



RFP No: CSES2015-02

INVITATION: Sealed proposals, subject to the attached conditions, will be received at this office until **Wednesday, February 11, 2015, 3:00 P.M. Central Time** for the acquisition of the product/services described below for the Mississippi Department of Human Services, Division of Field Operations.

Child Support Enforcement Services Technical Assistance and Process Improvement

The Vendor must submit proposals and direct inquiries to:

Cathy Sykes
Director, Division of Field Operations
MDHS
750 N. State Street
Jackson, MS 39202
601-359-4503
cathy.sykes@mdhs.ms.gov

To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. The following must be clearly typed on a label affixed to the package in clearly visible location:

PROPOSAL, SUBMITTED IN RESPONSE TO
RFP No: CSES2015-02
Due: Wednesday, February 11, 2015 @ 3:00 P.M., CT.
ATTENTION: Cathy Sykes

Richard A. Berry
Executive Director, MDHS

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Definitions

Contract: The agreement which results from this RFP between the winning Vendor and the Mississippi Department of Human Services.

Contractor: The organization or individual providing services to MDHS in accordance with the terms of the Contract which results from this RFP.

CSE: Child Support Enforcement as designated by Title IV-D of the Social Security Act.

DFO: The Division of Field Operations within the Mississippi Department of Human Services.

Insourced County Comparison Group: The control group of counties which will be compared to the seventeen (17) counties contained in the legal services contract.

MDHS: The State of Mississippi, Department of Human Services referred to in this RFP document as “MDHS”.

Vendor: A legally qualified corporation, partnership, sole proprietor, or other entity submitting a proposal to MDHS pursuant to this RFP.

**SECTION I
GENERAL OVERVIEW AND BACKGROUND**

1.1 Overview

The purpose of this Request for Proposals (RFP) is to solicit written proposals for the hiring of a qualified Vendor who can most effectively and cost efficiently provide technical assistance and expertise to the Mississippi Department of Human Services (hereinafter referred to as "MDHS"), Division of Field Operations, an agency of the State of Mississippi, with aspects of the child support enforcement program.

1.2 **MANDATORY LETTER OF INTENT:**

Vendors shall notify MDHS of their intention to submit a proposal under this announcement. The Letter of Intent must be received by **Thursday, February 5, 2015, 3:00 P.M., Central Time.** The Letter of Intent can be hand-delivered to the attention of Cathy Sykes at 750 North State Street, Jackson, Mississippi 39202, mailed to Post Office Box 352, Jackson, Mississippi 39205-0352 or emailed to cathy.sykes@mdhs.ms.gov.

The Letter of Intent must include:

- 1) The title of this RFP
- 2) The Vendor organization name
- 3) DUNS number
- 4) Vendor address
- 5) One (1) to two (2) sentences stating that the Vendor's organization intends to submit a proposal
- 6) Vendor's personnel contact name, address, phone number, fax number, and email address.

Failure to provide any or all of the above information may result in rejection of the Letter of Intent at the discretion of MDHS.

1.3 Background

The child support program, established by Congress in 1975 as Title IV-D of the Social Security Act, mandates that states enact laws and carry out required functions to ensure that legally responsible persons, to the best of their ability, contribute toward the support of their children. The program serves both children in families receiving cash welfare grants, TANF (Temporary Assistance to Needy Families), which provides relief to taxpayers by reducing welfare costs, and children in non-welfare families, regardless of family income level, thus preventing such families from future dependence on welfare.

Child support collected on behalf of TANF families is shared by the Federal and state governments to reimburse those governments for TANF public assistance payments

previously made to the family. Child support collected for non-TANF families is distributed to these families to help them remain self-sufficient.

The Mississippi Department of Human Services (MDHS), Division of Field Operations (DFO), operates the Child Support Enforcement (CSE) unit for the State of Mississippi. MISS CODE ANN. §43-19-31 et seq. (1972) authorizes the Division of Field Operations to operate the CSE unit.

The mission of the CSE unit is to provide the ability for non-custodial parents (NCP) to contribute to the support of their children by making regularly scheduled support payments, allowing the custodial parent (CP) to better provide for the needs of their children through regular, uninterrupted support. One of the ways this is accomplished is by ensuring that legally responsible persons, to the best of their ability, contribute toward the support of their children.

The CSE program is State operated, however, all services are provided by local county offices. Mississippi has eighty four (84) county offices, one in each county, except for Bolivar and Chickasaw, each having two offices.

Federal and State statutes and regulations govern the program. These mandates set performance standards for quantity and quality of work. Failure to meet these requirements may result in large penalties to the State. Certain other legal responsibilities are established, such as duties of confidentiality. The Contractor shall be subject to these same requirements and will assume liability for federal or State penalties due to Contractor performance issues or breach of confidentiality requirements.

SECTION II PROPOSAL SUBMISSION REQUIREMENTS

The objective of the Proposal Submission Requirements section is to provide Vendors with the information required to submit a response to this Request for Proposal (RFP). A Vendor who has responded to previous RFP's issued by MDHS should not assume that the requirements are the same, as changes may have been made.

2.1 Submission of Proposal

2.1.1 This RFP is issued by the State of Mississippi, Mississippi Department of Human Services, Division of Field Operations. DFO is the sole point of contact from the date of release of this RFP until the selection of the successful Vendor, if any.

2.1.2 The proposal shall be submitted and received at the address listed on the front page of this RFP, no later than **Wednesday, February 11, 2015, 3:00 P.M. Central Time**. Any proposal(s) received after 3:00 P.M. Central Time will be rejected. Responsibility for the arrival time of the proposal shall be with the Vendor. **NO FAXED OR E-MAILED PROPOSALS WILL BE ACCEPTED.**

2.1.3 The proposal must be submitted as follows:

2.1.3.1 Mailing or hand delivering one (1) original and four (4) copies of the proposal. The original proposal and four (4) copies each must be submitted in a 3-ring binder for a total of five (5) binders, delivered in one sealed package or envelope, and each individual binder labeled with the name of the Vendor and the RFP No: CSES2015-02, **AND**

2.1.3.2 Mailing or hand delivering the full proposal and all attachments on a USB Flash Drive labeled with the name of the Vendor and the RFP No: CSES2015-02.

2.1.4 All submitted proposals will become the property of MDHS who shall retain the right to use all ideas and concepts presented in the proposals.

2.2 Validation of Proposal

2.2.1 Vendor must state in proposal that such proposal is valid for a six (6) month period beginning on the date following the date of opening.

2.3 Communication with State

- 2.3.1 From the issue date of this RFP until a Vendor is selected and the selection is announced, responding Vendors or their representatives may not communicate, either orally or in writing regarding this RFP with any statewide elected official, state officer or employee, member of the legislature or legislative employee except as noted herein. To ensure equal treatment for each responding Vendor, all questions regarding this RFP must be submitted in writing to the State's contact person for the selection process, and not later than the last date for accepting responding Vendor questions provided in this RFP. All such questions will be answered officially by the State in writing. All such questions and answers will become addenda to this RFP, and will be posted to the MDHS web site. Vendors failing to comply with this requirement will be subject to disqualification.
- 2.3.2 The State's contact person for the selection process is: Cathy Sykes, Director DFO, 750 N. State St., Jackson, MS 39202, 601-359-4503, cathy.sykes@mdhs.ms.gov.
- 2.3.3 Vendor may consult with State representatives as designated by the State's contact person identified in 2.3.2 above in response to State-initiated inquiries. Vendor may consult with State representatives during scheduled oral presentations and demonstrations.
- 2.3.4 Discussions may be conducted by the State with Vendors who submit proposals determined to be reasonably susceptible of being selected for Contract award; however, proposals may be accepted without such discussions.
- 2.3.5 All written questions by the Vendors following receipt of the RFP must clearly identify the specified paragraph and must be received by mail, hand delivery, or email by **Wednesday, January 30, 2015, 3:00 P.M. Central Time.**

2.4 Award or Rejection

- 2.4.1 All qualified proposals will be evaluated and one (1) award shall be given based upon which proposal will be most advantageous and in the best interest of MDHS in regards to price, quality of service, and other factors considered by the State. All contracts are subject to the availability of funds. **MDHS RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS IF DOING SO IS DETERMINED TO BE IN THE BEST INTEREST OF MDHS.**

2.4.2 It is MDHS intent to award one (1) single contract; however, MDHS reserves the right to make multiple awards.

2.4.3 No Vendor may assume he/she has been awarded a contract until it is approved via the signature of the MDHS Executive Director.

2.5 Procurement Project Schedule

MDHS reserves the right to adjust this schedule as it deems necessary.

Task	Date
First Advertisement Date for RFP	Monday, January 19, 2015
Second Advertisement Date for RFP	Monday, January 26, 2015
Receive questions for Clarification	Friday, January 30, 2015, 3:00 P.M. CT
Respond in Writing to Clarification	Monday, February 2, 2015
Mandatory Letter of Intent	Thursday, February 5, 2015, 3:00 P.M. CT
Proposals Due	Wednesday, February 11, 2015, 3:00 P.M. CT
Open Proposals	Thursday, February 12, 2015
Begin Evaluation of Proposals	Thursday, February 12, 2015
Notification of Award	Monday, February 16, 2015
Contract Negotiations	February 16-20, 2015
PSCRB Meeting Date	Tuesday, March 17, 2015
Proposed Contract Start Date	Wednesday, April 1, 2015
Proposed Period of Performance	April 1, 2015-March 31, 2016
Optional Renewal Period #1	April 1, 2016-March 31, 2017
Optional Renewal Period #2	April 1, 2017-March 31, 2018

2.6 Authority to Contract

Contractor warrants: (a) that it is a validly organized business with valid authority to enter into this agreement; (b) that it is qualified to do business and in good standing in the State of Mississippi; (c) that entry into and performance under this agreement is not restricted or prohibited by any loan, security, financing, contractual, or other agreement of any kind, and (d) notwithstanding any other provision of this agreement to the contrary, that there are no existing legal proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this agreement.

SECTION III PROPOSAL FORMAT AND CONTENT INSTRUCTIONS

The following instructions describe the minimum information that the proposal shall contain. These instructions have been designed to ensure the submission of essential information to allow evaluation of the proposal. Vendors may include additional information deemed pertinent. All proposals must be bound. Vendor responses contained in their proposal shall correspond to the order and numbering scheme contained in this RFP. An “acceptable” proposal is one the State, at its sole discretion, finds to have followed the required order and content contained herein, all other proposals not following the required order and content will be found to be “unacceptable”.

Proposals must conform to all instructions, conditions, and requirements included in the RFP. Prospective Vendors are expected to examine all documentation and other requirements. Failure to observe all terms and conditions in completion of the proposal will be at the Vendor's risk and may, at the discretion of MDHS, result in disqualification. Each proposal must be signed by an official authorized to obligate the organization.

List names, positions, and phone numbers of all parties authorized to enter negotiations of said proposal/contract.

Evidence of adequate financial stability is a prerequisite to the award of a contract regardless of any other consideration. The State reserves the right to request any additional information to assure itself of a Vendor's financial status.

3.1 Content

3.1.1 Cover Letter:

The cover letter must describe the Vendor's approach to the delivery of the scope of services, and provide MDHS with an understanding of the entire process. The letter must also indicate the name, title, address, and telephone number of the Vendor's authorized contract representative. The letter must be signed by the person authorized to represent the Vendor. The cover letter must be no more than two (2) pages, and must define the company's approach, rather than reiterate the RFP.

3.1.2 The proposal shall contain:

3.1.2.1 The name of the Vendor, the location of the Vendor's principal place of business and, if different, the place of performance of the proposed

contract;

3.1.2.2 The age of the Vendor's business and average number of employees for the past five years;

3.1.2.3 The abilities, qualifications, and experience of all persons who would be assigned to provide the required services;

3.1.2.4 A listing of other contracts under which services similar in scope, size, or discipline to the required services were performed or undertaken within the past five years; and,

3.1.2.5 A plan giving as much details as is practical explaining how the services will be performed.

3.1.3 Proposals must be clear and direct, providing a straightforward, concise description of the Vendor's capabilities to fulfill the requirements of the RFP. Emphasis should be on completeness and clarity of content.

3.1.4 The Vendor shall thoroughly review the RFP in order to provide complete and accurate information in the response, specifications, conditions and terms identified within this RFP. The responses must include sufficient data to allow the State's evaluation committee to verify the experience, capability, and qualifications of the Vendor, as well as the cost effectiveness of the proposal.

3.1.5 Informalities and Irregularities

MDHS has the right to waive minor defects or variations of a proposal from the exact requirements of the specifications that do not affect the price, quality, quantity, delivery, or performance time of the services being procured. If insufficient information is submitted by a proposer with the proposal for MDHS to properly evaluate the proposal, MDHS has the right to require such additional information as it may deem necessary after the time set for receipt of proposals, provided that the information requested does not change the price, quality, quantity, delivery, or performance time of the services being procured.

3.1.6 Rejection of proposals

Proposals which do not conform to the requirements set forth in this RFP may be rejected by MDHS. Proposals may be rejected for reasons which include, but are not limited to, the following:

1) the proposal contains unauthorized amendments to the requirements of the

RFP;

- 2) the proposal is conditional;
- 3) the proposal is incomplete or contains irregularities which make the proposal indefinite or ambiguous;
- 4) the proposal is received late;
- 5) the proposal is not signed by an authorized representative of the party;
- 6) the proposal contains false or misleading statements or references; and,
- 7) the proposal does not offer to provide all services required by the RFP.

3.2 Vendor Organizational Support and Experience

The following section of the Vendor's proposal must contain all pertinent data relating to the Vendor's organization, personnel and experience that would substantiate the qualifications and capabilities of the Vendor's company to perform the services described herein.

- 3.2.1 Experience in the Field: Vendor must provide information as to its background and experience in providing state agencies with expertise and technical assistance in child support enforcement services or other similarly related areas.

Vendor must submit a contact/reference name, phone number, and address for each and every state for which Vendor has worked in the last five (5) years.

Vendor must also include the nature, scope, and cost of these services provided to each and every state for which Vendor has worked in the last five (5) years.

- 3.2.2 Organization Size and Structure: Give the location of the Vendor's principal office and the number of executive and professional personnel employed at this office.

