



4050 Esplanade Way
Tallahassee, Florida 32399-0950
Tel: 850.488.2786 | Fax: 850. 922.6149

Rick Scott, Governor

Erin Rock, Secretary

**ATTACHMENT A
STATEMENT OF WORK
FOR
INFORMATION TECHNOLOGY OPERATIONS
AND MAINTENANCE SERVICES
ITN NO: DMS-17/18-039
THE STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES**

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SECTION 1. GENERAL REQUIREMENTS AND DESCRIPTION OF SERVICES

1.1 Purpose

The Department is seeking a Contractor to provide ongoing operations and maintenance (O&M) and Enhancement services for the FRS's system components as set forth in Table 1 in subsection 3.1.3 of this **Attachment A – Statement of Work (SOW)**, over the life of the Contract.

1.2 Service Related Acronyms and Definitions

- **AST:** Agency for State Technology
- **Blended Hourly Rate:** A single hourly billing rate that will be used for resource (staffing) performing enhancement services provided by the Contractor
- **Contract:** The agreement resulting from this ITN between the Department of Management Services and the awarded Contractor.
- **Contractor:** Offeror awarded the Contract for this ITN.
- **COTS:** Commercial off the Shelf – products that are standard manufactured products rather than customized products.
- **Department:** The Department of Management Services.
- **Division:** The Florida Division of Retirement within the Department of Management Services.
- **Enhancement:** A modification or upgrade that increases system capabilities, as opposed to maintenance of current functionality. This includes development, modifications, and improvements to IRIS, FRS Online or CRM; or other system components as set forth in Table 1 in subsection 3.1.3 of the SOW. Tasks detailed in subsections 1.7 and 1.8 are not Enhancements; however, once an Enhancement has been implemented in the production environment, the ongoing operations and maintenance and disaster recovery related to the new Enhancement becomes part of the scope of subsection 1.7 and 1.8.
- **FRS:** Florida Retirement System
- **Incident:** Includes any event that causes or may cause, an interruption to, or a reduction in, the quality of that service pertaining to and impacting compliance with specified performance measures, as well as requests for information that impact business operation.
- **IRIS:** Integrated Retirement Information System.
- **O&M:** Operations and Maintenance
- **Protected Data:** A representation of information, knowledge, facts, concepts, computer software, computer programs or instructions, that is Sensitive Personal Information, exempt or confidential information under Florida or federal law, or protected health information as defined in 45 C.F.R. § 160.103. Protected Data may be in any form, including but not limited to, storage media, computer memory, in transit, presented on a display device, or in physical media such as paper, film, microfilm, or microfiche. Protected Data includes the original form of the Protected Data and all metadata associated with the Protected Data.
- **SLA or Service Level Agreement:** The provisions within the Contract that define the level of service expected from the Contractor.
- **SOW:** Statement of Work
- **Sensitive Personal Information (SPI):** Sensitive personal information includes any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records;

and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. This definition includes Protected Data.

- **System Investigation Request (SIR):** The work intake and tracking mechanism for Enhancement service requests.
- **Technical System Design:** The process of defining the components, modules, interfaces, and data for a system to satisfy specified requirements.
- **User Acceptance Testing or UAT:** Formal testing with respect to user needs, requirements, and business processes conducted to determine whether a system satisfies the acceptance criteria and to enable the user, customers or other authorized entity to determine whether or not to accept the system.

1.3 Compliance with AST Standard Operating Procedures and Rules

All work produced under the resultant Contract shall comply with rule chapter 74-1 of the Florida Administrative Code (FAC) and all applicable Standard Operating Procedures of the AST available at the link included below. Contractor is responsible for monitoring changes to the FAC and applicable operating procedures of the AST and ensuring the Division is compliant. To the extent compliance requires system modifications, the change will be addressed through a Change Management process. If the change requires modifications to this Contract, the change will be addressed through a contract amendment.

<http://www.ast.myflorida.com/publications.asp>

1.4 Service Locations, Times, and Equipment

1.4.1 Service Location, Equipment, and Stipulations for Offsite Work

The Contractor will provide O&M services onsite (the Division's established headquarters). The Contractor will provide enhancement services onsite or with a hybrid of onsite and offsite locations as approved in writing by the Contract Manager. Any changes in the location of the Contractor's staff for enhancement services which will affect the Division's ability to contact the Contractor's liaison by telephone, facsimile, or Internet, or which will potentially diminish the Contractor's performance shall be requested in writing within ten (10) business days prior to the anticipated change.

The Contractor's onsite team will be provided office space, desks, computer connections, network facilities, telephones, access to a copier, or other equipment and supplies in connection with Contractor's performance of the services under the Contract. The Contractor's shall not use Department facilities, equipment, or services for services other than services required under the Contract. Violation of this provision will result in an assessment against the payment requested in the Contractor's next invoice(s).

The Contractor's offsite team must provide all facilities, equipment, and services required to operate. Contractor's staff shall use the following Division-approved secure access protocols to work offsite:

- Remote connection from Contractor's off-site staff (staff within the United States) and Contractor's off-shore staff (staff outside of the United States) shall require a VPN (Virtual Private Network) for Contractor's staff to securely

connect to FRS systems and resources.

- The VPN service must be State-issued by the Division of Telecommunications with defined profiles that limit access to the specific environment needed to perform work as identified by the Division.
- The VPN profile that is provided to the Contractor's off-shore staff will have access controls that limit connections to only the Development environments which contain no actual data (to include PII and SPI data) but only fictitious data.

The Contractor shall use pertinent software and hardware installed at the state data center for development and testing and other support activities directly related to the system components as set forth in Table 1 in subsection 3.1.3 of the SOW.

1.4.2 Service Times

The Contractor shall be available to provide 24 hours a day, 7 days a week (24 x 7) support for IT O&M and enhancement services listed in this **SOW**. The office hours shall be:

- At least an eleven-hour business day, from 7:00 a.m. to 6:00 p.m., Eastern Time, Monday through Friday, exclusive of State of Florida designated holidays. The Contractor's staff may work on these holidays at the discretion of the Contractor. If the Contractor observes other holidays that are not state of Florida designated holidays the Contractor will provide sufficient staff to maintain Division operations. The Division shall have the option to require the Contractor to supply onsite personnel for nonstandard work periods between the hours of 6:00 p.m. and 7:00 a.m., Eastern Time in Tallahassee, Florida.
- 24 x 7 Services: In instances where the Contractor's services cannot be conducted during regularly scheduled hours, the Contractor must work with the Division to determine when the services may be conducted outside of regular hours. This includes, but is not limited to: weekly deployments for FRS Online, IRIS, and CRM; patches performed on network devices that will likely cause down time; and major commodity software applicable upgrades.
- Enhancement services performed before or after business hours may be conducted off-site, except as provided otherwise in this SOW.

1.5 Responsibilities of the Parties

1.5.1 Responsibilities of the Department

1.5.1.1 Contract Management

1. Designate the contract manager to be a liaison between the Division and the Contractor.
2. Provide correspondence and written approvals to the Contractor.
3. Receive and archive all deliverables from the Contractor.
4. Approve deliverables.
5. Review, verify, and approve invoices from the Contractor.
6. Attend meetings with the Contractor.
7. Provide assistance in resolving any contractual issues.

8. Monitor the Contractor's performance under the Contract. Monitoring of the Contractor's performance will include, but will not be limited to, evaluating the effectiveness of all project management, maintenance, operations, and enhancement activities for adherence to performance measures and outcomes, Department policies and standards, and compliance with software documentation and requirements.

1.5.1.2 Project Management of Work Performed under the Contract

1. Receive and review all deliverables at a project level for approval.
2. Review project management deliverables and plans for approval.
3. Review schedule updates and other changes to the project management plan for approval.
4. Review Contractor's status reports and estimates for approval.
5. Review the Contractor's resolution of escalated issues for approval.
6. Coordinate external reporting needs with the Contractor.

1.5.1.3 Operations & Maintenance

1. Facilitate identification of FRS System related issues by various internal and external stakeholders. Coordinate with external agencies for troubleshooting security, network, firewall, and hosting issues.
2. Facilitate review and Division approval of categorization of Incidents into Severity Levels as identified in subsection 3.1.1.1 Table 1.
3. Review system documentation, including proposed database changes, for approval.
4. Review software and hardware upgrade requests for approval.
5. Review capacity planning and performance testing metrics for approval.
6. Review the deliverable content recommended by the Contractor and if necessary, communicate content modifications to the Contractor. Division will have final approval on all deliverable content.
7. Review FRS System design changes for approval.
8. Conduct User Acceptance Testing (UAT).
9. Review performance testing results.
10. Review the data fix process and data fixes for approval.

1.5.1.4 Enhancements

1. Review and prioritize enhancement requests based on business needs.
2. Schedule enhancement deliverables.
3. Review the enhancement timeline and estimates for approval.
4. Review FRS System design changes for approval.
5. Conduct UAT.
6. Conduct regression testing as necessary.
7. Review system documentation, including database changes, for

approval.

8. Review performance testing results.
9. Review Contractor's estimates for approval.
10. Coordinate with Contractor to create enhancement-estimating criteria.

