

State of Florida
Department of Financial Services
Request for Proposal # DFS AC RFP 12/13-08

Request for Unclaimed Property Holder Audit Proposal

[NOTE: Please review this RFP carefully as conditions and specifications, which are considered mandatory requirements are expressed with the word “shall” or “must” in the description of the requirement. RFP Responses which fail to demonstrate both willingness and ability to comply with such a condition or specification will be considered non-responsive and will be disqualified and not evaluated.]

CAUTION: Proposers are also advised that Proposer shall submit a redacted version of the Proposal if Proposer considers any portion of the documents, data or records submitted in reply to this solicitation to be confidential, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes (F.S.), the Florida Constitution or other authority. This redacted copy shall be clearly titled “Redacted Copy.” **FAILURE TO PROVIDE A REDACTED VERSION WHEN CONFIDENTIALITY IS CLAIMED BY THE VENDOR MAY BE CAUSE FOR DETERMINATION OF NON-CONFORMANCE. FAILURE TO PROTECT A TRADE SECRET SHALL CONSTITUTE A WAIVER OF ANY CLAIM OF CONFIDENTIALITY AND THE DEPARTMENT SHALL RELEASE THE REQUESTED DOCUMENT IN RESPONSE TO A PUBLIC RECORDS REQUEST.**

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SECTION 1: INTRODUCTORY SECTION

1.1. Purpose

The Department of Financial Services (“Department”) is interested in obtaining competitive sealed bids from qualified vendors (“Proposer”) for utilization of one or more auditors for general ledger auditing, securities auditing, oversight of contractor-assisted self-audits, collection and delivery of unclaimed property, as it relates to unclaimed property held and owing by holders or by agent(s).

Chapter 717, Florida Statutes (F.S.), provides that the Department of Financial Services, on behalf of the State of Florida, shall be responsible for the administration and enforcement of the “Florida Disposition of Unclaimed Property Act.” In order for the Department to properly administer and enforce the law, it is necessary to seek reporting compliance from holders of unclaimed property throughout the United States. Unclaimed Property reporting compliance will be enhanced by Contractors performing, pursuant to this RFP, one or more of the following as described in Attachment B: 1) a general ledger audit of the holder’s records; 2) a securities audit of the financial records of the holder; or 3) oversight of a contractor-assisted self-audit for all property types. The Contractor will be performing these services on behalf of the Department to audit for, locate, identify, report and deliver unreported unclaimed property, which is past due, along with identifying and reporting owner information that is due the State of Florida. The Department has determined that the identification, authorization, auditing, collection, reporting and delivery of unclaimed property will be enhanced by the utilization of one or more Contractors performing these services pursuant to Chapter 717, F.S.

1.2. Purchasing Agent

The Purchasing Agent is the sole point of contact from the date of release of this RFP until selection of a successful Proposer. All procedural questions and requests for clarification of this solicitation shall be submitted in writing to:

Department of Financial Services
Attn: Gloriann McInnis, Purchasing Services
200 East Gaines Street, Larson Building
Tallahassee, FL 32399-0317
Email: Gloriann.McInnis@myfloridacfo.com
Fax: (850) 487-2389

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

The Department cannot accept telephone calls from any vendor regarding a pending solicitation. Please note that questions will NOT be answered via telephone.

Responses to questions will be posted on the Vendor Bid System (“VBS”) website, at http://www.myflorida.com/apps/vbs/vbs_www.main_menu (modifies PUR 1001 ¶5).

1.3. Purchasing Instructions and General Conditions

PUR Form 1001, General Instructions to Respondents, and PUR Form 1000, General Conditions, which, except as modified by these Special Conditions, are incorporated and are attached or available online at http://dms.myflorida.com/business_operations/state_purchasing/documents_forms_references_resources/purchasing_forms. The requirements of this RFP including the attached contract form shall be considered special conditions or special instructions for purposes of superseding the provisions of PUR 1000 and PUR 1001 in compliance with Rule 60A-1.002(7), F.A.C.

Inapplicable Provisions of PUR 1000 General Conditions.

The following provisions found in the PUR 1000, attached in the VBS, are not applicable to this RFP:

Section 2. Purchase Orders

Section 4. Price Changes Applicable only to Term Contracts, is hereby amended to remove subsection (b), Best Pricing Offer

Section 27. Purchase Order Duration

1.4. Timetable

The following schedule will be strictly adhered to in all actions for this solicitation:

<u>Date/Time</u>	<u>Action</u>
1/4/13	Release of solicitation
1/22/13 by 5:00 P.M. ET	Last day for written inquiries
2/1/13, on or about	Written responses to inquiries posted
2/13/13, by 3:00 P.M. ET	Proposal Submissions due
3/11/13, on or about	Estimated Posting of Intent to Award

The Department reserves the right to make adjustments to this schedule and will notify participants in the solicitation. Adjustments to the schedule will be announced to all Proposers who have expressed interest by participating in the events listed in the table above.

1.5. Proposer’s Conference.

There will not be a Proposer’s conference.

1.6. Definitions

1.6.1 Solicitation Definitions:

- a) "Business days" include only Monday through Friday, inclusive, except for holidays declared and observed by the state government of Florida.
- b) "Business hours" means 8AM to 5 PM on all business days. "Day" means business day (defined as the Department's normal working hours) unless otherwise described.
- c) "Calendar days" means all days, including weekends and holidays, except that if the last day counted falls on a weekend or holiday, the due date shall be the next business day thereafter.
- d) "Contract," unless indicated otherwise, refers to the contract that will be awarded to successful Proposers under this RFP.
- e) "Contractor," unless indicated otherwise, refers to a business entity to which a contract has been awarded by the Department in accordance with a proposal submitted by that entity in response to this RFP. This may also be referred to as "Provider".
- f) "Department" means the Department of Financial Services, or Chief Financial Officer. Terms may be used interchangeably. This may also be referred to as Buyer, Customer or "DFS".
- g) "Desirable Conditions" designated by the use of the words "should" or "may" in this solicitation, indicate desirable attributes or conditions, but are permissive in nature. Deviation from, or omission of, such a desirable feature, will not in itself cause rejection of a proposal.
- h) "Mandatory Requirements" means that the Department has established certain requirements with respect to proposals to be submitted by Proposers. The use of "shall", "will" (except to indicate simple futurity) or "must" in this solicitation indicates that compliance is mandatory. Failure to meet mandatory requirements will cause rejection of the proposal or termination of a contract.
- i) "Minor Irregularity," used in the context of this solicitation and contract, indicates a variation from the proposal terms and conditions which does not affect the price of the Proposal or give the proposer an advantage or benefit not enjoyed by other proposers, or does not adversely impact the interests of the Department.
- j) "Proposer" means the entity that submits materials to the Department in accordance with these Instructions, or other entity responding to this solicitation. This may also be referred to as Respondent, or Vendor. The solicitation response may be referred to as Bid, Proposal, or Response.
- k) "RFP" refers to this Request for Proposals and includes attachments to this Request for Proposals unless stated otherwise.
- l) "Vendor Bid System" and "VBS" refers to the State of Florida internet-based vendor information system at http://www.myflorida.com/apps/vbs/vbs_www.main_menu

1.6.2 Technical Definitions:

- a) "Chapter 717, Florida Statutes" means the Florida Disposition of Unclaimed Property Act.
- b) "Contractor-Assisted Self-Audit" means the Contractor assists and/or oversees the process whereby a holder performs a general ledger and/or securities self-audit. Other than as provided in RFP paragraph 2.9(h), the Contractor does not take

- physical custody of the financial records of the holder and does not perform an examination or audit of those records. The Contractor informs the holder of the requirements of the unclaimed property laws, details of the reporting requirements, provides the necessary information to the holder or holder's agent regarding unclaimed property and the reporting process and provides other necessary guidance and assistance to the holder so that the holder can accurately perform the self-audit. Upon the holder's completion of the self-audit and preparation of the unclaimed property report by the holder, the Contractor reviews the report for completeness, proper format and compliance and forwards the report and remittance to the Department once the report has been determined by the Contractor to be complete, in proper format and in compliance with Chapter 717, Florida Statutes, and the duly promulgated rules of the Department.
- c) "Custodian" means the entity that has been designated by the Contractor to serve as an intermediary repository for the unclaimed property due to the Department.
 - d) "DTC" means the Depository Trust Corporation.
 - e) "Extenuating Circumstances" means acts of God, flood, fire, war or public enemy, provided the holder or holder's transfer agent experiencing the force majeure condition provides written notification within a reasonable timeframe to the Contractor and takes all reasonable efforts to cure said condition.
 - f) "General Ledger and/or Securities Audit" means the examination and audit of the financial records of a holder, wherein the contractor takes physical custody of the records, either on-site or off-site, and performs a physical inspection/examination/audit of such records to determine whether the holder is in compliance with reporting and remitting all unclaimed property to the State. After the audit/examination process is completed, the contractor prepares the unclaimed property report in proper format, reviews it for accuracy and compliance, and forwards the report and remittance matching the report to the Department.
 - g) "Holder" means a person or a business, wherever organized or domiciled, who is:
 - (a) In possession of unclaimed property belonging to another;
 - (b) A trustee, in case of a trust;
 - or (c) Indebted to another on an obligation.
 - h) "Licensed Financial Institution" means any state or national bank, international banking entity or similar entity, trust company, savings bank, industrial savings bank, or any organization otherwise defined by law as a bank or banking organization located in the United States and includes a licensed securities dealer.
 - i) "NAST" means National Association of State Treasurers.
 - j) "NAUPA" means National Association of Unclaimed Property Administrators.
 - k) "Reconciliation" means the determination by the Contractor regarding what unclaimed property is to be distributed to different states in the event that a review and audit is being conducted for the benefit of more than one state, or the determination by the Contractor that the holder or holder's transfer agent has remitted the proper amount and type of unclaimed property.
 - l) "Renewal Period" means a three-year period following the initial three-year contract.
 - m) "Reportable Period" means the calendar year ending December 31 of each year.
 - n) "Representation" means a certification (representation) that the report is in

compliance with Chapter 717, F.S., as provided by an official representative of the Contractor.

- o) "Transfer Agent" means the entity that has been designated by the holder to serve as their representative to handle a certain stock transaction.
- p) "UPPO" means Unclaimed Property Professionals Organization.
- q) "Vendor" means the Proposer.
- r) "External Staff" means the Contractor contracting with or utilizing third parties to perform the scope of services of the RFP.
- s) "Internal Staff" mean current employees of the Contractor performing the scope of services of the RFP.

1.7. Solicitation Terms and Conditions.

The provisions of this solicitation, including the RFP and all its attachments, shall be read as a whole. In case of conflict between provisions, provisions shall have the order of precedence listed below, where the top listed item has the highest precedence:

- The Contract (Attachment D to the RFP)
- Statement or Scope of Work sections of the RFP (Attachment B to the RFP)
- Remaining RFP Sections
- Other Attachments to the RFP
- Instructions to Respondents (PUR 1001)
- General Conditions (PUR 1000)

If there are any perceived inconsistencies among any of the provisions of the RFP and its attachments, Proposers shall bring these inconsistencies to the attention of the Department prior to the submission of the Proposal. To report inconsistencies, Proposers must submit a formal question prior to the submission of a Proposal. The Contract, Attachment D, after execution by the parties, will take precedence over the RFP document. The Contract that results from this solicitation will be posted on the Internet according to the state's Transparency Act.

The Department objects to and shall not consider any terms or conditions submitted by a Proposer, including any appearing in documents attached as part of a Proposer's Proposal, which are inconsistent with or contrary to the requirements, terms, or conditions of this RFP. In submitting its Proposal, a Proposer agrees that any such inconsistent or contrary terms or conditions, whether submitted intentionally or inadvertently, shall have no force or effect, and that the Department shall not be held to have acquiesced to such term or condition. Failure to comply with terms and conditions of the RFP, including those specifying information that must be submitted with a Proposal, shall be grounds for rejecting a Proposal. [Modifies PUR 1001 ¶4]

SECTION 2: TECHNICAL SPECIFICATIONS AND SCOPE OF WORK

Scope of Work and Technical Specifications are attached as Attachment B.

SECTION 3: SPECIAL CONDITIONS

3.1 PROPOSAL CONTENTS

The Unclaimed Property Reporting and Remitting website online at <https://www.fltreasurehunt.org/jsp/reportUnclaimedPropertyTabs/ReportUnclaimedPropTab.jsp> is provided as background for the functional technical and service requirements for vendors seeking to respond to this solicitation. Proposers are encouraged to minimize redundancy and provide concise responses. Provide a straightforward description of services to be provided and capabilities to satisfy the requirements of this Request for Proposals (RFP). Follow the outline below:

The number, order, and labeling of the tabs should be as specified in this section. Each tab should be labeled as indicated; for example, Tab A shall be labeled " Technical Approach Requirements." Detailed instructions for each section of the response are as follows:

3.1.1 MANDATORY DOCUMENTS AND REQUIREMENTS

All Proposals received will be screened for compliance with these minimum qualifications. Any Proposal that does not demonstrate satisfaction of the minimum qualifications will not receive any further consideration. The mandatory minimum qualifications are:

1. The Proposal must be delivered timely.
2. The Proposal must include an original of the Technical Proposal and a SEPARATELY SEALED Price/Cost Proposal. Also include five (5) paper copies of the Technical Proposal. [modifies PUR 1001 ¶ 3]. Also include one (1) CD of only the Technical Proposal.
3. The Technical Proposal must include all Mandatory Requirements listed in the RFP, and respond to all technical requirements in Attachment B, Scope of Work, and must include all mandatory forms and attachments.
4. The Technical Proposal must include evidence of Proposer's qualifications.
5. The Price/Fee Proposal must include the Proposer's agreement with the proposed mandatory fee structure and a signature by an authorized representative of the Proposer.

Proposers are further reminded that conditions and specifications, which are considered mandatory requirements are expressed with the word "shall" or "must" in the description of the requirement. RFP Proposals that fail to demonstrate both willingness and ability to comply with such a condition or specification will be considered non-responsive and will be disqualified.

Proposals shall be considered **nonresponsive if they contain disclaimers** in either a technical or price Proposal (e.g., that the Proposal is for evaluation purposes only and should not be interpreted as a binding offer or commitment on the part of a Proposer).

3.1.2 TECHNICAL PROPOSAL CONTENTS

A.1 GENERAL INSTRUCTIONS: - Sections 3.1 and 3.2 contain the instructions for formatting and submitting Proposals. Section 3.3 details the methodology and items the Department will use to evaluate proposals. There are some requirements, which, if not met, will result in your Proposal being disallowed before going through a detailed (and time consuming) evaluation until the deficiency is corrected. The provisions below amount to terms and conditions that you agree to when submitting your Proposals.

To facilitate the analysis of responses to this RFP, vendors are required to prepare proposals in accordance with the instructions in this section. Failure to comply may be considered non-responsive and may be grounds for disqualification, at the discretion of the state.

The technical requirements specified in this document should not be treated as options. Treating technical requirements as options will result in the proposal being disallowed without further evaluation.

Redacted Copy: Also, Proposer shall submit a redacted version of the Proposal if, according to RFP Sec. 3.4.1, the Proposer considers any portion of the documents, data or records submitted in reply to this solicitation to be confidential, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, Proposer must also simultaneously provide the Department with a separate redacted copy of its Proposal. This redacted copy shall contain the Department's solicitation name, number, and the name of the Proposer on the cover, and shall be clearly titled "Redacted Copy."

A.2 PROPOSAL FORMAT.

- Use Times New Roman or Courier 12 pt font
- Use one (1) inch margins
- Single line spacing is preferred

A.3 TITLE PAGE AND TABLE OF CONTENTS.

Include a title page and table of contents. The title page and table of contents will not be counted in the page count limitation. Include at a minimum the following on the title page:

- Entity submitting the proposal.
- Date of submission.
- Title of proposal, identified by "Qualifications and Technical Proposal" label.

A.4 TECHNICAL PROPOSAL SECTIONS.

The technical proposal should consist of six sections (tabs) as outlined below.

A.4.1 Forms (Tab 1)

The purpose of this section is to provide the forms required or optional by the Department in the submission of the proposal.

A.4.1.1 Required – Certification on Price/Fee Proposal, Attachment A.

The original form must be signed and executed.

A.4.1.2 Optional with Proposal but required before contracting- A signed and completed two originals of the attached agreement in Attachment D, Unclaimed Property Auditor Provider Contract. A contract will be fully executed before the Contractor will provide any services.

A.4.1.3 Required – Custodian of Cash and Securities

Provide the following for its designated cash and securities Custodian as described in this RFP: name, address, contact person, telephone number, proof of licensure by applicable governmental agencies, the account number where the funds will be deposited, and proof that the custodian function is separate from the auditing and compliance function. The Department will not enter into a contract until the Contractor's Custodian has been approved in writing.