Provide names, addresses, and telephone numbers of three (3) state agencies and/or business contacts/references including key individuals within those organizations who have utilized the Vendor's services for providing the same or similar services requested in this RFP. These contacts shall have taken place no longer than twelve (12) months preceding the submission of this RFP.

If incorporated, the name of the state of incorporation shall be included. **(Note: In order to execute a contract, the Vendor's company must be licensed in the State of Mississippi on or before the date of Contract execution).**

Vendor must divulge any and all information regarding its status as a defendant in any lawsuit involving providing expertise and technical assistance or other type consulting services other than as expert witnesses. The Vendor(s) must set forth the type of litigation, date and location of filing, and the disposition thereof. This requirement includes litigation against the business and its individual employees.

- 3.2.3 Subcontractor Background Information: Vendor must provide the same information as requested in section 3.2.1 and 3.2.2 above for each subcontractor whom the Vendor proposed to perform any of the functions under this RFP.

The Contractor acknowledges that if it is selected, it will have been selected by the State to perform the services required hereunder based, in part, upon the Contractor's special skills and expertise. The Contractor shall not assign, subcontract, or otherwise transfer this agreement, in whole or in part, without the prior written consent of the State, which the State may, in its sole discretion, approve or deny without reason. Any attempted assignment or transfer of its obligations without such consent shall be null and void. No such approval by the State of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of the State in addition to the total fixed price agreed upon in this agreement. Subcontracts shall be subject to the terms and conditions of this agreement and to any conditions of approval that the State may deem necessary. Subject to the foregoing, this agreement shall be binding upon the respective successors and assigns of the parties.

MDHS shall, throughout the life of the Contract, have the right of reasonable rejection and approval of staff or subcontractors assigned to the work by the Contractor. If the MDHS reasonably rejects staff or subcontractors, the Contractor must provide replacement staff or subcontractors satisfactory to the MDHS in a timely manner and at no additional cost to the MDHS. The day-to-day supervision and control of the Contractor's employees and subcontractors is the sole responsibility of the Contractor.

- 3.2.4 Qualifications of Staff: Identify the executive and professional personnel who will manage and implement this project, their duties and responsibilities and how long the individual has been providing expertise and technical assistance or similar type consulting services.

Vendor shall include a statement assuring that none of the owners, directors, officers nor employees of its company are currently employed by MDHS, nor have been employed by MDHS within the last twelve (12) months prior to this proposal.

- 3.3 The following response format shall be used for all submitted proposals:

3.3.1 Cover Letter: as detailed in 3.1.1.

3.3.2 Vendor Organizational Support and Experience: as detailed in 3.2.

3.3.3 Proposal: Describe in detail how the services described in Section V will be provided. Include a description of major tasks and subtasks.

3.3.4 Acceptance of Conditions: Indicate any exceptions taken to the requirements and conditions contained in this RFP, as detailed in Section VII.

3.3.5 Additional Data: Provide any additional information that will aid in evaluation of the response.

3.3.6 Cost Data: as detailed in 6.6.

**SECTION IV
PROPOSAL GUIDELINES**

MDHS reserves the right to request clarifications or corrections to proposals; reject any and all proposals or cancel the RFP in its entirety at MDHS' sole discretion. Any proposal received which does not meet these general instructions or deviates from the terms and conditions herein may be considered to be "non-responsive" and MDHS, at its discretion, may invalidate the proposal.

4.1 Costs for Proposal Preparation

Any costs incurred by Vendor in preparing or submitting proposals are the Vendor's sole responsibility; Neither the State of Mississippi nor MDHS will reimburse any Vendor for any cost incurred.

4.2 Oral Explanation

MDHS will not be bound by oral explanations of instructions given at any time during the competitive process or after award.

4.3 Proprietary or other "Confidential" Information

Vendors may designate those portions of the proposals which contain trade secrets or other proprietary data which may remain confidential in accordance with Miss. Code Ann. §§25-61-9 and 79-23-1.

4.4 Competitive Offer

The Vendor who has submitted a proposal in response to this RFP thereby certifies that the proposal has not been arrived at collusively nor is it otherwise in violation of federal or Mississippi State antitrust laws.

4.5 Presentation

Oral presentations will not be allowed in lieu of a written proposal.

4.6 Implementation Plan

4.6.1 The awarded Vendor shall provide MDHS a draft implementation plan. Within 10 calendar days of Contract award, the awarded Vendor shall establish a final implementation plan with the cooperation of MDHS.

The draft plan shall include:

4.6.1.1 The activities required for implementation.

4.6.1.2 The activities required herein.

4.6.1.3 The schedule for implementation.

4.6.1.4 Roles and responsibilities for the implementation.

4.6.1.5 A description of the mechanisms for reporting status to MDHS, and coordinating and resolving issues related to the implementation.

4.6.1.6 Activities required to transition an office from vendor-conducted sample collection to MDHS staff witnessed collections.

SECTION V SCOPE OF SERVICES

5.1 Period of Performance

MDHS is seeking proposals which will lead to the establishment of a one (1) year contract, to begin on April 1, 2015 and end on March 31, 2016. MDHS shall have two (2) optional renewal periods, Optional Renewal #1 to begin on April 1, 2016 and end on March 31, 2017, and Optional Renewal #2 to begin on April 1, 2017 and end on March 31, 2018, following the initial one (1) year contract period, at the same terms and conditions included in this RFP and resulting Contract.

5.2 Purpose

MDHS welcomes any and all innovative ideas and options to be included throughout the Vendor's responses to this RFP in addition to the requirements contained herein.

5.2.1 The Contractor shall be responsible to provide technical assistance and expertise to MDHS in the area of child support enforcement. Technical assistance and expertise will be required in the following areas, including but not limited to:

- 1) Assisting with the implementation and monitoring of the legal services contract (See Exhibit D) and addressing performance measures therein;
- 2) Developing a court satisfaction survey and recommended scoring methodology as contained in the legal services contract;
- 3) Provide consultation services to MDHS in order to assist with the planning, implementation, and completion of the Insourced County Comparison Group project;
- 4) Reviewing performance data, conduct interviews with staff and court personnel to assess counties that are appropriate candidates for Insourced County Comparison Group expansion, including the development of strategies for implementation;
- 5) Provide consultation services to MDHS in developing a roll-out strategy for introducing the Insourced County Comparison Group to other counties of the State;
- 6) Provide strategies for any corrective measures that are needed to ensure Federal benchmarks are met or exceeded;
- 7) Review additional improvement strategies that can be integrated into the current Insourced County Comparison Group, or the plan for additional counties, that may include, but not be limited to:
 - The development of a case management tool for stratification and prioritization that can be tested and rolled out to the field;

- Increased focus on tools for locating Non-Custodial Parents;
 - Greater coordination between attorneys and CSEOs;
 - Identification of self-service capabilities that can be put in place;
 - Improvements to the case process and legal service;
 - Strategies for right sized orders to ensure support orders are accurate to current earnings at the time the order is established and modified when earnings change;
 - Early intervention programs;
 - Strategies to connect employment and training programs to Non-Custodial Parents;
 - Strategies that enhance quality assurance and continuous program improvement;
 - Strategies that improve focus on performance metrics;
 - The identification of specialized functions;
 - Technical consultation and support for case cleanup;
 - The identification of effective fatherhood initiatives.
- 8) Work with MDHS to develop a plan to incorporate any of the above strategies into the child support enforcement program, which may or may not include assistance in drafting RFPs, and providing technical assistance to MDHS with the issuance of any such RFPs;
- 9) Establishing a plan for implementation and evaluation of strategies incorporated into the program, as well as process evaluation and effective project management;
- 10) Work with MDHS child support enforcement to implement enhanced quality assurance and training programs;
- 11) Work with MDHS to assess benchmarks and performance of the Insourced County Comparison Group and other involved counties; to provide on-going assistance in identifying and developing strategies for improvement that will increase performance against federal benchmarks for the insourced counties and additional counties selected.

SECTION VI
PROPOSAL EVALUATION/POST-AWARD DEBRIEFING

- 6.1 All proposals will be evaluated by a Selection Committee comprised of staff from MDHS.
- 6.1.1 Proposals will be evaluated according to the criteria discussed in the RFP.
- 6.1.2 The award of a contract to a Vendor does not mean that the other proposals lacked merit; but with price, quality of service and other factors considered, the selected proposal was deemed to provide the best value or be the most advantageous to the State of Mississippi based on all factors considered.
- 6.1.3 MDHS will evaluate the quality and approach the Vendor proposes for doing the work, the transition plan and approach for seamlessly moving to the future processes, the track record of effectiveness the Vendor has in achieving improvements at the pace proposed, the location strategy, any process improvements or tools the Vendor proposes to share with MDHS for use elsewhere in the state, and the overall cost effectiveness of the services.
- 6.2 Vendors are cautioned that this is a RFP not a request to contract, and MDHS reserves the unqualified right to reject offers for any contract when such rejection is deemed to be in the best interest of the State of Mississippi.
- 6.3 At their discretion, the evaluators may request oral presentations or discussions with any and all Vendors for the purpose of clarification or to amplify the materials presented in any part of the proposal. If requested for an oral presentation, the Vendor shall be prepared to provide their Power Point Presentations when notified that they were selected for an oral presentation. However, Vendors are cautioned that the evaluators are not required to request clarification; therefore, all proposals shall be complete and concise and reflect the most favorable terms available from the Vendor.
- 6.4 A Vendor, successful or unsuccessful, may request a post-award vendor debriefing, in writing, by U.S. mail or electronic submission, to be received by MDHS within three (3) business days of notification of the Contract award. A vendor debriefing is a meeting and not a hearing; therefore, legal representation is not required. If a Vendor prefers to have legal representation present, the Vendor must notify MDHS and identify its attorney. MDHS shall be allowed to schedule and/or suspend and reschedule the meeting at a time when a representative of the Office of the Mississippi Attorney General can be present.
- The following information may be provided by MDHS during post-award debriefing:
- 6.4.1 MDHS's evaluation of significant weaknesses or deficiencies in the Vendor's proposal, if applicable;
- 6.4.2 The overall evaluated cost or price, and technical rating, if applicable, of the

successful vendor(s) and the debriefed vendor;

6.4.3 The overall ranking of all Vendors, when any ranking was developed by MDHS during the selection process;

6.4.4 A summary of the rationale for award; and,

6.4.5 Reasonable responses to relevant questions about selection procedures contained in the solicitation, applicable regulations, and other applicable authorities that were followed.

6.5 Factors that will be considered as evaluation criteria by the MDHS evaluation committee are contained in Table 1 below.

Table 1-Evaluation Factors

EVALUATION FACTORS	Points
Vendor's Draft Implementation Plan-Item 4.6 which includes Section V-Scope of Services	25
Vendor's Ability to Perform-Item 3.2.2	25
Vendor's Personnel, Equipment, Facilities-Items 3.2.4	15
Vendor's Record of Past Performance-Items 3.2.1 and 3.2.3	10
Vendor's Cost Data/Price-Item 6.6	25
TOTAL POSSIBLE POINTS	100

6.6 Cost Data/Price

6.6.1 Estimate the annual cost of the service. Cost data submitted at this stage is not binding and is subject to negotiation if your firm is chosen as a finalist. Include the number of personnel proposed to be assigned to the contract and the total estimated cost of the labor portion of the contract. Identity all non-labor costs and their estimated totals.

6.6.2 Compensation for services will be in the form a firm-fixed price agreement.

SECTION VII PROPOSAL EXCEPTIONS

Please return the Proposal Exception Summary Form (Exhibit A) with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken." If no Proposal Exception Summary Form is included, the Vendor is indicating that no exceptions are taken as to any item in this RFP document.

- 7.1 Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted with "shall" or "must," as long as the following are true:
 - 7.1.1 The specification is not a matter of State law;
 - 7.1.2 The proposal still meets the intent of the RFP;
 - 7.1.3 A Proposal Exception Summary Form is included with Vendor's proposal; and
 - 7.1.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the Proposal Exception Summary Form.

- 7.2 The Vendor has no liability to provide items to which an exception has been taken. MDHS has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and MDHS will discuss each exception and take one of the following actions:
 - 7.2.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
 - 7.2.2 MDHS will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;
 - 7.2.3 MDHS and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract; or
 - 7.2.4 None of the above actions is possible, and MDHS either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.

- 7.3 Should MDHS and the Vendor reach a successful agreement, MDHS will sign adjacent to each exception which is being accepted or submit a formal written response to the Proposal Exception Summary responding to each of the Vendor's exceptions. The Proposal Exception Summary, with those exceptions approved by MDHS, will become a part of any contract on acquisitions made under this RFP.

- 7.4 An exception will be accepted or rejected at the sole discretion of the State.
- 7.5 The State desires to award this RFP to a Vendor with whom there is a high probability of establishing a mutually agreeable contract, substantially within the standard terms and conditions of the State's RFP, including the Standard Contract in Exhibit B, if included herein. As such, Vendors whose proposals, in the sole opinion of the State, reflect a substantial number of material exceptions to this RFP, may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.

SECTION VIII
TERMS AND CONDITIONS OF THE RESULTING CONTRACT

The following are certain terms and conditions that will be incorporated in the final contract, although MDHS reserves the right to add to these terms and conditions in the resulting contract. A sample Contract for Personal or Professional Services is attached hereto as Exhibit B.

8.1 Termination

8.1.1 Termination for Cause. If, through any cause, Contractor shall fail to fulfill in a timely and proper manner, as determined by MDHS, its obligations under this Contract, or if Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, MDHS shall thereupon have the right to terminate the Contract by giving written notice to Contractor of such termination and specifying the effective date thereof at least five (5) days before the effective date of such termination. In the event of such termination, Contractor shall be entitled to receive just and equitable compensation for satisfactory work completed on services or documents or materials collected and/or prepared by Contractor in connection with this Contract. Such compensation shall be based upon the fees set forth in Paragraph 5, but, in no case, shall said compensation exceed the total Contract price.

8.1.1.1 Upon the entering of a judgment of bankruptcy or insolvency by or against a contractor, MDHS may terminate this contract for cause.

8.1.1.2 Notwithstanding the above, Contractor shall not be relieved of liability to MDHS for damages sustained by MDHS by virtue of any breach of this Contract by Contractor, and MDHS may withhold any payments to Contractor for the purpose of set off until such time as the exact damages due to MDHS from Contractor are determined.