1.5.2 Responsibilities of the Contractor:

1. Designate a contract manager to be a liaison between the Contractor and the Division.
2. Facilitate identification of FRS System related issues by various internal and external stakeholders. Coordinate with external agencies for troubleshooting security, network, firewall, and hosting issues.
3. Facilitate logging and categorization of Incidents into Severity Levels as identified in subsection 3.1.1.1 Table 1 for review and approval by the Division.
4. Provide deliverables and related documentation in a format mutually agreed with the Division and coordinate the review of all deliverables and related documentation with the Division's contract manager.
5. Respond to content modifications requested by the Division.
6. Submit a project management plan and any schedule updates or other changes to the project management plan to the Division's contract manager for approval in the time frames established by the Division.
7. Submit status reports to the Division's contract manager for approval.
8. Submit resolution summary for escalated issues.
9. Submit all requests for approval and correspondence regarding the contract to the Division's contract manager.
10. Provide information for external reports as requested by the Division in the time frames established by the Division.
11. Prepare invoices in accordance with the requirements of the contract and coordinate the review and verification of invoices with the Division's contract manager.
12. Provide system documentation, including proposed database and design changes, to the Division's contract manager for approval.
13. Provide software and hardware requests to the Division's contract manager for approval.
14. Provide capacity planning and performance testing metrics to the Division's contract manager for approval.
15. Provide performance testing results to the Division's contract manager.
16. Provide data fixes and proposed data fix processes to the Division's contract manager for approval.
17. Submit proposed enhancement timeline and estimates to the Division's contract manager for approval in the time frames established by the Division.
18. Provide information for regression testing and UAT as requested by the Division.
19. Coordinate with the Division to create enhancement estimating criteria.

20. Manage and assume responsibility for all proposed resources. This includes the work assignment, work effort, and responsibility for all Contractor tasks.
21. Manage resources to meet Contractor's obligations with regard to the agreed upon Performance Measures, timelines, and effort estimates.
22. Provide documentation for review as required by the Contract to enable monitoring of the Contractor's performance under the Contract.
23. Meet with the Division's contract manager, other designees of the Division, and Department on contractual issues as scheduled by the Division.
24. Work to resolve contractual issues.
25. Provide any other documentation or information as required by the Contract.
26. Assess the systems on a regular basis to determine needed hardware and software updates and request approval for these updates.

27. Cooperate with other contractors and Division employees who are performing additional or related work. The Contractor shall not commit any act under its control, outside of the scope of the Contract, which would interfere with the performance of work by any other contractor or by Division employees. Contractor will have no responsibility for the performance of other contractors or vendors engaged by Division, or delays caused by them, in connection with the project.

1.6 Method of Payment

The Contractor shall not be entitled to payment for any work performed outside the scope of the Contract.

The Contractor shall invoice monthly, for the prior month's services, as follows:

1.6.1 Monthly O&M Payment:

The Operations and Maintenance work to support the FRS's system components as set forth in Table 1 in subsection 3.1.3, shall be billed on a fixed price basis per calendar month (the "Monthly O&M Charge"), regardless of the number of hours in that month or the number of people the Contractor assigns to perform maintenance and operational activities.

The fixed monthly payment will be calculated as follows: Total Annual contract amount for O&M Services divided by 12 (months) = Monthly O&M Charge.

1.6.2 Monthly Enhancement Payment:

The enhancement services as described in this SOW shall be billed on a monthly basis using the Blended Hourly Rate for enhancement services provided by the awarded vendor(s) in its reply to the ITN in the final version of **Attachment C – Price Sheet**.

Before Contractor commences work on enhancements, it must have the Division's approval for the enhancement. The Contractor shall not charge more than the approved estimated effort for the enhancement without additional written approval from the Division.

The Department reserves the right to stop the Contractor's work on any enhancement at any time or to withdraw approval of any enhancement at any time.

The Contractor will only be entitled to payment for work performed before the Department stopped the Contractor's work on the enhancement.

1.6.3 Invoice Requirements:

The Contractor shall request payment through submission of a properly completed invoice following the end of each calendar month. The monthly invoice must be submitted with the associated monthly status report as defined in section 2.3.3. The invoice shall include the date the invoice was provided to the Division, the contract number and title, the purchase order number, the vendor identification number, the period of time in which services were rendered, a line item for Operations and Maintenance services in accordance with section 1.6.1, and a line item for enhancement hours worked in accordance with section 1.6.2. The invoice line item for enhancement hours worked must reconcile to the itemized report of system enhancements provided in the monthly status report. All invoices for fees or other compensation for services must be submitted in detail sufficient for a proper pre-audit and post-audit thereof. The Division will review and, if the invoice is deemed acceptable, approve the invoice for payment.

The Contractor must invoice all charges for services to the Division within **forty-five (45) days** of the completion of work.

1.7 Operations and Maintenance Tasks

The Contractor shall perform all functions necessary for the proper delivery of services delineated in this ITN. The Contractor's Operations and Maintenance Tasks include this subsection 1.7, subsection 1.8 (Disaster Recovery), and section 5 (Transition Plans and Services) of this SOW. Once an enhancement has been implemented in the production environment, the services provided by such enhancement, at no additional cost, become part of ongoing operations and maintenance as identified in this section.

1.7.1 Technical Support Services

The Contractor will be responsible for technical support services for the Division. The technical support services will include user support, all data center administration to include equipment installation and maintenance, and other support duties as assigned.

1.7.2 Software Support Services:

Contractor must provide support for FRS's Systems List in Section 3.1.3 Table 1. Detailed information about the structure and architecture of these applications can be found in the accompanying technical documentation (**Attachments D & E of the ITN**). Services will include the regular maintenance of the applications and resolution of identified issues and defects.

Application Architects must be qualified in one or more of the technologies required for the operations, maintenance, and enhancements. Application Architects must be capable of conducting one-on-one or small group design (Joint Application Design and Rapid Application Development - JAD/RAD) sessions with Division staff.

1.7.3 External Support Services:

The FRS Investment Plan (IP) administered by the State Board of Administration is supported by a number of applications/functions that are coupled to the internal retirement applications. These functions include the MyFRS portal, the Choice Service, the Advisory Service, the Financial Guidance Line and data transfer to the Third-Party Administrator (currently Alight). Detailed information about the structure and architecture of these applications/services can be found in the accompanying technical documentation (**Attachments D & E of this ITN**).

Currently, external support services for both O&M and Enhancements are supplied by approximately 2 full time positions distributed across the Application Development and Infrastructure teams. Application Architects providing external support services must possess all of the following skills: ASP.NET WEB.API, PL/SQL, SSRS, .NET MVC, PowerBuilder.

This Contract is not the intended vehicle to provide enhancement services for the State Board of Administration. Once an enhancement (services identified in subsection 1.9) has been implemented through the State Board of Administration, the Operations and Maintenance (services identified in subsection 1.7) of such enhancement will be covered under this Contract at no additional cost.

1.7.4 Security Management Services

The contractor shall comply with all applicable laws and procedures pertaining to security and confidentiality including, but not limited to, those listed in the Department's Information Technology policies and those contained in section 1.3 of this Statement of Work. A copy of these policies may be obtained from the contract manager.

1. The Contractor must notify the Division when any of Contractor's staff with access to systems are no longer employed for any reason. This notification must be provided seven days prior to the separation if known, or within 24 hours of when the separation occurs if prior notice was not given.
2. The Department may require the Contractor to accurately complete a self-audit questionnaire relating to Security Management Services for FRS's Systems or other electronic information systems the Contractor and any subcontractors utilize to perform the duties under this Contract.
3. The Contractor's own systems and premises, when used by Contractor in performance of this SOW, shall be subject to inspection by the Department's representatives at any time to verify compliance with security requirements.
4. Any data communications between Contractor and the Department may also be monitored by Department security or systems personnel for compliance with these requirements or misuse of the systems.
5. Material security violations or improper information disclosures shall constitute sufficient grounds for a determination that a breach has occurred under the Contract.
6. The Contractor must comply with all security requirements in applicable state and federal laws and regulations related to Protected Data and SPI and any other state of Florida data provided to, or collected by, the Contractor acting on behalf of the Department as its provider. Further, the Contractor's

employees, subcontractors, agents, or other affiliated third-party persons or entities, as well as contracted third parties, must meet the same requirements of the Contractor under this Contract and all agreements with the Contractor's employees, subcontractors, agents, contractors or other affiliated persons or entities shall incorporate the terms and conditions of data security into any contractual relationships established.

