors, agents, etc.) has had with any customer, including Eligible Users, within the last five years related to contracts under which Respondent provided commodities or services in the continental United States on an enterprise level. The term "contract disputes" means any circumstance involving the performance or non-performance of a contractual obligation that resulted in any of the following actions:

a) The institution of any judicial or quasi-judicial action against Respondent as a result of the alleged default or defect in performance; or

b) The assessment of any fines or liquidated damages under such contracts.

For each dispute, Respondent is to list the following information:

a) Identify the contract to which the dispute related;

b) Explain what the dispute related to; and

c) Explain whether there was a resolution of the dispute and provide a brief summary of the resolution. Additional supporting documentation may be requested as needed.

d) If the dispute is ongoing, identify the status of the dispute.

e) If the dispute could in any way affect the Respondent's ability to perform on any resulting contract for this solicitation, Respondent must provide additional information regarding any potential impact as well as Respondent's mediation plan.

If the Respondent has had no disputes during the timeframe identified, the Respondent is to provide a signed, notarized statement indicating that the vendor has no current disputes with any customers and the vendor has not had any contract disputes with any of its vendors in the past five years.

4.4.1.5 Tab 5 Financial and Industry Standing and Strength

Each Respondent is required to provide information regarding its "Financial and Industry Standing and Strength" in order to demonstrate that it is financially stable, in good standing with creditors and Microsoft, and has the resources necessary to provide software licenses, maintenance and perform the services outlined in this ITN on a statewide basis.

a) Financial Statements

Respondents are to include financial statements for the last three full-calendar years, prepared in accordance with Generally Accepted Accounting Principles. (Financial documentation may be combined into one file and uploaded as one document.)

i. DMS will consider the Respondent's financial viability to perform the services outlined in this ITN.
ii. DMS will base the consideration of the Respondent's financial viability on the Financial Statements. DMS will find Respondent's financial viability acceptable or unacceptable based upon the financial strength of the company.
iii. Financial status will not be scored.

b) Vendor Price Sheet Submission, Attachment 6

Pricing information is identified in section 7.13, Pricing and Minimum Orders, of the ITN. Associated forms are listed below.

Attachment 6, Vendor Price Sheet is provided for your review. Price Sheets are not to be submitted as part of the initial Reply. Price Sheets will be requested during the negotiation period.

DOWNLOAD A BLANK COPY OF ATTACHMENT 6, VENDOR PRICE SHEET

c) Preferred Pricing Affidavit, Attachment 7

Contractors are to submit to the Department, at least annually, a copy of the completed Attachment 7 as required in subsection 6.10, Preferred Price Affidavit Requirement, of this solicitation document.

DOWNLOAD A BLANK COPY OF ATTACHMENT 7, PREFERRED PRICING AFFIDAVIT

d) Savings / Price Reductions, Attachment 8

Respondent are to submit one accurately completed Attachment 8 with their Reply containing the Microsoft software and services offered to the State of Florida and a method(s) for the Department to verify the savings information provided. Attachment 8 will not be used to determine award, only to verify the Savings / Price Reductions being offered. Attachment 8 is to be submitted to the Department electronically using MFMP.

DOWNLOAD ATTACHMENT 8, SAVINGS / PRICE REDUCTIONS

4.4.2 Other Required Documentation

a) Department of State Registration Form (Statement of Good Standing)

Respondent is to submit a copy of its active registration (www.sunbiz.org) with the Department of State, which authorizes the company to do business in Florida.

b) Certification Forms

In the event that the Department's evaluation results in identical evaluations of replies, the Department will select a Respondent based on the criteria identified in subsections 287.187(4), 287.057(11), Florida Statutes and Rule 60A-1.011, F.A.C. Please provide the following documentation, if applicable.

- Certification of Drug-Free Workplace, Attachment 9 (required for all vendors)
- Certification of Minority Business (optional)
- Certification of Wartime or Service Disabled Veteran (optional)

DOWNLOAD A COPY OF ATTACHMENT 9, CERTIFICATION OF DRUG-FREE WORKPLACE

If these do not apply to your company, please upload a document with a statement to that effect.

c) Purchase Orders/ Invoices

All respondents are to provide a minimum of three purchase orders or invoices with the reply package to document the sales of software similar to those listed in the Respondent's reply. Purchase orders or invoices are to indicate the date the order was received and the date the order was shipped to the Customer. Purchase orders provided should be comparable or represent a typical order that would be placed by a state agency or eligible user (i.e. city, county or school). Purchase orders may, but are not required to, match the references cited above.

d) E-Verify
Respondent must also provide Employment Verification (E-Verify) information per subsection 6.11 of this solicitation. The Respondent is to include a screenshot of the E-Verify company information registration page.

e) Emergency Situations, Attachment 10
Respondent is to provide a completed copy of Attachment 10.

DOWNLOAD A COPY OF ATTACHMENT 10, EMERGENCY SITUATIONS

f) Scrutinized Company Certification, Attachment 11
Respondent is to provide a completed copy of Attachment 11.

DOWNLOAD A COPY OF ATTACHMENT 11, SCRUTINIZED COMPANY CERTIFICATION

4.5 Vendor Reply Upload

Respondent is to upload their complete reply as follows. (Be sure to include all completed forms for this section.)

4.5.1 Upload Tab 1, Company Information reply.

(Company information, Attachment 1, Attachment 2, and Capacity information)

4.5.2 Upload Tab 2, Experience and Ability reply

(Company History, Company Organization Chart, and Prior Work Experience, LSP Experience, Expertise, Attachment 3 and supporting documentation, Attachment 4, and MCT certifications)

4.5.3 Upload Tab 2, Experience and Ability reply

(Reply to section 7 as identified in section 4.3.1, Reply Format, and subsection 4.4.1.2, Experience and Ability to Provide Microsoft Software.)

4.5.4 Upload Tab 3, References/Past Performance reply

(Attachment 5)

4.5.5 Upload Tab 4, Disputes reply

4.5.6 Upload Tab 5, Financial reply

(Financial Statements)

4.5.7 Upload Tab 5, Financial reply, Other Forms

(Attachment 7 and Attachment 8)

4.5.8 Upload Tab 5, Financial, Other Required Documents

(Statement of Good Standing, Certifications, Attachment 9, Attachment 10, E-Verify Information, Attachment 11, and Purchase Orders.)

4.5.9 Upload Additional Information

(Upload any additional information pertinent to Respondent's submission such as software licenses, maintenance and services literature as applicable.)

4.6 Redacted Submissions

The following subsection supplements section 19 of the PUR 1001. If a responding vendor considers any portion of the documents, data or records submitted in reply to this solicitation to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, Respondent must mark the document as "Confidential" and simultaneously provide the Department with a separate redacted copy of its reply and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy is to contain the Department's solicitation name, number, and the name of the responding vendor on the cover, and is to be clearly titled "Redacted Copy." The Redacted Copy should only redact those portions of material that the Respondent claims are confidential, proprietary, trade secret or otherwise not subject to disclosure.

In the event of a request for public records pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, to which documents that are marked as confidential are responsive, the Department will provide the Redacted Copy to the requestor. If a requestor asserts a right to the Confidential Information, the Department will notify the responding vendor such an assertion has been made. It is the responding vendor's responsibility to assert that the information in question is exempt from disclosure under Chapter 119 or other applicable law. If the Department becomes subject to a demand for discovery or disclosure of the Confidential Information of the responding vendor in a legal proceeding, the Department will give the responding vendor prompt notice of the demand prior to releasing the information (unless otherwise prohibited by applicable law). The responding vendor is to be responsible for defending its determination that the redacted portions of its reply are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

By submitting a solicitation, the responding vendor agrees to protect, defend, and indemnify the Department for any and all claims arising from or relating to the responding vendor's determination that the redacted portions of its solicitation are confidential, proprietary, trade secret, or otherwise not subject to disclosure. If the responding vendor fails to submit a redacted copy of information it claims is confidential, the Department is authorized to produce the entire documents, data, or records submitted to the Department in answer to a public records request for these records.

4.6.1 Redacted Copies

Please attach any Redacted Copies.

4.7 Informational Forms

The following forms are for information purposes only and are not required to be completed and returned with the reply submission.

4.7.1 Vendor Checklist

This form is a checklist to assist Respondents in ensuring that all required parts of the reply have been gathered, completed and submitted in the appropriate section of the reply.

DOWNLOAD A COPY OF THE VENDOR CHECKLIST

4.7.2 Quarterly Reporting Form

This form is a sample of the form that must be submitted at the end of each quarter as outlined in subsection 7.18, Reporting.

DOWNLOAD A COPY OF THE QUARTERLY REPORTING FORM

4.7.3 Product Update Form

This form is a sample of the form that must be submitted when reporting software licenses, maintenance and services changes as detailed in subsections 7.16, New Software licenses, maintenance and services Additions, and 7.17, Product Deletions/Modifications, of the ITN.

DOWNLOAD A COPY OF THE PRODUCT UPDATE FORM

4.7.4 Sample Contract

This is a sample of a potential contract document. The final contract will be provided to awarded Respondents after the notice of contract award has been posted. The Contract will become effective upon the last date signed.

DOWNLOAD A COPY OF THE SAMPLE MICROSOFT CONTRACT

4.7.5 Timeline of Events

The Timeline of Events, subsection 2.2, contains all of the pertinent times and dates connected with this solicitation. Respondents should become familiar with this document. The dates and times within the Timeline of Events may be subject to change. All changes to the Timeline of Events will be noticed through an Addendum to the solicitation posted to the VBS and added to the solicitation in MFMP. It is the responsibility of the Respondent to check for any changes in both locations.

FOR CONVENIENCE, DOWNLOAD A COPY OF THE TIMELINE OF EVENTS

4.7.6 Complete Copy of the ITN

Respondents may download a copy of the complete ITN for review and reply purposes. For convenience, a PDF and Word version is provided.

Download a copy of the complete ITN

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5 Selection Methodology

Each evaluator will score the Respondents in the areas of: 1) Expertise, and 2) Capacity. The Department will add these two scores along with the score for past performance, for a Final Evaluation Score. The Final Evaluation Scores for all Respondents will be used to rank the Replies (Reply with the highest score = 1, the second highest = 2, etc.). The ranking for each Reply will be used to establish a competitive range to determine which Respondents may be invited to participate in negotiations. The Department intends to first negotiate with the three most highly ranked Respondents, but the Department reserves the right to negotiate with fewer Respondents, more than three Respondents, or to reject all Replies

5.1 Expertise

Respondent's expertise will be evaluated (see section 5.6) to determine their understanding and ability to provide all Microsoft agreements for Government and Academic entities, as outlined in subsection 4.4.1.2, Tab Two, Experience and Ability to Provide Microsoft Software.

5.2 Capacity

Respondents will be evaluated based on their demonstrated ability to provide coverage for all State of Florida Eligible Users as defined section 4.4.1.1.g of this solicitation and as outlined in the Statement of Work, section 7.

5.3 Past Performance

Respondent's past performance will be evaluated as outlined in subsection 4.4.1.3, Tab Three, References and Past Performance, and in section 5.6, Evaluation Criteria Scoring.

5.4 Value-added Services

Value-added Services will also be considered during the negotiation stage along with the Respondent's expertise capacity, price and past performance. The Department reserves the right to not award proposed services, if proposed services are out of scope of this ITN or if the Respondent cannot demonstrate to the Department's satisfaction their ability to provide such services to the State.

5.5 Negotiation Phase

The Department may provide specific agenda topics to the invited Respondent(s) prior to the beginning of negotiations. The Department reserves the right to negotiate concurrently or separately with competing Respondents. The Department shall have the right to use any or all ideas or adaptations of the ideas presented in any Reply. Selection or rejection of a Reply does not affect this right.

Pricing will be requested during the Negotiation Phase and will be negotiated to achieve the best pricing for all Florida Government and Academic entities. The pricing proposed for all contract years will be discussed and considered as part of the best value determination.

The Vendor Price Sheets provided include specific Select Plus and Enterprise Agreement software or software bundles for which all Respondents moved forward to the negotiation period must provide upon request.

Respondents may also provide other Microsoft software; however, discounts offered for the software lists are to apply to all software proposed (i.e. x percent for Select Plus, x percent for Enterprise, x percent for Academic).

5.6 Evaluation Criteria Scoring

Respondent replies are to be evaluated using the following scale.