8.1.2 Termination for Convenience of MDHS. MDHS may terminate this Contract at any time by giving written notice to Contractor of such termination and specifying the effective date thereof at least five (5) days before the effective date of such termination. Contractor shall be paid an amount which bears the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of Contractor covered by the Contract, less payments of compensation previously made.

8.2 Confidentiality of Data

8.2.1 Contractor shall treat all State data and information to which it has access under this Contract as confidential information to the extent that confidential treatment of same is required under federal and State law and shall not disclose same to a third party without specific written consent of the State. In the event that Contractor receives

notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of confidential or otherwise protected information, Contractor shall promptly inform the State and thereafter respond in conformity with such subpoena as required by applicable state and/or federal law, rules, and regulations. The provision herein shall survive termination of the Contract for any reason and shall continue in full force and effect and shall be binding upon the Contractor and its agents, employees, successors, assigns, subcontractors, or any party claiming an interest in the Contract on behalf of, or under, the rights of the Contractor following any termination.

8.3 Care of Data

8.3.1 The Contractor shall take all steps necessary to safeguard any data, file, report, or other information from loss or destruction. Any cost or expenses of replacing or damage resulting from the loss of such data shall be borne by the Contractor.

8.4 General Provision

8.4.1 Compliance with Laws Rules and Regulations

8.4.1.1 The Contractor shall comply with, and all activities under this Contract shall be subject to, all applicable federal and State laws and regulations. Particularly, but without limitation through inclusion, this provision shall include the following:

8.4.1.2 Equal Employment Opportunity. The Contractor shall abide by all applicable provisions of the Federal Civil Rights Acts of 1964, as amended, executive order 11246 entitled "Equal Employment Opportunity," as amended in Executive Order 11375, as supplemented in the United States Department of Labor regulations (41 CFR Part 60), and all other applicable federal and state laws, regulations or others which prohibit discrimination because of race, color, religion, sex, national origin, age, marital status, or physical or mental handicap.

8.5 Hold Harmless

8.5.1 The Contractor agrees to indemnify, defend, and hold harmless the State of Mississippi, its officers, agents, and employees from:

8.5.2 Any and all claims and losses accruing resulting to any and all contractors, subcontractors, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of the contract;

- 8.5.3 Any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the performance of the contract;
 - 8.5.4 Any liability, including cost and expenses, for losses, damage, rights of privacy, theft, embezzlement, or other acts of dishonesty, arising out of the publication, translation, reproduction, delivery, performance, use or disposition of any data or genetic sample(s) furnished under the contract or based on any libelous or other unlawful matter contained in such data.
 - 8.5.6 Contractor must comply with the law of Mississippi in instance of liability, and therefore, cannot attempt to limit its liability.
- 8.6 Retention of Record
- 8.6.1 Contractor shall maintain, and make available to MDHS, any State agency authorized to audit MDHS, the federal grantor agency, the Comptroller General of the United States or any of their duly authorized representatives, financial records, supporting documents, statistical records, and all other records pertinent to the services performed under this Contract. These records shall be maintained for at least three (3) years; however, if any litigation or other legal action, by or on behalf of the state or federal government has begun that is not completed at the end of the three year period, or if audit finding, litigation, or other legal action has not been resolved at the end of the three-year period, the records shall be retained until resolution.
- 8.7 Applicable Law
- 8.7.1 The Contract shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws, provisions, and any litigation with respect thereto shall be brought in the courts of the State. The Contractor shall comply with applicable federal, state and local laws and regulations.
- 8.8 Availability of Funds
- 8.8.1 It is expressly understood and agreed that the obligation of MDHS to proceed under this agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to MDHS, MDHS shall have the right upon ten (10) working days written notice to the Contractor, to terminate this agreement without damage, penalty, cost or expenses to MDHS of any kind

whatsoever. The effective date of termination shall be as specified in the notice of termination.

8.9 Procurement Regulations

8.9.1 The Contract shall be governed by the applicable provisions of the Personal Service Contract Review Board Regulations, a copy of which is available at 210 East Capitol Street, Suite 800, Jackson, MS, for inspection, or downloadable at www.mspb.ms.gov.

8.10 Compliance with Laws

8.10.1 The Contractor understands that MDHS is an equal opportunity employer and therefore, maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, State, or local laws. All such discrimination is unlawful and the Contractor agrees during the term of the agreement that the contractor will strictly adhere to this policy in its employment practices and provision of services. The Contractor shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

8.11 Stop Work Order

8.11.1 Order to Stop Work: The procurement officer, may, by written order to the Contractor at any time, and without notice to any surety, require the Contractor to stop all or any part of the work called for by this Contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the procurement officer shall either:

- 1) cancel the stop work order; or,
- 2) terminate the work covered by such order as provided in the Termination for Default Clause or the Termination for Convenience Clause of this contract.

8.11.2 Cancellation or Expiration of the Order: If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the

order or any extension thereof expires, the contractor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or contractor price, or both, and the contract shall be modified in writing accordingly, if:

- 1) the stop work order results in an increase in the time required for, or in the contractor's properly allocable to, the performance of any part of this contract; and,
- 2) the Contractor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage; provided that, if the procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this contract.

8.11.3 Termination of Stopped Work: If a stop work order is not canceled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.

8.11.4 Adjustments of Price: Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment clause of this contract.

8.12 Representation Regarding Contingent Fees

8.12.1 The Contractor represents that it has not retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in the Contractor's proposal.

8.13 Representation Regarding Gratuities

8.13.1 The proposer, offeror, or Contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the Mississippi Personal Service Contract Rules and Regulations.

8.14 Acknowledgment of Amendments

8.14.1 Proposers shall acknowledge receipt of any amendment to the solicitation by signing and returning the amendment with the proposal, by identifying the amendment number and date in the space provided for this purpose on the proposal form, or by letter. The acknowledgment must be received by MDHS by the time and at the place specified for receipt of proposals.

8.15 Certification of Independent Price Determination

8.15.1 The proposer certifies that the prices submitted in response to the solicitation have been arrived at independently and without, for the purpose of restricting competition, any consultation, communication, or agreement with any other proposer or competitor relating to those prices, the intention to submit a proposal, or the methods or factors used to calculate the prices proposed.

8.16 E-Payment

8.16.1 Contractor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. MDHS agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," Mississippi Code Annotated §31-7-301, which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of invoice.

8.17 E-Verification

8.17.1 Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Mississippi Code Annotated §§71-11-1 and 71-11-3, and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the legal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor agrees to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State. Contractor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws of these warranties, the breach of which may subject Contractor to the following:

- 1) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years with notice of such cancellation/termination being made public;
- 2) the loss of any license, permit, certification or other document granted to Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year; or,

- 3) both--in the event of such termination/cancellation, Contractor would also be liable for any additional costs incurred by the State due to Contract cancellation or loss of license or permit.

8.18 Transparency

8.18.1 This Contract, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," codified as Section 25-61-1 et seq., Mississippi Code Annotated and exceptions found in Section 79-23-1 of the Mississippi Code Annotated (1972, as amended). In addition, this Contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008 (MATA), codified as Section 31-7-13 of the Mississippi Code Annotated (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, this Contract is required to be posted to the Department of Finance and Administration's independent agency contract website for public access. Prior to posting the contract to the website, any information identified by the Contractor as trade secrets, or other proprietary information including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted.

8.19 Paymode

8.19.1 Payments by state agencies using the Statewide Automated Accounting System (SAAS) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. The State may, at its sole discretion, require the Contractor to submit invoices and supporting documentation electronically at any time during the term of this Agreement. Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

8.20 Indemnification

8.20.1 To the fullest extent allowed by law, the Contractor shall indemnify, defend, save and hold harmless, protect, and exonerate MDHS, its commissioners, board members, officers, employees, agents, and representatives, and the State of Mississippi from and against all claims, demands, liabilities, suits, actions, damages, losses, and costs of every kind and nature whatsoever including, without limitation, court costs, investigative fees and expenses, and attorney's fees, arising out of or caused by the contractor and/or its partners, principals, agents, employees and/or subcontractors in the performance of or failure to perform this agreement. In the State's sole discretion, the contractor may be allowed to control the defense of any such claim, suit, etc. In the event the contractor defends said claim, suit, etc., the

contractor shall use legal counsel acceptable to the State. The contractor shall be solely responsible for all costs and/or expenses associated with such defense, and the State shall be entitled to participate in said defense. The contractor shall not settle any claim, suit, etc. without the State's concurrence, which the State shall not unreasonably withhold.

8.21 Insurance

8.21.1 Contractor represents that it will maintain workers' compensation insurance which shall inure to the benefit of all Contractor's personnel performing services under this Contract, comprehensive general liability insurance, and employee fidelity bond insurance. Contractor will furnish MDHS a certificate of insurance providing the aforesaid coverage, prior to the commencement of performance under this Agreement.

Exhibit A

PROPOSAL EXCEPTION SUMMARY FORM

List and clearly explain any exceptions, for all RFP Sections and Exhibits, in the table below.

RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	MDHS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	
1			
2			
3			
4			
5			
6			
7			

Exhibit B

STATE OF MISSISSIPPI MISSISSIPPI DEPARTMENT OF HUMAN SERVICES CONTRACT FOR PERSONAL OR PROFESSIONAL SERVICES

1.Parties. This Contract is made and entered into by and between the Division of Field Operations, Mississippi Department of Human Services, hereinafter referred to as "MDHS," and _____, hereinafter referred to as "Independent Contractor."

2.Purpose. MDHS hereby engages the Independent Contractor and the Independent Contractor hereby agrees to render certain professional services described in Paragraph 3, "Scope of Services."

3.Scope of Services. The Independent Contractor shall perform and render the following services:

4.Period of Performance. The period of performance of services under this Contract shall begin on _____ and end on _____. MDHS shall have the option to renew this Contract at (X) year intervals for years at the same terms and conditions. These one (X) year options to this contract shall end on _____.

5.Consideration and Method of Payment.

A. As consideration of all services and performances under this Contract, Independent Contractor shall be paid a fee not to exceed (_____). It is expressly understood and agreed that in no event will the total compensation paid hereunder exceed the specified amount of (_____).

B. The Independent Contractor will bill MDHS for its services on a _____ basis. Following the satisfactory completion, as determined by MDHS, of its (daily weekly, bimonthly, monthly, etc.) services, the State requires the Independent Contractor to submit invoices electronically throughout the term of the agreement. Invoices shall be submitted to MDHS using the processes and procedures identified by the State. The appropriate documentation shall be submitted on the last working day of the month, with the final invoice to be submitted within five (5) working days after the contract ending date.

Payments by state agencies using the Statewide Automated Accounting System (SAAS) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Independent Contractor's choice. The

State may, at its sole discretion, require the Independent Contractor to submit invoices and supporting documentation electronically, at any time, during the term of this Agreement. Independent Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

Independent contractor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. MDHS agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," Mississippi Code Annotated 31-7-301, et Seq., which generally provides for payment of undisputed amounts by MDHS within forty-five (45) days of receipt of invoice.

6.Relationship of Parties.

A. It is expressly understood and agreed that MDHS enters into this Contract with Independent Contractor on a purchase of service basis and not on an employer-employee relationship basis. Nothing contained herein shall be deemed or construed by MDHS, the Independent Contractor, or any third party as creating the relationship of principal and agent, partners, joint venturers, or any similar such relationship between MDHS and the Independent Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of MDHS or the Independent Contractor hereunder, creates or shall be deemed to create a relationship other than the independent relationship of MDHS and the Independent Contractor.

B. Independent Contractor represents that it has, or will secure, at its own expense, applicable personnel who shall be qualified to perform the duty required to be performed under this Contract.

C. Any person assigned by Independent Contractor to perform the services hereunder shall be the employee of Independent Contractor, who shall have the sole right to hire and discharge its employee. MDHS may, however, direct Independent Contractor to replace any of its employees under this Contract. If Independent Contractor is notified within the first eight (8) hours of assignment that the person is unsatisfactory, Independent Contractor will not charge MDHS for those hours.

D. It is further understood that the consideration expressed herein constitutes full and complete compensation for all services and performances hereunder, and that any sum due and payable to Independent Contractor shall be paid as a gross sum with no withholdings or deductions being made by MDHS for any purpose from said Contract sum.

E. Independent Contractor shall pay when due all salaries and wages of its employees, and it accepts exclusive responsibility for the payment of Federal Income Tax, State Income Tax, Social Security, Unemployment Compensation and any other withholdings that may be required.

7.Termination for Cause. If, through any cause, Independent Contractor fails to fulfill in a timely and proper manner, as determined by MDHS, its obligations under this Contract, or if Independent Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, MDHS shall thereupon have the right to terminate the Contract by giving written notice to Independent Contractor of such termination and specifying the effective date thereof at least five (5) days before the effective date of such termination. In the event of such termination, Independent Contractor shall be entitled to receive just and equitable compensation for satisfactory work completed on services or documents or materials collected and/or prepared by Independent Contractor in connection with this Contract. Such compensation shall be based upon the fees set forth in Paragraph 5, but, in no case, shall said compensation exceed the total Contract price.

Notwithstanding the above, Independent Contractor shall not be relieved of liability to MDHS for damages sustained by MDHS by virtue of any breach of this Contract by Independent Contractor, and MDHS may withhold any payments to Independent Contractor for the purpose of set off until such time as the exact damages due to MDHS from Independent Contractor are determined.

8.Termination for Convenience of MDHS. MDHS may terminate this Contract at any time by giving written notice to Independent Contractor of such termination and specifying the effective date thereof at least five (5) days before the effective date of such termination. Independent Contractor shall be paid an amount which bears the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of Independent Contractor covered by the Contract, less payments of compensation previously made.

9.Ownership of Documents and Work Products. All data collected by Independent Contractor and all documents, notes, programs, data bases (and all applications thereof), files, reports, studies, and/or other material collected and prepared by Independent Contractor in connection with this Contract shall be the property of MDHS upon completion of this Contract or upon termination of this Contract. MDHS hereby reserves all rights to the data base and all applications thereof and to any and all information and/or materials prepared under this Contract. The Independent Contractor is prohibited from use of the above described information and/or materials without the express written approval of MDHS.