7. Access Controls

- Viewing and modification of Protected Data and SPI must be restricted to authorized individuals as needed for business related use.
- Unique authorization is required for each person permitted access to Protected Data and SPI and access must be properly authenticated and recorded for audit purposes. Regarding the process of authorization, access to FRS systems is obtained through the Division's access approval process which requires a unique request for each person permitted access to Protected Data and SPI. Regarding authentication, per the Department's security policy, unique account credentials and audit tracking is required for all staff members authenticating and gaining access to Protected Data and SPI. Access to all Protected Data and SPI provided to the contractor's employees, subcontractors, providers, agents, or other affiliated persons or entities must meet the same requirements of the contractor under this Contract and all agreements with it shall incorporate the terms and conditions of data security in the access authorization.
- Copying/Printing (applies to both paper and electronic forms)
 - Protected Data and SPI should only be printed when there is a legitimate need.
 - Copies must be limited to individuals authorized to access the Protected Data and SPI.
 - Protected Data and SPI must not be left unattended.
- Network Security
 - All electronic communication including, and not limited to, Protected Data and SPI between the contractor and the Department shall use compatible, industry-standard File Transfer Protocol software, using data encryption or a Virtual Private Network connection designed to ensure secure file transfers..
 - Protected Data and SPI must be protected with a network firewall using "default deny" ruleset.
 - Servers hosting the Protected Data and SPI cannot be visible to the entire Internet, nor to unprotected subnets.
- Physical Security (Servers, laptops, and remote devices on which Protected Data and SPI are stored)
 - For purposes of these standards, mobile devices must be interpreted broadly to incorporate current and future devices, which may contain or collect Protected Data:

- The computing device must be locked or logged out when unattended.
- Routine backup of Protected Data and SPI is required and backed up Protected Data must be stored in a secure off-site location.
- Remote Access to Systems Hosting Protected Data and SPI.
 - Remote access to Protected Data and SPI must be restricted to the local network or a secure virtual private network.
 - Unsupervised remote access to Protected Data and SPI by third parties is not allowed.
 - Access to Protected Data and SPI by third parties must adhere to the requirements of this Contract.
- Data Storage
 - Storage of Protected Data and SPI on a secure server in a secure data center according to relevant security standards and Department security policies is required.
 - Protected Data and SPI stored on individual laptops or mobile devices must use whole disk encryption. Backup media is similarly required to be encrypted. Protected Data and SPI is not to be transmitted unless encrypted and secured with a digital signature.
 - The Contractor must meet all of the Department and state requirements for individual employee security, information security, and physical security of all non-public data in the possession of the Contractor.
 - The Contractor acknowledges that all Protected Data and SPI, other data and Department content uploaded to the contractor's workstations or mobile devices from the Department, or made accessible to the contractor's workstations or mobile devices or personnel remains the property of the Department.
- Termination Provisions Related to Data
 - Within thirty (30) days after the termination or expiration of this Contract for any reason, the Contractor shall either: return physically or electronically destroy, as applicable, other than the preparation and temporary holding of a download file described herein, all Protected Data and SPI provided to the contractor by the Department, including all Protected Data and SPI provided to the contractor's employees, subcontractors, agents, or other affiliated persons or entities according to the standards enumerated in the Department's policies; or in the event that returning or destroying the Protected Data and SPI is not feasible, provide notification of the conditions that make return or destruction not feasible, in which case, the contractor must continue to protect all Protected Data and SPI that it retains and agree to limit further uses and disclosures of such Protected Data and SPI to those purposes that make the return or destruction not feasible as the contractor maintains such Protected Data and SPI. This includes any and all copies of the data such as backup copies created at any contractor site.

1.8 Disaster Recovery

The Contractor shall work with the Division and the Division's Disaster Recovery team to update the Division's Disaster Recovery Plan, which provides detailed actions to be taken in the event of a natural disaster (e.g. hurricane, fire, water damage) or a disaster resulting from negligence, sabotage, or mob action. The Contractor shall work with the Division to test the planned disaster recovery process as documented in the Disaster Recovery Plan during the yearly disaster recovery exercise led by the Contractor.

In the event that the Contractor fails to demonstrate in the tests of the Disaster Recovery Plan that it can restore system functions, the Contractor shall submit to the Department a corrective action plan that describes how the failure will be resolved. The Contractor shall deliver the corrective action plan within ten (10) business days of the conclusion of the test.

1.9 Enhancements - System Development Life Cycle (SDLC) Tasks

The number of enhancement hours used will be based on the Division's needs, the Division's approval, and legislative appropriation.

For each proposed enhancement, Contractor will work with the Division to develop deliverables, including resource and staffing allocations, for Division approval. For each enhancement, the Contractor shall complete the outlined tasks below. The Division reserves the right to tailor the outlined tasks below for specific enhancement releases. The Division reserves the right to require the Contractor to allocate a specific category or categories of staffing resources to a particular project.

1.9.1 Project Management:

The Contractor shall:

1. Develop any additional requirements necessary to address enhancement requests. The Contractor shall generate a software requirements specification to document the new requirements and a requirements traceability matrix to record the relationship between those requirements and subsequent SDLC activities. The Contractor shall verify requirements with the Division and other stakeholders to confirm requirements are correct, understandable, and testable.
2. Submit an estimate for each of the enhancements based on mutually agreed upon estimating criteria established by the Division and Contractor. All enhancement estimates are subject to the Division's approval.
3. Communicate and consult with stakeholders to identify alternative approaches and designs that support the requirements and enable increased efficiency in system and business processes and operations. The Contractor shall use a formal methodology to validate, clarify, and gather additional requirements as needed and maintain the requirements. The methodology must clearly indicate the process that will be followed during the requirement validation sessions. The Contractor shall perform the initial preparation necessary to conduct the requirement validation sessions. The Contractor shall provide clearly defined agendas for the validation sessions. The Contractor shall specifically evaluate the completeness of the requirements to confirm that all requirements are captured.
4. Subject to approval by the Division, create and maintain a project management

plan, including resources and staffing allocations, upon Division request in a format specified by the Division.

1.9.2 Functional Design

The Contractor shall provide a conceptual system design and the functional design documentation for the enhancement to the Division. This document shall include data models, process models, and other logically and reasonably related model data, all of which will include both graphic and narrative components where applicable. The Contractor must document all business rules and workflows in detail.

As used in this section, a conceptual system design is an abstract or high level design of the proposed solution for the enhancement(s) which includes only the most important components and entities and provides an understandable picture of the overall purpose of the proposed solution. Components may include major technology systems, external systems that are required for integration or overall functionality, high level data flow, and system functionality.

1.9.3 Technical System Design

For each enhancement for new functionality, the Contractor shall:

1. Build on the architecture of the FRS's system components as set forth in Table 1 in subsection 3.1.3, where feasible, to provide for the deployment of new functionality to meet the Division's stated requirements as determined at the time the enhancement is approved. The Contractor shall obtain approval from the Division, in advance, for any changes to the technical architecture.
2. Generate a Technical System Design and update the requirements traceability matrix to reflect the relationship between new requirements and design elements. As the design is developed, the Contractor shall conduct informal reviews of the design which are accessible to the Division.
3. Update the Technical System Design to represent the new "as built" system functionality at the completion of the system development.
4. The Contractor must obtain approval from the Division before any code development can begin.
5. The Contractor must develop code and follow documenting and testing guidelines using an industry standards-based methodology.
6. Conduct in-process development reviews, use software development standards, perform code and unit tests, and maintain Technical System Design documents for each object being developed.
7. Develop the software and perform unit testing. The Contractor must maintain code review and unit testing results for quality assurance reviews by the Division. The Contractor shall do unit testing on each unit of code to confirm that each unit of code functions as specified.

1.9.4 Testing

The Contractor shall test the enhancement work in accordance with established software development practices to include:

1. Performing integration testing to confirm that assembled units, modules, and COTS application modules operate effectively together and to confirm that functional objectives of the enhancement are being achieved.

2. Performing interface testing to exercise every impacted interface and confirm that each interface operates according to the Interface Description including interfaces to COTS packages.
3. Performing system testing to exercise the assembled system and confirm the system operates as expected including all system security and user profiles.
4. Performing stress testing to exercise the system to the limits of its requirements and beyond those limits to confirm graceful failure including COTS packages. If the nature of a change does not warrant stress testing, the stress testing requirement may be waived at the discretion of the Division.
5. Performing performance testing to confirm contractual requirements are met for performance requirements in a simulated test environment. If the nature of a change does not warrant performance testing, the performance testing requirement may be waived at the discretion of the Division.
6. Performing usability testing to evaluate the man-machine interface and the web browser interface.
7. Performing regression testing to verify core application functionality is working according to specifications.
8. Tracking status and providing status reports for test plans. The Contractor shall provide to the Division test plans and test results for each of the above tests. The Division reserves the right to participate in any testing activity.
9. Planning, helping conduct, and reporting on acceptance testing to demonstrate that all requirements are met. The Division may identify additional tests during user acceptance testing to help confirm that the acceptance tests are robust and complete.
10. Documenting and submitting unit, system, integration, and data testing results at the point code changes are turned over to UAT.
11. Developing test cases, test scripts, test data, and test files for all test cases including any added by the Division. The Contractor shall confirm that acceptance tests have been planned for all requirements by tracing the requirements to the planned acceptance tests and their associated test cases and test scripts.
12. Conducting acceptance testing in a test environment that duplicates the operational environment to the greatest extent possible. The Division will perform acceptance testing together with help, participation, and support of the Contractor personnel.
13. Conducting stress and performance testing as part of the acceptance testing.
14. Verifying the following as part of acceptance testing (and create documentation where necessary below):
 - Adherence to all requirements and design documentation
 - Documentation of any defects existing in the software
 - Full installation of the application software and functional objectives
 - Conversion of legacy data
 - Completeness and accuracy of system documentation

- Response time and overall system performance
 - System hardware, software, and telecommunications performance
 - System interface performance
 - System, data, and application security
15. The Contractor shall not consider any acceptance test case complete until the Division and stakeholder representatives of the joint test team concur. The Contractor shall record and track all problems identified during acceptance. The Contractor shall troubleshoot all test result anomalies to determine the source of the problem. If necessary, the Contractor shall update test plan, test cases, and test scripts, and shall modify and re-test the integrated system. Following any software change or test script change made during the acceptance testing period, the Contractor shall perform a regression analysis of tests already executed to determine which test results may have been affected by the change and need to be re-executed.
 16. Base user acceptance test data on actual data provided by the Division. On the request of the Division, Contractor shall remove or obfuscate confidential information in the user acceptance testing environment.
 17. Generating all agreed-upon required test documentation (e.g., Test Strategy, Master Test Plan, Detailed Test Plan, Data Conversion Test Plan, Test Scenarios, Test Case Data Sheets and Test Result Logs). During acceptance test planning, the Contractor shall update the requirements traceability matrix to reflect the relationship between requirements and planned acceptance tests.