Performance Measure	Total Possible Points	Maximum Points
Expertise (see section 4.4.1.2 for detail) • Knowledge of Microsoft Agreements and Core Competencies • Customer Service • Knowledge of Government and agencies • License Management • Subject Matter Expertise • Training and Instruction • Transition Plan	Scale of 1 – 10 for each item • Demonstrated high knowledge and ability = **15 points** • Demonstrated some knowledge and ability = **5 points** • Demonstrated little knowledge and ability = **1 point** • Demonstrated no knowledge or ability = **0 points**	105 points
Capacity (see section 4.4.1.1.g and section 7.6) • Demonstrates ability to cover the entire State of Florida for all eligible users	• Coverage of entire state = **100 points** • Partial coverage = **0 points**	100 points
Past Performance Reference responds "Yes" to 9 of 15 questions.	• Each reference meeting the minimum criteria = **20 Points** • Each reference that does not meet the minimum criteria = **0 points**	100 points
Total Possible Points		**305**

Scoring Example:

Step 1

A total score will be calculated for each reply by each individual Evaluator.

Vendor	Evaluator A Points	Evaluator B Points	Evaluator C Points
Respondent 1	305	305	300
Respondent 2	245	260	241
Respondent 3	285	295	285
Respondent 4	210	210	202
Respondent 5	31	31	35

Step 2

The Evaluator scores will be reviewed and averaged. The ranking of each Reply will be used to establish a competitive range to determine which Respondent may be invited to participate in negotiations. The Department intends to first negotiate with the three most highly ranked Respondents, but the Department reserves the right to negotiate with fewer Respondents, more than three Respondents, or to reject all Replies.

The Department reserves the right to negotiate concurrently or separately with selected Respondents.

Vendor	Evaluator A Points	Evaluator B Points	Evaluator C Points	Average Points
Respondent 1	305	305	300	303
Respondent 2	245	260	241	249
Respondent 3	285	295	285	232
Respondent 4	210	210	202	207
Respondent 5	31	31	35	32

5.7 Basis of Award

After negotiations are completed, the Negotiation team will rank the Respondents based upon their capacity, demonstrated ability to provide expertise, best pricing, and past performance.

The Department reserves the right to make a single award or to make multiple awards to Responsive and Responsible Respondents as determined to be in the best interest of the State of Florida, and to accept or reject any and all offers, or separable portions, and to waive any minor irregularity, technicality, or omission if the Department determines that doing so will serve the State of Florida's best interests.

Any outstanding transaction fees owed or open reports listed in MFMP must be resolved to the Department's satisfaction prior to entering into any contract.

5.8 Reply Disqualification

Replies that do not meet all requirements, specifications, terms, and conditions of the solicitation or fail to provide all required information, documents, or materials may be rejected as not responsive. Respondents whose replies, past performance, or current status do not reflect the capability, integrity, or reliability to fully and in good faith perform the requirements of a contract may be rejected as not responsible. The Department reserves the right to determine which replies meet the requirements of this solicitation, and which Respondents are Responsive and Responsible.

5.9 Identical Evaluations of Replies

In the event that the Department's evaluation results in identical evaluations of replies, the Department may elect a respondent based on the criteria identified in subsections 287.057(11), 295.187(4), Florida Statutes, and Rule 60A-1.011, Florida Administrative Code, where applicable.

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6 General (PUR 1000) and Special Contract Terms and Conditions

This section contains the General Contract Conditions and the Special Contract Conditions for this solicitation.

6.1 PUR1000

General Contract Conditions, PUR 1000, is incorporated by reference and may be downloaded and viewed by clicking on the link here: PUR 1000.

6.2 Special Contract Conditions

Respondents must meet the following special contract conditions:

6.2.1 Electronic Invoice

The Contractor is to supply electronic invoices in lieu of paper-based invoices for those transactions processed through the MFMP. Contractor agrees, upon Department's request, to establish electronic invoicing within ninety (90) days of written request. Electronic invoices are to be submitted to the Customer through the Ariba Network (AN) in one of three mechanisms as listed below.

6.2.1.1 Commerce eXtensible Markup Language (cXML)

This standard establishes the data contents required for invoicing via cXML within the context of an electronic environment. This transaction set can be used for invoicing via the AN for catalog and non-catalog goods and services. The cXML format is the Ariba preferred method for electronic invoicing.

6.2.1.2 Electronic Data Interchange (EDI)

This standard establishes the data contents of the Invoice Transaction Set (810) for use within the context of an EDI environment. This transaction set can be used for invoicing via the AN for catalog and non-catalog goods and services.

6.2.1.3 Purchase Order (P.O.) Flip via Ariba Network (AN)

The online process allows suppliers to submit invoices via the Ariba Network (AN) for catalog and non-catalog goods and services. Contractors have the ability to create an invoice directly from their Inbox in their AN account by simply "flipping" the P.O. into an invoice. This option does not require any special software or technical capabilities.

For the purposes of this section, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider of MFMP, a State Contractor, the right and license to use, reproduce, transmit, distribute, and publicly display within the system the information outlined above. In addition, the Contractor warrants and represents that it is authorized and empowered

to and hereby grants the State and the third party provider the right and license to reproduce and display within the system the Contractor's trademarks, system marks, logos, trade dress, or other branding designation that identifies the software licenses, maintenance and services made available by the Contractor under the Contract. The Contractor will work with the MFMP management team to obtain specific requirements for the Electronic Invoicing upon contract award.

6.2.2 Catalog Specifications (Services included, if applicable)

Vendor Price Sheets submitted by an awarded vendor with the solicitation are incorporated into the Contract as a software licenses, maintenance and services Catalog. Any additional terms and conditions contained in the Catalog will not apply to the Contract.

6.2.3 Purchasing Card Program

Contractor must accept the Universal card format Purchasing Cards (e.g., American Express, MasterCard, and Visa). However, the Purchasing Card is not the exclusive method of payment (e.g., Purchase Order). The method of ordering and payment (e.g., Purchase Order, Purchasing Card) is to be selected by the Eligible User.

6.2.4 Compliance with Laws

The Contractor is to 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, Chapter 287, of the Florida Statutes and Rule 60A of the Florida Administrative Code govern the Contract. The Contractor is to comply with section 274A of the Immigration and Nationalization Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of any such applicable laws, roles, codes, ordinances and licensing requirements, may be grounds for Contract termination.

6.2.5 Liability and Worker's Compensation Insurance

During the Contract term, the Contractor at its sole expense is to provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract, which, at a minimum, is to be: workers' compensation and employer's liability insurance per Florida statutory limits (currently $100,000 per accident, $100,000 per person, and $500,000 policy aggregate) covering all employees engaged in any Contract work; commercial general liability coverage on an occurrence basis in the minimum amount of $500,000 (defense cost is to be in excess of the limit of liability), naming the State as an additional insured; and automobile liability insurance covering all vehicles, owned or otherwise, used in the Contract work, with minimum combined limits of $500,000, including hired and non-owned liability,

and $5,000 medical payment. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor and is of the essence of the Contract. The Contract is to not limit the types of insurance Contractor may desire to obtain or be required to obtain by law. The limits of coverage under each policy maintained by the Contractor are not to be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies are to be through insurers authorized to write policies in Florida.

6.2.6 Detail of Bills

Contractor is to submit bills for fees or other compensation for services or expenses in detail sufficient enough for a proper pre-audit and post-audit. The Department reserves the right to request additional documentation.

6.2.7 Bills for Travel

Bills for travel expenses, if permitted, are to be submitted in accordance with section 112.061, Florida Statutes.

6.2.8 Public Records

The Contractor shall allow public access to all documents, papers, letters, or other material made or received by the Contractor in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution or subsection 119.07(1), Florida Statutes. The Department may unilaterally terminate the Contract if the Contractor refuses to allow public access as required in this section.

If, under the Contract, the Contractor is providing services and is acting on behalf of the Department as provided under subsection 119.011(2), Florida Statutes, the Contractor, subject to the terms of paragraph 287.058(1)(c), Florida Statutes, and any other applicable legal and equitable remedies, is to:

a) Keep and maintain public records that ordinarily and necessarily would be required by the Department in order to perform the service.
b) Provide the public with access to public records on the same terms and conditions that the Department would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
d) Meet all requirements for retaining public records and transfer, at no cost, to the Department all public records in possession of the Contractor upon termination of the contract and destroy any duplicate public records that are exempt or

confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Department in a format that is compatible with the information technology systems of the Department.

Please see section 4.6, Redacted Submissions, for additional guidance with regard to public records requests.

6.2.9 Intellectual Property

The parties do not anticipate that any Intellectual Property will be developed or created as a result of the Contract. However, in such case as it is developed or created, any Intellectual Property developed or created as a result of the Contract will belong to and be the sole property of the State of Florida. This provision will survive the termination or expiration of the Contract.

6.10 Preferred Price Affidavit Requirement

The Department will provide the Preferred Pricing Affidavit, incorporated by reference, for completion by an authorized representative of the Contractor attesting that the Contractor is in compliance with the preferred pricing provision in section 4(b) of the PUR 1000 form. The Contractor agrees to submit to the Department, at least annually, the completed Preferred Pricing Affidavit. (See section 4.4.1.5 and 4.5.8 for form and submittal information.)

6.11 Employment Verification (E-Verify)

Pursuant to State of Florida Executive Order Number 11-116, Contractor is required to utilize the U.S. Department of Homeland Security's E-Verify system to verify eligibility of all new employees hired by the Contractor to work in the U.S. during the Contract term. Also, Contractor is to include in related subcontracts a requirement that subcontractors performing work or providing services pursuant to the Contract utilize the E-Verify system to verify the eligibility of all new employees hired by the subcontractor to work in the U.S. during the Contract term. (See section 4.4.2 and 4.5.9 for additional information.)

6.12 Scrutinized Company List

Pursuant to subsection 287.135(5), F.S., by signing a contract or renewal of a contract where the value exceeds $1 million to which this clause is attached, the Respondent or Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, F.S.

Pursuant to subsection 287.135(3)(b), F.S, Department may immediately terminate any contract for cause if the Contractor is found to have submitted a false certification

under subsection 287.135(5), F.S., or if Contractor is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List during the term of the Contract.

6.13 Commitment to Diversity in Government Contracting

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by minority-, women-, wartime-, and service-disabled veteran business enterprises in the economic life of the State. The State of Florida Mentor Protégé Program connects minority-, women-, wartime-, and service-disabled veteran business enterprises with private corporations for business development mentoring. We strongly encourage firms doing business with the State of Florida to consider this initiative. For more information on the Mentor Protégé Program, please contact the Office of Supplier Diversity at (850) 487-0915 or osdhelp@dms.myflorida.com.

Upon request, the Contractor is to report to the Department, spend with certified and other minority business enterprises. These reports will include the period covered, the name, minority code and Federal Employer Identification Number of each minority vendor utilized during the period, commodities and services provided by the minority business enterprise, and the amount paid to each minority vendor on behalf of each purchasing agency ordering under the terms of this Contract.

6.14 Business Review Meetings

The Department reserves the right to schedule business review meetings as frequently as necessary. The Department will provide the format for the agenda. Prior to the meeting, the Contractor is to provide input for the agenda to the Department for review and acceptance. The Contractor is to address the agenda items and any of the Department's additional concerns at the meeting. Failure to comply with this section may result in the Contractor being found in default and contract termination.

6.15 Ethical Business Practices

Any vendor awarded business as a result of this ITN is to work in partnership with the State to ensure a successful and valuable contract, and ethical practices are required of State employees, Contractors, and all parties representing the Contractor. All work performed under this contract will be subject to review by the Inspector General of the State of Florida, and any findings suggesting unethical business practices may be cause for termination or cancellation.

6.16 Product Variations/Custom Orders

New variations, substitutions, including custom orders of existing software licenses, maintenance and services awarded under the Contract will be considered by the

Department if it is in the best interest of the State. All modifications and special requests must receive prior written approval from the Department before execution of the purchase. Proposed changes are not to compromise the integrity of the software licenses, maintenance or services performance.

6.17 Delays and Complaints

Delivery delays and service complaints will be monitored on a continual basis. Documented inability to perform under the conditions of the contract (via the established Complaint to Vendor process (PUR 7017 form) may result in default proceedings and cancellation.

6.18 Sales and Use Tax

It is the responsibility of the Contractor to determine how work accomplished under this contract would be subject to a Use Tax as written in the "Sales and Use Tax" Rule 12A-1, Florida Administrative Code. Any questions concerning the "Use Tax" as it relates to this Contract are to be directed to the Taxpayer Assistance section at the Department of Revenue (DOR) (800) 352-3671, Monday through Friday, 8 a.m. to 7 p.m. (ET). For more information visit the DOR website at http://dor.myflorida.com/dor/businesses.

6.19 Insurance, Loss Deductible

The Customer is to be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of such deductible is to be the sole responsibility of the Contractor providing such insurance. Upon request, the Contractor is to furnish the Customer an insurance certificate proving appropriate coverage is in full force and effect.