A.4.1.4 Optional – Identical Tie Response Preference (Optional)

Whenever identical solicitation responses are received, preference shall be given to the Proposal certifying in accordance with section 60A-1.011, Florida Administrative Code and Florida Statutes. It is optional to include an attached Identical Tie Response Form attached as Attachment C, if applicable to the Proposer.

A.4.1.5 Optional with Proposal but required before contracting – Invoice

A sample copy of the invoice used for billing the Department shall be submitted for written approval. The Department will not enter into a contract until the Contractor's invoice has been approved in writing.

A.4.1.6 Optional with Proposal but required before contracting – Monthly Work-In- Progress Report

Provide a sample of the monthly work-in-progress report detailing the current status and progress of each audit or contractor-assisted self-audit being conducted on the Department's behalf per the requirements of Sections 2.4 and 2.10 of Attachment B. The

Department will not enter into a contract until the Contractor's work in progress report has been approved in writing.

A.4.1.7 Optional – Is the Vendor a Certified Public Accountant or Firm licensed in Florida?

A current and valid proof of a Certified Public Accountant or firm license by the Florida Bar or from the Department of Business and Professional Regulation. Any questions concerning a certified public accountant or firm license should be directed to the Department of Business and Professional Regulation at 850-487-1395.

A.4.2 Required – Management Summary (Tab 2):

The purpose of this section is to provide an overview of the proposal for the RFP. The Vendor must highlight major features of their corporation and technical approach. Limit this section to five (5) pages.

- A brief statement of the Proposer's understanding of the work to be done;
- The names, titles, addresses (including e-mail), and telephone numbers of the individuals who are authorized to make representations on behalf of the Proposer;
- Signature of person(s) authorized to legally bind the Proposer;
- Letter of Certification, signed by the Proposer, stating that
 - (a) The number of years the company or firm has operated unclaimed property auditing business. If the Proposer is the local resident manager/representative for a nationwide company, this fact should be indicated in the certification. The local business address from which the firm operates, business telephone/cell phone number(s), and the name of a local contact person must also be included in the Proposal.
 - (b) Include Proposer's certification as to the accuracy of the Proposal;
 - (c) Include a statement that Proposer agrees to not seek indemnification from the Department for any costs or services other than as required by Scope of Work section 5.2.
 - (d) If the Proposer's Proposal is for goods or services of \$1 million or more, the Proposer shall certify that the Proposer as a company as defined in s. 287.135, F.S., is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. (See <http://www.state.gov/s/ct>). Use Attachment F. Notice: Section 287.135, F.S. would operate to make businesses ineligible to contract with the State of Florida in specified

circumstances. Currently, the 2012 changes to this section have been enjoined by a court of law. If ultimately upheld by the court, the Respondent who is awarded this contract may be required to amend the contract to certify compliance with the law, i.e., that the business is not and will not engage in business operations in Cuba or Syria.

e) A notarized and sworn statement indicating that the Proposer has not had any prior involvement with this RFP.

A.4.3 Required – Corporate Capabilities (Tab 3):

The purpose of this section is to provide insight into corporate experience, corporate resources, and corporate qualifications of the Vendor and any subcontractors. At a minimum, address the following:

A.4.3.1 Required – Location and Organization

A.4.3.1.1 Required – Designate the location of its office within the USA to be used during the duration of the contract.

A.4.3.1.2 Required – Provide evidence that the organization is a legal entity. Incorporated Contractors must provide either a copy of the corporation's most current annual report on file with the appropriate state agency, or, if incorporated during the past 12 months, a copy of the corporation's articles of incorporation and charter number assigned by the appropriate state agency. Businesses that are not incorporated must provide a copy of their business or occupational license. Partnerships shall submit documentation of compliance with the applicable provisions of Chapter 620, F.S.

A.4.3.2 Required – Qualifications and Personnel Resources

A.4.3.2.1 Required – The Proposer must provide a management plan that describes administration, management, experience, personnel, qualifications, company history, and financial information.

(a) Administration and Management. Proposer must include a description of the organizational structure established and the methodology to be used to control costs, provide service reliability, and maintain schedules; as well as the means of coordination and communication between the organization and the Department.

(b) Experience. Proposer must provide documentation of previous experience in conducting services similar to the requirements of this RFP. Experience should be reflective of the Proposer's ability to perform the services requested in this RFP. The Proposal shall describe three (3) or more audits that are relevant to the requirements of this RFP.

For each audit, include:

1. Audit title, client organization, and reference, with phone and email address;
2. Period of performance (initial and final). Explain any delay in audit completion;
3. The degree to which the audit was successful with respect to acceptance, success in meeting organizational goals, on-time completion of audit, and on-budget delivery of audit;
4. Describe how the audit was similar and correlate to services in this RFP.

A.4.3.2.2 Required – Provide a chart of the organization, indicating the names and titles of each principal and employee(s) that will be directly involved in providing the services described herein. Please indicate where the staffing is internal or external. Include a description of the functions and responsibilities of each person relative to the task to be performed.

A.4.3.2.3 Required – Provide a resume for each principal and manager of the business who will perform services for the Department under this RFP describing their qualifications and experience (Maximum two pages per individual).

A.4.3.3 Required – Financial Stability and References
Provide information on your company's financial strength and capabilities.

A.4.3.3.1 Required – Provide audited or unaudited financial statements for the past two fiscal years for the Proposer (Vendor).

Audited financial statements are preferred. If there are no audited financial statements, please so indicate. The financial statements will be reviewed for a positive and increasing net worth (total assets minus total liabilities). If a Proposer does not have the materials requested under this Tab, or does not have all of them in the format requested, the Proposer may substitute other material which the Proposer believes provides as much of the same information with the same degree of reliability.

A.4.3.3.2 Required – Provide at least three (3) references showing the Vendor has previously conducted unclaimed property audits in a competent and professional manner or must otherwise demonstrate the ability to perform the services specified herein. Use **Attachment E** for submission of the references. Provide authorization for the Department to contact these references. If the Vendor is, or has provided these services to the State of Florida, Department of Financial Services, provide summary information on the services provided.

A.4.3.3.3 Required – Provide a list of organizations of which the Vendor is a current member that would promote compliance with Chapter 717, F.S., and unclaimed property laws throughout the United States. An example of organizations would include various stock transfer associations, corporate secretary chapters, UPPO, NAUPA, NAST etc. If there are no current memberships, please so indicate.

DFS retains the right to request additional data pertaining to the Vendor's ability and qualifications necessary to accomplish all work in this RFP, as it deems necessary to ensure competent and satisfactory work.

A.4.4 Required – Audit Staff (Tab 4):

The purpose of this section is to provide insight into the capabilities of audit personnel based upon the collective experience and capabilities of personnel proposed for the Contractor's team as well as the overall staffing structure and experience and capabilities of specified staff proposed to perform required tasks. There is no page limit for this section; however, limit the information on any one (1) person to two (2) pages. This information will not be included in the Contract resulting from an award. The Vendor must provide the following information for its staff as well as any proposed subcontractors:

- Organizational structure and staffing levels indicating internal or external resources.
- Knowledge of the program area.
- Other audit experience.
- Education and training.
- Experience with prime Vendor or any subcontractors.
- Management experience in general with the Contractor.

A.4.5 Required – Technical Approach (Tab 5):

The purpose of this section is to provide specific insight into the Vendor's technical approach based on the services described herein.

A.4.5.1 Required – A written summary of the experience of the organization in auditing holder's records to identify and determine the amount of unreported unclaimed property liability or otherwise demonstrate the ability to provide the services herein. Please indicate whether internal or external staffing was used or will be used.

A.4.5.2 Required – Describe your technical expertise, capability, procedures, and staff to audit the records of a holder or its agents in order to identify and determine the amount of unreported unclaimed property liability, and to verify the accuracy and completeness of said records or said records or otherwise demonstrate the ability to provide the services herein. Please indicate whether internal or external staffing will be used.

A.4.5.3 Required – Describe your technical expertise, capability, procedures and staff to audit the holder's records in a timely fashion without causing any disruption to

the holder's regular business activities or otherwise demonstrate the ability to provide the services herein. Please indicate whether internal or external staffing will be used.

A.4.5.4 Required – Describe your technical expertise, capability, procedures and staff to process the information pertaining to the unreported unclaimed property liability into a report, prepare and submit comprehensive and accurate reports, and to remit records timely using the NAUPA Format. Please indicate whether internal or external staffing will be used.

A.4.5.5 Required – Describe the security procedures to be implemented to ensure all unclaimed property, holder records, audit reports, and other materials are secure and confidential and that personnel working in the audit process will maintain the security and confidentiality of audits at all times.

A.4.5.6 Required – Provide a comprehensive summary of the procedure manual, described in Scope of Work section 4.3, describing the procedures that will be used in the audit process and the contractor-assisted self-audit process (if the contractor intends to oversee self-audits) to determine and accurately report the holder's unclaimed property liability.

A.4.5.7 Required – Because the Contractor for these services will be actively involved in the identification, audit, review, process and delivery of the unclaimed property information consisting of individual's and businesses' financial information and will be reviewing holder's financial records, it is critical that the Contractor be independent and objective in fact and in appearance. Therefore, provide a written summary documenting the existence or non-existence of any conflicts of interest or any appearances of a conflict of interest in the organization, management, or staff.

In addition, please disclose the name and address of any business entity that provides any type of unclaimed property services to individuals and/or businesses that the Proposer had a direct or indirect ownership interest in within one year of the date of your submission and disclose the type of unclaimed property business that entity conducts.

Please disclose the name and address of any business entity that provides any type of unclaimed property services to individuals and/or businesses that had a direct or indirect ownership interest in the Proposer within one year of the date of your submission and disclose the type of unclaimed property business that each entity conducts.

Please disclose the name and address of any business entity that provides any type of unclaimed property services to individuals and/or businesses that is directly or indirectly owned by a business entity that had a direct or indirect ownership interest in the Proposer within one year of the date of your submission and disclose the type of unclaimed property business that each entity conducts.

Please disclose the name and address of any natural person who was an ultimate equitable owner of a 10-percent or greater interest in the Proposer within one year of the date of the

Proposer's submission. The term "ultimate equitable owner" is defined in section 717.101(22), F.S.

A Claimant's Representative as defined in section 69I-20.030(8), Florida Administrative Code, will not be eligible to be a Contractor selected to perform the services solicited in this RFP.

A.4.6 Optional - Innovative Ideas

Although the Department has provided a detailed statement of needs and mandatory requirements for Contractors to meet in order to be selected for the contract for the program, it is not intended to limit Contractor's innovations or creativity in preparing a proposal to accomplish these goals. Innovative ideas, new concepts and arrangements other than those presented here will be considered. For example, these might include unique business features, special services, discounts or terms and conditions specific to each Contractor.

3.2 SUBMISSION INSTRUCTIONS

3.2.1 Proposal Costs

Proposals shall be prepared simply and economically. The Department is not liable for any cost incurred by a Proposer in responding to this solicitation. The Proposer is required to examine carefully the contents of the solicitation and be thoroughly informed regarding all of its requirements.

3.2.2 Format and Copies

- (a) In responding to the requirements in each section, structure your Proposal to match the order of any sub-headings in the section as presented in the RFP, to facilitate the comparison of your offer to the agency's requirements.
- (b) Sealed Proposals must be received in the Purchasing Office at the 200 East Gaines Street, Larson Bldg. Room B24, Attention: Gloriann McInnis, Purchasing Services, Tallahassee, FL 32399-0317 by the deadline listed in the Timeline in Section 1.4. All Proposals received by the deadline will be opened in the Purchasing Office at that time. Mark the Proposal package (box of binders as described below) clearly on the outside of the package with: **PROPOSAL NUMBER, DATE AND TIME OF PROPOSAL OPENING** mark each binder in the package as noted below. (This submission requirement replaces the electronic submission instructions in PUR 1001 ¶ 3.)
- (c) The "original" Proposal will contain the originals of any documents required to be signed as part of the proposal submission (e.g., cover letter). The original Proposal as submitted should bear the following printed information on both its outside front cover, and on its spine:
 - [Proposers exact legal name, in which name the contract would be awarded]
 - Proposal regarding DFS AC RFP 12/13-08

- ORIGINAL, Binder __ of __
- (d) Include with the copies of the proposal photocopies of signed documents. Bind each copy in a 3-ring binder(s) just as the original, with a complete and exact duplicate of the original. For each copy, all sections may be contained in one binder clearly labeled at each section and tab. Each copy of the proposal should bear the following printed information on both its outside front cover, and on its spine:
- [Proposer's exact legal name in which the contract would be awarded]
 - Proposal regarding RFP # _____
 - Copy # ____, Binder __ of __
- (e) Also, Proposer shall submit a redacted version of the Proposal as required by RFP Sec. 3.4.1 which states that if Proposer considers any portion of the documents, data or records submitted in reply to this solicitation to be confidential, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, Proposer must also simultaneously provide the Department with a separate redacted copy of its Proposal. This redacted copy shall contain the Department's solicitation name, number, and the name of the Proposer on the cover, and shall be clearly titled "Redacted Copy."

3.2.3 Communications

Notice required by statute: Proposers 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 Proposal.

No decisions or actions shall be initiated or executed by the Proposer as a result of any discussions with any Department employees. Only communications which are in writing from the Department may be considered as duly authorized communications on behalf of the Department. During selection, the Proposer, its agents and employee will not engage in any written or verbal communication with any Department employees whether or not such individual is assisting in the selection, regarding the merits of the Proposer or whether the Department should retain or select the Proposer. The Proposer will not engage in any lobbying efforts or other attempts to influence the Department or the evaluation team, in an effort to be selected. The selection period shall begin according to the Timetable in Section 1.4.

3.3 EVALUATION PROCESS

Proposals shall be opened on the date and at the location indicated on the Timeline. Proposers may, but are not required to, attend. **Prices will not be read at the RFP Opening.**

3.3.1 Evaluation Team

An evaluation team consisting of at least three members, appointed in writing by the Department, will evaluate the Proposals.

3.3.2 Determination of Conformance

Phase I - Proposals must satisfy certain mandatory minimum requirements in order to proceed into the detailed evaluation phase. All Proposals will be reviewed for compliance with these mandatory minimum requirements. Evaluators will verify that all mandatory technical requirements are met and addressed. Proposals that meet these requirements will be accepted into a detailed evaluation phase. **WARNING:** Proposals that fail to meet these mandatory minimum requirements will be rejected and considered no further in the evaluation process.

The objective of this solicitation is to elicit firm contractual offers subject to the Department's acceptance. For a Proposal to be responsive, the respondent must be committed to enter into a contract based on this RFP and the Proposer's Proposal. If a Proposal contains language which withdraws or negates commitments to requirements of the RFP, or qualifies the Proposal such that it is not a firm offer to contract under terms consistent with the requirements of this RFP, the submission shall be subject to being deemed nonresponsive and rejected. Proposers are cautioned to carefully proofread Proposals to ensure the removal of boilerplate disclaimers which have the effect of negating commitments made elsewhere in the proposal.

3.3.3 Technical Bid portion of the Proposal

Each team member will evaluate their copy of the Proposal independent of the others and provide a score on each section of the Technical Proposal, based on the evaluation criteria.

The Department may request oral presentations from any or all of the Proposers. The Purchasing Office will coordinate and conduct the presentations.

3.3.4 Evaluation Criteria – TECHNICAL PROPOSAL

The following factors will be considered in the award of the Contract(s):

Phase II - Evaluation Matrix (Evaluation Committee)

– minimum average score of eighty (80) points required

–For each Evaluation Material with two optional (not combined) maximum points (example, 21 and 19 for Evaluation Material 1), the Proposer will be awarded points up to 21 or 19 depending on whether the capabilities are internal or external.