10.Record Retention and Access to Records. Independent Contractor shall maintain, and make available to MDHS, any State agency authorized to audit MDHS, the federal grantor agency, the Comptroller General of the United States or any of their duly authorized representatives, financial records, supporting documents, statistical records, and all other records pertinent to the services performed under this Contract. These records shall be maintained for at least three (3) years; however, if any litigation or other legal action, by or on behalf of the state or federal government has begun that is not completed at the end of the three-year period, or if audit finding, litigation, or other legal action has not been resolved at the end of the three-year period, the records shall be retained until resolution.

11.Modification or Amendment. Modifications, changes, or amendments to this Contract may be made upon mutual agreement of the parties hereto. However, any change, supplement, modification, or amendment of any term, provision, or condition of this Contract must be in writing and signed by both parties hereto.

12.Assignments and Subcontracts. Independent Contractor shall not assign, sublet, or otherwise transfer the obligations incurred on its part pursuant to the terms of this Contract without the prior written consent of MDHS. Any attempted assignment or transfer of its obligation without such consent shall be wholly void.

13.Waiver. Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Contract.

14.Availability of Funds. It is expressly understood and agreed that the obligation of MDHS to proceed under this Contract is conditioned upon the availability of funds, the appropriation of funds by the Mississippi Legislature, and the receipt of state and/or federal funds. If, at any time, the funds anticipated for the fulfillment of this Contract are not forthcoming or are insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided, or if funds are not otherwise available to MDHS for the performance of this Contract, MDHS shall have the right, upon written notice to Independent Contractor, to immediately terminate this Contract without damage, penalty, cost, or expense to MDHS of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

15.Price Adjustment.

A. Price Adjustment Methods. The Contract price may be changed only by written agreement of the parties. The value of any work covered by any claim for increase or decrease in the Contract Price shall be determined by one or more of the following methods:

- (1) Unit prices, if any, previously approved by the parties and specified in this Contract; or
- (2) MDHS may, at any time by written order, make changes in the specifications within the general scope of this Agreement. If any such change causes an increase in the amount due under this Contract or in the time required for performance under this Agreement and if MDHS decides that the change justifies an adjustment to the Contract, an equitable adjustment in the Contract may be made by written modification of this Agreement.

No charge for any extra work or material will be allowed unless the same has been provided for by written amendment to this Contract signed by both parties.

B. Submission of Cost Pricing Data. The Independent Contractor shall provide cost or pricing data for any price adjustments subject to the provisions of Section 3-403 (Cost or Pricing Data) of the Mississippi Personal Service Contract Procurement Regulations.

16.Indemnification. MDHS shall, at no time, be legally responsible for any negligence or wrongdoing by the Independent Contractor and/or its employees, servants, agents, contractors, and/or subcontractors. Independent Contractor agrees to indemnify, defend, save and hold harmless MDHS from and against all claims, demands, liabilities, suits, damages, and costs of every kind and nature whatsoever, including court costs and attorney's fees, arising out of or caused by Independent Contractor and its employees, agents, contractors, and/or subcontractors in the performance of this Contract.

17.Insurance. Independent Contractor represents that it will maintain workers' compensation insurance which shall inure to the benefit of all Independent Contractor's personnel performing services under this Contract, comprehensive general liability insurance and employee fidelity bond insurance. Independent Contractor will furnish MDHS a certificate of insurance providing the aforesaid coverage, prior to the commencement of performance under this Agreement.

18.Applicable Law. The contract shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws provisions, and any litigation with respect thereto shall be brought in the courts of the state. The Independent Contractor shall comply with applicable federal, state and local laws and regulations.

19.Representation Regarding Contingent Fees. The Independent Contractor represents that it has not retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in the Independent Contractor's bid, proposal, or herein.

20.Certification of Independent Price Determination. The bidder certifies that the prices

submitted in response to the solicitation have been arrived at independently and without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to those prices, the intention to submit a bid, or the methods or factors used to calculate the prices bid.

21.Representation Regarding Gratuities. The Independent Contractor represents that neither it nor any officer, employee, agent, subcontractor or other representative of the Independent Contractor has violated, or is violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the Mississippi Personal Service Contract Procurement Regulations.

22.Procurement Regulations. The Contract shall be governed by the applicable provisions of the Personal Service Contract Review Board Regulations, a copy of which is available for inspection at 210 East Capitol Street, Suite 800, Jackson, Mississippi 39201, or downloadable at www.mspb.ms.gov.

23.Severability. If any term or provision of this Contract is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Contract shall not be affected thereby and each term and provision of this Contract shall be valid and enforceable to the fullest extent permitted by law.

24.Stop Work Order.

A. Order to Stop Work. The Division of Field Operations, may, by written order to the Independent Contractor at any time, and without notice to any surety, require the Independent Contractor to stop all or any part of the work called for by this Contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Independent Contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Independent Contractor shall forthwith comply with its terms and take all steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Division of Field Operations shall either:

- (1) cancel the stop work order; or
- (2) terminate the work covered by such order as provided in the "Termination for Cause" clause or the "Termination for Convenience" clause of this Contract.

B. Cancellation or Expiration of the Order. If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Independent Contractor shall have the right to resume work. An appropriate adjustment may be made in the delivery schedule or Independent Contractor's price, or both. If the stop work order results in an increase in the time required for, or in the Independent Contractor's cost properly allocable to, the performance of any part of this Contract and the Independent Contractor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage, an equitable adjustment in the Contract may be made by written modification of this Contract. If MDHS decides that the need justifies the requested adjustment, a modification will be made as provided by Section 11, Modification or Amendment, of this Contract.

C. Termination of Stopped Work. If a stop work order is not canceled and the work covered by such order is terminated for cause or convenience, the Independent Contractor may be paid the agreed upon price for any completed deliverable or service not previously tendered to MDHS, provided that MDHS accepts any such deliverable or service; or Independent Contractor may be paid an amount which bears the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of Independent Contractor covered by the Contract, less payments of compensation previously made.

D. Adjustment of Price. Any adjustment in Contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment clause of this Contract.

25.Disputes. Any dispute concerning a question of fact under this Contract which is not disposed of by agreement shall be decided by the Director of the Division of Field Operations. This decision shall be reduced to writing and a copy thereof mailed or furnished to the Independent Contractor and shall be final and conclusive, unless within thirty (30) days from the date of the decision, Independent Contractor mails or furnishes to the Executive Director of MDHS a written request for review. Pending final decision of the Executive Director of a dispute hereunder, the Independent Contractor shall proceed in accordance with the decision of the Director of the Division of Field Operations.

In a review before the Executive Director or designee, the Independent Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position on the question and decision under review. The decision of the Executive Director on the review shall be final and conclusive unless determined by a court of competent jurisdiction in Hinds County, State of Mississippi, to have been fraudulent, capricious, so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

26.Compliance with Laws. The Independent Contractor understands that the State is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, State, or local laws. All such discrimination is unlawful and the Independent Contractor agrees during

the term of the agreement that the independent Contractor will strictly adhere to this policy in its employment practices and provision of services. The Independent Contractor shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

27. Confidentiality. Independent Contractor shall treat all State data and information to which it has access under this Contract as confidential information to the extent that confidential treatment of same is required under federal and state law and shall not disclose same to a third party without specific written consent of the State. In the event that Independent Contractor receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of confidential or otherwise protected information, Independent Contractor shall promptly inform the State and thereafter respond in conformity with such subpoena as required by applicable state and/or federal law, rules, and regulations. The provision herein shall survive termination of the Contract for any reason and shall continue in full force and effect and shall be binding upon the Independent Contractor and its agents, employees, successors, assigns, subcontractors, or any party claiming an interest in the Contract on behalf of, or under, the rights of the Independent Contractor following any termination.

28.E-Verify. Independent Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Mississippi Code Annotated 71-11-1 and 71-11-3, and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Independent Contractor agrees to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State. Independent Contractor further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Independent Contractor understands and agrees that any breach of these warranties may subject Independent Contractor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license permit, certification or other document granted to Independent Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or both. In the event of such termination/cancellation, Independent Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of "license or permit."

29.Special Terms and Conditions. It is agreed and understood by each party to this Contract that there are no special terms and conditions.

Entire Agreement. It is understood and agreed that this Contract and the documents listed below constitute the entire understanding of the parties with respect to the subject matter contained herein and supersede and replace any and all prior negotiations, understandings and agreements, written or oral, between the parties relating thereto. The entire agreement made by and between the parties hereto shall consist of, and precedence is hereby established by the order of, the following documents incorporated herein:

1. This Contract signed by the parties herein and any Exhibits attached hereto;
2. The Request for Proposals and the Written Clarifications or Answers provided by MDHS, dated (Note. if applicable.)

The documents are complementary, and what is required by one shall be binding as if required by all. A higher document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof; provided, however, that in no event an issue is addressed in one of the above-mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order or priority, that is, the highest document begins with the first listed document ("1. ") and the lowest document is listed last ("3. ").

31.Transparency. This contract, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983", codified as section 2561-1 et seq., Mississippi Code Annotated and exceptions found in Section 79-23-1 of the Mississippi Code Annotated (1972, as amended). In addition, this contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008 (MATA) codified as Section 31-7-13 of the Mississippi Code Annotated (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, this contract is required to be posted to the Department of Finance and Administration's independent agency contract website for public access. Prior to posting the contract to the website, any information identified by the Independent Contractor as trade secrets, or other proprietary information including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted.

32.Notice. Any notice required or permitted to be given under this Contract shall be in writing and sent by United States Certified Mail, Returned Receipt Requested to the party to whom the notice should be given at the address set forth below:

MDHS:

Richard A. Berry, Executive Director
Mississippi Department of
Human Services P.O. Box 352
Jackson, Mississippi 39202

Signature: _____

(Contractor)

Name: _____

Address: _____

Signature: _____

Exhibit C

PROSPECTIVE CONTRACTOR'S REPRESENTATION REGARDING CONTINGENT FEES

_____ represents that it has/ has not (please circle the appropriate answer) retained any person or agency on a percentage, commission, or other contingent arrangement to secure this contract.

Signature of Contract Person for Contractor Title Date

EXHIBIT D

Legal Services Contractual Agreement-Scope of Services

1. Note: All aspects of child support services pertaining to the seventeen (17) counties listed below, including all Contractor personnel, must be operational by the Contractor beginning on January 1, 2015. (See section 5.2 Transition Plan, regarding MDHS facilities)

2. Purpose

2.1 To perform Child Support Enforcement Services for the following counties in the State of Mississippi:

- | | |
|--------------------|---------------|
| 1) Adams | 10) Lawrence |
| 2) Amite | 11) Lincoln |
| 3) Claiborne | 12) Marion |
| 4) Copiah | 13) Pike |
| 5) Covington | 14) Simpson |
| 6) Franklin | 15) Smith |
| 7) Jefferson | 16) Walthall |
| 8) Jefferson Davis | 17) Wilkinson |
| 9) Lamar | |

The Contractor shall be responsible to establish office(s), with MDHS approval, and shall be responsible for performing child support services, including but not limited to:

- 1) Provide and accept applications and referrals (DFO, Medicaid, DFCS) in accordance with federal guidelines, including from non-custodial parents.
- 2) Location (NCP's)
- 3) Timely open and appropriately close all cases in compliance with Federal regulations
- 4) Verification of existing order
- 5) Intake and client interviews
- 6) Verification of address and employment
- 7) Preparation of all paperwork necessary for the case, on the system, at all stages of the case
- 8) Preparation of any paperwork needed which is not on the system
- 9) Seeking agreed orders
- 10) Establishing paternity, current support, medical support, reimbursement judgments
- 11) Working with the current genetic test Contractor to train employees, obtain samples, and track results
- 12) Coordination of any appellate work with the DFO, CSE Office.
- 13) Timely coordination with DFO, CSE Office in response to any complaints received
- 14) Enforcing obligations (including but not limited to child support, spousal support, medical support, reimbursement judgments, etc., regardless of program type)
- 15) Establishing other judgments as required by this Contract

- 16) Scanning all paper documents into the MDHS WORKSITE database according to MDHS policy.
- 17) Seeking modification of child support and medical support obligations
- 18) Respond to calls, letters or other written requests
- 19) Initiating calls to NCPs for employment and payments, to CP for information and to employers to inquire on the status of payments
- 20) Facilitating payments to the SDU (e.g. by mail)
- 21) Safeguarding information
- 22) Full case management (including but not limited to financial account management, arrears calculation, case reviews, etc.)
- 23) Case documentation and narration on METSS
- 24) Updating the automated system with addresses, employers, attorneys, genetic testing, etc.
- 25) Client services
- 26) Operating service points for clients to be met in person and to submit applications
- 27) Communicate with all necessary MDHS staff regarding good cause and noncooperation of CPs
- 28) Cooperate with MDHS staff regarding MDHS's quality assurance/self-assessment of statewide caseloads for compliance with federal regulations, State statutes and MDHS program policy
- 29) Cooperating with other county/regions regarding case transfers according to MDHS policy

2.2 The Contractor shall perform all inherent and related functions not specifically mentioned in this Contract, which are inherent in the requirements described or currently being performed by MDHS personnel.

2.3 All activities must comply with Title IV-D of the Social Security Act, as amended; 45 Code of Federal Regulations; and Mississippi Code Annotated and MDHS program policy. Any amendments to these governing parameters shall be incorporated automatically.

3. Contractor Responsibilities

3.1 Contractor Operating Responsibilities:

3.1.1 The Contractor shall ensure that the program requirements are administered equitably to all clients regardless of whether they currently receive public assistance, have received public assistance in the past, or have never received public assistance. Furthermore, the Contractor shall ensure that child support services are provided with a high degree of effectiveness, ensuring performance measure increases, and a commitment to quality.

3.1.2 The Contractor shall establish all operating facilities within Mississippi, throughout the life of this Contract, for the services provided under this Contract, which shall be physically located so as to provide accessibility by clients from all localities covered. There should be a reasonable distance between service centers, but it is not required that an office be established in every county. The Contractor may centralize functions so long as an outpost site is setup to provide reasonable access to clients. Suitable space shall be acquired to house the offices. Such space shall be located in an area that is accessible to the client and is convenient to public transportation, if available. The space shall comply with the provisions of the Americans with Disabilities Act (P.L.101-336) and all applicable local building codes. The Contractor shall obtain

prior approval from MDHS for location of facilities. The Contractor shall take steps to ensure full security during and after business hours including double barrier for all case files, data and confidential information (per IRS requirements). The Contractor shall be responsible for all costs related to the lease, modification, and operation of the facilities. Signs shall be installed, after MDHS approval, which identify each office as an office for MDHS.