1.9.5 Data Conversion (If Applicable)

The Contractor shall:

1. Develop the overall conversion plan, including the process for manual conversion, development and testing of the conversion software; coordinate all conversion activities; develop the control processes to manage any manual conversion efforts; and support the Division's manual conversion as necessary.
2. Work closely with the Division to formulate data conversion algorithms and develop a detailed data conversion plan for the conversion of existing electronically stored data.
3. Develop or use software to extract data from Division specified existing systems, Excel spreadsheets, and archives. Transfer extracted data into the new, integrated system.
4. Perform data cleansing activities as specified by the Division. Data stored in the current system may contain inaccuracies, duplication, and gaps. The Contractor shall produce reports as specified by the Division to facilitate identification and remediation of duplicate data records or other data integrity issues..
5. Make converted data available for unit tests, integration tests, system tests, performance tests, and acceptance tests. The Contractor shall schedule the approved production-ready data conversion procedure during a maintenance window when end users are not accessing the system.

1.9.6 Technical Reviews and Meetings

The Contractor shall:

1. Perform technical reviews. These reviews will consider all aspects of the enhancement at the time of the review and will determine if the enhancement is ready to continue into the next phase. Formal review types include, but are not limited to:
 - Requirements Specification Review,
 - Conceptual System Design Review,
 - Technical Design Review,
 - Test Readiness Review, and
 - Implementation Readiness Review.
2. Conduct Technical Interchange Meetings (TIMs) as requested by either the Contractor or the Division. The purpose of TIMs is to quickly resolve key technical issues that arise by assembling the Division and Contractor staff who are required to understand and resolve the issue.
3. The Contractor shall archive these reviews and submit to the Division upon request or as required under the Contract.

1.10 Staffing

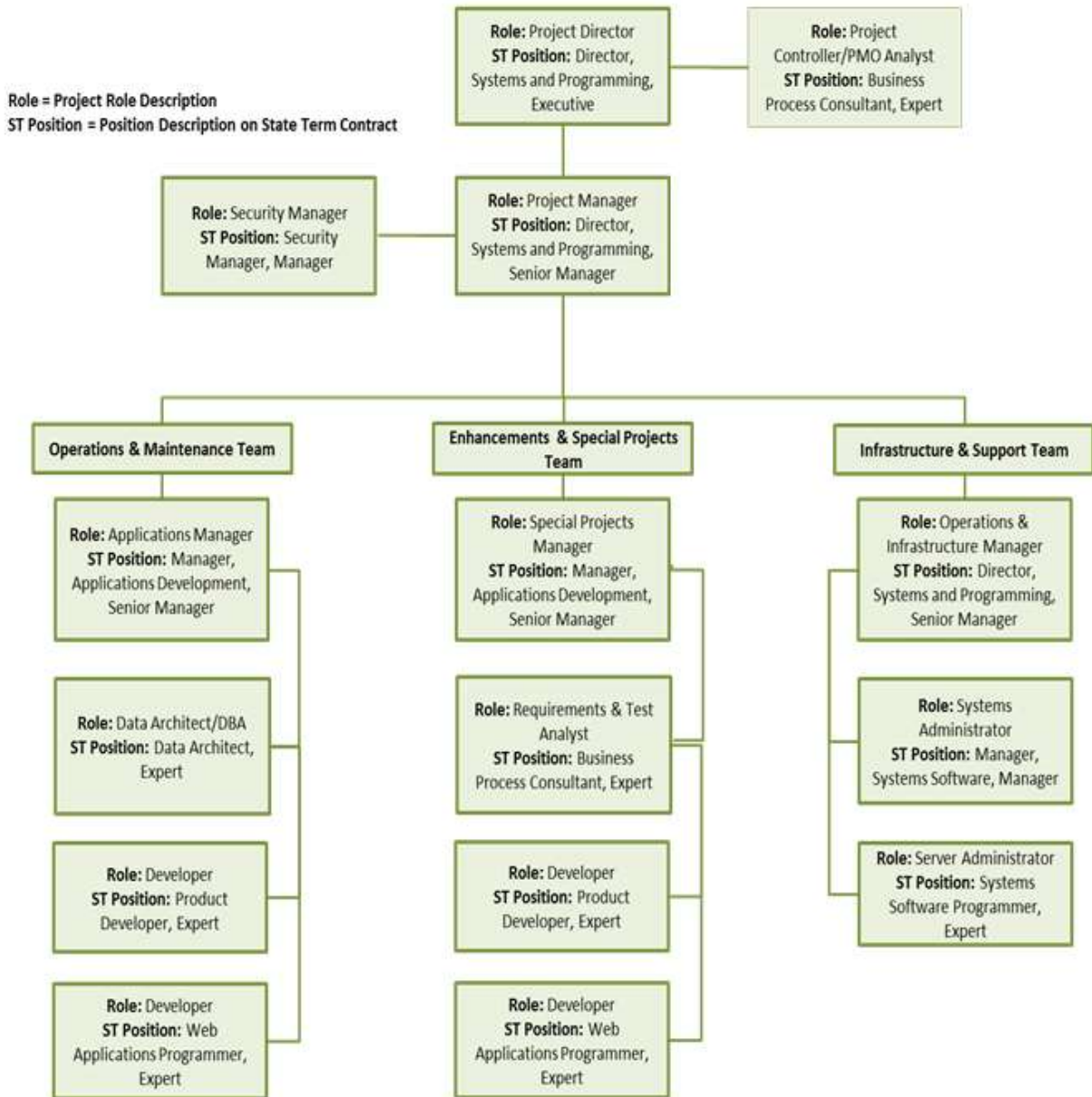
Staff who will perform the functions in this SOW are subject to the Division's approval and must be initially approved prior to the commencement of services. Additionally, all staff must perform work within the United States except as stipulated in subsection 1.10.6.

The Contractor's staff assigned to the Contract shall have the skills and experience to perform the work as specified in the ITN. The Contractor's staff must have experience with technologies and project(s) of similar size and complexity utilizing the software products as described in this ITN and must be capable of completing the proposed task assignments in this ITN. Proposed individuals' skill levels should be consistent with the Contractor's services. The Division reserves the right to reject any Key staff throughout the duration of the Contract.

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EXAMPLE

Staffing Model



NOTE: The staffing model shown above is provided as example only. The Contractor shall control its resource levels and adjust its resource levels based on operations, maintenance, and enhancement services to perform as required in the Contract.

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1.10.1 Standards for state agency employees.

The Contractor shall not knowingly employ, on a full or part-time basis, any person who is or was employed by the Department if such employment would be in violation of section 112.3185, Florida Statutes.

1.10.2 Key Staff Responsibilities and Work Location for Key Staff

With the exception of the Project Director, key staff shall work on-site at the Division's established headquarters unless otherwise approved in writing by the Division. Key Staff assignments are the following individual positions:

1. Project Director (Director, Systems and Programming, Executive)

General Characteristics:

Responsible for directing all activities of an assigned IT functional group. Directs tactical and operational IT provisioning infrastructure to support the enterprise's business goals. Aligns and calibrates the organization's technology deployment strategy with its business strategy. Oversees technology purchases and services provided to multiple internal customers. Directs the development and implementation of technologies to support business objectives.

2. Project Manager (Director, Systems and Programming, Senior Manager)

For this Contract, the Contractor's Project Manager shall be a Project Management Institute certified Project Management Professional (PMP).

General Characteristics:

Responsible for overall coordination, status reporting, and stability of project oriented work efforts. Establishes and implements project management processes and methodologies for the IT community designed to ensure projects are delivered on time, within budget, adhere to high quality standards, and meet customer expectations. Responsible for assembling project plans and teamwork assignments; directing and monitoring work efforts on a daily basis; identifying resource needs; performing quality review; and escalating functional, quality, and timeline issues appropriately. Responsible for tracking key project milestones and adjusting project plans and/or resources to meet the needs of customers. Coordinates communication with all areas of the enterprise that impacts the scope, budget, risk, and resources of the work effort being managed. Assists the Division in identifying and prioritizing opportunities for utilizing IT to achieve the goals of the Division. Must possess extensive knowledge and expertise in the use of project management methodologies and tools, resource management practices, and change management techniques.

3. Operations & Infrastructure Manager (Director, Systems and Programming, Senior Manager)

General Characteristics:

Deploys the release of new technologies. Designs, installs, configures, maintains, and performs system integration testing of PC/server operating systems, related utilities, and hardware. Responsible for trouble shooting

server problems as reported by users. Researches, evaluates, and recommends software and hardware products. Supports Web access and maintains a secure systems environment. Provides new hardware specifications to users based on application needs and anticipated growth. Installs new servers and maintains the server infrastructure.