6.20 Performance and Payment Bonds

The authority and responsibility for requesting performance and payment bonds is to rest with the Customer. Under this contract, the Customer issuing the purchase order may request a performance and payment bond. Inability to provide a bond is to result in the Contractor being found in default of the contract.

6.21 Warranty

Microsoft's standard warranty is to cover all software and contractual services of the Contract. Microsoft'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. Microsoft's standard warranty coverage must be identical to or exceed the most inclusive of those normally provided for the software and contractual services specified herein that are sold to any state or local governments.

Should Microsoft's standard warranty conflict with any requirements, specifications, terms, or conditions of the Contract, the Contract terms and conditions are to prevail.

6.22 Contract Revisions

Notwithstanding General Contract Conditions, section 42 of the PUR 1000 Form, the following types of revisions can be made to the Contract upon written authorization by the Department:

1) Contractor's Information Worksheet;
2) Ordering Instructions Form;
3) Contract Quarterly Report Form;
4) Catalog Revisions;
5) Any other forms included as part of the ITN solicitation documents.

Only the above listed provisions can be made without a formal Contract amendment. General Contract Conditions, section 42 of the PUR 1000, applies to all other modifications to the Contract.

6.23 Third Party Audits and Reporting Requirements

At no additional cost to the State, the Contractor is to contract with an independent third party firm (to be approved by the Department) to conduct, at a minimum, at least one random sampling of the Contractor's price list per quarter. The random sample is to be large enough to ensure the results of the audit are at a 95 percent level of confidence with a margin of error of +/- three (3) percent. Specifically, the third party firm will confirm the discounts off the Microsoft ERP Level D price list for government and ERP Level A for academic, which will be posted on the DMS contract website, are the same as or better than with the discounts offered at contract award.

The third party firm is to provide the results of each quarterly audit to the Department's Contract Manager. At a minimum, the audit is to identify the following:

- Date of the audit
- Name of the auditor
- Items selected in the random sampling
- Price listed on the Microsoft ERP price list
- The Contractor's minimum discount rate for that item
- The price resulting from Microsoft ERP minus Contractor discount
- Price on the Contractor's price sheet
- The audit results (i.e. difference +/-)

The Contractor's failure to comply with this requirement may result in financial consequences and may also result in the Contractor's immediate removal from the Contract.

The third party auditor may, upon the Department's request, be asked to also compare actual price quotes received by an Eligible User to ensure that price quotes to Customers are the same as or better than pricing on the Contractor's price sheet most recently approved by the Department. Upon such request, the third party auditor is to provide to the Department the same information as noted above as it relates to that individual price quote.

The third party auditor is to consider the pricing information provided to them confidential and is to not release the information to any other party outside of the Department.

6.24 Financial Consequences

The Contract Administrator shall periodically review the Contractor's Compliance with the responsibilities and deliverables in the Contract. If the Contractor fails to meet and comply with the responsibilities and deliverables established in the Contract, Contractor will be subject to damages. See subsection 7.20 for additional information.

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7 Statement of Work

Respondents are to have the capability to provide Microsoft software and services to all Eligible Users within the State of Florida in accordance with the solicitation documents and to the satisfaction of the Department.

7.1 Current Microsoft Agreements

The current Microsoft contract contains the following agreements:

- Master Business Agreement (MBA)
  - State and Local Government
    - Enterprise Agreements (includes Office 365 and other Cloud Solutions)
    - Select Plus Agreement
  - Academic Agreements
    - Enrollment for Education Solutions (EES), which replaced the Campus and School Agreement (includes Office 365 and other Cloud solutions)
    - Select Plus Agreement
    - Library and Museum Agreement (currently in the addition process)
- Master Services Agreement (MSA)
  - Premier Support
  - Consulting Services

Information regarding the agreements listed above can be found on the Department's website at:
http://www.dms.myflorida.com/business_operations/state_purchasing/vendor_information/state_contracts_and_agreements/state_term_contracts/microsoft_license_maintenance_services/forms_and_other_information

7.2 In Scope

Respondents are to provide Microsoft software licenses and maintenance with optional support offerings. The Department will work directly with Microsoft to establish any master licensing agreements and associated services for the Contract; however, each customer will be required to sign individual license agreements to establish the term (i.e. 12 or 36 months) and any special requirements of the customer agreement(s).

Licenses, maintenance and services under this solicitation may be provided in any of the following ways:

- All Microsoft perpetual and subscription licenses, which may include the agreement types identified under the MBA in subsection 7.1;
- Software maintenance (standard and optional);
- Value-added services directly related to Microsoft software such as the following:

- Limited, small-scale (short duration (less than 3 months), low person hours (less than 480 hours), and small team (less than five members)) consulting services;
- Installation assistance; and
- Associated software training.

Respondents are to submit replies that include all Microsoft software licenses and maintenance, and may propose additional services such as documentation, training, installation, and other value-added services. The forms provided in this solicitation are to be used for the reply as identified in section 4, Vendor Submission. Respondent may make copies if additional pages of the provided forms are needed.

7.3 Out of Scope

Items that are out of scope are not to be considered and may be a basis for finding the Respondent non-responsive. Items that are out of scope include, but are not limited to, the following:

- Software provided by software publishers other than Microsoft
- Information Technology Hardware (i.e. personal computers, laptops and tablets) and hardware accessories and services.
- Large scale consulting services (services provided directly by Microsoft are under a separate contract). Additional consulting services for large scale projects that are available on other Department State Term Contracts.

7.4 Frequently Purchased Software

The chart below identifies the software license counts for the Microsoft software most frequently purchased by the State. The chart includes the name of the software type, the date last reviewed by Microsoft, and the associated total (to date) license counts on file with Microsoft. It also identifies license counts for Office 365 (O365). (License counts for O365 for schools were not provided by Microsoft.) The Department expects to receive increased discounts for these frequently purchased software licenses and maintenance and may standardize EAs at some point during the contract term with input from the Agency for State Technology. Discount rates are discussed in further detail in subsection 7.13.3.

Respondents may also propose alternative approaches for EAs such as a recommended standard EA, server-based EA, which would be separate from desktop, user-based EA, or a mechanism for combining the EAs of various agencies as they go through Data Center Consolidation as required in Chapter 282, Florida Statutes, with co-term expirations and effective dates.

Enterprise Software	Date	License Counts
Top Three Software (State and Local Gov't)		
Core/Enterprise/Individual Client Access Licenses (CALS)	4/3/2014	321,584

Windows O/S	4/3/2014	191,767
Office Professional	4/3/2014	120,034
Other Software Frequently Purchased		
Exchange (standalone Exchange standard and Enterprise CALs)	6/9/2014	22,561
Visio (standard and professional)	6/9/2014	3,896
Project (standard and professional)	6/9/2014	2,523
O365 Purchases (State and Local Gov't)		
*Office 365 (E3/G3) – State Agencies	8/22/2014	61,203
*Office 365 (E3/G3) – Cities and Counties	4/3/2014	9,682

*Office 365 numbers are listed separately for State Agencies and Cities/Counties due to special waterfall pricing offered by Microsoft to State Agencies. It is the State's goal to combine license counts for O365 to achieve even lower pricing.

7.5 LSP Competencies

In order to meet the varying needs of all Eligible Users, the following Microsoft Competencies are desired. Per subsection 4.4.1.2, Tab 2, Respondents are to submit in section 4.5, Vendor Reply, a completed copy of the Microsoft Core Competency Checklist, indicate Gold or Silver competency rating along with their reply, and provide competency verification in the form of certificates or other documentation from Microsoft as proof of competency. The Department desires a broad coverage of listed Competencies to ensure that the wide varieties of the State's needs are met. LSPs are encouraged to add additional competencies throughout the life of the contact and to provide new or updated certifications to the Contract Administrator as they become available.

Application platform
- Application Development
- Application Integration
- Application Lifecycle Management
- Business Intelligence
- Data Platform

Business Productivity
- Collaboration and Content
- Communications
- Digital Advertising
- Messaging
- Project and Portfolio Management

Business applications
- Customer Relationship Management
- Enterprise Resource Planning
- Intelligent Systems

Core infrastructure
- Devices and Deployment
- Identity and Access
- Management and Virtualization
- Server Platform

Customer segments
- Midmarket Solution Provider
- Small Business

Additional Competencies
- Business Productivity Online Suite
- Cloud Accelerate
- Cloud Essentials
- Distributor
- Hosting
- Learning
- Mobility

- OEM
- Office 365 Cloud Deployment Partner
- WebsiteSpark
- Software Asset Management
- Volume Licensing

7.6 LSP Responsibilities

LSP(s) awarded a contract under this ITN will be responsible for the following:

7.6.1 Microsoft Licenses and Support Services

LSP will act as a representative of Microsoft by providing a means for all Eligible Users to purchase Microsoft software licenses, maintenance and services under the Contract.

7.6.2 License Management

LSP will document its plan for managing all Microsoft software licenses sold under the Contract. License management should include, but is not limited to the following:

- Tracking of Software Licenses sold to ensure that Customers are fully aware of future expiration dates well in advance of expiration to ensure that licenses do not lapse unless intended by the Customer.
- License tracking support (website and vendor assistance as needed)
- Tracking of individual licenses and server licenses exempt from Chapter 282, Florida Statute, requirements.
- Standardization of customer (agency/OEU) names to facilitate ease of tracking licenses purchased.
- Provide a single contact for license tracking and a trained licensing specialist to assist Customers with licensing questions.

After Contract award, the LSP will update the plan, as needed, and will provide a copy of any revised plans to the Department's Contract Administrator.

7.6.3 Customer Service

The State highly values excellent customer service and expects the LSP to provide the best possible customer service to all state agencies and OEUs. The LSP's Contract Manager is responsible for monitoring the customer service provided to Customers by LSP's staff, sales and support teams, and employing, as necessary, corrective measures identified in the customer service plan proposed in the ITN reply to section 4.4.1.2.e).6, Customer Service, to ensure that the LSP will provide and maintain the highest quality of customer service possible.

7.6.4 Training and Instruction

Contractors will implement the training and instructions plan proposed under section 4.4.1.2 of the ITN in the following areas:

7.6.4.1 Microsoft Certified Training for Resellers

Contractors will provide evidence that they have successfully completed Microsoft Certified Training (MCT) and will promptly provide the Department with documentation for any updated MCT completed throughout the contract term, including that required to maintain Contractor's status as an LSP or any equivalent or higher successor designation.

7.6.4.2 Customer Training

Contractors will provide training to Customers for all widely used (i.e. Office Professional) Microsoft software and services. Training may be offered in any of the following formats:

- Web-based;
- Tutorials;
- Documentation;
- Classroom setting; and
- Classroom settings that can also be broadcast to other agency/OEU offices throughout the state and that may be recorded for future playback.

7.6.4.3 Contractor's Staff Training

Contractors are to provide training for staff to ensure they are properly trained to support this Contract. At a minimum, training will ensure the following:

- Contractor Contract Manager <u>understands</u> all deliverables and requirements unique to the Contract and is capable of meeting all requirements in a timely and professional manner;
- Staff <u>understands</u> Florida government purchasing processes, Customer unique issues and concerns with respect to the purchase of Microsoft software and services;
- Staff is <u>knowledgeable</u> about all Microsoft software licenses, maintenance and services for which they are responsible;
- Staff are properly educated with regard to Florida pricing to ensure that Customers are quoted from the <u>correct price lists;</u>
- Staff are <u>Customer friendly</u>; and
- Staff provides <u>prompt</u> and <u>accurate</u> replies to Customer requests.

7.7 Contractor Deliverables and Responsibilities

Contractors are responsible for all deliverables and responsibilities identified within this solicitation. Failure to perform as required within this document may result in financial consequences and any other consequences as outlined within this solicitation.

7.7.1 Quotes

Contractor quotes must be provided to Customers on company letterhead, on an official company quote form, or via the MFMP eQuote tool that clearly identifies the following:

- Company name;
- Appropriate contact information;
- Quote number and date of quote;
- Quote effective and termination dates;
- The name of the agency/OEU to which the quote is provided;
- Customer's physical and delivery address;
- Customer's name and contact information;
- Detailed description of each item quoted;
- Unit price (Florida Price);
- Number of units to be purchased (quantity);
- Total price;
- Additional savings achieved through volume discount/additional negotiations, if any;
- Any specific requirements made by the ordering agency/entity (as identified in the Purchase Order or Statement of Work; and
- Any special instructions (i.e. download instructions) for the ordering agency/entity.