The Contractor provided facilities shall have network connectivity into the MDHS network. Contractor must be in compliance with all MDHS technical and security standards and requirements. All costs associated with network connectivity shall be the sole responsibility of the Contractor.

3.1.3 The Contractor shall provide and maintain all necessary equipment as dictated by MDHS to allow for the most effective and efficient operation of the Contractor's office(s) in conformity with the services to be provided under this Contract. Equipment shall include but is not limited to: PC's, telephones, all hardware necessary to utilize WORKSITE, fax machines and copiers.

3.1.4 The Contractor shall, unless otherwise negotiated with the MDHS, provide services each State business day excluding holidays officially recognized by the State or inclement weather emergencies declared by the Governor or MDHS. State business days are Monday through Friday from 8:00 a.m. to 5:00 p.m. The Contractor's staff shall be available to assist clients continuously throughout the day, from opening until close of business, including the lunch hour. MDHS reserves the option of requiring extended hours of operation of Contractor offices as agreed upon between MDHS and Contractor. If such option is exercised it shall be at no additional cost to the MDHS. MDHS shall approve the operation schedule of the Contractor's offices. Office hours, which will create maximum accessibility to the clients, should be a fundamental part of the Contractor's operation. Any closure of the Contractor's office during a business day must be reported immediately to the MDHS, DFO Director or designee.

3.1.5 The Contractor and its employees shall not conduct any business on the premises of the offices other than the Mississippi child support activities pursuant to this Contract, except upon explicit written approval of MDHS. Unapproved performance of non-MDHS business will be grounds for Contract termination at the discretion of MDHS.

3.1.6 The Contractor shall display all outreach materials as designated by MDHS, including but not limited to: outreach materials for the SDU and applications for child support services at all offices.

3.1.7 To enhance and maximize communication between MDHS and Contractor staff, all Contractor staff shall have and utilize a State issued email address, with web-based access only, for all business conducted as part the services under this Contract.

3.1.8 The Contractor shall be responsible to use, and maintain, the certified statewide computer system, METSS (or any future enhancements). The Contractor's utilization of METSS (or any future enhancements) shall be according to specifications and levels required by MDHS. The Contractor must use METSS (or any future enhancements) for their day-to-day casework. Contractor shall be required to furnish and maintain any automation needs deemed necessary outside that provided by MDHS. The Contractor shall ensure that such equipment or software is compatible with systems in use by MDHS. Contractor-installed software shall not require any change or modification to State-furnished hardware or software. Contractor-installed software

shall not interfere with State network operation.

3.1.9 Automation and software determined by Contractor to be necessary to perform Contractor's obligations under the Contract, outside that provided by MDHS, shall be the sole responsibility of Contractor.

3.1.10 All Contractor's employees shall be required to annually sign and comply with all confidentiality and security agreements required by MDHS and for access to METSS (or future any enhancements) or other allowed programs or systems.

3.1.11 The Contractor shall utilize the MEC system in all courts currently utilizing MEC, as well as any future courts which implement the MEC system. The Contractor shall be responsible for any fees associated with MEC, at no cost to MDHS.

3.1.12 The Contractor shall use any additional electronic database or information system as mandated by MDHS; and Contractor shall be responsible and liable for all associated license costs (if any), appropriate use of those systems and required confidentiality.

3.1.13 All personnel providing services under this Contract shall be located in Mississippi. All employment of staff by the Contractor shall be subject to regular and ongoing review by MDHS for adequate qualifications and performance to ensure that standards are met, which would satisfy requirements of the Contract and allow for continuation of the contractual relationship.

3.1.14 All personnel necessary to carry out the terms, conditions, and obligations of this Contract shall be the responsibility of the Contractor. The Contractor shall hire, fire, train, and supervise such professional, paraprofessional, and support personnel as are necessary to carry out the terms of this Contract. Neither the Contractor nor any of his/her staff shall be considered employees of MDHS.

3.1.15 All Contractor staff shall be pre-screened prior to employment at a minimum for: illegal use of drugs, violent crimes, and negative criminal history involving dishonesty and moral turpitude. All staff shall have appropriate certifications and licenses as needed. The Contractor shall maintain and furnish to MDHS a listing of all legal counsel employed to represent the State in matters related to this Contract. Such listing shall include complete names of such individuals, addresses, direct telephone numbers, and State-issued bar numbers. This information shall be provided to MDHS, with updates to such listing provided within ten (10) business days of employment or reassignments of counsel.

3.1.16 Contractor shall be responsible to keep track of staff turnover by creating and maintaining specific reports that shall be approved by MDHS and providing those reports to the DFO Director or assignee on a quarterly basis.

3.1.17 The Contractor shall provide adequate staffing, as approved by MDHS, for provision of the IV-D services required. Further, the Contractor's staffing shall remain consistent with the staffing narrative approved by MDHS.

3.1.18 Contractor's senior Contract management staff, and on-site Director, will be required to meet in Jackson at the State Office at least quarterly, with designated MDHS management staff. Upon MDHS request, Contractor must participate in State and federal telephone conferences, respond to requests for information or complaints and participate in other activities deemed necessary.

3.1.19 The Contractor shall ensure that appropriate child support administrator(s) and staff attend any meetings sponsored by the county (e.g. Chancellor hosted meetings) or State at which attendance is required. Travel associated with meeting attendance shall be at the Contractor's sole expense.

3.1.20 The Contractor must allow access to its facility and system at any time, with or without prior notice, to State, federal, or other personnel authorized by the IV-D Director for site inspections, audits or other purposes. These authorized personnel shall have unlimited access to all systems, records and areas, and Contractor personnel, for purposes of examination and/or copying records.

3.1.21 If the Contractor seeks references for other contracts or business such references may be sought only from the IV-D Director.

3.1.22 Where MDHS dictates the use of hardware or software, or the Contractor proposes the use of hardware or software, the Contractor shall be responsible for any fees associated with such hardware or software, at no cost to MDHS. This includes any ongoing training for the Contractor employees associated with such hardware or software.

4. General Purpose and Responsibilities:

The Contractor shall operate a child support program which complies with the standards set forth in:

This Contract

Title IV-D of the Social Security Act, as amended

Title 45, Code of Federal Regulations

Mississippi State law and regulations

MDHS program Policies, Procedures and Directives

4.1 All State audits and reviews will be conducted under the standards set forth in the documents listed above. Failure to comply with the standards in these documents may result in Contract termination. Contractor shall, on its own initiative and at its own cost, keep fully informed about all federal and State laws, all regulations and all orders and decrees from bodies or tribunals having any jurisdiction or authority that in any way affects those engaged or employed in child support services, or in any way affects the conduct of child support services.

4.2 Upon the effective date of this Contract, Contractor shall accept all cases located in the seventeen (17) counties associated with this Contract.

4.3 The Contractor and Contractor attorneys shall legally represent the State of Mississippi Executive Director of MDHS as their client and shall zealously represent the interests of the Executive Director of MDHS in judicial or other MDHS designated hearings, including appeals, in a manner consistent with the provisions of the Mississippi Rules of Professional Conduct. In this regard, the Contractor agrees to bring all court actions in the name of the State of Mississippi or as provided by MDHS program policy and State statute.

4.4 The Contractor shall consult with MDHS concerning potential settlements outside the parameters defined by MDHS and affecting the rights of the State. MDHS may approve or disapprove all compromise settlements of cases with arrears.

4.5 The Contractor shall notify, within two (2) working days, and consult with MDHS concerning all adverse judicial or any other type, rulings in order to determine appropriate remedies to be sought, including appeal by the Contractor or MDHS. The Contractor shall be liable for any costs or fees assessed against MDHS, which result from any failure to provide such notice.

4.6 The Contractor shall notify MDHS immediately of any proposed or enacted local court rules, which adversely affect or are contrary to IV-D MDHS program policy or interests, federal or State statutes or regulations. The Contractor shall cooperate with MDHS to eliminate, modify or correct the local rule. Although otherwise authorized to do so, no Contractor shall implement any rule that will be contrary in purpose or effect to MDHS policies and requirements as determined by MDHS.

4.7 The Contractor shall notify the DFO Director or designee within twenty-four (24) hours of being served as a defendant in any lawsuit.

4.8 The Contractor shall notify within two (2) working days and consult with MDHS concerning any request for fair hearing, including but not limited to credit bureau reporting and license suspension, and handle such fair hearing. The Contractor and MDHS shall provide any and all documentation and information requested by the other within five (5) working days or sooner, based on the need.

The Contractor shall ensure that the following services are available and performed by the Contractor within the required time frames for all cases:

4.9 Case Initiation:

4.9.1 Activities associated with initial child support case opening activities, including providing and accepting applications for service, establishment of necessary case information in METSS, and verification of information. In all cases, the Contractor shall conduct an intake interview, by telephone at a minimum, with the applicant and determine whether the applicant has cooperated with the child support program sufficiently to work a child support case. If the applicant is receiving public assistance, the Contractor shall correspond as needed with the proper MDHS staff, as designated by MDHS, regarding good cause and failures to cooperate.

4.9.2 The intake process begins with a request and receipt of a manual application or an automated referral for the purpose of establishing an official case. Applications must be provided in accordance with federal regulation. The Contractor shall accept applications for child support services to initiate and open cases. The Contractor shall provide application forms in the manner prescribed by MDHS to any individual who desires Title IV-D services, including custodial parents, caretakers, and noncustodial parents. Such applications must be reviewed to determine eligibility and processed as appropriate. The Contractor shall direct case to next activity needed. Contractor shall accept case referrals from MDHS and from other in-State jurisdictions.

4.10 Case Assessment:

4.10.1 A case is considered officially opened/reopened on the date a referral or a properly

completed application and required fee is received. Within three (3) working days of receipt of the referral or application, the Contractor shall establish a case record. Within twenty (20) calendar days of the date the case opens, the Contractor shall conduct an assessment of the case and determine the action that is necessary. The Contractor shall record the date of receipt of the application and the source of the referral as either automated or manual.

4.10.2 Necessary action as determined by the case assessment shall include, but is not limited to: obtaining court orders; obtaining arrears affidavits; locating the NCP; locating employment for the NCP; soliciting information necessary to take case action; requesting additional information if location or other information is inadequate; changing the payee of court ordered obligations if necessary; documenting the automated system and case record, preparing an arrears calculation, setting up the debt on the system and initiating case action; setting appropriate alerts on METSS (or any future enhancements) to monitor case progress; preparing and filing the appropriate Notice of Assignment.

4.10.3 The Contractor shall comply with all system requirements necessary to open a case and shall direct the case to the next activity needed throughout the existence of the open case.

4.11 Locate:

Verification of residence and/or employer addresses where the custodial and noncustodial parent may be served or where mail can be sent if different. Contractor shall utilize local, state and federal locate resources to meet direct case-to-next-activity timeframes. **(Note: MDHS has a limited number of employees with locate access throughout the State. MDHS will not provide the Contractor with any locate software license. The Contractor must obtain the necessary locate license(s) to perform the services required under this Contract and will be responsible for any costs or fees associated with obtaining such license(s))** Address, employer, and telephone information should always be updated on both parties. Location efforts include assisting IV-D programs in other jurisdictions in locating custodial and noncustodial parents.

4.12 Establishing Paternity, Child Support, Medical Support Obligations and Judgments for Reimbursement:

4.12.1 The Contractor shall use appropriate legal remedies to secure court orders of paternity, child support, medical support and judgments of reimbursement. The Contractor shall work with the courts to maximize the number of cases with support orders established. The Contractor must submit how they will implement best practices of the industry in order to achieve the best results possible.

4.12.2 The Contractor shall be responsible for all service of process requirements. All efforts should be made to use the County Sheriff and certified mail, return receipt requested, for service prior to using special process servers. MDHS will continue to pay service of process costs. All service of process invoices shall be received by the Contractor, updated in METSS (or any future enhancements) according to MDHS policy and forwarded to the MDHS Central office for final disposition. Special service of process costs shall be capped at sixty-dollars

(\$60.00) per successful service of process.

4.12.3 In any paternity action contested by the alleged father, Contractor shall request genetic testing and arrange such testing with MDHS's genetic testing contractor. Contractor will not be responsible for genetic testing costs, as MDHS maintains a contract for these services. Contractor shall utilize the staff witnessed "self-swab" genetic testing procedure. Contractor shall maintain an adequate number of staff certified at each office to administer the "self-swab" genetic test. Throughout the life of the Contract, Contractor shall coordinate all necessary staff training and certification with MDHS's genetic testing contractor. **(Note: the initial genetic testing training requirement and coordination thereof must be included in the Contractor's Transition Plan)**

4.12.4 Genetic testing should not be performed, unless compelled by the courts, when paternity has previously been established through any of the following: a prior paternity adjudication, the child was born of marriage, or a voluntary acknowledgement of the child on the birth certificate by the NCP and the time period for rescission has expired pursuant to MS. Code Ann. §§§41-57-23, 93-9-9 and 93-9-28. **(Note: all birth certificate requests from the Department of Health shall continue to be paid by MDHS)**

4.12.5 If MDHS has paid the initial costs of genetic testing and the alleged father is determined to be the legal father, the Contractor shall petition the court to reassess the costs of the genetic testing against the defendant father. Genetic testing should be encouraged in any case where there is not a legally presumed father.

4.12.6 In attempts to establish a legal obligation of support, Contractor shall petition for monthly child support pursuant to MDHS policy and State child support guidelines. Petitions shall also include a request for immediate use of income withholding on all new support orders. When appropriate, Contractor shall also petition for judgments on behalf of the State of Mississippi to reimburse for cash assistance, foster care, and medical benefits paid on behalf of the child. The Contractor shall follow MDHS policy and State statutes in calculating all current support and other judgment actions.

4.12.7 All child support orders established shall be prospective and when appropriate include support for a retroactive period if necessary, up to one (1) year from the commencement of the action.