Evaluation Material	Maximum Points	RFP Section	Points Awarded
1. Ability, qualifications, staff, and experience to provide the services described herein in a professional manner and to represent the Department with integrity and unquestionable ethics. 21 pts internal (e.g., financial stability) and 19 pts for external capability (e.g., references and experience samples).	21 19	A.4.3 A.4.4 A.4.5 Attach. E	
2. Legal expertise and staff to interpret Florida laws relating to unclaimed property. 5 pts internal (e.g., staffing descriptions) and 4 pts for external capability (e.g., expertise of consultants and subcontractors).	5 4	A.4.3 A.4.4 A.4.5	
3. Technical expertise, capability and staff to audit the records of a holder or its agents in order to identify and determine the amount of unreported unclaimed property liability, and to verify the accuracy and completeness of said records. 17 pts internal (e.g., staffing descriptions) and 14 pts for external capability (e.g., references and experience samples).	17 14	A.4.3 A.4.4 A.4.5 Attach. E	
4. Ability and staff to audit the holder’s records in a timely fashion without causing any disruption to the holder’s regular business activities. 16 pts internal (e.g., staffing descriptions) and 13 pts for external capability (e.g., references and experience examples).	16 13	A.4.3 A.4.4 A.4.5 Attach. E	
5. Ability and staff to process the information pertaining to the unreported unclaimed property liability into a report, prepare and submit comprehensive and accurate reports, and to remit records on a database compatible with that of the Department. 11 pts internal (e.g., staffing descriptions) and 9 pts for external capability (e.g., references and experience examples).	11 9	A.4.3 A.4.4 A.4.5 Attach. E	

6. Technical capability to deliver the unclaimed property that can be delivered electronically to the Department via an electronic media format acceptable to the Department.	6	A.4.5	
7. Demonstrate that the Custodian of the cash, stocks, and bonds due to the State of Florida is a federal or state licensed financial institution and that the Custodian function is separate from the auditing and compliance function.	4	A.4.1.3	
8. Security procedures in place to ensure that all unclaimed property and audit reports are secure and confidential.	16	A4.5.5	
9. A summary of a procedure manual detailing the procedures and methodologies that will assure quality in the audit process and the contractor-assisted self-audit (if the contractor intends to oversee self-audits) to determine and accurately report the holder's unclaimed property liability.	10	A.4.5.6	
10. Demonstrate that the Proposer is independent and objective, and that there will be no conflict of interest or any appearance of a conflict of interest as described in the RFP.	4	A.4.5.7	
NAME OF EVALUATOR Printed Name and Signature	110	Date	Total Points

3.3.5 Reservations

The Department reserves the right to reject any and/or all Proposals, or to waive minor discrepancies if it is in the Department's best interest to do so. The Department may, by written notice, revise and amend the solicitation before the due date for the Proposal.

Notwithstanding other provisions in the RFP, the Department reserves the right to accept additional competing Contractors' Proposal(s) during the term of the contracts or any renewals. The Department reserves the right to appoint an evaluation committee to complete evaluations pursuant to this RFP of such proposal(s), and may award additional contract(s), provided such proposal(s) meets the information requests and qualifications set in the RFP. While the scoring of points is not the determining factor in the awarding of a contract by the Department, no contract will be awarded to any vendor scoring fewer than 80 points in **Phase II** of the evaluation process.

3.3.6 Awards:

After the evaluation process, multiple awards may be granted to Proposers who met the requirements set forth in the RFP with a minimum ranking of 80 points. The Department may continue to add qualified vendors during the term who meet the requirements set forth in the RFP with a minimum ranking of 80 points.

3.3.7 Contract

Multiple contracts may be awarded by written notice to responsible and responsive vendors, who submitted proposals that the Department determined in writing to be the most advantageous to the state, taking into consideration the price and other criteria set forth in the Request for Proposals. The Department will coordinate a contract for signature, substantially in the form attached as Attachment D, between the Department and each successful Proposer, who will be the Contractor, that incorporates this solicitation and the Proposer's Proposal as soon as possible after the posting of the notice of award on the Vendor Bid System (VBS) website, at http://fcn.state.fl.us/owa_vbs/owa/vbs_www.main_menu.

After selection of the Contractors, the Request for Proposals (including addenda thereto, if any), the Proposal of the Contractor, and the executed Contract will constitute the entire agreement of the parties and will supersede any prior representations, commitments, conditions, or agreements between the parties. In the event of conflict among the terms and conditions of the various documents, the Contract shall prevail over the Request for Proposals and the Request for Proposals shall prevail over the terms of the Proposal. The term "Proposal" includes both the Technical and Price Proposals submitted in response hereto.

The Contract shall be substantially in the form attached as Attachment D to the RFP, with only such non-substantive changes therein as shall be necessary to the orderly administration of the program/Project.

Modifications as noted in response to the Proposers' questions and any other Addenda to the RFP are incorporated into the RFP. The Department reserves the right to amend this Request for Proposals by an addendum prior to the date for Proposal submission. If there are any perceived

inconsistencies among any of the provisions of the RFP and its attachments, Proposers shall bring these inconsistencies to the attention of the Department prior to the submission of the Proposal.

3.4 ADDITIONAL CONDITIONS

3.4.1 Public Records.

1. **Temporarily Confidential Records:** Sealed bids, proposals, or replies filed in response to this competitive solicitation are temporarily exempt from public record requests. Pursuant to section (s.) 119.071(1)(b), Florida Statutes (F.S.), these Responses are exempt only until the agency provides notice of an intended decision or until 30 days after opening the bids, proposals, or final replies, whichever is earlier. Notwithstanding any contractual provisions to the contrary, the Department is obligated to make available for inspection or copying any non-exempt public record pursuant to the requirements of chapter 119, Florida Statutes, the Public Records Act, and Article I, s. 24 of the State Constitution (collectively Public Records Law). As such, upon receipt of a request to inspect or copy a Response to this competitive solicitation, the Department will make Responses to this competitive solicitation that are no longer exempt pursuant to s. 119.071(1)(b), F.S., available for inspection or copying upon receipt of a public record request as required by Public Records Law.

2. **Confidential Trade Secret Information:** The Department does not solicit or desire a Respondent's trade secrets to be included as part of a Response to this procurement. Pursuant to s. 812.081, F.S., a person who claims that information is a trade secret must take measures to protect such information and to prevent it from becoming generally available. As such, if Respondent includes in its Response information that Respondent considers to be a trade secret that meets the definition provided in s. 812.081, F.S., Respondent shall file a notice of trade secret with the Department that puts the Department on notice that Respondent has included trade secret information in its Response. Furthermore, if a Respondent reserves the right to assert that a portion of its response is a trade secret, Respondent shall provide the Department with an additional copy of its Response that has been redacted to conceal only that information that Respondent claims to be a confidential trade secret meeting the definition of a trade secret as provided in s. 812.081, F.S., and is clearly identified as having had trade secret information redacted that is labeled "CONFIDENTIAL TRADE SECRETS."

3. **Other Confidential Records:** In the event the Department requests sensitive data processing software documentation, technology security systems and procedures, and other information deemed confidential or exempt from the Florida Public Records Act, then the Respondent shall place such information in a sealed separate envelope provide the Department with an additional copy of its Response that has been redacted to conceal only that information that the Respondent claims to be confidential.

4. If a public record request is made for a Response to this competitive solicitation, the Department will notify the Respondent of such request if Respondent has provided the Department with a notice of trade secret. If the Department receives a public records request related to the Response, the Respondent shall be solely responsible for taking whatever action it

deems appropriate to legally protect its claim of exemption from the public records law. The Contractor should be prepared to defend against their release if the Contractor decides that such documents, data or information should not be disclosed in response to a public record request. The Department will not provide access to the confidential information of the Contractor, including but not limited to information identified by the Contractor as confidential pursuant to s. 812.081, F.S., to any other party without first providing notice to the Contractor. The Contractor shall notify the Department in writing within ten (10) business days of receipt of such notice from the Department, whether it intends to defend the confidentiality of such public records. The Contractor shall file an action to prevent disclosure within an additional three business days. If not filed within such time, the Contractor is deemed to have released the Department from liability for disclosure of the applicable public records. Any prospective vendor acknowledges that the protection afforded by s. 815.045, F.S., is incomplete, and it is hereby agreed that no right or remedy for damages arises from any disclosure. (Modifies PUR 1000 ¶33 and PUR 1001 ¶19). The Respondent shall retain such records for the longer of three 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://dlis.dos.state.fl.us/recordsmgmt/gen_records_schedules.cfm).

3.4.2 Modification of Terms.

Any terms and conditions that the Proposer provides with or before or after delivery that attempt to modify the Contract or add additional restrictions of usage, license conditions, or requirements have no effect and are not enforceable under the Contract. (modifies PUR 1000 ¶42) Any proposed agreement submitted in the Proposal shall not contain any provisions, unless such provisions are expressly negated in the Proposal, which:

- (1) are inconsistent with Florida law,
- (2) exclude, prohibit, or negate other contract documents,
- (3) subject the State of Florida to the jurisdiction of another state, or
- (4) provide that the State will indemnify the Proposer or any other person, other than as required by Scope of Work section 5.2.

3.4.3 MyFloridaMarketPlace.

Unless exempted under Rule 60A-1.030-.032, each Contractor doing business with the State of Florida shall submit reports and be assessed a Transaction Fee of one percent (1.0%) on its payments under a Contract, which must be remitted within 40 calendar days after receipt of payment for which such fees are due or the Contractor shall pay interest at the rate established under section 55.03(1), Florida Statutes, on the unpaid balance from the expiration of the 40-day period until the fees are remitted. (see PUR 1000 ¶14).

3.4.4 Electronic Accessibility.

If applicable, Section 508 compliance information on the supplies and services in this Contract are available on a website indicated by the Proposer in the Proposal or resulting Contract. The Electronic and Information Technology standard can be found at: <http://www.section508.gov/>. Contractor shall ensure that, as to any of its services made available electronically for the Department, the electronic and information technology accessibility requirements of Section 508 of the Rehabilitation Act Amendments, 29 USC Sec. 794 are met.

3.4.5 Duty of Continuing Disclosure of Legal Proceedings.

(Information Regarding Litigation or Regulatory Action) Provide a statement fully describing any investigatory or regulatory action exceeding \$5 million in value, that has been undertaken and/or filed against your firm or any of your affiliated subcontractors (that will be associated with performing any of the duties or responsibilities contemplated in this RFP), in the last three years. Additionally, please describe any litigation that has been filed against your firm or such subcontractors (that will be associated with performing any of the duties or responsibilities contemplated in this RFP), in the last three years. If an action has been filed, please identify the court, administrative tribunal, or agency before which the action was instituted, the applicable case or file number, and the status or disposition for such reported action. If no litigation or regulatory action has been taken against your firm or subcontractors, provide a statement to that effect.

A regulatory investigation, dispute, action, or other litigation shall be a basis for rejection of a reply if the Department determines that such a circumstance poses any risk that the Proposer may be compromised in its ability to perform the services sought in the RFP, or would tend to undermine the public trust, or would cause a lack of confidence in the propriety of the Proposer, or would otherwise result in a perceived detriment to the State.

3.4.6 Additional Reservations.

Proposals to this solicitation will be the primary source of information used in the evaluation process; therefore, each Proposer is requested and advised to be as complete as possible in its Proposal. Additional information may be requested by the State, including requests for oral presentation, interviews, or software demonstrations, from Proposers who, based upon the results of an initial evaluation outlined in Section 3.3.4, have proposed solutions that appear to meet the needs of the State of Florida. The State may conduct site visits to locations where proposed solutions are in operation or in the process of being implemented. The Department reserves the right to accept portions of a competing Proposers' Proposals(s) and merge such portions into one project, including the inclusion of the entity offering such portions. Components may be chosen and merged from various Proposers to provide the commodities and services sought. However, there will be one or more contractors selected to be responsible.

3.4.7 Sanctions for non-performance.

Failure to use the appropriate technical requirements as identified in the Scope of Work will result in automatic task rejection and Contractor may not retain a fee until correction of the task. Failure to complete the required duties as outlined in the Scope of Work may result in the rejection of the Deliverable. More specific sanctions for non-performance are identified in Attachment B, the Scope of Work.

3.4.8 No Advertising or Endorsements.

The Contractor's services to the Department may be generally stated and described in the Contractor's professional resume. The Contractor may not give the impression in any event or manner, that the Department recommends or endorses the Contractor.

3.4.9 Export Control.

Contractor certifies that by entering into this contract, it is, and during the term will ensure it remains, in compliance with the U.S. export control laws. Before the company enters into or renews a contract with an agency or governmental entity for goods or services of \$1 million or more, Contractor certifies that the company is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. (See <http://www.state.gov/s/ct>)

3.4.10 Conflict of Interest.

During the term of the Contract, Contractor shall not knowingly employ, subcontract with, or sub-grant to any person (including any non-governmental entity in which such person has an employment or other material interest as defined by section 112.312 (15), Florida Statutes) who is employed by the State or who has participated in the performance or procurement of the Contract, except as provided in section 112.3185, Florida Statutes.

3.4.11 Substitutions.

Price proposals and acceptance will be limited to the items and services required by the specifications in this RFP. Proposer may propose substitute items or services for any specifications in this RFP. These items or services may be accepted at the option of the Department, provided there is equivalent performance with economic benefits or significantly enhanced performance.

Minimum Qualifications for Acceptance of Substitutions:

- The substitute item shall meet or exceed the applicable requirements and specifications set forth in this RFP.
- Any substitute item shall be compatible with existing deliverable at the time the substitute is proposed for use.
- The substitute item or service shall have the capacity and performance characteristics equal to or better than those of the item it is to replace.
- The substitute item or service shall offer the same or increased functionality as the item it is to replace.
- The substituted item must be approved, in advance, by the Department.
- With any commodity offered as an equivalent, the Proposer must certify that it has consulted with the manufacturer and can represent it is not scheduled to be discontinued by the manufacturer within the next year; and if the manufacturer does discontinue the commodity, the Proposer shall certify that it will replace such part at no cost to the Department.

ATTACHMENT A
Price/Fee Proposal

The Contractor agrees that it may retain no more than **fifteen percent (15%)** of the dollar amount of the property delivered or value thereof for a completed general ledger and/or securities audit for all unclaimed property codes as defined in Attachment B, Appendix Nine (9) other than “SC” and “DM” property codes.

The Contractor agrees that it may retain no more than **nine percent (9%)** of the dollar amount of the property delivered or value thereof for a completed general ledger and/or securities audit or contractor assisted self-audit for all “SC” and “DM” unclaimed property codes as defined in Attachment B, Appendix 9.

The Contractor agrees that it may retain no more than **nine percent (9%)** of the dollar amount of the property delivered or value thereof for a completed contractor-assisted self-audit for all unclaimed property codes as defined in Attachment B, Appendix 9.

I certify that this Proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a Proposal for the same materials, supplies or equipment, or services and is in all respects fair and without collusion or fraud. I agree to abide by all conditions of this Proposal and certify that I am authorized to sign this Proposal for the vendor and that the vendor is in compliance with all requirements of the Proposal, including but not limited to, certification requirements.

VENDOR NAME: _____
(Company)

VENDOR ADDRESS: _____
(City/State/Zip) _____

VENDOR PHONE: _____

VENDOR E-MAIL CONTACT: _____

AUTHORIZED REPRESENTATIVE:
(Printed) _____

AUTHORIZED SIGNATURE: _____

DATE: _____

ATTACHMENT B

Scope of Work & Technical Specifications

The specifications included in this section are intended to inform Vendors of the minimum expectations of the Department. Vendors may expand on the minimum requirements.

1. General

The Contractor shall locate persons and/or entities believed to be holding or in possession of unclaimed property which is past due and is subject to the report and delivery to the State of Florida. The Contractor shall identify unclaimed property by (a) performing an audit of the financial records and supporting documents of holders to identify all categories of reportable past due property due to the Department in accordance with Sections 2.1 through 2.6 of this attachment or (b) overseeing a contractor-assisted self-audit for unreported unclaimed property liability due to the Department in accordance with Sections 2.7 through 2.12 of this attachment.

A. CONTRACTOR GENERAL LEDGER AND/OR SECURITIES AUDIT OF HOLDER

2.1 Identification – General Ledger and/or Securities Audit

The purpose of the General Ledger and/or Securities Audit pursuant to this RFP is to utilize the resources of contracted auditors to physically inspect/examine/audit the financial records of holders of unclaimed property, who are not reporting unclaimed property, or who may not be reporting unclaimed property or who may be underreporting unclaimed property, to ensure compliance, regarding all property types, with the unclaimed property statutes of the State of Florida; to complete audit reports; and to file the properly-completed reports and remittance with the Department. The Contractor shall research and identify potential holders of unreported and under-reported unclaimed property, of all property types, that is past due. The Contractor shall determine whether the holder has previously reported unclaimed property to the Department and the types of unclaimed property reported, if applicable. The Contractor shall identify the holder's state of incorporation and principal place of business. If the holder's state of incorporation and the principal place of business are in states other than Florida, the Contractor shall attempt to obtain authorization from those states' unclaimed property programs to participate in the audit of the holder's records when seeking authorization from the Department.

2.2 Authorization –General Ledger and/or Securities Audit

The Contractor shall obtain prior written authorization from the Department to conduct an audit of the financial records of each holder proposed for audit. Unless expressly stated to the contrary in the written authorization, for holders that have never reported unclaimed property to Florida, audit authorizations will only be approved for property which is past due. Property is past due if the property has reached its dormancy period and has not been reported and remitted to the Department as required by Chapter 717.117, F.S. Authorizations to conduct audits of holders of unclaimed property will only be approved, and fees will only be paid, for property that is past due as of the date the authorization to audit is granted by the Department. (By way of example, pursuant to Chapter 717.117, F.S. , each year a holder must remit and report unclaimed property on or before April 30 for unclaimed property that reached its dormancy period during the preceding calendar year, or prior. If such property is not remitted and reported by April 30, it is past due. If the Department authorized an audit on September 30, 2012, the audit is only approved, and fees will only be paid, for property that reached its dormancy period during the 2011 calendar year and prior calendar years. By contrast, if the Department authorized an audit on January 30, 2012, the audit is only approved, and fees will only be paid, for property that reached its dormancy period during the 2010 calendar year and prior calendar years.)