The detail provided within the quote must provide enough information that the Customer can clearly understand what they are purchasing, delivery date and download instructions, how much they are paying for the items purchased and any additional terms associated with the purchase. In addition, if the quote offers custom skus, which reflect additional savings, Contractor must also identify the standard sku numbers that would have been used had the Customer purchased the items separately. The Customer must have confidence that the quote provided is a valid quote from the Contractor, that the price quoted directly correlates to the Florida Price and that any additional savings achieved through a volume discount or additional negotiation is clearly noted.

7.7.2 Product Delivery Schedule

Delivery is requested within 30 calendar days after receipt of any order. If this delivery date cannot be met, the Contractor must state on the Vendor Price Sheet, Purchase Order, or on an individual price quote to the requesting Customer the number of days

required to deliver the software or service at the ordering Customer's designated location. Failure to state the delivery time obligates the LSP to complete delivery within 30 days unless otherwise mutually agreed between the Contractor and the Customer. Extended delivery dates may be considered when in the best interest of the ordering entity. A Customer may request and negotiate with the LSP for a shorter term delivery at the Customer's expense, if necessary, for emergency orders.

Software licenses may be downloaded, if available, as an acceptable method of delivery. See subsection 7.8.1.1 of this solicitation for additional requirements for downloaded software.

7.7.3 Freight On Board (F.O.B.) Destination

All proposed discounts submitted are to include the full cost of standard ground delivery to any destination within Florida (prices must reflect FOB destination, inside delivery to the Customer placing the order or their designee). All deliveries must be made during normal State work hours and within the agreed upon number of days unless otherwise arranged and coordinated by the Customer requesting the software. The Contractor will give the Customer immediate notice of any anticipated delays or company shutdowns that will affect the delivery requirement. Loss or damage that occurs during shipping, prior to the order being received by the Customer, is the Contractor's responsibility. All orders are to be properly packaged to prevent damage during shipping.

7.7.4 Transaction Fee Report

The Contractor is required to submit monthly Transaction Fee Reports in electronic format. 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 and vendor training subsections under Vendors on the MFMP website. Assistance is also available with the Transaction Fee Reporting System from the MFMP Customer Service Desk at FeeProcessing@myfloridamarketplace.com or 866-FLA-EPRO (866-352-3776) between the hours of 8:00 AM to 5:30 PM Eastern Time.

7.8 Product Specifications

The following information provides guidance regarding software licenses, maintenance and services acceptance, cost, product revisions.

7.8.1 Product Acceptance

Section 215.422, Florida Statutes, states "Approval and inspection of goods or services is to take no longer than 5 working days unless the reply specifications, purchase order, or contract specifies otherwise." Any special conditions must be

expressed in writing either on the P.O. or in the SOW that is attached to the P.O. The vendor and customer must agree to any special acceptance time frames in advance. If a software license is downloaded, then the P.O. date will be the acceptance date.

7.8.1.1 Downloaded Software

If software download is available, Customers may download software upon the Contractor's acceptance of the P.O. Upon acceptance of the P.O., the Contractor is to provide to the Customer clear instructions for all downloads along with the link for downloading the purchased software.

If downloaded software appears to contain errors or if the file is corrupt, the Customer shall be encouraged by the Contractor to immediately contact the Contractor to resolve the issue. The Contractor shall also encourage the Customers to download purchased software as soon as they receive the download instructions because the software license begins (unless otherwise agreed) on the date of P.O. acceptance by the vendor and NOT the date of download.

If software download issues cannot be resolved, the Contractor is to either promptly refund the Customer's money or provide software in another format acceptable to the Customer.

7.8.1.2 Shipped Software

If software is shipped to the Customer, then the Customer will have 5 business days from the date of physical receipt of the software to accept the software. All software to be shipped under the Contract must be delivered in the original shrink-wrap packaging provided by Microsoft to insure freedom from tampering. The State will not accept re-packaged software. An occurrence of any Customer receiving re-packaged software may result in contract termination.

Respondent's reply must include a "total satisfaction" return policy for unopened media and all documentation and shall not impose any restocking fees or liability on the Customer for such returns. Total satisfaction policies may include software replacement with compatible features and capabilities, length of time (i.e. three years following software installation date), or caveat (i.e. total satisfaction applies to software that is continuously maintained).

The LSP must accept all orders and furnish software required during the full term of this contract and any extensions thereof unless other arrangements have been mutually agreed upon by the LSP and Contract Administrator.

In order for software to be deemed accepted, software is conditioned upon the following:

- The software is free of computer viruses as determined by commercially available antivirus software.
- The software must be delivered with the relevant manuals or access was provided to electronic manuals, as applicable.
- The required functionality is fulfilled as determined by the software operating in conformity with the applicable Microsoft software licenses, maintenance and services specifications.

7.9 Technology Upgrades and Additions

The Department intends to obtain for the duration of the Contract or any contract renewals or extensions thereof, software licenses, maintenance and services that reflect the industry's latest technology. The Department recognizes that there will be new software licenses, maintenance and services and new software versions that will become available during the life of this Contract that is not yet released on the date of contract award.

The LSP may add new Microsoft software licenses, maintenance and services, delete software no longer offered, or request to modify software bundles or definitions consistent with the Microsoft offering for the State of Florida and the discounts offered by the LSP. Change requests may be submitted to the Department Contract Administrator using the form provided in the ITN. All items offered under this ITN must remain within the scope of the contract in discount, price and functionality. Any proposed revisions must comply with the requirements listed in subsections 7.16 and 7.17 of this solicitation.

The Department reserves the right to review the software most frequently purchased on an annual basis and to request additional discounts, if appropriate. All new software and services will be conditioned upon approval from the Department.

7.10 Software Requirements

The following software requirements are to be a part of all software purchases and are to supersede any requirements located in Microsoft's terms and conditions.

7.10.1 Version

Purchase Orders are to be deemed to reference Microsoft's most recently released version of the software at time of order, unless an earlier version is specifically requested in writing by the Customer and the Contractor is willing to provide such version.

7.10.2 Software License

The Department understands that Microsoft's software license terms and conditions may be provided to Customers along with purchased software; however, such license terms are neither considered a part of, nor are they to supersede, the Contract. Upon

request from a Customer, the Contractor shall assist the Customer in resolving conflicts between any software license terms and the Contract with Microsoft. Where software is acquired on a licensed basis, the following terms are to constitute the license grant to the Customer ("Licensee"):

7.10.2.1 Scope:

Licensee is granted a non-exclusive license to use, execute, reproduce, display, perform, or merge the software licenses, maintenance and services within its Enterprise up to the maximum licensed capacity identified on the purchase order. The software may be accessed, used, executed, reproduced, displayed, or performed up to the capacity measured by the applicable licensing unit identified on the purchase order.

7.10.2.2 Documentation for Perpetual Licenses:

Upon request, the Contractor is to deliver to the Licensee, at the Contractor's expense, (1) one master electronic copy and one hard copy of software documentation or (2) one master electronic copy and hard copies of the software documentation by type of license in the following amounts, unless otherwise agreed: for individual/named user, one copy per Licensee; for concurrent users, ten copies per site; for processing capacity, ten copies per site. The master electronic copy is to be in either CD-ROM or other acceptable format and usable without conversion (for example, if a unit has only a CD-ROM drive, software is to be provided on CD). The Contractor will grant the Licensee a perpetual license, where applicable, and the right to make, reproduce (including downloading electronic copies), and distribute, either electronically or otherwise, copies of software documentation as necessary to enjoy full use of the software licenses, maintenance and services in accordance with the terms of the license. Licensee's right to use the documentation is limited to Licensee's internal business purposes in conjunction with Licensee's use of the software.

7.10.2.3 Documentation for Subscription Licenses:

Upon request, the Contractor is to provide to the Licensee, at the Contractor's expense, access to electronic copies of the software subscription documentation. Access to this documentation is not to require a user id or password and must be available for the ordering entity to share with their agency employees, for business purposes, as appropriate.

7.10.2.4 Technical Support and Maintenance:

Licensees may acquire support services from Contractor on an order. The Contractor shall ensure the provision of error corrections, patches, updates, revisions, fixes, upgrades, and new releases (collectively "Updates") to Licensee at no additional charge.

Help Desk assistance may be made available via toll-free or local telephone call or on-line. The Contractor is to assist the Licensee in maintaining the software so as to ensure Licensee has the ability to use the software in accordance with the software documentation, without significant functional downtime to ongoing operations during the maintenance term. The maintenance term(s) and any renewals are independent of the Contract term, but must comply with PUR 1000, Purchase Order Duration, requirements.

The Licensee may discontinue maintenance at the end of any current maintenance term upon notice to the Contractor; the maintenance term will not automatically renew. If the Licensee does not initially acquire, or discontinues maintenance, the Licensee may at any later time reinstate maintenance without any penalties or other charges, by paying the Contractor the amount, if any, required in order to bring the software up to the current software version. Chapter 215, Florida Statutes prohibits State agencies from paying for any software licenses, maintenance and services not received. Therefore, the State will not pay a reinstatement fee if during the time of maintenance lapse no software updates, bug fixes or patches were provided for that software to other customers.

7.10.2.5 Transfers/Reassignment:

Licensee's operations may be altered, expanded, or diminished. Licenses may be transferred, renegotiated or combined for use at an alternate or consolidated site not originally specified in the license, including transfers between agencies and sites. There will be no additional license or other transfer fees due, provided that (1) the maximum capacity of the consolidated machine is equal to the combined individual license capacity of all licenses running at the consolidated or transferred location or (2) if the maximum capacity of the consolidated server is greater than the individual license capacity being transferred, a logical or physical partition or other means of restricting access will be maintained within the computer system to restrict use and access to the software to that unit of licensed capacity solely dedicated to beneficial use for Licensee. If the maximum capacity of the consolidated machine is greater than the combined individual license capacity of all licenses running at the consolidated or transferred site, and a logical or physical partition or other means of restricting use is not available, the fees due the Contractor is to not exceed the fees otherwise payable for a single license for the upgrade capacity.

7.10.2.6 Restricted Use by Third Parties:

Outsourcers, facilities management, service bureaus and employees of other services retained by Licensee will have the right to use the software licenses, maintenance and services to maintain Licensee's operations, including data processing, provided that (1) Licensee gives notice to the Contractor of such third party, site of intended use of the software licenses, maintenance and services, and

means of access, (2) the third party has executed, or agrees to execute, the software licenses, maintenance and services manufacturer's standard nondisclosure or restricted use agreement, which agreement is to be accepted by the Contractor, and (3) the third party is to maintain a logical or physical partition within its computer system to restrict access to the program to that portion solely dedicated to beneficial use for Licensee. Licensee is to not be liable for any third party's compliance or noncompliance with the terms of the nondisclosure agreement, nor is to the nondisclosure agreement create or impose any liabilities on the State or the Licensee. Any third party with whom a Licensee has a relationship for a State function or business activity will have the temporary right to use software licenses, maintenance and services, provided that such use is to be limited to the period during which the third party is using the software licenses, maintenance and services for the function or activity.

7.10.2.7 Archival Backup:
Licensee may use and copy the software and related documentation in conjunction with reproducing a reasonable number of copies for archival backup and disaster recovery procedures.

7.10.2.8 Confidentiality:
The software is a trade secret, copyrighted and proprietary software licenses, maintenance and services. Licensee and its employees are not to disclose or otherwise distribute or reproduce any software to anyone other than as authorized under the Contract. Licensee is not to remove or destroy any of the Contractor's proprietary markings.

7.10.2.9 Restricted Use:
Except as expressly authorized by the terms of license, Licensee is not to copy the software; cause or permit reverse compilation or reverse assembly of the software or any portion; or export the software in violation of any U.S. Department of Commerce export administration regulations.

7.10.2.10 Proof of License:
The Contractor will provide to each Licensee that places a purchase order either (1) the Microsoft license confirmation certificates in the name of the Licensee, (2) a written confirmation from Microsoft accepting the software invoice as a proof of license. The Contractor will submit a sample certificate, or alternative confirmation, in a form acceptable to the Licensee, (3) an executed Contractor order document, or (4) access to an electronic file that documents all agency purchases. If an electronic file is provided, the file must maintain license proof of purchase throughout the term of the license agreement, including renewals of such agreement.

The Contractor will be responsible for tracking licenses purchased and licenses owned by each agency/OEU; however, the agency/OEU will be responsible for tracking the deployment of each license purchased.