4.12.8 Contractor shall seek medical support, including health insurance or cash medical support, in every support petition. When the NCP does not have health insurance available at a reasonable cost, as defined by MDHS policy, Contractor should seek a cash medical support order. Currently, medical support is not a federal incentive measure so child support should be considered a higher priority. If medical support later becomes a federal incentive measure then it would be considered a priority as well. Contractor shall gather health insurance information regarding the custodial and noncustodial parent's health insurance policy, provide such information as appropriate to the opposite party, enforce orders for medical support, and request insurance providers notify the Contractor if the coverage is dropped.

4.12.9 Petitions shall also include a request for the immediate use of income withholding on all new and modified support (delinquency and arrears cases) orders and routing of all payments through the SDU.

4.12.10 All establishment cases (e.g. with no paternity or support orders) shall be reviewed annually by the Contractor, at a minimum.

4.12.11 The Contractor shall monitor cases with alerts in METSS (or any future enhancements) sufficient to identify delinquencies and ensure the timely establishment of orders.

4.12.12 The Contractor shall provide information to the custodial parent on signing up for a debit card or direct deposit with MDHS and provide information to the noncustodial parent about making payments via mail or online with the SDU. Throughout the life of this Contract, the Contractor shall maintain a professional working relationship with the SDU.

4.12.13 The Contractor shall enter all court orders into METSS (or any future enhancements) and obligate the debt within two (2) days of the order being received from the court and meet all other timeframes.

4.13 Enforcement:

4.13.1 Contractor shall use all appropriate legal remedies to enforce all orders of support, including spousal support when it is contained in the same order with child support and the child continues to reside with the parent due the spousal support.

4.13.2 The Contractor shall monitor cases with alerts in METSS (or any future enhancements) sufficient to identify delinquencies and ensure the timely use of appropriate legal remedies to enforce and collect all orders and judgments. Enforcement includes interest and medical support, whether the order specifies a specific dollar amount to be paid for medical support or provides for health insurance, HMO or PPO coverage for the child.

4.13.3 Enforcement remedies to be utilized shall include, but not be limited to:

1) Income withholding, (including Direct Income Withholding in interstate cases pursuant to UIFSA and withholding from unemployment insurance benefits).

- 2) Continuing locate activities for the noncustodial parent
- 3) Calling noncustodial parents to request payment and employers to check the status of income withholding
- 4) Medical enforcement; including utilization of National Medical Support Notices
- 5) Involuntary military allotment
- 6) Examination of judgment debtor (and/or non-judicial discover, demands for payment)
- 7) Encouraging enrollment in employment programs or other referrals to other relevant programs
- 8) Contempt proceedings (including license suspension or revocation)

- 9) Attachment of assets
- 10) Garnishment of accounts
- 11) Liens (against real and personal property)
- 12) Bonds
- 13) Execution on judgments
- 14) IRS full collection service (only after receiving MDHS approval)
- 15) Federal court system (Criminal Non-Support referrals and location)
- 16) Administrative remedies including but not limited to: Federal and State Tax offset, recreational license sanctions, restriction of driver's licenses, and passport denials.

4.14 The Contractor shall perform other legal duties to include:

4.14.1 Ensure all judgments are protected from dormancy and are revived immediately if necessary.

4.14.2 Defend referred obligations against attacks upon validity of the order and notify MDHS of any such challenges.

4.14.3 Represent MDHS in estate or probate proceedings.

4.14.4 Defend obligations in any other proceeding brought by an adverse party including, but not limited to, motions or petitions to modify, set aside, abate or terminate the obligation.

4.14.5 MDHS handles all FIDM, Workers Compensation, and personal injury actions centrally. Any information received by the Contractor shall be forwarded to the MDHS central office, per MDHS instructions. Contractor shall represent MDHS in any Chancery court proceedings resulting from the above actions.

4.14.6 MDHS handles all bankruptcy actions centrally. Contractor will not be responsible for representing MDHS in bankruptcy proceedings however any information received by the Contractor regarding bankruptcy actions shall be forwarded to the MDHS central office, per MDHS instructions.

4.15 Enforcement action is to be taken within the following time frames:

4.15.1 In cases which meet income withholding criteria, implement income withholding as authorized by Miss. Code Ann. §§93-11-101 through 93- 11-119, in accordance with MDHS Policy, but no later than time frames set forth in 45 CFR 303.100.

4.15.2 If an income withholding order already exists in a case, the Contractor must serve it on a new employer within two (2) working days of location or notification of the employment.

4.15.3 When issuance of an income withholding notice to withhold is not possible due to lack of information regarding employment, enforcement action must be taken, unless service of process is necessary, within no more than ten (10) calendar days of identifying the delinquency or other support-related noncompliance with the order or upon notice of the location of the NCP, whichever occurs later.

4.15.4 When service of process is necessary, service must be completed (or unsuccessful attempts to serve process must be documented) and enforcement action taken if process is served within sixty (60) calendar days of identifying the delinquency or other support-related noncompliance with the order. Unsuccessful service of process must be documented. Service of process must be done in a manner consistent with State policy for diligence. Any service fees incurred on enforcement cases (not registrations or establishment) will be paid by the Contractor according to the requirements set out in section 5.4.12.2.

4.15.5 The Contractor must fully comply with the enforcement timeframes established by the Code of Federal Regulations, including but not limited to 45 CFR 303.6(c)(2); or as amended during this Contract and as interpreted by MDHS.

4.15.6 The Contractor shall continue collection efforts (including protection from dormancy) of cases with arrears, including judgment interest, until the arrearage is satisfied or the case is closed.

4.15.7 Financial issues with the debt amount contained METSS (or any future enhancements) must be fixed quickly if the balance is incorrect.

4.15.8 All enforcement cases should be reviewed every three (3) years by the Contractor, at a minimum.

4.16 Review and Modification of orders:

4.16.1 A review shall be conducted in accordance with federal and program policy. Upon a determination that a modification is warranted according to MDHS program policy, the Contractor shall take appropriate action to obtain the modification or provide explanation of why such action is not appropriate within (10) working days. The Contractor shall comply with the State child support guidelines, MDHS program policy and 45 CFR Section 303.8 in performing this responsibility. When taking action to modify, the Contractor shall:

4.16.1.1 For every child without a medical support order (with coverage by private health insurance or public health coverage such as Medicaid, CHIP or other State coverage plans or a cash medical support order), the Contractor shall pursue a legal obligation for medical support of the child in the form of private health insurance, public health coverage or cash medical support in every case. Any private health insurance coverage must be available and affordable through the custodial parent or noncustodial parent's employment or union. Uncovered medical, etc. must be covered as per State child support guidelines.

4.16.1.2 Comply with the Miss. Code Ann. §93-11-101 et seq. and program regulations to obtain an immediate income withholding order on all orders for support.

4.16.1.3 Ensure that the modification order sets the modified child support amount as a prospective order to include when necessary an arrearage judgment and/or a modification for a retroactive period.

4.17 Interstate Action:

4.17.1 Federal regulations require State IV-D agencies to provide a full range of establishment and enforcement services on cases referred by or to other states or Tribes. The Contractor shall take interstate action according to MDHS Policy and State mandated time frames. The Contractor shall work cooperatively with MDHS, any Tribes and all other states. CSENet shall be used by the Contractor for interstate actions according to MDHS policy.

4.17.1.1 Mississippi as the responding jurisdiction:

- 1) The Contractor shall give the same priority to interstate actions that it would give to an in-State action. The Contractor shall comply with applicable federal regulations.
- 2) If the Contractor receives a IV-D referral directly from another jurisdiction it shall be forwarded within two (2) working days to the MDHS Interstate Central Registry for processing. Prior to working any incoming IV-D interstate case the Contractor must receive a referral from the MDHS Interstate Central Registry.
- 3) The Contractor shall take any action necessary to establish and/or enforce requested orders on Incoming Interstate cases as requested by the Initiating State or Tribe and allowed by federal and State law.

4.17.1.2 Mississippi as the Initiating Jurisdiction:

1) The Contractor shall ensure that all necessary steps are taken and accurate information provided to other jurisdiction(s) to establish orders for paternity, support and reimbursements and to enforce judgments (entered by Mississippi courts or another tribunal) pursuant to UIFSA. The Contractor must use federally mandated forms, and adhere to the time frames set forth in 45 CFR Section 303.7, as amended, and MDHS program policy.

2) The Contractor shall take any and all action necessary to initiate an Interstate case based on the facts of each case.

4.18 Case Documentation:

4.18.1 In addition to the requirements stated in the Contract, the Contractor shall abide by all current MDHS policy and procedure in regards to physical storage (time length etc.) of case records, scanning documents into WORKSITE (MDHS's electronic case storage system) and any other policy or procedure as dictated by MDHS. This requirement is essential to maintain a seamless child support program across the State.

4.18.2 Federal regulations contain detailed performance requirements and time frames; therefore it is mandatory for the Contractor to establish and/or maintain a case file of necessary documentation to ensure compliance. The Contractor must solely use METSS (or any future

enhancements) for all IV-D casework and shall ensure that each case record and the computer system reflect all actions taken and all documentation relating to the case. The IV-D case file and all associated documentation, information, and work product are property of MDHS. All narration and entries must be appropriate. At a minimum the case record and any supplementing paper file must contain the following:

- 1) The case document(s), including: application for services, birth certificates, marriage licenses, paternity acknowledgements, arrears calculations, and court orders;
- 2) A record of any contacts and copies of correspondence with the custodian(s) of the child (or their counsel), the date and reason, and the results of the contact;
 - 3) A record of any contacts and copies of correspondence with the no custodial parent (or their counsel), or financially responsible party, the date and reason, and results of such contact;
 - 4) A record of any use of local and state locate resources, the dates, and results;
 - 5) Any attorney of record for either party, if there is one,
 - 6) Documentation of all employment verifications and address verifications;
 - 7) Any case review, party contact, complaint handling, court hearing, modification review or other steps on the case shall be narrated fully and appropriately;
 - 8) Genetic tests results;
 - 9) Documentation on request for retroactive support from the custodial parent in paternity actions;
 - 10) Copies of the Petition(s), all returns of service, all motions filed, notices of hearings, and Income Withholding Orders;
 - 11) A record identifying the support order and the calculation of the amount of the obligation utilizing the Mississippi Child Support Guidelines, and including terms of medical insurance and percentage coverage of non-covered medical expenses. The modification review screens and child support worksheet details must be completed in METSS (or any future enhancements).

4.18.3 A record of any enforcement, and other support actions, the dates and the results

4.18.4 A record of communication to and from the state or local social services agency administering the IV-A, IV-B and IV-E programs;

4.18.5 A record of communication to and from IV-D Agencies, MDHS, and Federal Parent Locate Service (FPLS);

4.18.6 A notation in the case record of the closing of the case, the date thereof and the reason for such action;

4.18.7 Any other documentation requirement imposed by MDHS.

4.18.8 The Contractor must enter and/or update data in METSS (or any future enhancements) within two (2) working days. Contractor shall maintain the data integrity of METSS (or any future enhancements), by ensuring all data entered on the system is reliable and accurate. Data documentation shall include:

- 1) Each step of case actions;
- 2) Result of actions;
- 3) Person taking the action.

4.18.9 Failure to provide comprehensive and accurate documentation could result in a finding of Contract non-compliance.

4.18.10 The Contractor must use METSS (or any future enhancements). In doing so, the Contractor must follow procedures and operating instructions as directed by MDHS. Any paperwork generated that does not come from METSS (or any future enhancements) must be approved by MDHS prior to use.

4.18.11 All correspondence, forms, documents, notices and any other material pertinent to clients, as well as material pertinent to the administration of this Contract, shall be stamped with date of receipt by the Contractor and filed or scanned into the case file (WORKSITE) within twenty-four (24) hours.

4.18.12 All closed case files must be retained per federal and State laws and regulations.

4.18.13 Additional requirements regarding documentation can be found in the MDHS policy and procedural manuals and Contractor shall follow all such requirements. Copies of all pertinent policies and procedures will be provided to the Contractor after Contract execution.

4.19 Complaint Handling:

4.19.1 Contractor shall ensure complaint procedures are conspicuously posted for client reference. A customer service survey will be provided by MDHS to the Contractor after Contract execution for display in all Contractor offices. Contractor shall work diligently to resolve client complaints on the local level. Contractor shall ensure complaint handling is expedient, addresses each part of a complaint, provides factual information for the complainant, and is addressed in a manner understood by complainant. Contractor shall provide a monthly detailed report of all complaints received to the MDHS central office, including those directly from a client and any Call Center referrals. All customer service surveys shall be forwarded to MDHS along with the detailed monthly report. The detailed report must consist of the clients name, contact information, complaint/issue of concern, and the outcome/resolution. Ongoing complaints could be basis for a corrective action plan.

4.19.2 Information requests will be sent to the Contractor by MDHS for complaints received in the MDHS Central Office. These information requests must be worked immediately and

response provided within twenty-four (24) hours. Any necessary follow-up action must be taken within forty-eight (48) hours.

4.20 Client Service:

4.20.1 Contractor shall provide excellent client service within all normal business hours and answer questions including, but not limited to: the child support program and the collection and distribution of support payments. Contractor shall only communicate with the parties to child support cases regarding specific case information unless the parties provide a written statement to communicate with someone else. Contractor shall be responsive to MDHS and client's questions and needs in a timely and friendly manner. All inquiries not directly related to the child support program shall be referred to the appropriate agency or field office.

4.20.2 Throughout the life of this Contract, Contractor shall maintain a professional working relationship with the MDHS Child Support Call Center (hereinafter Call Center). In coordination with the Call Center, Contractor shall be responsible for client service with sufficient telephone lines and personnel to ensure client calls are responded to and problems resolved in a timely manner and ensure MDHS standards are met. Contractor shall forward appropriate calls to the Call Center. The Contractor's staff shall respond to requests for call back forwarded from the Call Center; and staff attorneys shall accept client, attorney, judicial or MDHS calls personally throughout the entire business day, electronic or voice mail messaging shall be used only after normal business hours. The Contractor's staff shall respond to emails from the Call Center and update case information in METSS (or any future enhancements) to enable Call Center staff to answer client inquiries. The Call Center currently gives the client a three (3) day call back expectation from case management or attorney staff.