Unless expressly stated to the contrary in the written authorization, for holders that have previously reported unclaimed property to Florida, audit authorizations, if approved, will only be approved for property that is one year or more past due.

For holders that have previously been audited for unclaimed property by the State of Florida, or on behalf of the State of Florida, authorizations to conduct audits will only be approved on a case by case basis.

The Contractor shall certify in writing that the Contractor has not, within 3 years before the date of the Contractor's request for authorization, had a business relationship with the holder as defined in Section 4.1.

Performance Standards: The Contractor shall, at a minimum, provide to the Department the following information about the holder:

- a) Names of all business entities (general ledger audit) or specific securities issues (securities audit) to be audited including subsidiaries and any affiliated companies whether or not they are subject to the audit.
- b) Address (physical and mailing), contact person, and telephone number of the holder's principal place of business as determined by the latest annual report or filed Form 10-K or other such probative evidence.
- c) Name, address, contact person, and telephone number of the holder's transfer agent, if applicable.
- d) State(s) of incorporation of the holder and its subsidiaries and affiliated companies.
- e) Scope of the audit. The Contractor shall indicate to the Department whether the scope will include a general ledger audit and a securities audit or whether the scope will include a general ledger audit only or a securities audit only.

- f) A copy of any prior written agreements entered into between the Contractor and the holder within the last two years.

Upon receiving a written request from the Contractor, the Department will determine whether participation in the audit is in the best interest of the State of Florida and may provide full or partial authorization to proceed with the audit. The Department, in its sole discretion, may deny the request if the holder has been audited, is currently being audited, is scheduled for an audit, has reported unclaimed property to the Department previously, has been approved for a contractor-assisted self-audit, has requested to enter into a voluntary disclosure agreement with the Department, or if it would be in the best interest of the Department to conduct the audit using the Department's staff, another Contractor, or not conduct the audit of the holder. The granting of such authorization shall not give the Contractor the legal right to audit the holder to the exclusion of other Contractors or the Department. In the event that more than one Contractor under this RFP seeks authorization to conduct an audit of the same holder covering the same unclaimed property and the same period of time, the audit shall be conducted by the Contractor who first obtained a written agreement with an authorized representative of the holder.

The Department may direct the Contractor to conduct an audit of a holder's or its transfer agent's records.

Sanction for Non-Performance: Contractor may not retain a fee for audits not authorized by the Department.

2.3 Auditing –General Ledger and/or Securities Audit

After receipt of the written authorization letter from the Department, the Contractor shall schedule an opening conference with the holder within 90 days of the date of the Department's authorization letter. The Contractor shall notify the Department and the holder of the date and location of the opening conference at least 45 days prior to the conference or as otherwise agreed upon by the Contractor and the holder.

Prior to the opening conference, the Contractor shall provide the holder with a copy of each of the following items:

- a) Florida's Procedures for State Authorized Unclaimed Property General Ledger and Securities Audits and Contractors-Assisted Self-Audits Conducted by Contractors – DFS-UP-210, Appendix Seven (7).
- b) The recommended form for the confidentiality agreement – Appendix Eight (8).
- c) The executed contract between the Department and the Contractor – Attachment D.

At the opening conference, the Contractor shall:

- a) Identify the time period to be covered by the audit, the estimated length of time for the audit to be completed, and describe the general audit methods to be employed, including sampling and estimation.
- b) Identify, in writing, the Department's liaison to whom the Contractor is accountable, including their full name, title, address, telephone number, facsimile number, and e-

- mail address, and advise the holder that it is free to discuss the audit directly with the liaison at any time regarding allegations of misconduct, unethical behavior, or significant disagreement relating to legal authority.
- c) Identify, in writing, the name of each state participating with whom the Contractor has a current and valid executed written agreement to audit and report unclaimed property. It is the option of the holder to provide the Contractor with records relating to unclaimed property belonging to states other than Florida.
 - d) Identify, in writing, each and every senior employee, representative, and agent who will participate in the audit and the approximate number of persons to be on-site at the holder's location if an on-site audit is to be conducted by the Contractor.
 - e) Explain the holder's right to dispute the audit findings as described in Appendix Seven (7).
 - f) Arrange for an on-site or off-site audit of records of all property types.
 - g) Fully disclose to the holder its fee arrangement with the Department.
 - h) Explain that the holder shall remit to the Contractor any unclaimed property identified during the audit as owing to the State of Florida unless the property consists of contents obtained from safe deposit boxes. The holder shall remit these contents directly to the Department.
 - i) Explain and describe the components of the audit, which will typically involve the following phases: basic corporate information gathering; how and where the records are to be produced; devising the audit program; obtaining and detailed testing of holder records; calculation of unclaimed property liability; and closing the audit.

Performance Standards: The audit shall be conducted by the Contractor in accordance with this RFP, the standards established by the Florida Statutes and the Florida Administrative Code.

The Contractor will use its best efforts to conclude the audit in the time frame set forth in the audit schedule provided at the opening conference. Extensions of the time frame to conduct the audit resulting from a scheduling conflict, providing records, and other factors may be accommodated by mutual agreement between the Contractor and the holder. The Contractor shall notify the holder and the Department whenever it intends to vary from the time frame presented to the holder at the opening conference.

The Contractor's off-site or on-site audit team shall be supervised by a member of the Contractor's staff who is or has:

- a) Qualified to supervise the audit, as contemplated by Generally Accepted Auditing Standards, including General Standard #1 and Fieldwork Standard #1 – Appendix Six (6); and
- b) A permanent member of the Contractor's staff (as contrasted with an employee hired only to perform the audit); and
- c) At least 5 years of unclaimed property audit experience in the United States; or
- d) At least 5 years of senior-level public accounting experience. "Senior Level" is defined as at least 5 years of full-time public accounting experience. "Public accounting experience" is defined as performing tax, audit, management consulting or

accounting work.

Sanction for Non-Performance: Failure to use the appropriate technical requirements or timely perform as identified in the Statement of Work will result in automatic task rejection and a fee may not be retained until correction of the task.

2.4 Processing –General Ledger and/or Securities Audit

2.4.1 The audit of the holder's records shall be completed within one year from the date of the Department's authorization letter unless there are extenuating circumstances that are entirely beyond the control and management of the Contractor and the holder. The Contractor shall prepare and submit monthly work-in-progress reports to the Department on each audit being conducted on behalf of the Department. The report shall be provided to the Department by the 7th day of the following month.

Performance Standards: These reports shall, at a minimum, include the following information:

- a) Name of Holder
- b) Address
- c) State of Incorporation
- d) FEIN#
- e) Type of Audit
- f) Audit Period
- g) Date Authorization Received
- h) Date Department and Holder notified of Opening Conference Date
- i) Date of Opening Conference
- j) Date Last Contact with Holder
- k) Records Received
- l) Records Reviewed
- m) Percentage of Audit Completed
- n) Date Department and Holder Notified of the Closing Conference
- o) Date Closing Conference
- p) Date Property Received
- q) Date Property Reconciled
- r) Date Property Delivered
- s) Audit Comments

Sanction for Non-Performance: Any contractor who fails to comply with these requirements may be subject to a reduction in the retained fee according to Contract section 11(b) - Liquidated Damages.

2.4.2 During the audit of the records, the Contractor shall obtain the following owner information from the holder's or its transfer agent's records for the property due to the Department: name, address, taxpayer identification number, and date of birth of the owner, date of last contact, and account number. The Contractor shall work closely with the holder to obtain this owner information and the information contained in Appendix Two (2). Owner information must be maintained in compliance with sections 119.072 and 717.717(8), and 717.1301, F. S. If the owner information is not available, the Contractor shall document their efforts to obtain the information from the holder and provide a description of its efforts with the report.

Sanction for Non-Performance: Reports from the Contractor with insufficient owner information will be reviewed and returned to the Contractor if the Department determines that the report does not contain sufficient owner information or sufficient documentation from the Contractor describing its efforts to obtain the owner information from the holder. If the Contractor cannot provide the owner information or acceptable justification for its failure to obtain such information to the Department, the Contractor shall refund its fee for the report to the Department upon notification.

Prior to receiving payment, the Contractor must complete the audit and make a representation to the Department that the report of the audit has been completed by the Contractor in accordance with the requirements of this RFP, the standards established by the Florida Statutes and the Florida Administrative Code and that the holder has been informed in writing of its obligation to perform due diligence pursuant to Chapter 717, F. S.

The Contractor, upon completion of the initial examination of the holder's records, must instruct the holder, and holder's transfer agent, if applicable, to file all future reports directly with the State of Florida, pursuant to Florida reporting requirements.

The Department will not pay a fee for subsequent reports where the principal/responsible company is examined for additional mergers, acquisitions or exchanges. Exceptions may be granted by the Department, in writing, on a case-by-case basis.

2.5 Collection –General Ledger and/or Securities Audit

The Contractor shall schedule a closing conference with the holder. The Contractor shall notify the Department and the holder of the date and location of the closing conference at least 45 days prior to the conference or as otherwise agreed upon by the Contractor and the holder. Prior to the closing conference, the Contractor shall provide a copy of the preliminary findings of the audit to the holder for its review.

All property received by the Contractor must either be deposited in an interest-bearing account earning current market rates or must be deposited in an account where earnings credits will be calculated at a market rate which is not less than that which would be earned in an interest bearing account. The interest earned shall be paid to the Department when the unclaimed property is remitted to the Department or earning credits may be provided as an offset against fees for services rendered if required by federal law. If the property consists of securities, bonds, or other related property, the Custodian shall keep such property in a physically secure location.

2.6 Delivery –General Ledger and/or Securities Audit

All property received by the Contractor or Contractor's agent shall be turned over to the Department within 30 calendar days of reconciliation or within 120 calendar days of receipt, whichever occurs first. The failure to deliver unclaimed property to the Department within 30 calendar days of reconciliation or 120 calendar days after receipt shall result in additional accrued interest to be paid by the Contractor to the Department when the unclaimed property is remitted at the rate prescribed under section 717.134 (4) beginning on the 31st day after reconciliation or the 121st day after receipt and shall accrue up to the date the unclaimed property is received by the Department.

The holder shall deliver all tangible property such as contents of safe deposit boxes directly to the Bureau of Unclaimed Property in Tallahassee. The Contractor shall not take custody of these items nor shall the Contractor invoice the Department for the value of such property, but shall instruct the holder to remit those items to the Department pursuant to Chapter 717.

2.6.1 GENERAL LEDGER AUDIT: Upon completion of the general ledger audit of each holder, the Contractor shall prepare and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate audit report that, at a minimum, includes:

- a) The name and address of the holder.
- b) The federal employer identification number of the holder.
- c) A listing of property types with the amounts to be reported for each.
- d) A total of the amounts to be reported.
- e) The audit period.
- f) A narrative detailing the audit procedures
- g) A narrative summarizing the audit findings; and
- h) Other relevant comments regarding issues that have arisen or are expected to arise within the course of the audit process.

2.6.2 SECURITIES AUDIT: Upon completion of the securities audit of each holder or holder transfer agent, if securities are to be reported, the Contractor shall prepare and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate audit report that, at a minimum, includes:

- a) The name and address of the holder.
- b) Name of security.
- c) Class of security.
- d) CUSIP number.
- e) Description of security.
- f) Number of shares for each issue.
- g) Maturity date and interest, as applicable.
- h) Market value at receipt by the Contractor, as applicable; and
- i) Other relevant comments regarding issues that have arisen or are expected to arise during the course of the securities review process.

2.6.3 SAFE DEPOSIT BOX: Upon completion of the audit of each holder, if the content of a safe deposit box is to be reported, the Contractor shall prepare and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate audit report that, at a minimum, includes:

- a) The total number of safe deposit boxes reported.
- b) The box owner's (renter) name and address.

2.6.4 FINAL REPORT FORMAT: Upon completion of the audit of each holder, the Contractor shall prepare and provide to the Department a report via an electronic medium in the format listed in Appendix Two. The report shall be comprehensive and accurate and includes all information listed in Appendix Two. The securities shall be transferred via Depository Trust Corporation ("DTC") to the Department's stock custodian. A separate record shall be created for each reported property type for each owner or each separate securities issue belonging to the same owner.

2.6.5 WRITTEN AGREEMENT(S): The Contractor shall provide a copy of any written agreement(s) between the holder and the Contractor that were executed during the audit period when submitting the final report to the Department.

2.6.6 GENERAL LEDGER CERTIFICATION: The contractor shall execute and submit the General Ledger Certification, Appendix Ten (10).

2.6.7 WORK-PAPERS: The Contractor's work papers must be submitted to the Department within 30 calendar days of the Department's request.

Performance Standards: Payment is contingent upon compliance with:

- a) Attachment B; the general ledger audit requirements for Identification, Authorization, General Ledger and/or Securities Audits, Contractor-Assisted Self-Audits, Collection and Delivery of Unclaimed Property for the State of Florida; and
- b) Attachment B, Appendix 7: Procedures Applicable to the State Authorized Unclaimed Property General Ledger and Securities Audits and Contractor-Assisted Self-Audits Conducted by Contractors ; and
- c) The execution and the submission of the General Ledger Certification to the Department.

Sanction for Non-Performance: Any contractor who fails to comply with these requirements or fails to submit a duly executed General Ledger Certification may only retain a fee of **6%**. If the contractor has retained a fee in excess of **6%**, the contractor must reimburse the Department within 30 calendar days of the Department's request for reimbursement.

INVOICE: The Contractor shall remit an invoice for a completed audit to the Department upon the delivery of the property. The invoice shall contain sufficient detail for a proper pre-audit and post-audit thereof. The invoice shall contain, at a minimum, the following information: holder name, holder's address, holder's federal employer identification number, holder's state of incorporation, cash value for each property type, the Contractor's fee for each property type (netted from cash value), net cash value, and amount remitted. In addition to the above, securities audit invoices shall also include the CUSIP number, Number of shares and the billable share value.

The Contractor shall retain a fee for a general ledger and/or securities audit of the financial records of a holder as follows:

- a) Up to **15%** for all unclaimed property codes, as found in Appendix 9, other than "SC" and "DM"; and
- b) Up to **9%** for all "SC" and "DM" unclaimed property codes as found in Appendix 9;

Unless the Department and contractor agree in writing to a different fee on a case-by-case basis.

B. CONTRACTOR-ASSISTED SELF-AUDIT OF A HOLDER

2.7 Identification – Contractor-Assisted Self-Audit

The purpose of the Contractor-Assisted Self Audit is to utilize the resources of contracted auditors to assist the Department in the outreach, education and notification of potential holders of unclaimed property (that have never reported to the State of Florida) regarding the subject of unclaimed property and of the holders' obligation to file unclaimed property reports and remit unclaimed property to the Department; to assist holders in becoming familiar with the reporting requirements and processes; to assist the holders in properly and accurately completing their reports; and to file the properly-completed reports and remittances with the Department. The Contractor shall research and identify potential holders of unreported unclaimed property that is past due. The Contractor shall determine whether the holder has previously reported unclaimed property to the Department and the types of unclaimed property reported, if applicable. The Contractor shall identify the holder's state of incorporation and principal place of business.

2.8 Authorization – Contractor-Assisted Self-Audit

The Contractor shall contact or solicit holders who have never reported unclaimed property to the State of Florida to participate in the contractor-assisted self-audit. If a holder agrees to participate in the self-audit, the Contractor shall request and obtain prior written authorization from the Department to oversee a contractor-assisted self-audit to be conducted by a holder. Unless expressly stated to the contrary in the written authorization, contractor-assisted self-audit authorizations will only be approved for property which is past due. Property is past due if the property has reached its dormancy period and has not been reported and remitted to the department as required by section 717.117, F.S. Authorizations to conduct audits of holders of

unclaimed property will only be approved, and fees will only be paid, for property that is past due as of the date the authorization to audit is granted by the Department. (By way of example, pursuant to section 717.117, F.S., each year a holder must remit and report unclaimed property on or before April 30 for unclaimed property that reached its dormancy period during the preceding calendar year, or prior. If such property is not remitted and reported by April 30, it is past due. If the Department authorized an audit on September 30, 2012, the audit is only approved, and fees will only be paid, for property that reached its dormancy period during the 2011 calendar year and prior calendar years. By contrast, if the Department authorized an audit on January 30, 2012, the audit is only approved, and fees will only be paid, for property that reached its dormancy period during the 2010 calendar year and prior calendar years.)

The Contractor shall certify in writing, signed by the Contractor and the holder, that the Contractor has not, within three (3) years before the date of the Contractor's request for authorization, had a business relationship with the holder as defined in Section 4.1.