7.10.2.11 Audit of Licensed Usage:

The Contractor or Microsoft may periodically audit, no more than annually and at its expense, use of software licenses at any site where a copy resides provided that (1) the Contractor gives Licensee at least thirty days written advance notice, (2) the audit is conducted during the Licensee's normal business hours, (3) the audit is monitored by a State Inspector General's office or designee or, for non-state agency Licensees, by an independent auditor chosen by mutual agreement of the Licensee and Contractor as follows: the Contractor is to recommend a minimum of three auditing/accounting firms, from which the Licensee is to select one; in no case will the Business Software Alliance, Software Publishers Association, or Federation Against Software Theft be recommended by the Contractor or used, directly or indirectly, to conduct audits, (4) the Contractor and Licensee will designate a representative who will be entitled to participate, who is to mutually agree on audit format, and who is to be entitled to copies of all reports, data, or information obtained from the audit, and (5) if the audit shows that the Licensee was not in compliance, the Licensee is to true-up (purchase) additional licenses necessary to bring it into compliance and will pay for the unlicensed software at the Contract price then in effect or, if none, then at the Contractor's U.S. commercial list price. Once such additional licenses and capacities are purchased, Licensee is to be deemed to have been in compliance retroactively, and Licensee is to have no further liability of any kind for the unauthorized use of the software licenses, maintenance and services.

7.10.2.12 Bankruptcy:

The Contract is subject to the terms of section 365(n) of the United States Bankruptcy Code ("Code") if the Contractor files a bankruptcy petition. Contractor's failure to perform its continuing obligations may constitute a material breach of the Contract excusing performance by the Licensee.

7.10.2.13 Security:

No Department data or information will be transferred or stored offshore or out of the United States of America. State agencies are encouraged to consult with their Information Security Officers to ensure compliance with Florida laws and rules.

7.11 Software Support

The following information outlines the standard and optional support for all software proposed by the Respondent.

7.11.1 Standard Support

Contractors will provide the following levels of support, under the Contract:

- Microsoft's standard software warranty;
- Inside delivery, with buyer set-up and installation;
- Corrective support – to assist in the resolution of identifiable and reproducible software problems. The Contractor will provide a toll free number at Microsoft for Customers to call for assistance with software issues that cannot be resolved by the Contractor and the Contractor is to work with the Customer and Microsoft to ensure the issue(s) are resolved;
- Electronic software information – Provide access to software patches, a symptom solution database, software licenses, maintenance and services descriptions, specifications, technical literature, etc.;
- Customer service windows – minimum of 8 hours a day, 5 days a week Monday – Friday, excluding State of Florida holidays; and
- Toll-free number for Contractor Customer service.

7.11.2 Optional Support

Optional Support that may be offered as value-added services on purchases such as:

- Maintenance upgrades (Maintenance upgrades may be purchased at time of software purchase, at the end of a normal maintenance period, after a maintenance lapse, or at other appropriate times identified by Microsoft);
- Software licenses, maintenance and services and documentation updates;
- Software Training (for individual or software suites);
- Installation services;
- Annual review of software maintenance; and
- Additional customer service coverage options such as:
    - 24/7/365
    - Extended hours
    - After hours contact for emergency orders

Optional support levels resulting in increased cost to Customers are to be clearly and separately identified on the Respondent's Vendor Price Sheet as part of the Value-add tab. Optional support is to also be offered at the same percentage discount rate as the awarded category of items to which the optional support is associated.

7.11.3 Software Training

The Contractor may provide training for each type of Microsoft software proposed. All discount percentages or rates must be included on the Vendor Price Sheet on the Value-add tab. The Department will determine which training services proposed will be included in the contract award. After contract award, the Contract Administrator will

have final approval as to which training services submitted on a Software licenses, maintenance and services Change Request form will be included in the Contractor's Catalog. Additionally, if Customers express a specific need for training not currently offered under the Contract, the Contract Administrator may request that the Contractor provide such training.

7.11.4 Value-added Services

Value-added services may be offered by the Contractor. If offered, the Respondent must provide a detailed description, list price, corresponding discount and Florida price. Value-added services will be considered during the negotiation phase of the evaluation process. A separate tab has been provided on the Vendor Price Sheet for the purpose of consideration. Additional Value-added services may be submitted after contract award on the Product Update Form; however, the Contract Administrator will have final approval before the service may be marketed or sold to customers.

7.12 License Management

Contractor will be responsible for managing all Microsoft software licenses sold under this contract and will be responsible for tracking all license expiration dates, potential renewals and maintenance options.

Contractors may also offer any reporting capabilities that would allow Customers to view Customer specific information of all Microsoft software purchased under the Contract. If offered, Customer specific information will, at a minimum, include the following information:

- Agency/OEU name;
- Date of purchase;
- Software title;
- Number of licenses purchased;
- License term;
- License expiration date;
- Name of individual who placed the order and any contact information available; and
- Any other pertinent information.

7.13 Pricing and Minimum Orders

The following sections provide guidance regarding pricing, discount rates, minimum orders and promotional pricing requirements.

7.13.1 Microsoft's Florida ERP Price List

Microsoft has provided to the Department an initial ERP price List. Upon award and for the term of the contract, the LSP is to provide an updated ERP price list on a monthly basis or as often as Microsoft provides an updated ERP price list to the LSP. The Department may verify the ERP price list with Microsoft at any time to ensure that

the price list provided by the LSP is accurate. All Microsoft software offered by the LSP must be included on the proposed Vendor Price Sheet for evaluation. Respondents are to include on the Vendor Price Sheet the Microsoft Florida ERP Level D price (government) or Florida ERP Level A (academic), the LSP discount rate off of the ERP Level price, and the resulting Florida price after the discount is applied, for each software license, maintenance and service proposed. Respondents must also indicate the pricing for the renewal years.

7.13.2 Pricing

Pricing offered to the State of Florida for this solicitation is to be the best price available to the State and is to be comparable to or better than the best available pricing from similarly situated government entities. Other states similar in size and buying power to the State of Florida are California, New York, and Texas. Respondents must provide pricing for the initial contract term and pricing for the renewal term as required in subparagraph 287.057(1)(a)2, Florida Statutes.

7.13.3 Discount Rate

The discount percentages submitted in the Respondent's Best and Final Offer (BAFO) during the negotiations phase will be considered the minimum discount offered and will be applied to all future Contract price lists for all State of Florida contract customers and is to be submitted to the Department for review and approval. The overall discount levels will remain firm for the term of the contract, including renewals. Volume discounts and promotions above the proposed discounts are acceptable and encouraged. Promotional discounts will not necessitate a contract modification of the reply discounts.

All Microsoft software offered in the Respondent's reply must be offered at a discount off Microsoft's ERP Florida Level (Level D - Government and Level A - Academic) price list. All training, support, and other value-add items and services offered in this reply must be listed as a discount off of the LSP's current publically available price list. Pricing offered must be the best price available to the State of Florida and be comparable to or better than pricing offered to other similarly situated states such as California, New York and Texas. The Respondent may include additional discounts and tiered pricing, if applicable.

NOTE:

1. The Department has requested that Microsoft lower the amount that the LSP pays to Microsoft in order to increase the discount rates for this contract. Discount rates from the Microsoft ERP price list under the current contract are as follows:

    a. Select Plus Agreements – 27.90%
    b. Enterprise Agreements – 27.25%

c. Academic Agreements- 23.40%
d. Misc. – 33.33%
e. Additional discounts offered for large quantity orders

The State expects to receive greater savings under the new Contract. Respondents are therefore encouraged to work with Microsoft to provide the very best pricing available to the State of Florida. After contract award, the Contractor may increase the discount rate at any time by submitting the Software licenses, maintenance and services Update Form to the Contract Administrator.

2. The Department will not be obligated to pay any costs not identified on the Vendor Price Sheet.

3. Any cost not identified in the Contract, but subsequently incurred by the Contractor in order to achieve successful operation, will be borne by the Contractor.

4. Vendor Price Sheets may be reproduced.

5. Contractors may expand items to identify all proposed services, training, maintenance, and other options as appropriate.

7.13.4 Minimum Orders

There is to be no minimum order requirements for orders; however, Respondents may offer tiered discount pricing, volume discounts, or aggregated sales level discounts for Microsoft software purchases as appropriate.

7.14 Promotional Pricing

All promotional pricing and/or subsequent increased discounts must be extended to all qualified purchase orders from Eligible Users received during the effective date of the price reduction or promotion. The State acknowledges that retail promotions offered to the general public on retail software will not apply to the discounts in this Contract. Any promotions offered in conjunction to this Contract will be specifically limited to the items that are listed in the Vendor Price List.

7.15 Price Adjustments

Discounts proposed for Microsoft software licenses, maintenance and services are not to decrease for the entire Contract term, including renewals. If at any point during the Contract Microsoft reduces the LSP cost for software licenses or maintenance, the LSP shall pass on the additional savings to the Customers and shall submit a corrected Vendor Price List to the Contract Administrator.

Contractor may offer price decreases at any time during the contract term, including renewal periods. Price increase requests are to be based upon the Producer Price Index (PPI) for

Software Publishers, PCU5112—5112 and supplemented with documentation from Microsoft that demonstrates a price increase is justified, are limited to no more than one time per a twelve month period (i.e. each January or on contract anniversary), are subject to the Contract Administrator's approval, and is to not exceed more than 0.5 percent per year or a maximum of 2.0 percent over the life of the contract. If the PPI does not indicate an increase, then no price increase is to be allowed.

Producer Price Index Industry Data

Series Id: PCU5112--5112--
Industry: Software publishers
Product: Software publishers
Base Date: 200312

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2004	99.4	100.5	100.4	100.4	100.0	100.2	99.8	99.7	98.6	99.9	99.8	99.3	99.8
2005	98.8	99.5	99.3	99.9	99.4	99.7	99.2	99.7	100.7	100.8	100.6	100.3	99.8
2006	101.0	100.1	99.1	98.7	100.3	100.3	100.0	100.1	100.3	100.6	100.6	100.3	100.1
2007	99.5	99.9	99.9	100.1	99.6	99.4	99.5	99.9	99.5	99.4	99.4	99.3	99.6
2008	99.8	99.6	101.0	101.7	101.0	100.2	101.4	101.7	99.4	101.0	101.6	100.4	100.7
2009	101.2	101.1	100.0	100.0	99.9	99.7	98.7	99.3	98.4	98.8	94.9	94.6	98.9
2010	94.4	94.4	94.6	94.4	94.2	93.6	93.8	94.1	94.0	93.9	93.8	93.9	94.1
2011	93.9	94.0	94.0	94.2	93.9	93.9	94.1	94.0	94.3	94.0	94.1	94.2	94.0
2012	94.7	94.1	93.0	92.4	92.1	92.1	92.1	92.0	93.0	92.7	91.5	91.6	92.6
2013	92.4	92.2	92.4	92.1	92.6	93.2	92.3	92.5	92.7	92.4	92.5	92.2(P)	92.5(P)
2014	91.8(P)	92.9(P)	92.8(P)										

P : Preliminary. All indexes are subject to revision four months after original publication.

The Department reserves the right to request additional savings at any time during the contract period based upon sales volume, changes in purchasing practices, changes in software models, or other reasons as appropriate.

7.16 New Product Additions

New products within the scope of this solicitation may be considered for addition to the contract on a quarterly basis. All requests for approval will be made in writing using the Product Update form provided during the ITN process, and are to include software literature and pricing of new software, maintenance, or services may not be marketed as approved prior to written approval from the Contract Administrator. Acceptance of new software licenses, maintenance and services addition requests are contingent upon the successful submission of a complete and accurate quarterly sales report as identified in subsection 7.18, Reporting. Approval is solely within the discretion of the Department and must be within the scope of this ITN.

7.17 Product Deletions/Modifications

Software and services may be updated in the form of product deletions or modifications on a quarterly basis. Software licenses, maintenance and services deletions must be identified in the Product Update form provided by the Contract Administrator. Product modifications must also

be identified on the Product Update form and require approval of the Contract Administrator before changes can be implemented by the Contractor. Modifications may be in the form of changes to the product ID number, description or Microsoft price; however, the software/service discount rates must remain the same or better than the originally proposed discount rate, and must continually be competitive with pricing offered (the same as, or better than) to similarly situated states such California, New York and Texas.