4.20.3 The Contractor shall handle all contacts with all internal and external clients (all persons) with the highest degree of professionalism and respect. MDHS contact regarding day-to-day case activity will be directly with Contractor staff that are performing the Contract functions.

4.20.4 The Contractor shall narrate all case related client contacts, including but not limited to request for applications, change in case status, and complaints in METSS (or any future enhancements) that same day. Such information shall be dealt with in a timely fashion not to exceed forty-eight (48) hours.

4.20.5 The Contractor shall notify interested parties within two (2) working days of actions filed by the Contractor to establish or modify the support obligation.

4.20.6 MDHS maintains a centralized interpreter unit which handles all necessary language interpretation services as well as deaf, blind or otherwise disabled clients. When assisting a client with a language barrier, including deaf, blind or otherwise disabled client, the case management staff shall call the interpreter unit located at the MDHS Central Office in Jackson, MS and set an appointment for the client with the interpreter unit.

4.20.7 The Contractor shall maintain sufficient Notaries Public on site to adequately cover the office at no expense to MDHS. This service will be provided to all clients without charge.

4.20.8 The Contractor shall be responsible for resolving client complaints in accordance with MDHS policy and procedure.

4.20.9 The Contractor shall respond within twenty-four (24) hours to MDHS on any requests for case status or information. Such response shall contain sufficient information regarding the status of the case to permit MDHS to reply to an inquiring party in an effective manner. Form and manner of responses shall be determined by MDHS and may change, as necessary. To aid MDHS in responding to complaints, the Contractor shall ensure that all case related information is accurately and promptly narrated and loaded onto the Mississippi child support computer system, METSS (or any future enhancements).

4.20.10 The Contractor shall only close cases in accordance with 45 C.F.R. 303.11 and MDHS policy and procedures.

4.20.11 The Contractor shall maintain case files in a manner accessible to MDHS staff and State and federal auditors for review on demand.

4.20.12 The Contractor shall establish and maintain professional working relationships with the judiciary, Court Clerks, central and local MDHS offices, Court Trustees and County Attorneys. Contractor shall follow MDHS policy and procedure when referring cases to the District Attorney's Office. Contractor shall work closely with MDHS and the DFO Division Director or assignee regarding the requirements in this paragraph.

4.20.13 Upon discovery, the Contractor shall refer any cases of suspected fraud related to child support or receipt of public assistance to the DFO Division Director or assignee. Likewise, all cases of suspected child abuse shall be reported to the Family and Children Services Division of MDHS. Reporting shall be in accordance with the Child Support Enforcement Program Manual.

4.20.14 The Contractor shall petition the court for fees and costs associated with the action to be assessed against the obligor and shall enforce any order obtained pursuant to such petition. Contractor shall set up fee payment requests and approvals in METSS (or any future enhancements) for all court costs and service of process fees. After the fee payment requests and approvals have been completed the court costs and service of process bills shall be submitted to MDHS central office for payment.

4.20.15 The Contractor shall collect and remit to MDHS any federal, State or local fees required to be charged under law, rule, regulation or policy.

4.20.16 The Contractor shall ensure that all support payments are directed to the SDU. This function may include filing motions to redirect payments. Payments sent directly to a party after establishment of a support order are considered gifts and can only be added to the system at the start of a new case, by court order, or by approval of MDHS with appropriate documentation.

4.21 Compliance:

4.21.1 The Contractor shall comply with the request for and with the terms of any approved

corrective action plan. Contractor shall be subject to liquidated damages as discussed in section 4.26 for failure to comply.

4.21.2 MDHS retains authority for interpreting performance under the terms of this Contract.

4.21.3 The Contractor shall cooperate fully with any data collection and evaluation activities carried out by MDHS in connection with the services performed under this Contract.

4.21.4 The Contractor shall conduct quality assurance/self-assessment of their own cases quarterly and provide quarterly reports to MDHS. MDHS will provide the minimum criteria to be reviewed and assure compliance with federal, State and MDHS standards.

4.22 Contractor Performance Measures:

The Contract awarded will be a performance based contract. Performance measures shall be measured separately for each county. MDHS shall provide the reports for each county on a monthly basis for all measures, excluding the Court Satisfaction Survey and Federal Data Reliability Audit which will be reported on an annual basis. Monthly reports will be for management purposes only. Contractor's performance shall be reviewed against the performance standards in October of every year. Further, the Contractor shall follow all State directives regarding working of reports, lists, and/or participation in special projects as directed by MDHS intended to increase performance levels associated with Contractor performance. The performance measures are as follows:

4.22.1 Paternity Establishment Percentage (PEP): This performance standard shall be measured by the total number of children in open Title IV-D cases with paternity establishment or acknowledgment divided by the total number of children in open Title IV-D cases who were born out of wedlock.

4.22.2 Title IV-D Cases with Child Support Orders Established: This performance standard shall be measured by the total number of open Title IV-D cases with child support orders established in the county at the end of month divided by the total number of open Title IV-D cases in the designated counties at the end of the month.

4.22.3 Current Child Support Distributed: This performance standard shall be measured by the total amount of current child support distributed on Title IV-D cases in the county during the month divided by the total amount of current child support due on Title IV-D cases in the designated counties during the month.

4.22.4 Cases Paying Toward Arrearages: This performance standard shall be measured by the total number of open Title IV-D cases in which past due child support was collected in the county during the month divided by the total number of open Title IV-D cases with child support arrearages due in the designated counties during the month.

4.22.5 Court Satisfaction Survey: This performance standard shall be measured by periodically surveying the Chancery Judges, Special Family Masters and County Judges (where relevant) in the counties covered by this Contract to determine compliance with all State and local court

rules, procedures and orders. The Clerks of Court in each county will also be surveyed periodically to determine compliance with State and local court filing/processing rules and procedures.

4.22.6 Federal Reliability Audit: This performance standard recognizes the importance of maintaining reliable data for the cases in the designated counties covered by this contract. (See CFR 45 305, et. seq.)

4.23 Contractor Performance Standards:

MDHS establishes the following long-term standard for performance in each area. MDHS recognizes that each county starts at a different place and that performance improvements will require effort.

4.23.1 Paternity Establishment Percentage (PEP): The Contractor shall propose the target they commit to achieve by October of each year of the contract. (See Table 1 below)

4.23.2 Title IV-D Cases with Child Support Orders Established: The Contractor shall propose the target they commit to achieve by October of each year of the contract. (See Table 1 below)

4.23.3 Current Child Support Distributed: The Contractor shall propose the target they commit to achieve by October of each year of the contract. (See Table 1 below)

4.23.4 Cases Paying Toward Arrearages: The Contractor shall propose the target they commit to achieve by October of each year of the contract. (See Table 1 below)

4.23.5 Court Satisfaction Survey: This performance standard recognizes the importance of understanding local court procedures. This performance measure is an indication of how well the Contractor works with the local courts to be effective. The survey will be conducted once a year in the 11th month of the contract year. MDHS shall design the survey during the Transition Period of this Contract. The survey will be between five (5) and fifteen (15) questions and will be scored on a one (1) – five (5) scale. One (1) being the lowest score and five (5) being the highest score. The score of each question will be averaged by respondent. The Contractor must receive at least a score of three (3) or higher from eighty percent (80%) of the survey respondents to meet the requirement.

4.23.6 Federal Data Reliability Audit: Throughout the life of the Contract, the Contractor shall comply with 45 CFR 305, et seq. All Contractor cases that are chosen to participate in the audit cited in 45 CFR 305, et seq. shall meet one-hundred percent (100%) of the performance standards contained therein.

4.23.7 The baseline performance for this Contract is below: Table 1 –

Baseline Performance as of August 2014

County	PEP	Cases With Orders	Child Support Distributed	Cases Paying Towards Arrearages
Adams	91.00%	69.20%	47.70%	44.00%
Amite	90.50%	73.90%	52.20%	52.30%
Claiborne	91.80%	86.40%	48.10%	49.40%
Copiah	88.20%	74.00%	51.10%	53.40%
Covington	93.50%	83.00%	57.60%	58.90%
Franklin	97.00%	87.20%	59.70%	66.30%
Jefferson	92.60%	83.40%	53.60%	57.60%
Jeff. Davis	92.40%	83.60%	56.90%	56.60%
Lamar	95.90%	76.40%	55.20%	59.10%
Lawrence	97.20%	81.90%	59.70%	62.80%
Lincoln	93.30%	80.50%	58.60%	59.70%
Marion	93.50%	79.70%	54.80%	51.60%
Pike	91.30%	82.70%	50.80%	55.10%
Simpson	93.60%	83.60%	53.30%	55.80%
Smith	90.60%	81.80%	56.30%	56.00%
Walthall	92.50%	75.10%	50.90%	53.60%
Wilkinson	89.90%	71.80%	46.40%	48.20%
Weighted Avg.	92.23%	78.67%	52.89%	54.15%

4.23.7.1 The Contractor shall submit a table similar to Table 1 above indicating where the Contractor's performance levels will be at the end of each Federal Fiscal Year beginning October 1, 2015.

4.24 Liquidated Damages

NOTE: Liquidated Damages will be suspended for the first five (9) months immediately following Contract execution and will be instituted at the beginning of the Federal Fiscal Year on October 1, 2015, with the exception of section 4.26 Corrective Action.

4.24.1 Failure to perform:

4.24.1.1 Contractor may be assessed liquidated damages for failure to maintain the set weighted average of county performance (See section 4.23). The annual performance targets will be assessed for the review period based on a steady improvement, from the beginning of the federal fiscal year to the end of the federal fiscal year.

4.24.1.2 The total amount of liquidated damages assessed by MDHS against the Contractor for the Performance Standards contained in section 4.23 will be capped at ten percent (10%) of the fees invoiced each month.

4.24.1.3 The sum of individual liquidated damages (See Table 2 – Weighted Average of

Performance below) shall equal two-hundred percent (200%) of the total fees at risk paid to Contractor for the review period which fails to comply with performance standards submitted by the Contractor (See section 4.23). The evaluation will be in October, and the invoice for the October services shall include any liquidated damages amount. For example, assume the Contractor's invoice is fifty-thousand dollars (\$50,000) for a given month. Assume the Contractor meets all performance measure except PEP. The liquidated damages are two-thousand dollars (\$2000.00) for failure to achieve PEP in that month. $\$50,000 \times 10\% = \5000 ; $\$5000 \times 40\% = \2000.00 .

Table 2 – Weighted Average of Performance

	PEP	Cases With Orders	Child Support Distributed	Cases Paying Towards Arrearages	Survey	Federal Audit
Weighted Avg of Performance (all counties)	40%	40%	45%	45%	20%	10%

4.24.1.4 The starting point for the Contract is shown below in Table 3 – County Caseload and Corresponding Weighted Average. Table 3 shows the August 2014 caseload for each county and the corresponding relative weight of each county in the calculation of the average performance.

Table 3 – County Caseload and Corresponding Weighted Average

County	Caseload as of August 2014	County Caseload as a % of Total Caseload
Adams	5,674	12.8%
Amite	1,517	3.4%
Claiborne	2,088	4.7%
Copiah	4,017	9.1%
Covington	1,949	4.4%
Franklin	879	2.0%
Jefferson	1,564	3.5%
Jeff. Davis	1,683	3.8%
Lamar	3,329	7.5%
Lawrence	1,156	2.6%
Lincoln	3,984	9.0%
Marion	2,969	6.7%
Pike	5,769	13.0%
Simpson	2,903	6.6%
Smith	1,431	3.2%
Walthall	1,846	4.2%
Wilkinson	1,485	3.4%
Total	44,243	100%

NOTE: The weighted average will be recalculated annually by MDHS, at the end of the Federal Fiscal Year, based on the then current caseload in each county. The result of this updated calculation will determine the weights associated with each county's performance measures.

4.24.1.5 Table 4 below illustrates the calculation of a given performance standard. For example, assume commitment to ninety-five percent (95%) performance for PEP for Contract year one (1). For purposes of this illustration only, assume the county by county performance is as shown in the Table 4 below. The county performance is weighted by the caseload for that county as of the start date of the Contract. The weighted average of the target performance compared to the weighted average of the actual performance is the basis for determining whether liquidated damages will be assessed.

Table 4 – Illustration of Calculation of Weighted Average Performance across Counties

County	PEP Target Performance	PEP Actual Performance	Variance
Adams	95.00%	91.00%	N/A
Amite	95.00%	90.50%	N/A
Claiborne	95.00%	91.80%	N/A
Copiah	95.00%	88.20%	N/A
Covington	95.00%	93.50%	N/A
Franklin	95.00%	97.00%	N/A
Jefferson	95.00%	92.60%	N/A
Jeff. Davis	95.00%	92.40%	N/A
Lamar	95.00%	95.90%	N/A
Lawrence	95.00%	97.20%	N/A
Lincoln	95.00%	93.30%	N/A
Marion	95.00%	93.50%	N/A
Pike	95.00%	91.30%	N/A
Simpson	95.00%	93.60%	N/A
Smith	95.00%	90.60%	N/A
Walthall	95.00%	92.50%	N/A
Wilkinson	95.00%	89.90%	N/A
Total	95.00%	92.33%	2.67%

In the event the Contractor under performs against performance levels as agreed to in the Contract MDHS shall have the option to terminate the Contract.

4.24.2 Excluding absences for regularly allowed sick leave or vacation leave, absences of the Contractor's project director or key management and technical personnel without suitable backup and without the prior approval of the IV-D Director or designee may, in MDHS' sole discretion, result in Contractor being assessed liquidated damages in the amount of one-hundred dollars (\$100.00) per day per person for the first five (5) business days and shall increase to five-hundred dollars (\$500.00) per day per person thereafter.

4.24.3 “Case clean-up”, as defined by 45 CFR 303.11 et seq. and MDHS policy, will be considered an important milestone in year one (1) of the Contract. **(Note: the Contractor shall provide a deadline for the completion of “case clean-up” as part of the transition plan)** Contractor failure to complete “case clean-up” by the deadline submitted shall result in Contractor being assessed liquidated damages in the amount of one-hundred dollars (\$100.00) per day until completion.

4.24.4 Liquidated damages of one-thousand dollars (\$1,000.00) per calendar day will be imposed for each transition plan milestone Contractor misses.