4. Special Project Manager (Manager, Applications Development, Senior Manager)

General Characteristics:

Responsible for the full systems development life cycle management of projects and programs. Provides direction for technical and business resources. Serves as the primary point of contact from project or program inception to delivery. Defines and develops project management infrastructure, manages a methodology driven quality plan, monitors and controls the quality of the deliverable, as well as manages the project completion process through customer acceptance. Works with the Division on projects, operational decisions, and scheduling requirements and conflicts.

5. Applications Manager (Manager, Systems Software, Senior Manager)

General Characteristics:

Responsible for the analysis, development, modification, installation, testing and maintenance of operating systems software. Possesses a strong understanding of systems programming, graphical user interfaces and control languages. Evaluates vendor-supplied software packages and makes recommendations to the Division. Modifies and debugs vendor-supplied utilities and packages. Modifies, installs and prepares technical documentation for system software applications. Diagnoses, isolates, and de-bugs software problems and performs problem resolution. Monitors systems capacity and performance. Plans and executes disaster recovery procedures.

6. Security Manager

General Characteristics:

Responsible for coordinating all security related tasks with the Department's Information Security Manager and the Division. Such tasks shall include: monitoring adherence to security related policies and procedures, and making recommendations for appropriate actions; developing and recommending security best practices for deployment; planning and performing the activities pertaining to the development and maintenance of the Division's security program; providing technical assistance in the security aspects of existing operations and managing data security programs in support of established guidelines and regulations; managing the planning and execution of security projects; assisting in project management team activities related to planning, development, implementation, and coordination of security aspects of information technology projects; providing guidance and implementation of information systems and physical security standards, procedures, and techniques for the guidance of securing business data and training personnel; configuring, troubleshooting, and monitoring security related tools and technologies to protect the Division from cyber risks; communicating with

Division leadership regarding security issues, risks, and recommended actions; and assisting with local, state, and federal computer security audits. This position will also work with Division leadership to monitor and investigate fraudulent activity associated with Florida Retirement System (FRS) benefits, to verify that retirement benefits are paid appropriately and that FRS member data is properly safeguarded. This would include interfacing with investigative offices (i.e. DMS Inspector General, Florida Department of Law Enforcement (FDLE), and the Department of Financial Services (DFS), requesting and creating and reviewing reports of members' accounts and FRS Online reports used for investigations.

1.10.3 Commitment of Key Staff

Key Staff shall not be changed (other than for illness, or separation from service), without the prior written approval of the Division. The Contractor shall notify and obtain written approval from the Division of the proposed substitution as soon as possible. The Contractor shall supply the Division with a written justification for changing a Key Staff member which should include documentation of the circumstances requiring the change and a list of the proposed substitutions in sufficient detail to permit evaluation of the impact on the Project. The Division, at its discretion, may agree to accept personnel of equal or superior qualifications in the event that circumstances necessitate the replacement of previously assigned personnel.

No key staff position shall be vacant for more than twenty (20) business days. During the End of Contract transition period and on the condition of a successor Contractor different from the incumbent Contractor, no key staff position shall be vacant for more than ten (10) business days.

1.10.4 Stipulation for Staff Replacement

The Contractor shall replace any staff member whose continued presence would be detrimental to the achievement of the agreed upon requirements of the Contract, as reasonably determined by the Division, with a staff member of equal or superior qualifications. The Contractor must remove the staff member from the work site associated with the Contract immediately after notice by the Division.

1.10.5 Stipulations for Division Recruitment of Contractor Staff

Upon termination of the Contract, or during the six-month period prior to expiration of the Contract, if the Division desires to offer employment to Contractor employees or subcontracted persons providing services, the Contractor, its subcontracted or affiliates shall not interfere with the Division's efforts, shall not enforce any restrictions imposed on such employees or subcontracted persons by agreement or policy (i.e. employment contract, non-compete clauses or other similar covenants) which would interfere with the Division's efforts, and shall provide the Division access to such employees and subcontracted persons for the purposes of interviews, evaluations, recruitment and hiring by the Division or the Division's designated successor Contractor(s).

1.10.6 Stipulations for Division Hire of Contractor Staff

The Contractor shall provide the Division and the successor Contractor(s) reasonable access to Contractor or subcontractor staff for interviews, evaluations,

and recruitment. If the Division or the successor Contractor(s) hires a staff member or subcontracted person who has provided work pursuant to the Contract, the Division and its designated successor Contractor(s) shall not be liable to the Contractor or any subcontractor for any fee (e.g., a finder's fee, penalty, or general compensation). Any such employment by the Division will not be effective until the termination or expiration of this Contract. Prior to employing subcontractors to perform work under this Contract, the Contractor will require that any of its subcontractors will abide by the terms specified in this paragraph. The Contractor, as a part of obtaining approval of each subcontractor, must certify that each subcontractor will abide by the terms specified in this paragraph. This requirement may be waived at the discretion of the Department.

1.10.7 Work Performed Outside of the United States

Contractor may perform Enhancement work (subsection 1.9) outside of the United States if all the following requirements are met:

- (1) Contractor shall not allow any Protected Data or SPI to be sent by any medium, transmitted, or accessed outside of the United States under any circumstance.
- (2) Contractor shall comply with all provisions in subsection 1.4.1.
- (3) The requirements, design, development, and test processes must include provision for on-site (the Division's established headquarters) communication with business users throughout the process and must demonstrate mature quality assurance methods with traceability from requirements through testing as well as compliance with development, testing, and documentation standards;
- (4) The offshore development team(s) skill sets must be maintained at a level to match the requirements of the enhancements, including but not limited to skills in the technical platform and tools, business domain knowledge, coding standards, and the development and test processes;
- (5) All expenses must be included in the hourly rate for enhancements, including but not limited to telecommunications; travel between the Division's established headquarters and the offshore site for training and team-communication purposes; new team member onboarding training in processes, technical environment and tools, and business domain knowledge; and
- (6) The Contractor must annually certify compliance with this section via submission of the Department's Staffing Affidavit which is provided in the ITN.

The Division reserves the right to audit compliance with the requirements of this section. The Contractor's failure to comply with this section will be considered a security incident and will subject the Contractor to Financial Consequences as provided in Sections 3 and 4 of the Statement of Work and Section 11 of the Contract.

1.10.8 Separation of Duties

For all technology services provided under this Contract, Contractor shall adhere to separation of duties requirements whereby no staff person in development roles in non-production environments may also have access to the associated production environments. Compliance with this section shall adhere to the Florida Cybersecurity Standards, [Rule Chapter 74-2, Information Technology Security](#), of the Florida Administrative Code. Failure to comply shall result in a financial consequence of \$1,000 per occurrence.

1.11 INFORMATION REQUESTS

The Contractor must also provide support to the Division in answering questions and drafting responses related to work performed under this SOW including, but not limited to, audit-related responses and any responses to technology oversight entities such as Office of Information Technology and Agency for State Technology. The costs associated with work conducted under this Section are incorporated into the fixed monthly O&M costs.

SECTION 2. CONTRACTOR DELIVERABLES

2.1. Acceptability of Deliverables

The Division has authority over determining the acceptability of all deliverables. As requested by the Division, the Contractor will meet to review the Contractor's performance under the Contract and compliance with the performance measures as specified in **Section 3**.

2.2. Source Code as Deliverables

Copies of all program source codes developed pursuant to the contract; configuration details, such as interface settings, network details, File Transfer Protocol settings, etc., as well as any documentation produced by the Contractor or its subcontractors shall be delivered to the Division as part of the software deliverable. Source code, configuration details, and documentation reflecting any program changes made to correct errors, to enhance the work assignments, or to change the output as a result of changed requirements shall be furnished to the Division as part of the deliverable upon completion. All documentation and amended documentation furnished to the Division shall reflect the current, amended program source codes. The Contractor shall assist and cooperate with the Division to transfer the solution in-house or to another Contractor.

If any option or enhancement includes software that is proprietary to the Contractor and the Contractor does not provide the Division with a copy of that source code as a deliverable, Contractor will deposit into escrow with a mutually agreed upon escrow agent current copies of proprietary software, source code, and any supporting documentation ("Escrowed Documentation") sufficient for the Department or its subcontractors to be able to reproduce the software using developers skilled in software development. Contractor further provides the Department with a perpetual, non-exclusive, royalty free license for the sole purpose of using the Escrowed Documentation pursuant to its use within the application platform covered by this Contract. This grant of license will survive the expiration, cancellation, or

termination of this Contract. Contractor agrees to deposit any updates to the Escrowed Documentation during the course of this Contract within thirty days of the receipt of written acceptance of the developed software by the Department. Failure to deposit proprietary software, source code, or documentation pursuant to this section will constitute a breach of this Contract.

2.3. Completion of Deliverables and Related Reports

The submission of the reports described below are evidence of completion of Sections 1 and 5 and Subsections 2.2 of the SOW, which will be the deliverables under this Contract.