7.18 Reporting

Each Contractor must submit a sales report on a Quarterly basis. Reporting periods coincide with the State Fiscal Year:

Quarter 1 - (July-September) – Due by October 31
Quarter 2 - (October-December) – Due by January 31
Quarter 3 - (January-March) – Due by April 30
Quarter 4 - (April-June) – Due by July 31

Each Quarterly Sales Report must be in Excel format ("Contract Quarterly Report" form is to be provided by the Department) and is to include the following information:

1. Contractor's Name and contact information
2. Detail of time period covered by included data
3. Total sales including detail of list price and contract price
4. Transaction detail is to include the following:

Transaction Detail	Description of Detail
Part Number/SKU	Your software licenses, maintenance and services part number, if applicable
Model Number/ Service Type	Model number or description of type of service
Software licenses, maintenance and services Description	Description of software licenses, maintenance and services or service
MFG	Manufacturer, Publisher, Service Provider
Item Category	Description of the software licenses, maintenance and services category
Item Subcategory	Additional grouping for item
Item / Service Name	Given name of Item or Service
Customer or Agency Name	State Agencies, Universities, Political Subdivisions, Other Eligible Users
United Nations Standard Software licenses, maintenance and services and Services Code (UNSPSC)	UNSPSC Code
UOM	Unit of Measure

UOM Description	Description of unit of measure (see example)
Volume Qty	Number of items/services purchased/provided
Order Date	Order Date
Date Delivered	Delivered date to Customer
Purchase Type	Purchase Order, Payment Card, Other
List Price	List price (Market + fee contracts use market price)
Total List Price	List price times volume quantity
Contract Price	Contracted price with State of Florida per contract terms
Total Contract Price	Contract price times volume quantity

Failure to provide quarterly and annual sales reports, including those indicating no sales, within thirty (30) calendar days following the end of each quarter (January, April, July and October) and the end of the Contract year may result in the Contractor being found in default and cancellation of the contract by the Department.

Upon request, the Contractor will report to the Department spend data with certified and other minority business enterprises. Reports must include the period covered, the name, minority code and Federal Employer Identification Number of each minority vendor utilized during the period, commodities and services provided by the minority business enterprise, and the amount paid to each minority vendor on behalf of each Customer ordering under the terms of this contract.

Initiation and submission of the Contract Sales Reports will be the responsibility of the Contractor without prompting or notification by the Contract Administrator. The Contractor will submit the completed Contract Sales Report forms by email to the Contract Administrator no later than the due date indicated above for each quarter.

The State reserves the right to request additional information as needed.

7.19 Ordering Instructions

Each Contractor will use the ordering instructions they provided per the ITN, subsection 4.4.1.1, Tab 1e. The completed information may be posted in MFMP and on the Department's contract web page to assist Customers in successfully placing orders with awarded Contractors.

The Contractor may also consider offering a line item or punch-out catalog in MFMP to assist State agency Customers with software purchases. If Contractor desires to provide such catalog, the Contract Administrator will assist the Contractor in working with the MFMP team to ensure successful implementation.

7.20 Financial and Other Consequences

The following financial consequences will apply for nonperformance of the contract by a Contractor. The State reserves the right to withhold payment or implement other appropriate remedies, such as contract termination or nonrenewal, when the Contractor has failed to perform/comply with provisions of the Contract. These consequences for non-performance are not to be considered penalties.

7.20.1 Service Level Agreement (SLA) Performance

State Agencies and OEUs may add financial consequences in their statements of work as a form of protection from the Contractor or failing to meet performance requirements within any negotiated SLA or purchase order.

7.20.2 Incorrect Price Quotes

Customer quotes that are higher than the Department approved Florida Contract price will result in a financial consequence of an additional one percent discount off of the discount rate offered at the time of quote, which will be reflected on the revised quote to that Customer. If the Department becomes aware that incorrect pricing quotes continue even after the financial consequences have been applied on quotes to Customers, the Department reserves the right to institute additional corrective measures such as an increased discount rate of one percent for the Contract, contract suspensions or contract termination.

7.20.3 Third Party Audit

Third party audit report findings that indicate LSP Vendor Price Sheets are not consistent or better than pricing or discounts accepted at Contract award may result in the following actions:

Pricing identified in the third party pricing audit, (see subsection 6.23) not matching Microsoft ERP Florida Level D (government) or ERP Florida Level A (academic) pricing minus Contractor discount to Florida may result in a financial consequence of an additional one percent discount, per occurrence, for all contract pricing. Additional discount rates will be cumulative. If LSP is determined to have more than four occurrences during the term of the Contract, the Contract may not be renewed, or may be suspended or terminated.

7.21 Subcontractors

The Contractor may use a subcontractor in order to provide adequate services and training of any software proposed. The decision to allow subcontractors is at the sole discretion of the Contractor. If approved, all subcontractors are to be the **direct responsibility** of the Contractor that entered into such subcontract. The Contractor is responsible for all liability, terms and conditions within the contract. If a subcontractor is authorized to conduct business on behalf of

the Contractor and the subcontractor is to receive compensation from the Contractor for its services, then any dispute between the Contractor and the subcontractor is to be resolved between the Contractor and the subcontractor. The State of Florida is not a party to any agreement entered into between the Contractor and its subcontractor(s). The Contractor is responsible to report all contract sales (and pay any associated MFMP transaction fees), including those of any such subcontractors and the Contractor is to ensure that all such subcontractors meet the following requirements:

- Have an ACTIVE Registration with the Department of State, Division of Corporations (www.sunbiz.org)
- Registered in the MFMP Vendor Information Portal (https://vendor.myfloridamarketplace.com)
- Not be on the State of Florida's Convicted, Suspended, or Discriminatory lists http://www.dms.myflorida.com/business_operations/State_purchasing/vendor_information/convicted_suspended_discriminatory_complaints_vendor_lists
- Have a copy of e-Verify Status on file
- Have a current W-9 filed with the Florida Department of Financial Services (https://flvendor.myfloridacfo.com)

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8 Addenda

This section contains all addenda to this solicitation. Addenda to the solicitation will be made in accordance with subsections 2.5 and 2.6 of this solicitation.

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Message Board Questions and Answers

Addendum No. 1

State of Florida

Department of Management Services

INVITATION TO NEGOTIATE

Licensing Service Providers of Microsoft Software and Services

ITB No.: 07-43230000-L

February 3, 2015

Addendum 1 includes the responses to the Message Board questions posted in MyFloridaMarketPlace and revised solicitation information.

- **Message Board Responses**

See attached document below for a complete list of message board questions and their associated response.

- **Section 6.28, Public Records, is replaced, with the following:**

If, under this contract, the Contractor is providing services and is acting on behalf of the Department as provided under section 119.011(2), Florida Statutes, the Contractor, subject to the terms of section 287.058(1)(c), Florida Statutes, and any other applicable legal and equitable remedies, shall:
(a) Keep and maintain public records that ordinarily and necessarily would be required by the Department in order to perform the service.
(b) Provide the public with access to public records on the same terms and conditions that the Department would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
(d) Meet all requirements for retaining public records and transfer, at no cost, to the Department all public records in possession of the Contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Department in a format that is compatible with the information technology systems of the Department.

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

Please see section 4.6, Redacted Submissions, for additional guidance with regard to public records requests.

- **Section 7.13.1, Microsoft's Florida ERP Price List, is revised to the following:**

Microsoft has provided to the Department an initial ERP price list for Florida Level D (Government) and Florida Level A (Academic). Vendors invited to the negotiation stage of this procurement will provide updated ERP lists. Upon award and for the term of the contract, the LSP ~~is to~~ will provide ~~an~~ updated ERP price lists, at a minimum on a ~~monthly~~ quarterly basis. ~~or as often as Microsoft provides an updated ERP price list to the LSP~~. The Department may verify the ERP price lists with Microsoft at any time to ensure that the price lists provided by the LSP ~~is~~ are accurate. Respondents accepted to the negotiation phase will provide pricing for a~~A~~ll Microsoft software offered by the LSP ~~must be included~~ on the ~~proposed~~ Vendor Price Sheet ~~for evaluation~~. Respondents in the negotiation phase ~~are to~~ will include on the Vendor Price Sheet: 1) the Microsoft Florida ERP Level D price (G~~g~~overnment), 2) the ~~or~~ Florida ERP Level A (A~~a~~cademic), 3) the LSP discount rate off of the ERP l~~L~~evel price (one discount rate for each tab (Government Select Plus, Government Enterprise (cloud and subscription may have a separate discount rate), Academic Select Plus, Academic EES, Media, and Value-added Services)), and 4) the resulting Florida price after the discount is applied, for each software license, maintenance and service proposed. Respondents must also indicate the pricing for the renewal years.

- **Section 7.10.2.4, Technical Support and Maintenance.**
  Paragraph three is amended as follows:

The Licensee may discontinue maintenance at the end of any current maintenance term upon notice to the Contractor; the maintenance term will not automatically renew. If the Licensee does not initially acquire maintenance but subsequently chooses to acquire it, ~~,~~ or if licensee discontinues maintenance~~,~~ and subsequently chooses it to be reinstated, the Licensee ~~may at any later time reinstate maintenance without any penalties or other charges, by paying the Contractor the amount, if any, required in order to bring the software up to the current software version~~ may have to purchase a new license and software assurance if the maintenance was not covered under the initial upgrade rights. Chapter 215, Florida Statutes prohibits State agencies from paying for any software licenses, maintenance and services not received. Therefore, the State will not pay a reinstatement fee if during the time of maintenance lapse no software updates, bug fixes or patches were provided for that software to other customers.

- **Section 7.15, Price Adjustments, is stricken in its entirety, except for the following:**

The Department reserves the right to request additional savings at any time during the contract period based upon sales volume, changes in purchasing practices, changes in software models, or other reasons as appropriate.

- **Attachment 8**, Savings-Reduction Verification form, is not required until contract award.
- **Cover sheet** has been revised to correct the reply due date.
- **The Vendor Checklist** is revised to add Capacity to Tab 1.

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

Licensing Solutions Providers for Microsoft Software and Services
ITN No. 07-43230000-L
Questions and Answers

Question No.	Question id.	Question Submission Date and Time	Response
1	MSG83925	1. Can the pricing be taken from the February pricelist and submitted in the same format, as a replacement? (instead of individually filling in each price)	No. Please use the price sheet provided.
2	MSG83925	2. What is the percentage of 47 Million is educational?	Approximately 15 percent for fiscal year 2013-2014.
3	MSG83925	3. What is the percentage of requestors ask for performance or Bid Bonds?	If, by "requestors", you mean customers as defined in PUR 1000, then the answer is unknown.
4	MSG83925	4. Please clarify what is expected on the following Standard Support?	Uncertain what "following Standard Support" means, but Standard Support is discussed in section 7.11.1.
5	MSG83925	5. Why would there be a need for inside delivery and/or installation when software is electronically downloaded?	While most software may be electronically downloaded, customers may request that software be shipped to a particular location.
6	MSG83925	6. What the percentage of pCard transactions were versus PO in 2014?	There were no Pcard transactions in 2014 for this contract.
7	MSG83926	We have a question regarding the ITN pricing: With Microsoft pricing subject to monthly price changes, how should we represent pricing 4, 5, even 6 years into the future?	See section 7.13.3: "The overall discount levels will remain firm for the term of the contract, including renewals."

8	MSG83985	Is it the intent to lock the price or the discount % for all 3 years? Microsoft publishes a new price list monthly in which prices could fluctuate any time. The discount would remain the same but the actual price could change.	See section 7.13.3: "The overall discount levels will remain firm for the term of the contract, including renewals."
9	MSG83985	Can we propose a different discount % for every product?	No. Respondents are to propose a different discount for each tab, but not for each product within a tab, with the exception of cloud/subscription products, which are listed under the Enterprise Agreement tab. See Addendum 1, which amends section 7.13.1, especially number 3).
10	MSG83985	Cloud / Subscription Services—Microsoft uses a different discount schedule for it cloud and subscription service offerings. Can we propose a different discount for those offerings?	Yes
11	MSG83985	ITN, Section 6.23, Page 50: The ITN requires quarterly third party audits. Because of the frequency, this could cause an undue burden on both the Contractor and DMS. Would DMS consider an annual audit rather than a quarterly audit?	No

12	MSG83985	ITN, Section 7.10.2.4, Page 62: The ITN states, "If the Licensee does not initially acquire,or discontinues maintenance, the Licensee may at any later time reinstate maintenance without any penalties or other charges, by paying the Contractor the amount, if any, required in order to bring the software up to the current software version." If maintenance coverage lapses, Microsoft requires that the end user purchase a new license and maintenance. Would DMS please amend this section to align with Microsoft's terms and conditions?	See Addendum 1, which amends section 7.10.2.4.
13	MSG83985	Would DMS allow for a separate discount percentage for cloud/subscription products (Office 365, etc.) compared to licenses and maintenance for perpetual licenses?	Yes.