The Contractor shall provide written justification and a contractor-assisted self-audit plan to the Department. The Contractor must submit a copy of any executed written agreement for the contractor to conduct a contractor assisted self-audit with the holder, and the authorization request must be prior to the commencement of the contractor-assisted self-audit of the records of the holder.

Performance Standards: Include the following information:

- a) Name, address (physical and mailing), contact person, and telephone number of the holder's principal place of business as determined by the latest annual report or filed Form 10-K or other such probative evidence.
- b) Names of all business entities to be included in the contractor-assisted self-audit including subsidiaries and any affiliated companies and whether or not they are subject to the contractor-assisted self-audit.
- c) Name, address, contact person, and telephone number of holder's transfer agent, if applicable.
- d) Property types to be included in the contractor-assisted self-audit.
- e) Scope of the contractor-assisted self-audit; and
- f) Statement that the Contractor represents the Department and the contractor-assisted self-audit is being conducted on behalf of the Department.

If the holder has agreed to the contractor-assisted self-audit but has refused to enter into a written agreement, the Contractor shall provide the Department with the information identified above with the authorization request.

Upon receiving a written request from the Contractor, the Department will determine whether participation in the contractor-assisted self-audit is in the best interest of the State of Florida and may provide full or partial authorization to proceed with the contractor-assisted self-audit. The Department, in its sole discretion, may deny the request if the holder, is currently being audited or is performing a contractor-assisted self-audit, has reported unclaimed property to the Department previously, has been approved for a contractor-assisted self-audit, has

requested to enter into a voluntary disclosure agreement with the Department, if the Department has decided to discontinue the contractor-assisted self-audit process, or if it would be in the best interest of the Department to conduct the holder self-audit using the Department's staff, another Contractor, or not conduct the contractor-assisted self-audit of the holder. The granting of such authorization shall not give the Contractor the legal right to conduct a contractor-assisted self-audit of the holder to the exclusion of other Contractors or the Department. In the event that more than one Contractor under this RFP seek authorization to conduct a contractor-assisted self-audit of the same holder covering the same unclaimed property and the same period of time, the contractor-assisted self-audit shall be conducted by the Contractor who first obtained a written agreement with an authorized representative of the holder.

Sanction for Non-Performance: Contractor may not retain a fee for audits not authorized by the Department.

2.9 Audit – Contractor-Assisted Self-Audit

After receipt of written authorization from the Department, the Contractor shall, within 90 days:

Conduct an opening conference with the holder, or

Conduct a opening teleconference with the holder, or

Provide an orientation/overview/instructions packet to the holder.

(All materials/information/instructions given by the Contractor to the Holder shall be approved in advance by the Department. Once approved, no changes shall be made by the Contractor to these material/information/instructions without prior approval by the Department.)

The Contractor shall within 90 calendar days of receipt of written authorization from the Department provide the holder with a copy of each of the following items:

- a) Florida's Procedures for State Authorized Unclaimed Property General Ledger and Securities Audits and Contractors-Assisted Self-Audits Conducted by Contractors, DFS-UP-210 – Appendix Seven.
- b) The executed contract between the Department and the Contractor.

The Contractor shall within 90 calendar days of receipt of written authorization from the Department:

- c) Identify the time period to be covered by the contractor-assisted self-audit, the estimated length of time for the audit to be completed, and describe the general methods to be employed, including sampling and estimation.
- d) Identify, in writing, the Department's liaison with the Contractor, including their full name, title, address, telephone number, facsimile number, and e-mail address; and advise the holder that the holder is free to discuss the audit directly with the liaison at any time regarding allegations of misconduct, unethical behavior, or significant disagreement relating to legal authority.

- e) Identify, in writing, each and every senior employee, representative, and agent of the Contractor who will participate and be available to assist the holder in the contractor-assisted self-audit, including those who will review the holder's audit report, unclaimed property report and file the holder's report and remittance with the Department.
- f) Fully disclose to the holder the Contractor's fee arrangement with the Department.
- g) Explain that the holder shall report and remit to the Contractor any unclaimed property identified during the contractor-assisted self-audit that is owed to the State of Florida (unless the property consists of contents obtained from safe deposit boxes, which shall be remitted directly by the holder to the Department).
- h) Explain the responsibilities of the contractor in the contractor-assisted self-audit process, which will typically involve the following phases: 1) the contractor will gather and document basic corporate information; 2) the contractor will review the financial statements in order to advise the holder of the types of property to be included in the contractor-assisted self-audit; 3) the contractor will review the self-audit analysis prepared by the holder; 4) the contractor will assist in the preparation of the unclaimed property report; and 5) the contractor will prepare a final report to close the contractor-assisted self-audit; and 6) that the contractor will review the holder's final report, and submit the final report and remittance to the Department.
- i) Explain to the holder that participation in the contractor-assisted self-audit does not exempt the holder from being audited in the future if the Department deems an audit is warranted.

Performance Standards: Oversight of the contractor-assisted self-audit shall be conducted by the Contractor pursuant to this RFP, standards established by the Florida Statutes and the Florida Administrative Code.

The Contractor will use its best efforts to educate, advise, and assist the holder to conduct and conclude the contractor-assisted self-audit in the time frame set forth in the schedule provided at the outset of the audit. Extensions of the audit periods resulting from a scheduling conflict, providing records, and other extenuating factors may be accommodated by mutual agreement between the Contractor and holder, if approved by the Department. The Contractor shall notify the holder and the Department whenever it intends to vary from the procedures presented to the holder during the opening conference and/or contained in the orientation packet.

The Contractor's self-audit team shall be supervised by a member of the Contractor's staff who is or has:

- a) Qualified to supervise the contractor-assisted self-audit, as contemplated by Generally Accepted Auditing Standards, including General Standard #1 and Fieldwork Standard #1 – Appendix Six; and
- b) A permanent member of the Contractor's staff (as contrasted with an employee hired only to perform the contractor-assisted self-audit); and
- c) At least five (5) years of unclaimed property field review and audit experience employed by a state in the United States; or
- d) At least five (5) years of senior-level public accounting experience. "Senior Level" is

defined as at least five (5) years of full time public accounting experience. “Public accounting experience” is defined as performing tax, audit, management consulting or accounting work.

Sanction for Non-Performance: Failure to use the appropriate technical requirements or timely perform as identified in the Statement of Work will result in automatic task rejection and a fee may not be retained until correction of the task.

2.10 Processing – Contractor-Assisted Self-Audit

2.10.1 The Contractor-assisted self-audit of the records of the holder shall be completed within one year from the date of the Department’s authorization letter unless there are extenuating circumstances that are entirely beyond the control and management of the Contractor and the holder. The Contractor shall prepare and submit monthly work-in-progress reports to the Department on each contractor-assisted self-audit being conducted on behalf of the Department. The report shall be provided to the Department by the 7th day of the following month.

Performance Standards: These reports shall, at a minimum, include the following information.

- a) Name of Holder
- b) Address
- c) State of Incorporation
- d) FEIN#
- e) Type of Audit
- f) Audit Period
- g) Date Authorization Received
- h) Date Department and Holder notified of Opening Conference Date
- i) Date of Opening Conference
- j) Date Last Contact with Holder
- k) Records Received
- l) Records Reviewed
- m) Percentage of Audit Completed
- n) Date Department and Holder Notified of the Closing Conference
- o) Date Closing Conference
- p) Date Property Received
- q) Date Property Reconciled
- r) Date Property Delivered
- s) Audit Comments

Sanction for Non-Performance: Any contractor who fails to comply with these requirements may be subject to a reduction in the retained fee according to Contract section 11(b) - Liquidated Damages.

2.10.2 During the review and analysis of the contractor-assisted self-audit reports provided by the holder, the Contractor shall determine if the following owner information is available from the records of the holder for the property due to the Department: name, address, taxpayer identification number, and date of birth of the owner, date of last contact, and account number. The Contractor shall work closely with the holder to obtain this owner information and the information contained in Appendix Two. Owner information must be maintained in compliance with sections 119.072 and 717.717(8), and 717.1301, F. S.

Sanction for Non-Performance: If the owner information is not available, the Contractor shall document their efforts to obtain the information from the holder and provide a description of its efforts with the report. Reports from the Contractor with insufficient owner information will be reviewed and returned to the Contractor if the Department determines that the report does not contain sufficient owner information or sufficient documentation from the Contractor describing its efforts to obtain the owner information from the holder. If the Contractor cannot provide the owner information or acceptable justification for its failure to obtain such information to the Department, the Contractor shall refund its fee for the report to the Department upon notification.

Prior to receiving payment, the Contractor must make a representation to the Department that the report of the contractor-assisted self-audit has been completed by the holder in accordance with the requirements of this RFP, the standards established by the Florida Statutes and the Florida Administrative Code and that the holder has been informed in writing of its obligation to perform due diligence pursuant to Chapter 717, F. S.

The Contractor, upon completion of the initial examination of the holder's records, must instruct holder or holder's transfer agent to file all future reports directly with the State of Florida, pursuant to Florida reporting requirements. The Department will not pay a fee for subsequent reports where the principal/responsible company is examined for additional mergers, acquisitions or exchanges.

2.11 Collection – Contractor-Assisted Self-Audit

The Contractor shall schedule a closing conference or teleconference with the holder. The Contractor shall notify the Department and the holder of the date and location of the closing conference or teleconference at least 45 days prior to the conference or as otherwise agreed upon by the Contractor and the holder.

All property received by the Contractor must either be deposited in an interest-bearing account earning current market rates or must be deposited in an account where earnings credits will be calculated at a market rate which is not less than that which would be earned in an interest bearing account. The interest earned shall be paid to the Department when the unclaimed property is remitted to the Department or earning credits may be provided as an offset against fees for services rendered if required by federal law. If the property consists of securities, bonds, or other related property, the Custodian shall keep such property in a physically secure location.

2.12 Delivery – Contractor-Assisted Self-Audit

All property received by the Contractor or Contractor's agent must be remitted over to the Department within 30 calendar days of reconciliation or within 120 calendar days of receipt, whichever occurs first. The failure to deliver unclaimed property to the Department within 30 calendar days of reconciliation or 120 calendar days after receipt shall result in accrued interest to be paid by the Contractor to the Department, when the unclaimed property is remitted, at the rate prescribed under section 717.134 (4) beginning on the 31st day after reconciliation or the 121st day after receipt and shall accrue to the date the unclaimed property is received by the Department.

The holder shall deliver all tangible property such as contents of safe deposit boxes directly to the Bureau of Unclaimed Property in Tallahassee. The Contractor shall not take custody of these items nor shall the Contractor invoice the Department for the value of such property but shall instruct the holder to remit those items to the Department pursuant to Chapter 717.

2.12.1 GENERAL LEDGER SELF-AUDIT REPORT. Upon completion of the contractor-assisted self-audit of each holder, the Contractor shall prepare and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate report that, at a minimum, includes:

- a) The name and address of the holder.
- b) The federal employer identification number of the holder.
- c) A listing of property types with the amounts to be reported for each.
- d) A total of the amounts to be reported.
- e) The contractor-assisted self-audit period.
- f) A narrative detailing the audit procedures
- g) A narrative summarizing the contractor-assisted self-audit findings; and
- h) Other relevant comments regarding issues that have arisen or are expected to arise within the course of the contractor-assisted self-audit process.

2.12.2 SECURITIES SELF-AUDIT REPORT. Upon completion of the contractor-assisted self-audit of each holder or holder transfer agent, if securities are to be reported, the Contractor shall prepare and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate report that, at a minimum, includes:

- a) The name and address of the holder
- b) Name of security.
- c) Class of security.
- d) CUSIP number.
- e) Description of security.
- f) Number of shares for each issue.
- g) Maturity date and interest, as applicable.
- h) Market value at receipt by the Contractor, as applicable; and
- i) Other relevant comments regarding issues that have arisen or are expected to arise during the course of the contractor-assisted self-audit process.

2.12.3 SAFE DEPOSIT BOX. Upon completion of the contractor-assisted self-audit of each holder, if the contents of a safe deposit box are to be reported, the Holder shall prepare and the Contractor shall review and provide to the Department, in a form acceptable to the Department, a comprehensive and accurate report that, at a minimum, includes:

- a) The total number of safe deposit boxes reported.
- b) The box owner's (renter) name and address.

2.12.4 FINAL REPORT FORMAT. Upon completion of the contractor-assisted self-audit of each holder, the Contractor shall provide to the Department a report via an electronic medium in the format listed in Appendix Two. The contractor-assisted self-audit report shall be comprehensive and accurate and include all information listed in Appendix Two and the appropriate cash and securities. The holder contractor-assisted self-audit must include property types that holders in the same line of business regularly report. If the holder in a contractor-assisted self-audit does not report the following property types found in Appendix Nine: MS01, MS04, MS05, MS08, MS09, MS11, or MS16, the holder must provide a reasonable justification for this omission.

The Contractor must state that the holder has been informed in writing of its obligation to perform due diligence pursuant to Chapter 717, F. S.

The securities shall be transferred via Depository Trust Corporation ("DTC") to the Department's stock custodian. A separate record shall be created for each reported property type for each owner or each separate issue of security belonging to the same owner.

Performance Standards: The report shall be comprehensive, accurate and include all information listed in Appendix Two and the appropriate cash and securities.

Sanction for Non-Performance: Failure to use the appropriate technical requirements or timely perform as identified in the Statement of Work will result in automatic task rejection and a fee may not be retained until correction of the task.

2.12.5 INVOICE. The Contractor shall remit an invoice for a completed Contractor-assisted self-audit to the Department upon the delivery of the property. The invoice shall contain sufficient detail for a proper pre-audit and post-audit thereof. The invoice shall contain, at a minimum, the following information, if applicable: holder/issue name, holder's address, holder's federal employer identification number, holder's state of incorporation, CUSIP number, cash value for each property type, number of shares, billable share value for each property type, the fee for each property type, net cash value, and amount remitted. The Contractor agrees that it may retain no more than **nine percent (9%)** of the dollar amount of the property delivered or value thereof for a completed contractor assisted self-audit for all unclaimed property codes.

3.0 DEPARTMENT RESPONSIBILITIES AND AUTHORITY

The responsibilities and authority of the Department are as follows:

- a) The Department shall maintain proprietary rights to all general ledger audits, securities audits and contractor-assisted self-audit records, indemnification agreements, release of liability agreements, and all other records relating to all audits and contractor-assisted self-audits performed by the Contractor on behalf of the Department.
- b) The Department shall have final authority in authorizing the Contractor(s) to perform a general ledger audit, securities audit or contractor-assisted self-audit of the records of a holder, withdraw from a general ledger audit, securities audit or contractor-assisted self-audit of the records of a holder, reassign a general ledger audit, securities audit or contractor-assisted self-audit of the records of a holder, and terminating an authorized general ledger audit, securities audit or contractor-assisted self-audit of the records of a holder.
- c) The Department retains the right to direct the Contractor to conduct a general ledger audit, securities audit or contractor-assisted self-audit of the records of a particular holder whenever it deems it necessary to carry out its responsibilities and duties under Chapter 717, F. S.
- d) The decisions of the Department shall be final and binding on both parties in the event of any doubt or differences of opinion as to the procedures to be used or the services to be furnished by the Contractor.
- e) If a holder refuses to provide access to the records or will not enter into a written agreement to conduct a general ledger audit, securities audit or contractor-assisted self-audit of the holder's records or if the holder breaches the written agreement to conduct a general ledger audit, securities audit or contractor-assisted self-audit of the records of the holder, the Contractor shall inform the Department in writing. If the Department agrees that a general ledger audit, securities audit or contractor-assisted self-audit appears to be justified, the Department shall send a letter to the holder requesting the holder enter into an agreement on a voluntary basis with the Contractor and alerting the holder that the failure to cooperate may result in the imposition of applicable penalties, interest, and audit fees. If the holder still declines access to its records or to enter into an agreement with the Contractor within 90 days of the Department's letter, or breaches the agreement, this RFP no longer applies with regard to that holder. In such an event, the Department's options include, but are not necessarily limited to, taking legal action against the holder or contracting with a private attorney recommended by the Contractor to take legal action against the holder.

4.0 CONTRACTOR RESPONSIBILITIES

The responsibilities of the Contractor are as follows:

4.1 No Compensation from/to the Holder or Holder Transfer Agent

The Contractor or its staff shall not solicit, accept, contract for or receive compensation in any form or manner from any holder or its agent for whom the Contractor has received the Department's authorization to conduct a general ledger audit, securities audit or contractor-assisted self-audit pursuant to this RFP either during the general ledger audit, securities audit or contractor-assisted self-audit; or within one year from the date of the Department's authorization or 3 years before the date of the Department's authorization for the general ledger audit, securities audit or contractor-assisted self-audit of the holder.

The Contractor or its staff shall not pay compensation in any form or manner to any holder or its agent for whom the Contractor has received the Department's authorization to conduct a general ledger audit, securities audit or contractor-assisted self-audit pursuant to this RFP either during the general ledger audit, securities audit or contractor-assisted self-audit; or within one year from the date of the Department's authorization or three (3) years before the date of the Department's authorization for the general ledger audit, securities audit or contractor-assisted self-audit of the holder.