2.3.1. Beginning of Contract Transition Status Reports

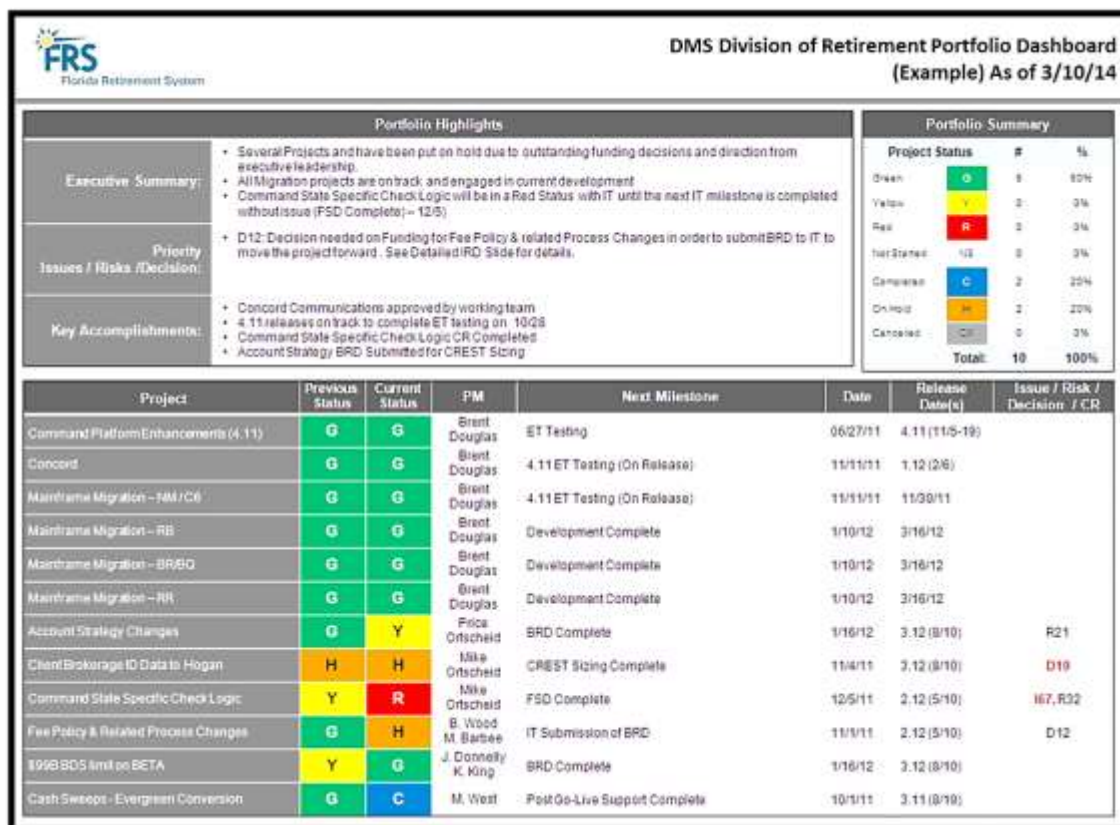
The Contractor will provide beginning of Contract transition status reports to the Division on a frequency to be determined by the Division. These reports will address the status of the elements detailed in the Department-approved beginning of Contract transition plan provided by the Contractor and the End of Contract transition plan provided by the incumbent (if applicable).

2.3.2. Bi-Weekly Status Report

Bi-weekly Status Reports shall be prepared by the Contractor and delivered to the Division Director and the Division's Contract Manager. The bi-weekly reports will contain, at a minimum a dashboard and report that demonstrates the status of all O&M and enhancement work. A sample dashboard is shown below. The initial report will be provided to the Division within sixty (60) days after the commencement of the contract.

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SAMPLE DASHBOARD



2.3.3. Maintenance, Operations and Enhancements Status Report (Monthly Status Report)

A monthly Maintenance, Operations, and Enhancements status report shall be submitted to the Director and Contract Manager. Before the Contractor is paid for that portion of the work, the Contractor must receive approval of the monthly status report from the Department. The monthly status report must include the following:

1. Overview

The overview will include a brief summary of challenges and milestones achieved during the month.

2. An itemized report of enhancement activity worked during the monthly reporting period.

The report of system enhancement activity must be reconciled to the enhancement hours billed on the associated monthly invoice. Billed hours may not exceed the approved estimate of total hours.

- The details reported for each enhancement will include:

- tracking number
- billable hours worked during the reporting period

- total billable hours worked for this enhancement through this reporting period
 - approved estimate of total hours for this enhancement
 - remaining balance of approved estimate for this enhancement
 - Aggregated totals will include
 - Total billable hours this period for itemized enhancement activity
3. IRIS Application Maintenance and Support
 - b. SIR Status Counts (by functional area)
 - c. Information Requests (by section)
 - d. FRS Online Statistics (by month for the last 12 months)
 4. Technology Support Center (TSC) – Operational Support
 - a. Service Level Agreement (SLA) Activity Summary
 - b. Application Availability Summary – Online
 - i. Support Call Statistics
 - ii. Major TSC Accomplishments
 5. IT Management Services – SLA Compliance
 - a. TSC Availability Details
 - b. Application Availability Details
 - c. Support Activity Details
 - d. Critical Incident Details
 - e. Non-Critical Incident Details

2.3.4. Software License Management Report

The Contractor will provide a Software License Management Report annually. This report will include an inventory of all software currently used by the Division, license expiration dates, and any anticipated changes to the number or type of software licenses. The report must be delivered sixty (60) calendar days before the end of each contract year unless otherwise mutually agreed to in writing by the parties. The Contractor will provide an initial Software License Management Report within sixty (60) calendar days of commencement of the Contract.

2.3.5. Deliverables and Materials Acceptance Procedure

Deliverables and reports will be reviewed and accepted in accordance with the following procedure:

An electronic copy of the deliverables and reports will be submitted to the Division. The Division will approve the deliverables and reports subject to whether they conform in all material respects with the specifications set forth in the Contract, within five (5) business days of receipt or as otherwise agreed by the parties in writing. The Division provide a written notice of deficiencies, if applicable, which identifies in reasonable detail, with references to the applicable specifications, all of the deficiencies preventing approval.

The Contractor shall then have five (5) business days from the date it receives a notice of deficiencies to complete corrective actions in order for such deliverable to conform in all material respects to the applicable specifications. The Division shall then have five business days to complete its review of the corrected deliverable or report and notify the Contractor in writing of acceptance or rejection in accordance with the foregoing provision.

SECTION 3. PERFORMANCE MEASURES

3.1. IT Management Services – Service Level Agreement (SLA) Compliance

Contractor warrants that it will meet or otherwise satisfy the minimum service levels described below based on the Invitation to Negotiate (ITN) or its Scope of Services (SOW). Performance measures and levels for the contracted services are defined and detailed in the SLA tables below.

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

3.1.1. SLA Severity Classification and Performance Measures and Levels

The Division may choose to receive the financial equivalent of the specified enhancement hours (as determined by the number of hours multiplied by the blended rate) in lieu of the enhancement hours specified in the service level credit sections of Table 1 and 2 of this subsection.

3.1.1.1 Table 1 - System Incidents SLAs

As used in Table 1, the term "workaround" means a method to overcome a problem or limitation in the system functionality that has been approved by the Division.

Regarding response times, the Customer and Contractor acknowledge that unless the Customer or Contractor identifies the incident's severity level on first report, there is a period of time required for receipt and analysis before the severity is known to either Customer or Contractor. The response activities of Initial Acknowledge, Notification, and Resolution time begin once the Contractor and/or Customer have applied the severity level.

Table 1 - System Incidents SLAs

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Severity Classification				
Security Incident	Non-Security Incident			
<i>Severity 1 (Critical)</i> Any security system breach is considered a Severity 1 Security Incident.	<i>Severity 1 (Critical)</i> Showstopper (catastrophic failure), blocks critical business process flow, or prevents further testing. There is no workaround to the problem (i.e., the job cannot be performed in any other way).	<i>Severity 2 (Major)</i> Loss of major functionality (the application failure limits ability to work or perform some significant portion of the job). Either there is no workaround identified or temporary workaround will cause significant impact to the business operations team.	Severity 3 (Medium) Loss of functionality (the application failure results in the inability to perform some small portion of a business process, but able to complete most other tasks); workaround available or is not needed. Requests for information that impact business operations are included as incidents in this Severity 3 category.	<i>Severity 4 (Minor)</i> Cosmetic changes required and functionality is not impacted. There is a workaround or a workaround is not needed.
Initial Acknowledge Time (time to acknowledge problem if problem identified by Department) or Notification Time (time to notify Department if Contractor identified problem)				
Within the hour, except item number (1) in the resolution time.	Within one hour.	Within four hours.	Within eight hours or by next business day (EST).	Within eight hours or by next business day (EST).
Resolution Time				
(1) All unauthorized access entry points reported for FRS Online accounts closed within five (5) minutes of identification. (2) All System security breaches resolved, or contained if permanent solution is not apparent, within four (4) hours of identification. (3) Contractor provides a report to the Division within 48 hours of resolving the security breach. The report must detail what caused the breach, the remediation activity, and appropriate measures to implement so that the breach does not reoccur.	The maximum acceptable resolution time is four (4) continuous hours, after initial acknowledgment time or notification time.	The maximum acceptable resolution time is two business days, after initial acknowledgement time or notification time.	The maximum acceptable resolution time is 30 business days, after initial acknowledgement time or notification time, unless mutually agreed to by the parties.	The maximum acceptable resolution time is 60 business days, after initial notification by the Department or identification by the Contractor unless mutually agreed to by the parties.
Service Level (Performance Measurement)				

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The service level will be met 100 percent of the time.	The service level will be met 95 percent of the time.	The service level will be met 95 percent of the time.	The service level will be met 90 percent of the time.	No service level requirement.
Service Level Credit				
Where the service level is not met, 200 enhancement hours for each incident.	Where the service level is not met, 80 enhancement hours for each incident.	Where there are more than one (1) instance of the service level not being met in one month, 40 enhancement hours for each incident not including the first incident of that month.	Where there are more than two (2) instances of the service level not being met in one month, 40 enhancement hours for each incident not including the first two incidents of that month.	No service level credit.