14		Section 7.13.1, Page 66 of the ITN requires a monthly price list, yet Section 7.16 states that new product additions may only be requested on a quarterly basis.What if Microsoft's price list contains additions on a monthly basis? Is the Contractor expected to remove any new products from the Microsoft price list until DMS has approved the additions on a quarterly basis? This could be problematic for an agency that wants to purchase a new product in between the quarterly update process.	See Addendum 1, which amends section 7.13.1. See also section 4.3.1, which applies to sections 7.6 to 7.21.
15		Section 7.15, Page 68 of the ITN states that discounts are not to decrease during the term of the contract. In that same section, it states that price increases are limited to no more than one time per a twelve month period. Can you please confirm that the discounts are required to remain firm and not the prices of the individual part numbers? Microsoft's prices are subject to change on a monthly basis, and the Contractor can only commit to holding the discount structure the same—not the price of the individual part numbers.	Confirmed. See Addendum 1, which amends section 7.15.

16	MSG83985	Is item g. Capacity supposed to be included as the last item in Tab 1? On pages 27-28 of the RFP, Tab 1 includes items 4.4.1.1.a through g.The last item (g) is Capacity. In the Vendor Checklist, the last item listed in Tab 1 is the authorization to do business in Florida (item f).	Yes. See Addendum 1, which amends the Vendor Checklist form.
17 a	MSG84019	Can you please address how DMS will handle any new or replacement licensing programs that Microsoft may offer during the term of the contract?	See sections 7.16 and 7.17 of the ITN.
17 b	MSG84019	Additionally, how will DMS handle any licensing programs that Microsoft may discontinue during the term of the contract?	See sections 7.16 and 7.17 of the ITN.
18	MSG84037	Please confirm the due date is February 24th, 2015.	Confirmed. See Addendum 1, which amends the ITN cover page.
19	MSG84037	What is the total anticipated Revenue per year for this contract?	Please see section 1.1 of the ITN.
20	MSG84037	Will this contract also serve as a contract vehicle for Microsoft professional services, through the named LSP?	See sections 7.2 and 7.3 of the ITN.

21	MSG84037	4.4.1.2: 7b Training & Instruction: Customer Training. Does the State have a current method of communicating available training to affiliates of the state or is this the responsibility of the LSP to ensure trainings are communicated as they become available?	No. It is the responsibility of the LSP.
22	MSG84037	4.4.1.2: 7b Training & Instruction: Customer Training. Is there a minimum amount of training that must be made available each year?	No. Please see section 7.6.4.2 of the ITN for additonal information.
23	MSG84037	4.4.1.2: 8 Transition Plan: Will the state allow the awarded reseller to begin this transition process with Microsoft immediately upon award? Per this ITN, it is stated the new contract is set to begin June 1, 2015. However, any such transition will take several days to occur. If the awardee is not allowed to begin this process until June 1, 2015, the state may risk a period where the LSP is awarded the new contract, but unable to access the state's agreement information. This could result in expired agreements (for any agreement expires May 30, 2015) and may also result in late payments to newly awarded reseller for any payments due June 1, 2015.	Yes; however, the new LSP cannot begin to sell new agreements to Eligible Users until the contract effective date.

24	MSG84037	5.5: Per this section, it appears the price sheets do not need to be completed until the respondent is invited to the negotiation phase of the ITN process. Can the state verify this statement is accurate?	Confirmed.

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

state purchasing

We serve those who serve Florida

Invitation to Negotiate

For

Licensing Solutions Providers of Microsoft Software and Services

ITN No. 07-43230000-L

Florida Department of Management Services

ITN Issue Date: December 17, 2014

Replies Due: February ~~17~~24, 2015
2:00 p.m. Eastern Time

Vendor Checklist

Qualifying Questions

Question 1 – Vendor is authorized to reply
Question 2 – Respondent is an authorized LSP for Microsoft software and services
Question 3 – Vendor has minimum of five years' experience
Question 4 – Vendor is not a Discriminatory Vendor and is not a Convicted vendor
Question 5 – Vendor is not on a Suspended and not on Complaints list
Question 6 – Vendor is not a scrutinized company
Question 7 – Vendor agrees with PUR 1001, section 9.
Question 8 – Vendor agrees to submit annually the Preferred Pricing Affidavit
Question 9 – Vendor has an active registration with DOS

(MFMP Fees and open reports must be resolved prior to contract award.)

Response as required in section 4.4 of the ITN

- Tab 1 Company Information
  - Company name and address
  - Company's principle place of business
  - Executive summary of the bid
  - Attachment 1, Contractor Information Worksheet
  - Attachment 2, Ordering Instructions Form Completed
  - Authorization to do business in Florida
  - Capacity information

- Tab 2 Experience and Ability
  - Brief history of the company
  - Company's organizational chart
  - Prior work experience
  - LSP experience
  - Microsoft Certification Training
  - Expertise
    - Knowledge of Microsoft Licensing and Agreements
    - Attachment 3, Microsoft Core competencies
    - Attachment 4, Software Publisher's Certification
    - Knowledge of government agencies
    - License Management
    - Subject Matter Expertise
    - Customer Service
    - Training and Instruction
    - Transition Plan
  - Reply to Section Seven

- Tab 3 References / Past Performance
  - Attachment 5 (five references)

- Tab 4 Disputes
  - Contract disputes provided

- Tab 5 Financial and Industry Standing and Strength
    - Company financial statements for the last three (3) years
    - Attachment 6, Vendor Price Sheet (submitted during negotiations)
    - Attachment 7, Preferred Pricing Affidavit
    - Attachment 8, Savings/ Price Reductions

- Tab 5 Other Required Information
    - DOS Registration form (statement of good standing)
    - Certifications
        - Attachment 9, Certified Drug-Free Workplace
        - Certification of Minority Business
        - Certification of Wartime or Service Disabled Veteran
    - Three Purchase Orders/Invoices
    - E-Verify Information
    - Attachment 10, Emergency Situations form
    - Attachment 11, Scrutinized Company form

- Redacted Copies

- Product Literature or other information, if applicable

Addendum No. 2

State of Florida

Department of Management Services

INVITATION TO NEGOTIATE

Licensing Service Providers of Microsoft Software and Services

ITB No.: 07-43230000-L

March 5, 2015

Addendum 2 extends the Timeline of Events in section 2.2 of the ITN as attached:

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

Section 2.2, Timeline of Events, Revised

Event	Time	Date
Solicitations Notification posted in the VBS Solicitation Opens in MFMP in Preview Mode		12/17/2014
Public Meeting: Pre-Reply Conference and MFMP Training **Non-Mandatory** for Respondents Betty Easley Conference Center 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	01/09/2015
Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015
Question Submission Deadline	2:00 p.m.	01/20/2015
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015
Replies Due in MFMP Sourcing	2:00 p.m.	02/24/2015
Public Meeting: Reply Opening **Non-Mandatory** for Respondents 4050 Esplanade Way, room 335K Tallahassee, FL 32399	2:01 p.m.	02/24/2015
Public Meeting: Evaluation Team Recommendation to Stage 2, Negotiations **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:30 p.m.	~~03/11/2015~~ 4/1/2015
Anticipated posting of negotiation vendors		~~03/25/2015~~ 4/15/2015
Negotiation Sessions		~~04/01/2015 – 04/17/2015~~ 4/27/2015 - 5/15/2015

Section 2.2, Timeline of Events, Revised

Event	Time	Date
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	~~04/29/2015~~ 5/19/2015
Anticipated date to post Notice of Intent to Award.	On or about	~~05/13/2015~~ 6/2/2015
Anticipated Contract Start Date	On or about	~~06/01/2015~~ 7/6/2015

Addendum No. 3

State of Florida

Department of Management Services

INVITATION TO NEGOTIATE

Licensing Service Providers of Microsoft Software and Services

ITB No.: 07-43230000-L

May 19, 2015

Addendum 3 extends the Timeline of Events in section 2.2 of the ITN as attached:

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

Section 2.2, Timeline of Events, Revised

Event	Time	Date
Solicitations Notification posted in the VBS Solicitation Opens in MFMP in Preview Mode		12/17/2014
Public Meeting: Pre-Reply Conference and MFMP Training **Non-Mandatory** for Respondents Betty Easley Conference Center 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	01/09/2015
Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015
Question Submission Deadline	2:00 p.m.	01/20/2015
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015
Replies Due in MFMP Sourcing	2:00 p.m.	02/24/2015
Public Meeting: Reply Opening **Non-Mandatory** for Respondents 4050 Esplanade Way, room 335K Tallahassee, FL 32399	2:01 p.m.	02/24/2015
Public Meeting: Evaluation Team Recommendation to Stage 2, Negotiations **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:30 p.m.	~~03/11/2015~~ 4/1/2015
Anticipated posting of negotiation vendors		~~03/25/2015~~ 4/15/2015
Negotiation Sessions		~~04/01/2015 – 04/17/2015~~ 4/27/2015 - 5/15/2015

Section 2.2, Timeline of Events, Revised

Event	Time	Date
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	~~04/29/2015~~ ~~5/19/2015~~ TBD
Anticipated date to post Notice of Intent to Award.	On or about	~~05/13/2015~~ ~~6/2/2015~~ TBD
Anticipated Contract Start Date	On or about	~~06/01/2015~~ ~~7/6/2015~~ TBD

ADDENDUM NO. 4

State of Florida
Department of Management Services

Invitation to Negotiate (ITN) No. 07-43230000-L
Licensing Solutions Providers of Microsoft Software and Services

August 28, 2015

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

Added or new language to the ITN is highlighted in **yellow** underlined and bolded below. And language that is deleted is highlighted in ~~yellow~~ and stricken through below.

Change No. 1:
A change to section 2.2 of the ITN updates the date for the "Public Meeting – Negotiation Team Recommendation.

2.2 Timeline of Events

The table below contains the Timeline of Events for this solicitation. The dates and times within the Timeline of Events may be subject to change. It is the responsibility of the Respondent to check for any changes to the Timeline. All changes to the Timeline of Events, if any, will be made by issuing addenda to the solicitation.

Timeline of Events	Event Time (EDT)	Event Date
Solicitations Notification posted in the VBS Solicitation Opens in MFMP in Preview Mode		12/17/2014
Public Meeting: Pre-Reply Conference and MFMP Training **Non-Mandatory** for Respondents Betty Easley Conference Center 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	01/09/2015
Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015
Question Submission Deadline	2:00 p.m.	01/20/2015

Timeline of Events	Event Time (EDT)	Event Date
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015
Replies Due in MFMP Sourcing	2:00 p.m.	02/24/2015
Public Meeting: Reply Opening **Non-Mandatory** for Respondents 4050 Esplanade Way, room 335K Tallahassee, FL 32399	2:01 p.m.	02/24/2015
Public Meeting: Evaluation Team Recommendation to Stage 2, Negotiations **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:30 p.m.	4/1/2015
Anticipated posting of negotiation vendors		4/15/2015
Negotiation Sessions		4/27/2015 - 5/15/2015
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	~~04/29/2015~~ ~~5/19/2015~~ ~~TBD~~ **09/8/2015**
Anticipated date to post Notice of Intent to Award.	On or about	~~05/13/2015~~ ~~6/2/2015~~ TBD
Anticipated Contract Start Date	On or about	~~06/01/2015~~ ~~7/6/2015~~ TBD

ADDENDUM NO. 5

State of Florida
Department of Management Services

Invitation to Negotiate (ITN) No. 07-43230000-L
Licensing Solutions Providers of Microsoft Software and Services

September 8, 2015

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

Added or new language to the ITN is highlighted in **yellow** underlined and bolded below. And language that is deleted is highlighted in ~~yellow~~ and stricken through below.

Change No. 1:
A change to section 2.2 of the ITN updates the date for the Public Meeting – Negotiation Team Recommendation. The Public Meeting scheduled for Tuesday, September 8, 2015 has been postponed until further notice.

2.2 Timeline of Events

The table below contains the Timeline of Events for this solicitation. The dates and times within the Timeline of Events may be subject to change. It is the responsibility of the Respondent to check for any changes to the Timeline. All changes to the Timeline of Events, if any, will be made by issuing addenda to the solicitation.

Timeline of Events	Event Time (EDT)	Event Date
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Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015

Timeline of Events	Event Time (EDT)	Event Date
Question Submission Deadline	2:00 p.m.	01/20/2015
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015
Replies Due in MFMP Sourcing	2:00 p.m.	02/24/2015
Public Meeting: Reply Opening **Non-Mandatory** for Respondents 4050 Esplanade Way, room 335K Tallahassee, FL 32399	2:01 p.m.	02/24/2015
Public Meeting: Evaluation Team Recommendation to Stage 2, Negotiations **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:30 p.m.	4/1/2015
Anticipated posting of negotiation vendors		4/15/2015
Negotiation Sessions		4/27/2015 - 5/15/2015
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, room 101 Tallahassee, FL 32399	2:00 p.m.	~~04/29/2015~~ ~~5/19/2015~~ ~~TBD~~ ~~09/8/2015~~ **TBD**
Anticipated date to post Notice of Intent to Award.	On or about	~~05/13/2015~~ ~~6/2/2015~~ TBD
Anticipated Contract Start Date	On or about	~~06/01/2015~~ ~~7/6/2015~~ TBD

ADDENDUM NO. 6

State of Florida
Department of Management Services

Invitation to Negotiate (ITN) No. 07-43230000-L
Licensing Solutions Providers of Microsoft Software and Services

September 18, 2015

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

Added or new language to the ITN is highlighted in **yellow** underlined and bolded below. And language that is deleted is highlighted in ~~yellow~~ and stricken through below.