4.2 Off-site or On-Site Review and Audit

The Contractor shall conduct an off-site or on-site general ledger audit, securities audit or oversee a contractor-assisted self-audit of the records of the holder. The Contractor and its employees shall conduct such general ledger audits, securities audits or oversight of a contractor-assisted self-audits in a manner that will cause a minimal disruption of the regular business activities and hours of the holder.

4.3 Audit Procedure Manual

The Contractor shall develop a procedures manual that shall relate to the identification of the holder's unclaimed property liability. Specifically, the procedures should relate to how the Contractor will address the following issues: the nonexistence of owners' addresses, out-of-proof records, unclaimed underlying shares of stock bankruptcies, and the appropriateness of release of liability and indemnification. The manual shall also include procedures on cooperation with on-going state audits, case law, audit procedures, dormancy periods, reporting periods, the methodology of estimation techniques, and other compliance techniques. The procedure manual must include the contractor-assisted self-audit process if the contractor intends to request authorization to oversee self-audits. No services may begin until the manual is completed and approved by the Department.

4.4 Custodian

The Custodian must be a federal or state licensed financial institution located in the United States of America. All property received by the Contractor must either be deposited in an interest-bearing account earning current market rates or must be deposited in an account where earnings credits will be calculated at a market rate which is not less than that which would be earned in an interest bearing account. The interest earned shall be paid to the Department when the unclaimed property is remitted to the Department or earning credits may be provided as an

offset against fees for services rendered if required by federal law. If the property consists of securities, bonds or tangible property, the Custodian shall keep such property in a physically secure location.

4.5 Consultations

The Contractor shall maintain a full-time, professionally staffed office located in the United States of America, which shall be the official point of contact with the Contractor. The office and staff shall be accessible and available to the Department during regular working hours in order to respond to inquiries and concerns. The Contractor shall provide assistance to the Department regarding audits conducted by employees of the Department.

4.6 Participation as Witness

The Contractor and its staff must be available to participate in any future judicial or administrative proceedings pertaining to the services provided pursuant to this RFP.

4.7 Working Papers

The Contractor shall properly document its general ledger audit and/or securities audit and make the working papers gathered during the general ledger audit and/or securities audit available on demand for review by the Department. Such working papers will include planning information and all related calculations, statistical analyses, and summarizations.

4.8 Board Minutes

The Contractor shall furnish the minutes of all board meetings that affect the policy of identifying, auditing, reviewing, processing, collection and delivery of the unclaimed property to the Department within 30 calendar days of said meetings. The Contractor shall not apply any proposed inter-state policies to a general ledger audit, securities audit or contractor-assisted self-audit conducted on behalf of the State of Florida unless the Department has approved the policy.

4.9 Performance Standards Where Not Further Specified in Scope Section 2

The Contractor shall provide and complete all services as specified in Section 2, Scope of Services of this RFP in a timely and professional manner. Failure to use the appropriate technical requirements or timely perform as identified in the Statement of Work will result in automatic task rejection and a fee may not be retained until correction of the task. All deliverables developed and work conducted by the Contractor pursuant to this Deliverable shall be performed in accordance with the Department of Financial Services' policies and standards, and applicable specifications listed or provided by the Contract Manager.

4.10 Bond

Within forty-five (45) days of the execution of the contract, the Contractor shall provide the Department with a fidelity bond, financial guaranty bond, fidelity insurance or other financial guaranty from an entity licensed in the State of Florida which provides protection to the Department against theft, loss, or other illegal diversion of funds by the Contractor or its employees and agents in the amount of \$100,000. The language and terms of the bond, insurance or financial guaranty must be pre-approved by the Department.

5.0 GENERAL PROVISIONS

5.1 Payment and Invoicing

The Contractor shall remit an invoice as described in Sections 2.6 and 2.12 for a completed general ledger audit, securities audit and contractor-assisted self-audit to the Department upon the delivery of the property. The invoice shall contain sufficient detail for a proper pre-audit and post-audit thereof. A sample copy of the invoice shall be submitted for to the Contract Manager for written approval before the award of the contract.

The Contractor shall retain a fee for a general ledger and/or securities audit of the financial records of a holder as follows:

- a) Up to **15%** for all unclaimed property codes, as found in Appendix 9, other than “SC” and “DM”; and
- b) Up to **9 %** for all “SC” and “DM” unclaimed property codes as found in Appendix 9;

unless a different fee is agreed to in writing between the Department and the contractor on a case by case basis.

The Department shall pay the Contractor nine percent (9%) of the dollar amount of the property delivered or value thereof for a completed contractor assisted self-audit for all unclaimed property codes.

The Department intends to pay the Contractor as specified in this RFP. The Contractor shall be responsible for all costs for products or services that the Contractor has authorized and incurred. The Contractor shall deduct its fee from the unclaimed property received from the holder on the date the unclaimed property is remitted to the Department.

5.2 Indemnity Agreement

The Department may upon request of the holder enter into indemnity agreements with the holder pursuant to section 717.1201(5), F. S., regarding the actual unclaimed property remitted to the Department.

5.3 Survey

The Department shall utilize the responses by holders to survey questions as a factor in the Department's determination whether to renew the contract. The Department shall issue the surveys randomly. Survey responses will be considered a public record. The holder survey is attached as Appendix Four (4).

5.4 Warranties of Contractor

The Contractor covenants and warrants as follows:

1. It is lawfully organized and constituted under all federal, state, and local laws, ordinances, and other authorities of its domicile and is otherwise in full compliance with all legal requirements of its domicile.
2. It is possessed of the legal authority and capacity to enter into and perform the contract.
3. It has been duly authorized to operate and do business in the State of Florida and all places where it will be required to conduct business under the contract; that it has obtained, at no cost to the State of Florida, all necessary licenses and permits required in connection with the contract; and that it will fully comply with all laws, decrees, labor standards, and regulations of its domicile and such other location where performance may occur during the term of the contract.
4. It has no present interest and shall not acquire any interest, which would conflict in any manner with Contractor's duties and obligations under the contract. The commodities and services rendered shall in all respects conform to, and function in accordance with, the specification and designs requested in the Request for Contract Proposal.

5.5 Documents, Data, or Information Obtained by the Contractor

The Contractor, its agents or employees, shall not enter into any arrangement or agreement with any other person for the release or review of any information obtained from a general ledger audit, securities audit or contractor-assisted self-audit regarding unclaimed property owed to the State of Florida. Unless otherwise directed by the Department, the Contractor, its agents or employees, shall not release, or allow to be reviewed, any records or any information obtained from records related to unclaimed property owed to the State of Florida. The Contractor, its agents or employees, shall not do any act that would give a registrant, or a registrant's employer, a competitive advantage over another registrant. An audit is not complete until it has been processed and added to the unclaimed property database subsequent to a determination by the Department that the report is accurate and that the reported property is the same as the remitted property.

5.6 Termination of Authorization to Examine a Holder

Authorization to perform a general ledger audit, securities audit or contractor-assisted self-audit of a holder shall be terminated by the Department if:

1. The Contractor or its employees or agents have violated or has induced the holder to violate any provision of Chapter 717, F. S.
2. The Contractor or its employees or agents have made a material misrepresentation or omission to the holder, an agent or employee of the holder, or to the Department.

3. The Contractor has breached the agreement between the Contractor and the Department.

4. The actions of the Contractor or its employees or agents are such that the good name, governmental reputation, or business reputation of the Department is damaged or may be damaged. Such actions include, but are not limited to, criminal acts, rude or boorish behavior in the presence of the holder or in communications to the holder; unnecessarily confrontational conduct in the presence of the holder or in communications to the holder; or disruptive, antagonistic, or uncooperative attitude in the presence of the holder or in communications to the holder; threatening the imposition of interest, fines or penalties if the holder fails to conduct a contractor-assisted self-audit; failure to cooperate in Departmental investigation; falsification of records; making a false statement; harassment; misdemeanor or felony conviction; negligence; rudeness to the public; sexual harassment; substandard quality of work; theft or attempted theft or aiding others in theft or attempted theft; threatening or abusive language; and any violation of DFS Administrative Policies and Procedures, 5-26 Standards and Procedures of Discipline, Handout # 13, IX. B. through H., Appendix Five (5).

If the Department becomes aware that any one or more of the events or violations outlined in Section 5.6 have occurred, the Department shall inquire into the matter. If there is evidence that one or more events outlined in Section 5.6 have in fact occurred, the Department shall terminate authorization to perform a general ledger audit, securities audit or contractor-assisted self-audit of the holder or holder's agent and the Contractor shall cease to conduct the general ledger audit, securities audit or contractor-assisted self-audit of the records of the holder on behalf of the State of Florida.

The Department may subsequently authorize the Contractor to continue the general ledger audit, securities audit or contractor-assisted self-audit upon terms and conditions satisfactory to the Department and the holder; authorize another Contractor to conduct the general ledger audit, securities audit or contractor-assisted self-audit of the records of the holder; conduct the general ledger audit, securities audit or contractor-assisted self-audit of the records of the holder itself using the Department's employees; or decide to refrain from auditing the records of the holder.

APPENDIX ONE

Chapter 717, F. S.

This information can be obtained online at

<https://www.fltreasurehunt.org/jsp/reportUnclaimedPropertyTabs/ReportUnclaimedPropTab.jsp>

APPENDIX TWO

Electronic Reporting Instructions

This information can be obtained online at <https://www.fltreasurehunt.org/files/Reporting-Instructions-Manual-2011.pdf> under the “Report and Remit Unclaimed Property” link.

APPENDIX THREE

(Intentionally Omitted)

APPENDIX FOUR

HOLDER SURVEY

1. Did the contractor act in a courteous and professional manner? Yes ___ If the answer is NO, please explain:

2. Did the contractor provide you with adequate assistance? Yes ___ If the answer is NO, please explain:

3.a. If the contractor conducted a general ledger audit or processed the security records of holder, did the contractor request to review records of the holder prior to the preparation of the report of unclaimed property by the contractor? No ___ If the answer is YES, please briefly identify the records requested:

3.b. If the contractor oversaw a contractor-assisted self-audit, did the contractor request to review records of the holder, which in your view were sufficient to adequately verify the accuracy of the report of unclaimed property prepared by the holder? Yes ___ If the answer is NO, please briefly identify the records which should have been requested:

4. Did the contractor solicit you or your business for any additional services for a fee that were to be offered by the contractor's company?

No ____ If the answer is Yes ____, please explain.

Please provide any additional comments you may have:

APPENDIX FIVE

Standards of Conduct

Available upon request by telephone from the Purchasing Agent identified in RFP section 1.2.

Department of Financial Services, Administrative Policies and Procedures, 5-26 Standards and Procedures of Discipline, Handout #13, IX.B. through H.

APPENDIX SIX

Chapter 3 – General Standards

General - Standard #1

The audit is to be performed by a person or persons having adequate technical training and proficiency as an auditor.

- Must have specific education in auditing.
- Must have professional experience before becoming a certified auditor.
- Continuing education is required to maintain a license to practice auditing.

Chapter 6 – Field Work Standards for Performance Audits

Field Work - Standard #1

The work is to be adequately planned and assistants, if any, are to be properly supervised.

- Each auditor is responsible for the other auditors that they are supervising.

APPENDIX SEVEN

Procedures Applicable to the State Authorized Unclaimed Property General Ledger and Securities Audits and Contractor Assisted Self Audits Conducted by Contractors

Florida Department of Financial Service DFS-UP-210 (See link below)

<https://www.fltreasurehunt.org/Other-Unclaimed-Property-Forms.jsp>

APPENDIX EIGHT

Confidentiality Agreement

[Date]

[Holder]

Dear

The Contractor, as agent for the States set forth on Annex A (the “States”), has requested certain information from [Name of Holder] (the “Holder”) in connection with its unclaimed property review and audit of the Holder’s books and records.

The Contractor shall treat as confidential and protect from disclosure to third parties, including other persons and business entities with whom the Contractor is affiliated, other than its own employees, agents, and representatives, and the States, all information that the Holder may furnish verbally and in writing to the Contractor or its agents, representatives, or employees in connection with its unclaimed property review and audit; provided however, that this letter agreement shall not prohibit the Contractor from disclosing such information to (a) any person specifically approved by the Holder or (b) pursuant to or as required by law. The Contractor further agrees that it will not use any such information for any purpose other than the performance of such review and audit.

The information referred to in the preceding paragraph shall not include any information (i) previously known to the Contractor prior to the receipt of such information, (ii) subsequently acquired by the Contractor from a third party having an independent right to disclose such information, or (iii) that is now or later becomes publicly known through no fault of the Contractor.

Any failure or delay by the Holder in enforcing any provision of this letter agreement will not operate as a waiver of that provision, and the Holder will be entitled to injunctive relief, as well as all other remedies available at law or equity, if the Contractor breaches this letter agreement.

This letter agreement constitutes the entire agreement between us and may only be modified in writing. This letter agreement and all controversies arising from it shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to its conflicts of law principles.

Sincerely,
[Contractor, Employee, Agent, and Contractor Representative]

AGREED TO:

[HOLDER]

By: _____

Name:

Title:

APPENDIX NINE

FLORIDA PROPERTY CODE AND DORMANCY TABLE

PROPERTY TYPE	DORMAN CY PERIOD (YEARS)	PROPER TY CODE	STATUTORY REFERENCE
FINANCIAL INSTITUTIONS			
Bank Drafts	5	CK05	717.105
Cashier's Checks	5	CK01	717.105
CD Interest Payments	5	CK16	717.106
Certified Checks	5	CK02	717.105
Checking Accounts	5	AC01	717.106
Christmas Club Accounts	5	AC04	717.106
Credit Memo	5	CK12	717.1045(4)
Deposit to Secure Funds	5	AC05	717.106
Foreign Exchange Checks	5	CK09	717.105
Gift Certificates/Cards	5	MS12	717.1045(4)
Matured CD's or Savings Certificates	5	AC03	717.106
Money Orders	7	CK07	717.104(2)
Registered Checks	5	CK03	717.105
Savings Accounts	5	AC02	717.106
Suspense Accounts	5	AC08	717.106
Travelers Checks	15	CK08	717.104(1)
Treasurers Checks	5	CK04	717.105
Unidentified Deposits	5	AC07	717.106
FINANCIAL INSTITUTIONS (TANGIBLE PROPERTY)			
Contents of Safe Deposit Boxes	3	SD01	717.116
Contents of Safekeeping Repository	3	SD02	717.116
Other Tangible Property	3	SD03	717.116
Unclaimed Loan Collateral – NonCash	3	SD04	717.116
INSURANCE COMPANIES			
Demutualization Cash	2	DM01	717.1071
Demutualization Stock	2	DM02	717.1071
Agent Credit Balances	5	IN08	717.107
Death Benefits Due Beneficiaries	5	IN03	717.107
Group Policy Benefits	5	IN02	717.107
Individual Policy Benefits	5	IN01	717.107
Matured Life-Limiting Age	2	IN09	717.107
Other Amounts Due under Policy	5	IN07	717.107

Terms			
Premium Refunds on Individual	5	IN05	717.107
Proceeds from Matured Policy	5	IN04	717.107
Unidentified Remittances	5	IN06	717.107
COURTS			
Condemnation Awards	1	CT02	717.113
Deposit Made with Court	1	CT05	717.113
Escrow Funds	1	CT01	717.112(4) and 717.113
Missing Heir Funds	1	CT03	717.113
Suspense Accounts	1	CT04	717.113
GENERAL			
Checks Written Off	5	CK14	717.102
Expense Checks	5	CK10	717.102
Other O/S Official Checks	5	CK15	717.102
Pension Checks	5	CK11	717.112
Security Deposits	5	AC06	717.102
Vendor Checks	5	CK13	717.102
Warrants	5	CK06	717.102
OTHER GENERAL			
Accounts Payable	5	MS08	717.102
Bonuses	1	MI06	717.115
Commissions	1	MS02	717.115
Credit Balances on Accts Receivable	5	MS09	717.102
Customer Overpayments	5	MS05	717.102
Delay Rentals	5	MI07	717.102
Discounts Due	5	MS10	717.102
Educational Savings Account – Cash	5	CS01	717.112(1)
Educational Savings Account – Mutual Funds	5	CS02	717.112(1)
Educational Savings Account – Securities	5	CS03	717.112(1)
Health Savings Account	5	HS01	717.112(1)
Health Savings Account Investment	5	HS02	717.112(1)
Involuntary Dissolution or Liquidation	6 months	MS15	717.111
Minimum Royalties	5	MI09	717.102
Misc. Intangible Property	5	MS17	717.102
Miscellaneous Checks	5	MS16	717.102
Net Revenue Interests	5	MI01	717.102
Overriding Royalties	5	MI03	717.102
Payment Goods & Services	5	MS04	717.102
Pension, Profit Sharing Plans	5	MS14	717.112
Production Payments	5	MI04	717.102
Refunds	5	MS11	717.102