3.1.1.2 Table 2 – Other Services and Deliverables SLAs

Table 2 describes services and deliverable SLA's that are not included Table 1.

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ID #	Service Level	Measurement Frequency	Service Level Definition	Service Level Metric	Service Level Credit
1	Application Availability— Online (internal user) (2.3.3 of SOW)	Monthly	The online components of the applications will be available 7 a.m. to 6 p.m., (EST), 7 days a week.	The service level will be met 99 percent of the time.	If the down time is less than 99 percent but more than 95 percent, 100 enhancement hours. If system availability is less than or equal to 95 percent, but more than 90 percent, 200 enhancement hours. If the system availability is less than or equal to 90 percent, 400 enhancement hours.
2	Application Availability— Web/Mobile (external user) (2.3.3 of SOW)	Monthly	The web components (and mobile if provided at a later date) of the application will be available 24 hours a day, 7 days a week. Note that the Division may request that the online components be made unavailable under exceptional circumstances.	The service level will be met 99 percent of the time.	If the down time is less than 99 percent but more than 95 percent, 100 enhancement hours. If system availability is less than or equal to 95 percent, but more than 90 percent, 200 enhancement hours. If the system availability is less than or equal to 90 percent, 400 enhancement hours.
3	Application Availability— Batch (2.3.3 of SOW)	Monthly	The batch components of the application will be available from 6 p.m. to 8 a.m., (EST), 7 days a week.	The service level will be met 97 percent of the time.	If the system availability is less than 97 percent but more than 92 percent, 100 enhancement hours. If system availability is less than or equal to 92 percent but more than 87 percent, 200 enhancement hours. If the system availability is less than or equal to 87 percent, 400 enhancement hours.
4	Batch Processing Window (2.3.3 of SOW)	Monthly	Nightly batch jobs will be completed within the designated nightly batch window.	The service level will be met 90 percent of the time.	If the down time is less than 90 percent but more than 85 percent, 100 enhancement hours. If system availability is less than or equal to 85 percent, 200 enhancement hours.

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5	<p>Technical Support Service Times</p> <p>The provision of staff for technical support and help desk services in accordance with section 1.4.2 of SOW.</p>	Monthly	The Contractor shall be available to provide 24 hours a day, 7 days a week (24 x 7) support for IT O&M and enhancement services listed in this SOW.	The service level will be met 99 percent of the time.	25 enhancement hours per incident deemed to have impacted the ability to operate the business.
6	<p>Software License Management Support</p> <p>Software License Management Report as provided in section 2.3.4 of SOW.</p>	Initial and annually	Contractor shall provide a Software License Management Report within sixty (60) calendar days of Contract execution and annually within sixty (60) calendar days before end of each contract year as provided in section 2.4.4 of SOW.	Contractor may not have exceptions.	Failure to timely submit Software License Management Reports will result in 25 enhancement hours.
7	<p>Security Management Services</p> <p>The Contractor will provide Security Management Services as specified in subsection 1.7.4.</p>	Monthly	The Contractor must meet all security management requirements set forth in subsections 1.7.4 of the SOW.	Contractor may not have exceptions.	For every exception, 50 enhancement hours.
8	<p>Disaster Recovery</p> <p>The Contractor will provide Disaster Recovery Services as specified subsection 1.8.</p>	Ongoing/Annual Plan	Contractor must meet all disaster recovery services requirements set forth in subsection 1.8 of the SOW. If the annual test fails, then a corrective action plan is required in 10 days. Following the remedial steps set forth in the corrective action plan, the Contractor must demonstrate a successful retest.	Contractor may not have exceptions.	If the annual disaster recovery tests fails, 100 enhancement hours. Failure to timely submit the corrective action following a failed test, 25 enhancement hours. Failure to demonstrate a successful retest, 250 enhancement hours per retest.
9	<p>Project Management</p> <p>The Contractor shall provide all Project Management Services as detailed in section 1.9.1.</p>	Monthly	Contractor shall meet all project management timelines approved by the Division.	The service level will be met 95 percent of the time.	If less than 95 percent, 25 enhancement hours.
10	<p>Technical Reviews and Meetings</p> <p>The contractor shall perform technical reviews. 1.9.6</p>	No specified frequency	Contractor shall meet all requirements set forth in section 1.9.6.	Contractor may not have exceptions	Failure to timely submit the corrective action results in 25 enhancement hours.

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11	<p>Beginning of Contract Transition Status Reports</p> <p>The Contractor will provide to the Division, throughout the Transition phase of the contract (first six months), beginning of Contract transition status reports to the Division. 2.3.1</p>	TBD by Department	Contractor shall provide beginning of contract transition status reports throughout the transition phase of the contract.	Contractor may not have exceptions.	Failure to timely submit a satisfactory beginning of contract transition report results in 25 enhancement hours.
12	<p>Beginning of Contract Transition Plan 5.1</p>	Within 30 days of contract execution	Contractor shall provide the Division with a final beginning of contract transition plan.	Contractor may not have exceptions.	Failure to timely submit a satisfactory beginning of contract transition plan results in 100 enhancement hours.
13	<p>Bi-Weekly Status Reports</p> <p>Bi-weekly Status Reports shall be prepared by the Contractor and delivered to the Division Director and the Division's Contract Manager. 2.3.2</p>	Initial and bi-weekly	Contractor shall provide an initial report within sixty (60) days after Contract execution and thereafter bi-weekly as specified in section 2.4.2.	Contractor may not have exceptions.	Failure to timely submit a satisfactory bi-weekly status report results in 25 enhancement hours.
14	<p>Monthly Status Reports</p> <p>A monthly Maintenance, Operations, and Enhancements status report shall be submitted to the Director and Contract Manager. 2.3.3</p>	Monthly	Contractor shall provide a monthly status report as specified in section 2.4.3.	Contractor may not have exceptions.	<p>Failure to timely submit a satisfactory monthly status report results in 25 enhancement hours.</p> <p>Before the Contractor is paid for that portion of the work, the Contractor must receive approval of the monthly status report from the Department</p>
15	<p>Key Staff</p> <p>No key staff position shall be vacant for more than twenty (20) business days. During the End of Contract transition period and on the condition of a successor Contractor different from the incumbent Contractor, no key staff position shall be vacant for more than ten (10) business days. 1.10.3</p>	Throughout the term of the Contract	Contractor shall fill key staff vacancies within 20 business days or 10 business days during End of Contract transition period on the condition of a successor Contractor different from the incumbent Contractor.	Contractor may not have exceptions.	Vacancies which violate this provision shall result in a financial consequence of \$1000.00 per business day per vacancy.

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16	<p>Separation of Duties</p> <p>Contractor must adhere to separation of duties requirement as provided in Section 1.10.8.</p>	Ongoing	Contractor must adhere to separation of duties requirement as provided in Section 1.10.8.	Contractor may not have exceptions.	Violation of this provision shall result in a financial consequence of \$1,000 per occurrence.
17	<p>End of Contract Transition Responsibilities</p> <p>Contractor must provide a draft End of Contract Transition Plan for review by the Division.</p> <p>5.2</p>	Initial and final	Contractor must provide a draft End of Contract Transition Plan for review by the Division fifteen (15) months prior to this Contract's expiration. A finalized End of Contract Transition Plan shall be provided to the Division twelve (12) months prior to this Contract's expiration.	Contractor may not have exceptions.	In the event the Contractor fails to provide these services, a financial consequence of \$_____ shall be assessed against the Contractor's last invoice.

3.1.2. SLA Performance Evaluation Methodology

Contractor shall proactively assess and report performance issues related to all services that may trigger Service Level Credits to the Department using a report card, the format of which shall be proposed by the Contractor and is subject to the Department’s approval. The Division will review and approve the content and performance reported by the Contractor. The Division will also periodically review the progress made on the services and deliverables listed in the Contract. The Division will evaluate the Contractor’s performance on a monthly basis and any Service Level Credits will be applied upon completion of the monthly evaluation.

The Division, at its sole discretion, may assess Service Level Credits against the Contractor for failure to comply with the Service Level Metrics set forth in this section. The Service Level Credits detailed in Section 3.1.1.1 Tables 1 and 2 will apply for Contractor’s failures to meet stated Service Level Metrics and serve as the liquidated damage assessments contained in the Contract. Contractor shall be excused from failure to meet Service Level Metrics, and shall not owe any Service Level Credits, to the extent Customer is the cause of such failure to meet Service Level Metrics. Service Level Credits shall be applied against the following month of service cost when monetary damages apply or are selected in lieu of enhancement hours.

The Contractor will be notified in writing concerning Division action(s), including specifics of the cause for non-compliance and the penalty to be applied. The Division, in its sole discretion, may waive the imposition of these penalties in a given instance. Such waiver, in any instance, shall not constitute a waiver in any future instance, nor establish any right on behalf of the Contractor to a waiver.

3.1.3. Operations and Maintenance Baseline

The following tables lists the systems that support FRS Florida and represent the baseline of systems supported under this SOW.