Change No. 1:
A change to section 2.2 of the ITN updates the date for the "Public Meeting – Negotiation Team Recommendation.

2.2 Timeline of Events

The table below contains the Timeline of Events for this solicitation. The dates and times within the Timeline of Events may be subject to change. It is the responsibility of the Respondent to check for any changes to the Timeline. All changes to the Timeline of Events, if any, will be made by issuing addenda to the solicitation.

Timeline of Events	Event Time (EDT)	Event Date
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Last day to register as a new MFMP vendor and join the event before question submission deadline.	2:00 p.m.	01/16/2015
Question Submission Deadline	2:00 p.m.	01/20/2015

Timeline of Events	Event Time (EDT)	Event Date
Anticipated Date of Questions and Answers Addendum		02/03/2015
Respondents May Begin Submitting Replies	2:00 p.m.	02/03/2015
Last day to register as a new MFMP vendor and join the event before replies are due.	2:00 p.m.	02/20/2015
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Anticipated posting of negotiation vendors		4/15/2015
Negotiation Sessions		4/27/2015 - 5/15/2015
Public Meeting: Negotiation Team Recommendation to Award **Non-Mandatory** for Respondents 4050 Esplanade Way, Room 101 Tallahassee, FL 32399	**3:00 p.m.**	~~04/29/2015~~ ~~5/19/2015~~ ~~TBD~~ ~~09/8/2015~~ **9/28/2015**
Anticipated date to post Notice of Intent to Award.	On or about	~~05/13/2015~~ ~~6/2/2015~~ TBD
Anticipated Contract Start Date	On or about	~~06/01/2015~~ ~~7/6/2015~~ TBD

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

state purchasing

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AMENDMENT NO.: 1
Audits
Licensing Solutions Providers (LSP) of Microsoft Software and Services
State Term Contract No. 43230000-15-02

This Amendment ("Amendment") to the LSP of Microsoft Software and Services State Term Contract No. 43230000-15-02 ("Contract"), effective February 1, 2019, between the State of Florida, Department of Management Services ("Department") and SHI International Corporation ("Contractor"), collectively referred to herein as the "Parties." All capitalized terms used herein shall have the meaning assigned to them in the Contract unless otherwise defined herein.

WHEREAS, the Parties agreed that the Contract may be amended by mutual agreement as provided in Section VI, "Amendments," of the Contract.

THEREFORE, in consideration of the mutual promises contained below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

I. The Contractor agrees to comply with the third-party audit and reporting requirements as stated in Section 38 of the Contract, Section 6.23 of the ITN,. The Parties agree this amendment is to provide further clarification on the third-party audit and reporting requirements and the Contractor agrees compliance with the Contract includes the following actions taken by Contractor:

A. Provide to the Department all third-party audits, performed at least once per Quarter, utilizing the required Auditor Quarterly Sales Report Form, included as Attachment 1 of this Amendment and incorporated herein by reference. Attachment 1, Auditor Quarterly Sales Report Form, shall be the required format for all third-party audits submitted to the Department. Any submissions are subject to the approval and acceptance of the Department. Any deviation from the required format must be approved by the Department prior to submission.

B. For all previously submitted third-party audits with due dates prior to this Amendment, Contractor agrees to resubmit these third-party audits to the Department in the required format referenced above in subsection I.A. of this Amendment no later than May 30, 2019.

C. Provide all future third-party audits submitted in the format referenced in subsection I.A. 30 days following the end of each Quarter. The Quarters coincide with the State Fiscal Year as follows:
Quarter 1 – July – September
Quarter 2 – October – December
Quarter 3 – January – March
Quarter 4 – April – June

D. Instruct the third-party auditor, during the once per quarter audit, to identify any discrepancies between prices charged to customers and prices indicated on the Contractor's approved price sheets and memorialize any identified discrepancies in the Auditor Quarterly Sales Report Form submitted to the Department. The Contractor is to instruct the third-party auditor to include in the Auditor Quarterly Sales Report Form details regarding any discrepancies in price, including when an agency customer is overcharged and the amount of overcharges per agency, as well as the total amount of overcharges;

E. Submit to the Department a plan for remedying any overcharges identified by the third-party auditor which includes reimbursing each state agency for the full amount the customer was overcharged. Such a plan will include:

1. A schedule for repayment of all previously identified overcharges, ensuring all impacted state agency customers are reimbursed the full amount owed;

2. A plan for avoiding any overcharges on future purchases under the Contract; and

3. A plan for reimbursement of any future overcharges incurred by state agencies on future purchases.

II. All Auditor Quarterly Sales Report Forms are subject to the approval and acceptance of the Department. The Parties agree any Auditor Quarterly Sales Report not submitted in accordance with the requirements set forth in this Amendment will result in the following financial consequences:

A. Failure to resubmit all outstanding third-party audits (those with due dates prior to this Amendment) in the accordance with the required format referenced in subsection I.A. by the May 30, 2019, deadline will result in a penalty of $1,000.00 per week until all audits are submitted in accordance with subsection I.A.

B. Failure to submit any future third-party audits in accordance with the required format referenced in subsection I.A. within 30 days following the end of the Quarter, as identified in I.C., will result in a penalty of $1,000.00 per week until submitted in accordance with subsection I.A

III. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

IV. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

V. Effect. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract shall continue in full force and effect. This Amendment sets forth the entire understanding between the parties with regard to this subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives.

State of Florida: **Department of Management Services**	**Contractor:** **SHI International Corporation**
By: _____	By: _____
Name: David Clark	Name: _____
Title: Chief of Staff	Title: _____
Date: _____	Date: _____

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives.

State of Florida:
Department of Management Services

By: _____

Name: David Clark

Title: Chief of Staff

Date: 1/31/19

Contractor:
SHI International Corp.

By: Natalie Castagno

Name: Natalie Castagno

Title: Director of Contracts & RFPs

Date: 1/31/19

Attachment 1 - Amendment 1

Order Date	Purchase Order Number/ Pcard Transaction Number	Customer (Ordering Entity)	Customer Type	Description	Manufacturer ID	Quantity	Unit of Measure	Reference Price (MSRP) [per Unit]

Attachment 1 - Amendment 1

Should Cost				Did Cost			
Referenced Cost (Reference Price X Quantity)	Minimum Percentage per BAFO (COMPUTED BY VDB)	Total Should Cost Per Unit	Total Should Cost	Unit Price	Total Price	Difference	Overpayment / Underpayment

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

state purchasing

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AMENDMENT NO.: 2
Contract Renewal
Licensing Solutions Providers (LSP) of Microsoft Software and Services
State Term Contract No. 43230000-15-02

This Amendment ("Amendment") effective February 1, 2019, to the LSP of Microsoft Software and Services State Term Contract No. 43230000-15-02 ("Contract"), between the State of Florida, Department of Management Services ("Department") and SHI International Corporation ("Contractor") are collectively referred to herein as the "Parties." All capitalized terms used herein shall have the meaning assigned to them in the Contract unless otherwise defined herein.

WHEREAS, the Contract began on February 1, 2016, and is scheduled to expire on January 31, 2019.

WHEREAS, the Parties agreed that the Contract may be amended by mutual agreement as provided in section VI, "Amendments," of the Contract; and

WHEREAS, the Parties agree to renew the Contract, pursuant to section III, "Renewal Terms", of the Contract;

THEREFORE, in consideration of the mutual promises contained below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

I. Contract Renewal. The Contract is hereby renewed for a period of one (1) year, with a new contract expiration date of January 31, 2020, under the same terms and conditions.

II. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

III. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

IV. Effect. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract shall continue in full force and effect. This Amendment sets forth the entire understanding between the parties with regard to this subject matter hereof.

This space intentionally left blank.

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives.

State of Florida:
Department of Management Services

By: _____

Name: David Clark

Title: Chief of Staff

Date: _____

Contractor:
SHI International Corporation

By: _____

Name: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives.

State of Florida:
Department of Management Services

By: _____

Name: David Clark

Title: Chief of Staff

Date: 1/31/19

Contractor:
SHI International Corp.

By: Natalie Castagno

Name: Natalie Castagno

Title: Director of Contracts & RFPs

Date: 1/31/19

Department of
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AMENDMENT NO.: 3
Contract Renewal

State Term Contract No.: 43230000-15-02
State Term Contract Name: Licensing Solutions Providers of Microsoft Software and Services

This Amendment No. 3 ("Amendment") to the Licensing Solutions Providers of Microsoft Software and Services, 43230000-15-02 ("Contract"), between the State of Florida, Department of Management Services ("Department"), and SHI International Corp. ("Contractor"), collectively referred to herein as the "Parties," is effective upon execution by both Parties.

WHEREAS, the Department, on February 1, 2016, executed a state term contract authorizing the purchase of Microsoft Software and Services from SHI International Corp., effective through January 31, 2019; and

WHEREAS Amendment No. 2 subsequently renewed the Contract through January 31, 2020; and

WHEREAS, the Parties agreed that the Contract may be amended by mutual agreement as provided in section VI, "Amendments," of the Contract; and,

WHEREAS, the Parties agree to renew the Contract as provided in section III, "Renewal Terms," of the Contract.

NOW THEREFORE, for the mutual covenants contained herein, the Parties agree as follows:

I. Contract Amendment. The Contract is amended to remove Microsoft Azure Cloud Solutions and Services from Contract No. 43230000-15-02, Licensing Solutions Providers of Microsoft Software and Services. Microsoft Azure Cloud Solutions and Services are available for purchase through Alternate Contract Source No. 43230000-NASPO-16-ACS, for Cloud Solution Providers, effective February 1, 2020.

II. Contract Amendment. The Contract is amended to replace the current Reseller discount of 18.2% off of estimated retail price (ERP) for Government EA pricing, with the following:

Government EA Discount = 18.5% Minimum

This discount shall become effective on February 1, 2020, and will expire on January 31, 2022, unless the Contract is extended through mutual agreement by both parties. This discount shall be the minimum discount extended to Customers by SHI International Corp. for applicable software and services.

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AMENDMENT NO.: 3
Contract Renewal

State Term Contract No.: 43230000-15-02
State Term Contract Name: Licensing Solutions Providers of Microsoft Software and Services

III. Contract Amendment. As required by section 287.135(3)(b), Florida Statutes, section 17, "Scrutinized Company List," of the Contract's Exhibit A: Special Contract Conditions, is amended to add the following sentence:

> The Department may unilaterally terminate this Contract if the Contractor has been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

IV. Contract Renewal. The Contract is hereby renewed for two (2) years, with a new Contract expiration date of January 31, 2022.

V. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

VI. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

VII. Effect. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract, as previously amended, shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment by their duly authorized representatives.

State of Florida: **Department of Management Services**	**Contractor:** **SHI International Corp.**
By: _____ **Name: Tami Fillyaw** **Title: Chief of Staff** **Date:**	**By:** _____ **Name:** **Title:** **Date:**

Department of
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AMENDMENT NO.: 3
Contract Renewal

State Term Contract No.: 43230000-15-02
State Term Contract Name: Licensing Solutions Providers of Microsoft Software and Services

III. Contract Amendment. As required by section 287.135(3)(b), Florida Statutes, section 17, "Scrutinized Company List," of the Contract's Exhibit A: Special Contract Conditions, is amended to add the following sentence:

> The Department may unilaterally terminate this Contract if the Contractor has been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

IV. Contract Renewal. The Contract is hereby renewed for two (2) years, with a new Contract expiration date of January 31, 2022.

V. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

VI. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

VII. Effect. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract, as previously amended, shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment by their duly authorized representatives.

State of Florida: **Department of Management Services**	**Contractor:** **SHI International Corp.**
By: Tami Fillyaw	**By:** Kristina Mann
Name: Tami Fillyaw	**Name:** Kristina Mann
Title: Chief of Staff	**Title:** Sr. Lead Contract Specialist
Date: 1/29/2020	**Date:** 1/29/20