Royalties	5	MI02	717.102
Shut-In Royalties	5	MI08	717.102
Suspense Liabilities	5	MS18	717.102
Unclaimed Loan Collateral-Cash	5	MS13	717.106
Unidentified Remittances	5	MS06	717.102
Unrefunded Overcharges	5	MS07	717.102
Wages, Payroll, Salary	1	MS01	717.115
Worker Comp Benefits	5	MS03	717.102
Working Interests	5	MI05	717.102
SECURITIES RELATED			
Bearer Bond Principal – State and Local Government	1	SC07	717.112(5)
Bearer Bond Principal – Corporate	3	SC21	717.1101
Bearer Bond Interest – State and Local Government	1	SC22	717.112(5)
Bearer Bond Interest – Corporate	3	SC23	717.1101
Registered Bond Principal –State and Local Government	1	SC18	717-112(5)
Registered Bond Principal – Corporate	3	SC24	717.1101
Registered Bond Interest – State and Local Government	1	SC02	717-112(5)
Registered Bond Interest – Corporate	3	SC25	717.1101
Bonds (physical bonds and debentures)	3	SC14	717.1101
Cash in Lieu of Fractional Shares	3	SC09	717.1101
Credit Balances	3	SC20	717.1101(4)
Dividend Reinvestment Plans	3	SC19	717.1101
Equity Payments	3	SC04	717.1101
Funds Paid Toward Shares or Interest	3	SC06	717.1101
Mutual Fund Shares	3	SC16	717.1101
Other Certificates of Stock	3	SC11	717.1101
Profits	3	SC05	717.1101(4)
Shares of Stock & Underlying Shares	3	SC08	717.1101
Stock Redemption Funds	3	SC13	717.1101
Stock Warrants	3	SC17	717.1101
Unclaimed Dividends	3	SC01	717.1101
Unexchanged Stock of Successor Corp.	3	SC10	717.1101
US Government Securities	1	SC15	717.112(5)
FIDUCIARIES			
IRA – Cash (Traditional IRA, SEP IRA, SARSEP IRA and SIMPLE IRA)	5	IR01	717.112

IRA –Mutual Funds (Traditional IRA, SEP IRA, SARSEP IRA and SIMPLE IRA)	5	IR02	717.112
IRA – Securities (Traditional IRA, SEP IRA, SARSEP IRA and SIMPLE IRA)	5	IR03	717.112
IRA – Cash (Roth IRA)	5	IR05	717.112
IRA –Mutual Funds (Roth IRA)	5	IR06	717.112
IRA – Securities (Roth IRA)	5	IR07	717.112
Escrow Funds	5	TR04	717.112
Fiduciary Funds	5	TR03	717.112
Paying Agent Accounts	5	TR01	717.112
Trust Vouchers	5	TR06	717.112
Undelivered or Uncashed Dividends	5	TR02	717.112
UTILITY COMPANIES			
Membership Fees	5	UT02	717.102
Refunds or Rebates	5	UT03	717.102
Utility Deposits	1	UT01	717.108

***COURTS AND GOVERNMENTAL AGENCIES - Including any court, government or governmental subdivision or agency, public corporation or public authority			
All Property Held by Courts and Government Agencies Regardless of Property Type (unless otherwise provided by a specific Florida Statute)	1 Year Dormancy Period		717.112(5) and 717.113

APPENDIX TEN
GENERAL LEDGER AUDIT CERTIFICATION

The Contractor hereby certifies that:

- a) Attachment B: the general ledger audit requirements for Identification, Authorization, General Ledger and/or Securities Audits, Contractor-Assisted Self-Audits, Collection and Delivery of Unclaimed Property for the State of Florida, and
- b) Attachment B, Appendix 7: The Procedures Applicable to the State Authorized Unclaimed Property General Ledger and Securities Audits and Contractor-Assisted Self-Audits Conducted by Contractors have been fully complied with, including, but not necessarily limited to the requirements that:

1. All work papers include planning information and all related calculations, statistical analyses, and summarizations.
2. All work papers contain a heading that includes the name of the entity subject to the general ledger audit, the dates of the general ledger audit period, a title describing the nature of the data on the working paper, and the identification number of the general ledger audit.
3. Each lead working paper has been initialed and dated by the preparer and the reviewer, and all pages numbered.
4. The source, purpose, scope, procedures, findings and conclusions are identified on each working paper, if required.
5. That each working paper is properly indexed.
6. The working papers are cross referenced with cross-referencing page numbers written in red.
7. A legend is included on each working paper that adequately explains the general ledger audit procedures performed.

Contractor Name: _____

Contractor Telephone _____

Number of Contractor's Contact Person: _____

Signature of Contractor's Contact Person: _____ Date: _____

Holder Name and Address: _____

Holder Tax Identification Number: _____

ATTACHMENT C

Identical Tie Response Certification

In the event of identical tie Proposals, preference shall be given to the Proposer who (check the applicable block) certifies one or more of the following:

- A. The response is from a certified minority-owned firm or company;
- B. A veteran business certified according to s. 295.187, F.S.
- C. A Florida-based business having at least one of the following characteristics;

- 1) Fifty-one percent of the company is owned by Floridians; or
- 2) Employs a workforce for this project or contract that is at least 51% Floridians; or
- 3) More than 51% of business assets of the company, excluding bank accounts, are located in Florida.

If not a Florida-based business as defined in paragraph C above, attach a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that state to its own business entities whose principal places of business are in that foreign state in the letting of any or all public contracts.

- D. The response is from a Florida-domiciled entity
- E. The commodities are manufactured, grown, or produced within this state;
- F. Foreign manufacturer with a factory in the State employing over 200 employees working in the State.

G. Businesses with drug-free workplace programs. Whenever two (2) or more solicitation Responses which are equal with respect to price, quality and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a solicitation Response received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie solicitation Responses will be followed if none of the tied Proposers have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

- 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs and the penalties that may be imposed upon employees for drug abuse violations.
- 3) Give each employee engaged in providing the commodities or contractual services that are under solicitation a copy of the statement specified in subsection (1).
- 4) In the statement specified in subsection (1), notify the employees, as a condition of working on the commodities or contractual services that are under contract, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any State, for a violation occurring in the workplace no later than five (5) days after such conviction.
- 5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community by any employee who is so convicted.

6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

I certify that this firm complies fully with the above-selected requirements. (If item E above is selected, subsections "1" through "6" have been met.)

Contractor's Name: _____

Authorized Signature: _____

ATTACHMENT D

Unclaimed Property Auditor Provider Contract
between the Department of Financial Services and _____
[Insert contractor's name]

THIS CONTRACT ("Contract") is entered into by and between the State of Florida, Department of Financial Services, 200 East Gaines Street, Tallahassee, Florida 32399-0358 ("Department") or its successor, and _____ ("Contractor"), effective as of the last date signed below.

WHEREAS, the Department is charged with the administration and enforcement of the Florida Disposition of Unclaimed Property Act, Chapter 717, Florida Statutes; and
WHEREAS, holders of unclaimed property are located in all states and territories of the United States of America; and

WHEREAS, in order for the Department to properly administer the law and to enforce compliance with the law, it is necessary to seek compliance by unclaimed property holders ("holders") throughout the United States; and

WHEREAS, the Department determined that the utilization of one or more auditors for general ledger auditing, securities auditing, oversight of contractor-assisted self-audits, collection and delivery of unclaimed property, as it relates to unclaimed property held and owing by holders or by agent(s) thereof, is in the best interest of the Department; and

WHEREAS, the Department has determined, after evaluating the Contractor, that it would be in the best interests of the State to enter into a contract with the Contractor.

NOW THEREFORE, in consideration of the services to be performed and payments to be made, together with the mutual covenants and conditions hereinafter set forth, the parties agree as follows:

1. Services and Deliverables.

The Contractor agrees to render the services or other units of deliverables as set forth in the Contractor's accepted proposal, the Department's Request for Proposals (RFP) for services, RFP # 12/13-___ and its Attachments. The Contractor's performance shall be subject to all the terms, conditions, and understandings set forth in said RFP and the attachments to the RFP and PUR 1000 and 1001 incorporated by reference into the RFP, copies of which are attached hereto.

2. Delivery Schedule.

The services or other units of deliverables specified in Paragraph 1 above shall be delivered or otherwise rendered on behalf of the Department in accordance with the schedule in the Contractor's accepted proposal and consistent with the RFP.

3. Term of Contract.

The term of the Contract is three (3) years and is subject to one three (3) year renewal. The renewal shall be contingent upon satisfactory performance by the Contractor. The renewal price/fee is set forth in Attachment A. No other costs for the renewal may be charged. Any

renewal is subject to the same terms and conditions as the original contract. The Department shall have the right to unilaterally terminate or suspend the Contract, by providing the Contractor thirty (30) calendar days written notice.

4. Payment.

(a) Subject to the terms and conditions established by this Contract and the billing procedures established by the Department, the Department agrees to pay the Contractor for services rendered according to Attachment B, Section 5.1.

(b) A Vendor Ombudsman has been established with the Department of Financial Services. The duties of this individual include acting as an advocate for Contractors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be reached at (850) 413-5516.

(c) Taxes. The Department is exempted from payment of Florida state sales and use taxes and Federal Excise Tax. The Contractor, however, shall not be exempted from paying Florida state sales and use taxes to the appropriate governmental agencies or for payment by the Contractor to suppliers for taxes on materials used to fulfill its contractual obligations with the Department. The Contractor shall not use the Department's exemption number in securing such materials. The Contractor shall be responsible and liable for the payment of all its FICA/Social Security and other taxes resulting from this Contract. The Contractor shall provide the Department its taxpayer identification number upon request.

(d) Expenses. The contractor shall be responsible for all costs for products or services that the Contractor has authorized or incurred. The Contractor shall be responsible for its travel expenses and shall not charge the Department for any such expense.

(e) Payment Processing. All services rendered shall be submitted to the Department in sufficient detail for a proper pre-audit and post-audit to be performed. All payments for professional services shall include travel and expenses, and will be authorized to be retained by the Contractor only upon the timely and satisfactory completion of all services and other units of deliverable such as reports, findings and drafts, which are required by Paragraphs 1 and 2 above and upon the written acceptance of said services and units of deliverables such as reports, findings and drafts by the Department's designated contract manager. The Contractor shall provide a report reflecting retention of the agreed percentage withheld for a completed audit or self-audit to the Department upon the delivery of the property.

5. Acceptance.

The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Department reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Department may require re-performance of nonconforming services at no increase in contract price. The Department must exercise its post-acceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item. All of the Contractor's Deliverables related to these commodities or services shall be submitted to the Department's contract manager for review and

approval. The Department's approval and inspection of the Contractor's services shall require no longer than five (5) business days from date of delivery of services, and fifteen (15) business days for delivery of documentary deliverables such as reports and procedures. The Department reserves the right to reject deliverables as outlined in the Scope of Work as incomplete, inadequate or unacceptable due in whole or in part to the Contractor's lack of satisfactory performance under the terms of this Contract. The Department, at its option, may allow additional time within which the Contractor may remedy the objections noted by the Department and the Department may, after having given the Contractor a reasonable opportunity to complete, make adequate or acceptable said deliverables, including but not limited to reports, declare this Contract to be in default. All status reports must be submitted timely showing tasks or activities worked on, attesting to the level of services provided, hours spent on each task/activity, and upcoming major tasks or activities. Failure to use the appropriate technical requirements as identified in the Scope of Work will result in automatic task rejection and may not be invoiced or paid until correction of the task. Failure to complete the required duties as outlined in the Scope of Work may result in the rejection of the invoice. Notwithstanding any provisions to the contrary, written acceptance of a particular deliverable does not foreclose the Department's remedies in the event those performance standards that cannot be readily measured at the time of delivery are not met.

6. Information and Data Security and Confidentiality.

(a) The Contractor, its employees, subcontractors and agents shall comply with all security procedures of the Department in performance of this Contract. The Contractor shall provide immediate notice to the Department in the event it becomes aware of any security breach and any unauthorized transmission of State data or of any allegation or suspected violation of security procedures of the Department. Except as required by law or legal process and after notice to the Department, the Contractor shall not divulge to third parties any confidential information obtained by the Contractor or its employees, subcontractors or agents in the course of performing the services. The Contractor shall not be required to keep confidential information that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the State's confidential information, or information that is otherwise obtainable under state law as a public record.

(b) Loss of Data. In the event of loss of any State data or record where such loss is due to the negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Department at the Contractor's sole expense, in addition to any other damages the Department may be entitled to by law or the Contract. In the event lost or damaged data is suspected, the Contractor will perform due diligence and report findings to the Department and perform efforts to recover the data. If it is unrecoverable, Contractor will pay all the related costs associated with the remediation and correction of the problems engendered by any given specific loss. Further, failure to maintain security that results in certain data release will subject the Contractor to the sanctions for failure to comply with section 817.5681, F.S., together with any direct costs of the Department for responding to such a breach of security caused by the Contractor.

(c) Data Protection. No DFS data or information will be transferred or stored offshore or out of the United States of America.

Access to DFS data shall only be available to approved and authorized staff, including remote/offshore personnel, that have a legitimate business need. If that need changes, then access shall be removed promptly. The Contractor shall encrypt all data transmissions. Remote data access must be provided via a trusted method such as SSL, TLS, SSH, VPN, IPsec or a comparable protocol approved by the Department.

The Contractor agrees to protect, indemnify, defend and hold harmless the Department from and against any and all costs, claims, demands, damages, losses and liabilities arising from or in any way related to the Contractor's breach of data security or the negligent acts or omissions of the Contractor related to this subsection.

Public Records: The parties shall not be required to disclose to the public any materials protected by law, and disclosure of any confidential information received by the State of Florida will be governed by the provisions of the Florida Public Records Act, Chapter 119, Florida Statutes and exceptions thereto. Should the Contractor provide technology security systems and procedures, and other information deemed confidential or exempt from the Florida Public Records Act, then the Contractor shall place such information in an encrypted electronic form or a sealed separate envelope and provide the Department with an additional copy of its documentation containing such information that has been redacted to conceal only that information that the Contractor claims to be confidential. If a public record request is made for documentation related to this Contract, the Department will notify the Contractor of such request if the Contractor has provided the Department with a notice of trade secret or other confidentiality as noted above, and the Contractor shall be solely responsible for taking whatever action it deems appropriate to legally protect its claim of exemption from the public records law. The Contractor acknowledges that the protection afforded by s. 815.045, F.S., is incomplete, and it is hereby agreed that no right or remedy for damages arises from any disclosure based on the Contractor's failure to promptly legally protect its claim of exemption and commence such protective actions within ten (10) days of receipt of such notice from the Department. The Contractor shall retain such records for the longer of three 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://dlis.dos.state.fl.us/recordsmgmt/gen_records_schedules.cfm) .

7. 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. At a minimum, this includes the following types of insurance for anyone directly or indirectly employed by the Contractor and the amount of such Insurance shall be the minimum limits as follows, unless otherwise approved by the Contract Manager:

- (a) Commercial general liability coverage, bodily injury, property damage: \$1,000,000 per occurrence/\$2,000,000 aggregate.
- (b) Automobile liability coverage, bodily injury, property damage: \$1,000,000 Combined Single Limits. Insuring clause for both bodily injury and property damage shall be amended to provide coverage on an occurrence basis.
- (c) Workers' compensation and employer's liability insurance covering all employees engaged in any Contract work, in accordance with Chapter 440, Florida Statutes.

Such coverage may be reduced with the consent of the Contract Manager since certain subcontractors have potentially less exposure in liability than other subcontractors. Except as agreed in a separate writing, no self-insurance coverage shall be acceptable unless Contractor is licensed or authorized to self-insure for a particular coverage listed above in the State of Florida, or is an insured member of a self-insurance group that is licensed to self-insure in the State of Florida. Upon request, the Contractor shall provide its 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.

8. Termination.

(a) The Department may, in its sole discretion, terminate the Contract at any time by giving thirty (30) days written notice to the Contractor.

(b) All services performed by the Contractor prior to the termination date of this Contract shall be professionally serviced to conclusion in accordance with the requirements of the Contract. Should the Contractor fail to perform all services under the Contract, the Contractor shall be liable to the Department for any fees or expenses that the Department may incur in securing a substitute provider to assume completion of those services.

(c) As provided in section 287.058, Florida Statutes, the Department may terminate the Contract immediately in the event that the Department requests in writing that the Contractor allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, which are made or received by the Contractor in conjunction with the Contract, and the Contractor refuses to allow such access. However, nothing herein is intended to expand the scope or applicability of Chapter 119, Florida Statutes, to the Contractor. The Contractor shall not be required to disclose to the public any proprietary copyrighted trade secrets or other materials protected by law as pursuant to section 119.07, Florida Statutes.