SECTION 3.1.3 Table 1 – FRS’s Systems List

System	Description	Technology Platform	Support Hours	Availability
IRIS 1.0 – Client based application	This is a custom line of business application designed and developed to handle all essential business functions for the Division and to facilitate communication with employers, active members, retirees, and business partners. The application encompasses functionality to take a member of the FRS from the preliminary stages of employment through retirement and payments to beneficiaries after a member’s death.	SAP PowerBuilder/Oracle PL/SQL	Business Hours 24x7 On Call Support	24x7
IRIS 2.0 – Web based application	This is a custom line of business application designed and developed to handle all essential business functions for the Division and to facilitate communication with employers, active members, retirees, and business partners. The application encompasses functionality to take a member of the FRS from the preliminary stages of employment through retirement and payments to beneficiaries after a member’s death.	Microsoft.NET/Oracle PL/SQL	Business Hours 24x7 On Call Support	24x7

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System	Description	Technology Platform	Support Hours	Availability
Enterprise Content Management	Documents received at the Division are managed and stored using OpenText Process 360.	OpenText Process 360	Business Hours 24x7 On Call Support	24x7
Database Management System	The line of business database used for IRIS, FRS Online, and other select applications is Oracle. Enterprise Content Management and Customer Relationship Management uses Microsoft SQL Server.	Oracle Enterprise Database, Microsoft SQL Server	Business Hours 24x7 On Call Support	24x7
Correspondence Output	Correspondence output such as letters, benefit estimates, yearly 1099R and Member Annual Statements are generated using OpenText Exstream.	OpenText Exstream/PlanetPress	Business Hours 24x7 On Call Support	24x7
Reporting	The Division utilizes many reports in IRIS and other applications. These reports are provided using Microsoft SQL Server Reporting Services and IBM Cognos.	Microsoft SQL Server Reporting Services/IBM Cognos	Business Hours 24x7 On Call Support	24x7
Custom Services/Applications	Custom services provide needed functionality to IRIS and the other systems. 1) Email Notification - Used for sending emails 2) Mass Communications - Used for creating, approving and sending mass communications to members, retirees, and other constituents. 3) SQL Monitoring - Used for scheduling and running queries and stored procedures. 4) SSRS Queue - Used for delivering SSRS reports in different methods and formats 5) Workflow Import - Used for automating various workflow import tasks 6) Print Form Job - Processes the HP Exstream print jobs 7) Print Docs - Processes the Microsoft Office and Adobe PDF print jobs	Microsoft.NET	Business Hours 24x7 On Call Support	24x7

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System	Description	Technology Platform	Support Hours	Availability
Customer Relationship Management (CRM)	CRM is a web based application that provides functionality to manage and analyze customer interactions with the FRS Contact Center. This application provides the ability to log and work both phone and email activities/cases, along with the ability to import CRM cases to the IRIS application for further processing.	Microsoft Dynamics CRM	Business Hours 24x7 On Call Support	24x7
FRS Online (Self Service Website)	FRS Online is a website that provides self-service functionality to members, retirees, agencies and other constituents. Active Members of the system can view their service history as well as calculate their own benefit estimates. Most retirees and beneficiaries receiving payments can update their address, tax withholding and direct deposit as well as view their payment history, deduction information, and 1099R information. Agencies can enroll employees, maintain and submit employer payroll reports, view contribution summaries, and submit online death notices.	Microsoft .NET/Oracle PL/SQL	Business Hours 24x7 On Call Support	24x7
External Web Services	Web services are used to provide member demographic and estimate information to the Investment Plan service providers. This information is used in the choice service and advisor service tools as well as displaying information when members log into the MyFRS.com website.	Microsoft ASP.NET WEB.API	Business Hours 24x7 On Call Support	24x7
Contact Center Telephony	Call routing/handling at the Center is done using Avaya Call Center applications.	Avaya Call Center Applications	Business Hours 24x7 On Call Support	24x7
File Transfer Services	File Transfer Services provide the ability to send and receive files. These services are managed using GlobalScape EFT Server.	GlobalScape EFT Server	Business Hours 24x7 On Call Support	24x7
Batch Processing	There are many batch processes in place at FRS. Batch processing is initiated and handled using VisualCron and custom scripts.	VisualCron/Custom Scripts	Business Hours 24x7 On Call Support	24x7

System	Description	Technology Platform	Support Hours	Availability
Integration Services	Web services are used to send and receive data with external entities.	Microsoft .NET Web Service	Business Hours 24x7 On Call Support	24x7
Fax Services	Faxes are received and sent using OpenText RightFax Server.	RightFax	Business Hours 24x7 On Call Support	24x7
Address Correction/Verification	The ConnectRight Mailer software is used to verify addresses and make needed corrections.	ConnectRight Mailer	Business Hours 24x7 On Call Support	24x7

SECTION 3.1.3 Table 2 - Operations & Maintenance Activities – Effort Breakdown.

The following Table represents the current baseline breakdown of the O&M activities and their relative level of effort and is provided as background information only.

No.	Support Areas	Support Subtypes	Percentage Of Effort
1	Production Support	Online Systems Support	12%
		Batch Systems Support	5%
		Desktop Support	11%
		Help Desk Support	13%
2	Infrastructure Support	Server/Network Support	7%
		Backup & Recovery Support	3%
		Software Upgrades	4%
3	Operational Support	Database Maintenance	4%
		Security Support	3%
		Release Management	6%
		Support for Division-assigned subject matter experts	19%
		Application and Systems Monitoring	7%
		Ad-hoc Reporting/Queries Support	6%
			100%

SECTION 4. FINANCIAL CONSEQUENCES FOR NONPERFORMANCE

4.1. Financial Consequences

Accurate and timely delivery of the services and deliverables for the Contract is imperative and, as a result, the Division reserves the right to impose Financial Consequences upon the Contractor for failure to provide services and deliverables accurately (in accordance with contract specifications and requirements) and timely (by specified due dates).

Contractor performance shall be reported using a report card, the format of which shall be proposed by the Contractor and approved by the Division. The Division will review and approve the content and performance reported by the Contractor. The Division will also periodically review the progress made on the services and deliverables listed in the Contract.

If the Contractor fails to meet the deliverables and comply with the service requirements established in the SOW, the Division may apply the Financial Consequences included below.

- Payment for services or deliverables will be withheld until the services or deliverables meet the requirements set forth in the Contract;
- Any of the financial consequences, service level credits, or additional penalties sited in the Contract; and
- Any combination of the above.

The Division may choose to receive the financial equivalent of the specified enhancement hours (as determined by the number of hours multiplied by the Blended Hourly Rate) in lieu of the enhancement hours specified in the service level credit sections of Table 1 and 2 of subsection 3.1.1.

The Contractor will be notified in writing concerning Division action(s), including specifics of the work not provided, the services, work and/or deliverable(s) considered to be incomplete or inadequate and the Financial Consequences that will be applied.

SECTION 5. TRANSITION PLANS AND SERVICES

5.1 Beginning of Contract Transition Plan and Services

The beginning of contract transition plan will describe the approach to providing transition services for the beginning of the Contract. This transition plan will include a high-level work breakdown structure that includes tasks, deliverables and work products (as required), and due dates showing key milestones, dependencies, and any assumptions that this schedule is based on. The transition plan must address all areas of transition including but not limited to contract administration and resource management.

The Contractor is to provide an updated transition plan within thirty (30) days from the Contract start date. The Division will have final approval authority over the final version of the beginning of contract transition plan.

Beginning of Contract transition services will occur during the first six (6) months of the Contract and are included as part of the IT O&M services under the Contract. The Contractor shall not receive any additional compensation for beginning of Contract services.

5.2 End of Contract Transition Responsibilities

Contractor must provide a draft End of Contract transition plan for review by the Division fifteen (15) months prior to Contract expiration. A finalized End of Contract transition plan shall be provided to the Division twelve (12) months prior to contract expiration. The Division will have final approval authority over the final version of the End of Contract transition plan.

5.2.1 Transition Plan Contents.

Transition plans submitted pursuant to this subsection shall include, at a minimum, key activities during the transition period and shall describe in detail the Contractor's plan for: (1) transition of resources for the Contractor and the Division; (2) technology transition requirements; (3) a communication plan for transition; (4) other required service operation transition services, including knowledge transfer; and (5) steps, measures, and controls that shall be employed by the Contractor to minimize disruption of services during the transition period.

5.2.2 Transition Period Responsibilities.

A period not to exceed six months preceding the end of the Contract shall constitute the transition period. The Division will notify the Contractor of the commencement of the transition period at least three (3) months prior to the beginning of the transition period. The Contractor shall, in accordance with the transition plan:

1. Provide the Division with then current items including processes, documentation, and standard operating procedures in use by the Contractor.
2. Allow the incoming Contractor to observe and participate in day-to-day operations from the beginning of the transition period to the end of this Contract.
3. Retain key staff consistent with the key staff provisions as set forth in section 1.10.3 of this SOW.
4. Attend transition and knowledge transfer meetings and participate when needed.

5.2.3 End of Contract Transition Period Compensation

End of Contract transition services are included as part of the IT O&M services under the Contract. The Contractor shall not receive any additional compensation for End of Contract services. In the event the Contractor fails to provide these services, a financial consequence of \$_____ shall be assessed against the Contractor's final invoice(s).

5.2.4 Cooperation with Subsequent Contractor

The Contractor is responsible for providing a professional, workable, and cooperative transition upon the completion of the Contract.