(d) As provided in section 287.135, Florida Statutes, the Department may terminate the Contract in the event the Contractor's company is found to have submitted a false certification as provided under s. 287.135 (5), F.S., or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. Notice: Section 287.135, F.S. would operate to make businesses ineligible to contract with the State of Florida in specified circumstances. Currently, the 2012 changes to this section have been enjoined by a court of law. If ultimately upheld by the court, the Contractor may be required to amend the contract to certify compliance with the law, i.e. that the business is not and will not engage in business operations in Cuba or Syria that are prohibited by section 287.135, F.S.

(e) If at any time the Contract is canceled, terminated, or expires, and a contract is subsequently executed with a firm other than the Contractor, the Contractor has the affirmative obligation to assist in the smooth transition of Contract services to the subsequent contractor. The Contractor agrees to provide, for up to six (6) months after termination or until the subsequent provider is fully operational, whichever occurs first, all reasonable termination assistance requested by the Department to facilitate the orderly transfer of such services to the Department or its designees. Six months prior to termination, the Contractor will provide the

Department an explanation of the functional equivalent of the technical requirements of any services or proprietary products used to carry out the contract and all documentation supporting a description of the technical and service requirements. Such termination assistance shall be at no additional charge to the Department if the termination is due to Contractor default and otherwise shall not exceed direct expenses pre-approved by the Department's Contract Manager. Before the end of the contract period, the Contractor shall be responsible for transferring all data back to the Department or successor contractor including a contingency transition plan, which will include at a minimum training, transfer of data and transition period error correction.

(f) If the Contractor defaults in the performance of any covenant or obligation contained in the Contract, including without limitation the minimum requirements contained in the Scope of Work, or in the event of any material breach of any provision of the Contract by the Contractor, the Department may, in its sole discretion, provide notice and an opportunity to cure the default rather than exercise the remedy of termination. This notice shall state the nature of the failure to perform and provide a time certain for correcting the failure. The notification will also provide that, should it fail to perform within the time provided, the Contractor will be found in default. If the default or breach is not cured within thirty (30) calendar days after written notice is given to the Contractor specifying the nature of the alleged default or breach, then the Department, upon giving written notice to the Contractor, shall have the right to terminate the Contract effective as of the date of receipt of the default notice.

(g) After receipt of a notice of termination or partial termination, and except as otherwise directed by the Department, the Contractor shall stop performing services on the date, and to the extent specified, in the notice. The Contractor shall accept no further work or new services related to the affected Deliverables, and shall, as soon as practicable, but in no event longer than thirty (30) calendar days after termination, terminate any orders and/or subcontracts related to the terminated Deliverables and settle all outstanding liabilities and all claims arising out of such termination of orders and/or subcontracts, with the approval or ratification of the Department to the extent required, which approval or ratification shall be final for the purpose of this section.

9. Events of Default.

Provided such failure is not the fault of the Department or outside the reasonable control of the Contractor, the following events, acts, or omissions, shall include but are not limited to, events of default:

(a) Failure to pay any and all entities, individuals, and the like furnishing labor or materials, or failure to make payment to any other entities as required herein in connection with the Contract;

(b) Failure to complete and maintain, within the timeframes specified between the Department and the Contractor, the applicable system installation, ongoing performance, maintenance, and provision of Services;

(c) The commitment of any material breach of this Contract by the Contractor, failure to timely deliver a material deliverable, discontinuance of the performance of the work, failure to

resume work that has been discontinued within a reasonable time after notice to do so, or abandonment of the Contract;

(d) Employment of an unauthorized alien in the performance of the work;

(e) One or more of the following circumstances, uncorrected for more than thirty (30) calendar days unless within the specified thirty (30) day period, the Contractor (including its receiver or trustee in bankruptcy) provides to the Department adequate assurances, reasonably acceptable to the Department, of its continuing ability and willingness to fulfill its obligations under the Contract:

- (1) Entry of an order for relief under Title 11 of the United States Code;
- (2) The making by the Contractor of a general assignment for the benefit of creditors;
- (3) The appointment of a general receiver or trustee in bankruptcy of the Contractor's business or property;
- (4) An action by the Contractor under any state insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation;
- (5) Entry of an order revoking the certificate of authority granted to the Contractor by the State or other licensing authority;

(f) The Contractor makes or has made an intentional material misrepresentation or omission in any materials provided to the Department or fails to maintain the required insurance.

10. Liability and Indemnification

(a) The Indemnification provisions of the RFP and its incorporated PUR 1000-19 shall apply with the following clarifications, except that each party shall be responsible for its own attorney fees. The procedures set forth below shall apply to all indemnity obligations under this Contract (except as otherwise expressly provided below):

1. 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 their officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to:

a) Any claim by, on behalf of, or pertaining to a Subcontractor or Contractor personnel in relation to the Contract or the Services. In the case of a claim by employees of Contractor (or of any of its Subcontractors), Contractor's indemnification of the State will be to the same extent as if the claim was made by a person who is not an employee of the Contractor (or its Subcontractor) – i.e., the Contractor's indemnification obligations to the State will not be subject to any limitation of the Contractor's liability to the person claiming injury under workers' compensation or similar laws;

b) Any claim that, if true, would constitute a breach of the Contractor's obligations with respect to any confidential information or data security;

- c) Any claim that any personal information (as defined in s. 817. 5681, F. S.) was misused or improperly disclosed due to any act or omission of the Contractor (or any entity or person for which the Contractor is responsible);
- d) Any claim that, if true, would arise from or be attributable to a breach of Contractor's obligations to comply with Laws;
- e) Any claim that, if true, would arise from or be attributable to a breach of the Contractor's warranties regarding non-infringement of Deliverables;
- f) Any claim that, if true, would arise from or be attributable to fraud, theft, or embezzlement by any Contractor (or Subcontractor) personnel;
- g) Any claim that, if true, would arise from or be attributable to an intentional tort, willful misconduct (including intentional breach of contract), unlawful conduct, or gross negligence of the Contractor (or any entity or person for which the Contractor is responsible);
- h) Personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by the Contractor, its agents, employees, partners, or Subcontractors,

2. However, the Contractor shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the State.

(b) Notwithstanding anything to the contrary, nothing in this section will be construed to impose any limitation on compliance with Rule 60A-1.006 (3), F.A. C.

(c) The Department's maximum liability for any damages, regardless of form of action, shall in no event exceed the actual contract cost to the Contractor for the relevant products or services giving rise to the liability, prorated over a three year term from the date of performance of the applicable services.

11. Damages for Non-Performance.

(a) The Contractor will promptly notify the Department upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any Services. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department's delay. Liquidated damages or other damages shall be assessed on the Contractor as specified in the "sanctions for nonperformance" identified in Attachment B, the Scope of Work, in the event the Contractor fails to complete agreed upon work after expiration of the time allowed by the Contract, subject to the force

majeure provisions of the Contract. Allowing completion after the time allowed shall not act as a waiver of damages.

Nothing in this section shall be construed to make the Contractor liable for delays that are beyond its reasonable control. Nothing in this section shall limit the Department's right to pursue its remedies for other types of damages.

(b) Liquidated Damages.

- i. The Contractor acknowledges that untimely performance or other material noncompliance will damage the Department, but by their nature such damages are impossible to ascertain presently and will be difficult to ascertain in the future. The issues involved in determining the amount of damages will be multiple and complex, and will be dependent on many and variant factors, proof of which would be burdensome and require lengthy and expensive litigation, which the Parties desire to avoid. Accordingly, the parties agree that it is in the parties' best interests to agree upon a reasonable amount of liquidated damages, which are not intended to be a penalty and are solely intended to compensate for unknown and unascertainable damages. These liquidated damages below will apply unless the nonperformance sanctions are provided for in the Scope of Work.
- ii. The Contractor shall pay the indicated amount of liquidated damages including but not limited to the following:

Ongoing Reporting Deliverables: The Department will allow a three (3) month probationary period to establish reports. Thereafter, if the ongoing reporting Deliverables are either not timely or lacking in quality or completeness for three (3) consecutive months or three consecutive late reports, ten percent (10 %) of the Contractor's fee per applicable holder audit must be submitted to the Department until two (2) full months of delivery without such delays, at which time the 10% holdback will be released.

(c) Actual Damages:

Failure to maintain security that results in certain data release will subject the Contractor to the sanctions for failure to comply with section 817.5681, F.S. together with any direct costs to the Department resulting from a breach of security.

(d) Force Majeure

In addition to the Force Majeure provisions of PUR 1000, the following applies: The Contractor will promptly notify the Department upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any Services. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department

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

12. State property.

Title to all property furnished by the Department under this Contract shall remain in the Department, and Contractor shall surrender to the Department all property of the Department prior to settlement upon completion, termination, or cancellation. The parties shall settle any transfers of property which may have been required to be furnished to the Department or which otherwise belongs to the Department; and the Contractor shall provide written certification to the Department that the Contractor has surrendered to the Department all said property. All Deliverables and all of the Department's data shall become and remain the Department's property upon receipt and acceptance. Upon completion, termination, or cancellation, the Contractor will provide all data in a standard industry format or format to be designated by the Department.

13. Contract Modification.

This Contract may be amended only by a written agreement between both parties subject to the provisions of Chapter 287, Florida Statutes.

14. Nonexclusive Contract.

This procurement will not result in an exclusive license to provide the services described in the RFP or the resulting contract. The Department may, without limitation and without recourse by the Contractor, Contract with other vendors to provide the same or similar services.

15. Statutory Notices.

The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. Such violation shall be cause for unilateral cancellation of this Contract. An entity or affiliate who has been placed on the public entity crimes list or the discriminatory vendor list may not submit a Proposal on a contract to provide any goods or services to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity pursuant to limitations under Chapter 287, Florida Statutes.

16. Compliance with Federal, State and Local Laws.

Contractor and all its agents shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, worker's compensation, licenses and registration requirements. By signing this Contract, the Contractor certifies that the company is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List (See <http://www.state.gov/s/ct>) and is otherwise subject to s. 287.135, F.S.

17. Background and employment eligibility verification.

The Contractor is responsible for payment of costs if any, and retaining records relating to, employment eligibility verification, which records are exempt from Chapter 119, F.S., which verification requires the following:

(a) The Chief Financial Officer has directed, in cooperation with the Governor's Executive Order 11-116, the Contractor must participate in the federal E-Verify Program for Employment Verification under the terms provided in the "Memorandum of Understanding" with the federal Department of Homeland Security governing the program if any new employees are hired to work on this Contract during the term of the Contract. The Contractor agrees to provide to the Department, within thirty days of hiring new employees to work on this Contract, documentation of such enrollment in the form of a copy of the E-Verify "Edit Company Profile" screen, which contains proof of enrollment in the E-Verify Program. Information on "E-Verify" is available at the following website:
<http://www.dhs.gov/files/programs/gc%201185221678150.shtm#I>

(b) The Contractor further agrees that it will require each subcontractor that performs work under this Contract to enroll and participate in the E-Verify Program if the subcontractor hires new employees during the term of this Contract. The Contractor shall include this provision in any subcontract and obtain from the subcontractor(s) a copy of the "Edit Company Profile" screen indicating enrollment in the E-Verify Program and make such record(s) available to the Department upon request.

(c) Compliance with the terms of this Employment Eligibility Verification provision will be an express condition of the contract and the Department may treat a failure to comply as a material breach of the contract.

18. Miscellaneous.

(a) This Contract, and any referenced or attached addendum embodies the entire agreement of the parties. There are no other provisions, terms, conditions, or obligations. This Contract supersedes all previous oral or written communications, representations or agreements on this subject. In any conflict between this Contract and any referenced or attached addendum, the terms and conditions of this Contract shall take precedence and govern. Acceptance of service or processing of documentation on forms furnished by the Contractor for approval or payment shall not constitute acceptance of any proposed modification to terms and conditions.

(b) Any dispute concerning performance of the Contract shall be decided by the Department's designated Contract Manager, who shall reduce the decision to writing and send a copy to the Contractor at a previously provided address. In the event a party is dissatisfied with the dispute resolution decision, jurisdiction for any dispute arising under the terms of the Contract will be in the courts of the State of Florida, and venue will be in the Second Judicial Circuit, in and for Leon County. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of this Contract.

(c) The laws of the State of Florida and the Department's rules govern this Contract. The UCC governs any applicable transactions in goods.

(d) The Contractor agrees that no funds received by it under this Contract will be expended for the purpose of lobbying the Legislature or a state agency pursuant to section 216.347, Florida Statutes, except that pursuant to the requirements of section 287.058(6), Florida Statutes, during the term of any executed contract between the Contractor and the state, the Contractor may lobby the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding that contract.

(e) The Contractor is an independent contractor, and is not an employee or agent of the Department.

(f) All services contracted for are to be performed solely by the Contractor and may not be subcontracted or assigned without the prior written consent of the Department. The Department may refuse access to or require replacement of any Contractor employee, subcontractor or agent for cause, including but not limited to technical or training qualifications, quality of work, change in security status, or non-compliance with a Department policy or other requirement. Such action shall not relieve the Contractor of its obligation to perform all work in compliance with the Contract. The Department may reject and bar from any Department facility for cause any of Contractor's employees, subcontractors or agents.

(g) The respective obligations of the parties, which by their nature would continue beyond the termination or expiration of this Contract, including without limitation, the obligations regarding confidentiality, proprietary interests, and limitations of liability, shall survive termination, cancellation or expiration of this Contract.

(h) The Contractor hereby agrees to protect, indemnify, defend and hold harmless the Department from and against any and all costs, claims, demands, damages, losses and liabilities arising from or in any way related to the Contractor's breach of this contract or the negligent acts or omissions of the Contractor.

(i) The Department shall not be deemed to assume any liability for the acts, omissions to act or negligence of the Contractor, its agents, servants, and employees, nor shall the Contractor disclaim its own negligence to the Department or any third party.

(j) If a court of competent jurisdiction deems any term or condition herein void or unenforceable, the other provisions are severable to that void provision, and shall remain in full force and effect.

(k) During the term of this Contract, Contractor shall not knowingly employ, subcontract with or sub-grant to any person (including any non-governmental entity in which such person has any employment or other material interest as defined in section 112.312 (15), Florida Statutes) who is employed by the State or who has participated in the performance or procurement of this Contract except as provided in section 112.3185, Florida Statutes.

19. Execution in Counterparts and Authority to Sign.

This Contract may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument. Each person signing this Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.

20. Contract Administration.

(a) The Department's Contract Manager is Edward Amoah located at The Florida Department of Financial Services, 200 E. Gaines Street, Tallahassee, Florida. Send invoices to The Florida Department of Financial Services, Bureau of Unclaimed Property, 200 E. Gaines Street, Tallahassee, FL 32399.

(b) The Contractor's Contract Manager is:
_____ located at

_____.

(c) All written and verbal approvals referenced in this Contract must be obtained from the parties' Contract Managers designated in this Section or designees. Notices required to be in writing must be delivered or sent to the intended recipient by hand delivery, certified mail or receipted courier and shall be deemed received on the date received or the date of the certification of receipt.

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have signed this Contract.

Contractor Name

Department of Financial Services

Contractor Representative:

Title: _____

Title: _____

Chief Financial Officer or his designee

Date: _____

Date: _____

**ATTACHMENT E
CLIENT REFERENCES**

This form must be completed by the person giving the reference on the Respondent. For purposes of this form, the Respondent is the business entity that currently or has previously provided services to your organization, and is submitting a reply to a solicitation. Upon completion of this form, please return original to Respondent.

This business reference is for (Respondent's Name):

Name of the person providing the reference:

Title of person providing the reference:

Organization name of person providing the reference:

Telephone number of the person providing the reference:

Please identify your relationship with the Respondent (e.g., subcontractor, customer, etc.).
How many years have you done business with the Respondent?

Please provide

dates: _____

If a customer, please describe the primary service the Respondent provides your organization.

Did the Respondent act as a primary provider or as a subcontractor? _____

Do you have a business, profession, or interest in the Respondent's organization?

If yes, what is that interest?

Have you experienced any contract performance problems with the Respondent's organization?
If so, please describe.

ATTACHMENT F

**Vendor Certification Regarding
Scrutinized Companies Lists**

Respondent Vendor Name: _____

Vendor FEIN: _____

Vendor's Authorized Representative Name and Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone Number: _____

Email Address: _____

Section 287.135, Florida Statutes, prohibits agencies from contracting with companies, for goods or services over \$1,000,000, that are on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. Both lists are created pursuant to section 215.473, Florida Statutes.

As the person authorized to sign on behalf of Respondent, I hereby certify that the company identified above in the section entitled "Respondent Vendor Name" 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. I understand that pursuant to section 287.135, Florida Statutes, the submission of a false certification may subject company to civil penalties, attorney's fees, and/or costs.

Certified By: _____,

who is authorized to sign on behalf of the above referenced company.

Authorized Signature Print Name and Title: _____