4.24.5 The Contractor shall indemnify MDHS for any and all imposed federal damages/sanctions and/or loss of federal incentives as a result of the Contractor’s failure to perform in accordance with federal requirements. The Contractor shall be responsible for the percentage of the damages or sanction equal to the Contractor’s pro-rata share of the total of noncompliant cases.

4.25 Earn-backs:

4.25.1 MDHS is seeking to improve operational performance in the counties included in the Contract. Liquidated damages are intended to focus the Contractor on achieving the performance outcomes sought by this Contract. The Contractor will be allowed to “earn-back” the liquidated damages assessed against the Contractor by “over performing” in the following Federal Fiscal Year following the initial performance failure.

4.25.2 For any Federal Fiscal Year that the Contractor’s performance falls below the required performance standard as stated in this Contract, the appropriate liquidated damage amount stated above shall be assessed. If in any subsequent Federal Fiscal Year following the initial performance failure, the Contractor improves performance by the same percentage variance as the initial performance failure, the Contractor may earn back the liquidated damage amount assessed by MDHS for the initial Federal Fiscal Year performance failure. For example, if the performance standard for Measure A is eighty percent (80%) and the Contractor performs at seventy-eight percent (78%) for Measure A for Federal Fiscal Year 2015, the liquidated damage amount associated with that measure would be assessed and processed on the corresponding invoice. If the Contractor fixes the root cause of the performance failure and “over performs” for Measure A at eighty-two percent (82%) in the following Federal Fiscal Year, the Contractor will “earn-back” the amount of liquidated damages assessed. The liquidated damages would then be refunded on the corresponding invoice.

4.26 Corrective Action:

4.26.1 MDHS will monitor Contractor performance. MDHS retains authority for interpreting performance under the terms of this Contract. MDHS may request a corrective action plan to address any deficiency or deficiencies discovered.

4.26.2 MDHS may issue a letter delineating the deficiency or deficiencies, setting a corrective

action time period, and may require submission of a written corrective action plan within fifteen (15) calendar days.

4.26.3 If a corrective action plan is required, MDHS shall impose liquidated damages for Contractor's failure to submit a corrective action plan as directed in the deficiency letter. The imposition of such liquidated damages does not preclude MDHS' right to terminate the Contract during the assessment of the liquidated damages.

4.26.4 The liquidated damages shall initially be one-thousand dollars per day (\$1000.00) and shall continue for each subsequent day of failure to submit a corrective action plan. The liquidated damages shall be withheld from Contractor's monthly invoice immediately following failure to submit a required corrective action plan. Any such money withheld is forfeited by the Contractor and retained by MDHS.

4.26.5 MDHS will notify the Contractor within fifteen (15) calendar days of the receipt of a corrective action plan of the acceptability of the plan, and allow five (5) calendar days for the Contractor to submit a clarification or revision if the corrective action plan is deemed to be unacceptable to MDHS.

4.26.6 Acceptance of the corrective action plan by MDHS does not guarantee that the implementation of the corrective action plan will result in elimination of the deficiencies for which future damages for nonperformance may be applied by MDHS.

4.26.7 MDHS will impose liquidated damages for Contractor's failure to correct the cited deficiencies within the corrective action period. To the extent such failure is beyond the control of the Contractor, as determined by MDHS, liquidated damages shall not be imposed. The liquidated damages shall initially be one-thousand dollars per day (\$1000.00) and shall continue for each subsequent day of failure to correct the cited deficiencies. The liquidated damages shall be withheld from Contractor's monthly invoice immediately following failure to correct the cited deficiencies. Imposition of such liquidated damages shall not preclude Contract termination.

4.26.8 If MDHS imposes any such liquidated damages, MDHS staff will monitor and evaluate Contractor progress during the damages period. Any such money withheld is forfeited by the Contractor and retained by MDHS.

4.26.9 Any failure to meet the performance standards required in the corrective action plan shall not result in the imposition of liquidated damages under this subsection until three (3) months after Contract execution.

4.26.10 If payment to the Contractor is insufficient to satisfy the damages owed, payment of liquidated damages amounts imposed shall be due from the Contractor within thirty (30) calendar days of MDHS' written demand for payment. Such demand shall not preclude MDHS from further offsets.

4.26.11 Liquidated damages may be waived by MDHS if delays are caused by a natural disaster or other cause beyond the control of the Contractor as determined solely by MDHS.

4.26.12 MDHS reserves the right to waive certain damages at its discretion; waiver by MDHS of any particular damages shall not constitute the future waiver of such damages, nor will it constitute a modification of the Contract.

5 Project Work Plan:

5.1 Contractor must submit a high-level Project Work Plan using either Microsoft Project or a Gantt Chart that outlines the overall strategy and approach to providing the requested services for child support enforcement. The Microsoft Project, or Gantt Chart, can be accompanied by a narrative description of the activities included in the chart. The Project Work Plan must also include the following elements:

5.1.1 The Project Work Plan must contain all significant work steps with start and end dates to include addressing the Transition Plan requirements as defined in section 5.2, Testing Plan (if necessary), the Implementation Plan, and the end of Contract transition plan.

5.1.2 The Contractor must describe in the Project Plan their training process. The Contractor's training process must include instruction on confidentiality and penalties for failing to comply with confidentiality requirements.

5.1.3 Time frames must be specified in terms of work days or weeks after Contract execution.

5.1.4 The Project Work Plan must include resource estimates for both MDHS and Contractor resources throughout the project.

5.1.5 The Project Work Plan must list any assumptions and expectations.

5.2 Transition Plan:

5.2.1 The Contractor must provide a detailed Transition plan. The Transition plan must be detailed and cover all transition requirements for the services to be provided by the Contractor under this Contract. The Transition plan must present mile stones for accomplishment of vital implementation tasks and sub-tasks, and the time frame needed to accomplish each. The Contractor must describe in detail how they will meet transition deadlines in the Transition Plan. The transition must be seamless and ensure that there is no material adverse effect upon the State or child support enforcement clients (e.g. CP's and NCP's). The Contractor must be capable of mobilizing sufficient personnel to meet the deadlines specified in this Contract. The Contractor must provide for an orderly and controlled transition to the Contractor of the services to be provided under this Contract by the implementation date.

5.2.2 The following section shall also be included in the Contractor's Transition Plan:

5.2.2.1 Transition from Existing Personnel:

Contractor must describe in detail their plans for hiring/staffing.

5.2.2.2 The Contractor will assume responsibility for the scope of services of this Contract

from the existing State personnel. The Contractor is responsible for coordinating with the State to understand the application and the nuances of the current operations. Specifically, the Contractor will:

- 1) Create a Transition Plan identifying the requirements and time the Contractor's staff needs from the incumbent provider (MDHS).
- 2) In the Transition Plan identify how Contractor will achieve compliance with MDHS technical and security standards for connecting Contractor facilities to the MDHS network.
- 3) Document the exit criteria to demonstrate mastery of the skills necessary to deliver the services, by the Contractor's staff, and readiness of the Contractor to support the Child Support Enforcement area.
- 4) Monitor progress on a weekly basis against the Transition Plan.

5.2.3 The Contractor shall provide notice to all State and Contractor staff being displaced by this Contract of all positions being hired to implement this Contract. MDHS would request that the Contractor first consider any MDHS staff displaced by the awarding of this Contract, that are available and interested in employment, for the Contractor's necessary staffing ratio, as approved by MDHS.

5.2.4 The Transition Plan must clearly address all changes that will be necessary to meet the requirements of this Contract and any proposed innovations offered by the Contractor.

5.2.5 The Transition Plan must include the timeline for moving to the Contractor provided facilities. **(Note: The State will allow use of MDHS facilities, as designated by MDHS, for a temporary timeframe due to the rapid start-up of this Contract. MDHS and Contractor will jointly plan the use of State owned equipment and facilities during the transition plan)**

5.2.6 The Transition Plan must include the timeline for any case clean-up activities and outcomes the Contractor plans to conduct.

5.2.7 The Contractor shall cooperate with all current and future MDHS service providers during the transition period and throughout the life of the Contract to ensure that all Contractor performance requirements are met and the CSE program is running efficiently, as well as any additional requirements as defined by MDHS.

5.3 Testing Plan:

The Contractor must include a clear description of any software or hardware components the Contractor intends to provide as part of the required services under this Contract. The Contractor must submit a statement of any necessary testing the Contractor will conduct as part of bringing this hardware/software. The Contractor must submit a clear statement of dependencies on MDHS hardware/software and a clear statement of work MDHS personnel will need to perform to enable the Contractor's hardware/software interfaces properly.

5.4 Implementation Plan:

5.4.1 The Contractor must provide a high-level Implementation Plan including time frames (start and end dates), assumptions, expectations, and resources needed for critical milestones for the duration of the new Contract.

5.4.2 The Contractor must include any key milestones for the life of the Contract.

5.4.3 The Contractor must include a clear description of any dependencies Contractor might have on MDHS resources.

5.5 End of Contract Transition:

5.5.1 The Contractor shall ensure a smooth turnover upon the termination or end of the Contract. The Contractor shall cooperate with MDHS in developing and implementing a plan for turnover that has no adverse effect upon the State or child support enforcement clients (e.g. CP's and NCP's).

5.5.2 Contractors must describe and submit a high-level transition plan for turnover of the services required under this Contract to the State or any subsequent vendor. Contractor's proposed high-level transition plan must also include the requirements listed below.

5.5.3 The Contractor shall present a detailed turnover plan ninety (90) days prior to expiration of the Contract term but no later than thirty (30) days after notice of Contract termination.

5.5.4 Transfer of Software and Equipment:

5.5.4.1 In order to ensure the smooth transfer and efficient continuation of all tasks back to MDHS or to any subsequent contractor, the Contractor shall:

5.5.4.2 Agree to transfer all necessary software and equipment, purchased for use in performance of this Contract, with title, leasing or license rights thereto, to the extent the Contractor possesses the same, to a successor contractor or MDHS; or in the alternative,

5.5.4.3 Agree to ensure that the necessary hardware and software is accessible to MDHS or successor contractor to any extent necessary to facilitate performance of Contract functions during the turnover period and to accomplish a compatible transfer of all Contract files and data, at no expense to MDHS or successor contractor.

5.5.4.4 Similarly, the Contractor shall transfer to MDHS or the successor contractor any necessary system software, data files, application programs, and documentation at no cost to MDHS or successor contractor.

5.5.4.5 The Contractor shall successfully and without delay complete the equipment transfer and lease assignment or transfer of other rights related thereto.

5.5.5 Transfer of Documentation:

The Contractor shall transfer all case files and other documentation for the Contractor

operations to MDHS or the successor contractor. If imaging (or other technology) has been used, technology shall be supplied by the Contractor to allow transfer of all IV-D files or other materials to MDHS or the successor contractor at no cost to MDHS or successor contractor. Transfers shall be orderly and logical (ex. case files in alpha order and boxes numbered).

5.5.6 Department Rights to Contractor Staff on Contract Termination:

Upon termination of the Contract, or during the six-month period prior to expiration of the Contract, if MDHS desires to offer employment to Contractor employees or subcontracted persons providing services, the Contractor, its subcontractors or affiliates shall not interfere with MDHS'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 MDHS's efforts, and shall provide MDHS access to such employees and subcontracted persons for the purposes of interviews, evaluations, recruitment and hiring by MDHS or MDHS's designated successor contractor(s). Further, the Contractor agrees to supply MDHS with the names and compensation scales of the Contractor's employees or subcontracted persons performing services for MDHS. The Contractor shall waive, and shall cause its subcontractors and affiliates to waive, their rights, if any, under contracts with such personnel restricting the ability of such personnel to be recruited or hired by MDHS, or MDHS's designated successor contractor(s).

MDHS or their designated successor contractor shall have reasonable access to such Contractor personnel for interviews, evaluations and recruitment. Any such employment by MDHS would not be effective until termination or expiration of the Contract. If MDHS hires an employee or subcontracted person who has been provided under this Contract, MDHS shall not be liable to the Contractor or any contractor subcontractor for any fee (e.g., a finder's fee, a penalty or general compensation) for such contractor, subcontractor or affiliate. In exercising its rights set forth above, MDHS shall use reasonable efforts to avoid materially interfering with the Contractor's ability to perform the services contemplated by this Contract. With respect to subcontractors, the Contractor shall use all commercially reasonable efforts to (a) obtain for MDHS, or their designated successor contractor's, the rights specified in this paragraph for its personnel and (b) ensure that such rights are not subject to subsequent subcontractor approval or the payment by MDHS, or their designated successor contractor(s) or any fees. If the Contractor is unable to obtain any such rights with respect to a subcontractor, it shall notify MDHS in advance and shall not use such subcontractor without the DFO Director or assignee's written approval and, absent such approval, the Contractor's use of any such subcontractor shall obligate the Contractor to obtain or arrange, at no additional cost to MDHS, the rights specified in this paragraph, for MDHS, or their designated successor contractor(s) upon expiration or termination of this Contract.

5.5.7 Completion of All Turnover Activities:

The Contractor shall complete all other tasks called for by the turnover plan prior to final payment.

6. State Responsibilities:

6.1 Case Initiation:

6.1.1 MDHS will transmit all referrals for child support services to the Contractor. Such referral will contain: the name of the recipient child(ren), and the associated parent(s) or other financially responsible party, if known; such identifying information as provided by the applicant.

6.1.2 MDHS will provide pertinent information regarding the placement of the recipient child(ren), if in out of home placement with DFCS;

6.1.3 MDHS will provide all information on current and historical assistance provided to CP, NCP, and child(ren);

6.1.4 MDHS will provide pertinent information relative to changes of status in assigned cases.

6.1.5 MDHS will provide access to METSS (or any future enhancements);

6.1.6 MDHS will provide, via METSS, access to New Hire Data;

6.1.7 MDHS will provide web-accessed email accounts;

6.1.8 MDHS will permit access to the Contractor to all business practices, Attorney Manual, Mississippi Child Support Services Manual, contact information for all CSE staff statewide, CSE policies and procedures and other information necessary to properly represent MDHS.

6.2 Consultation:

6.2.1 To consult with the Contractor concerning potential settlements outside the parameters defined by MDHS policy and affecting the rights of the State. MDHS may approve or disapprove all compromise settlements of cases with arrears.

6.2.2 To consult with the Contractor concerning all adverse judicial rulings in order to determine appropriate remedies to be sought by MDHS or the Contractor. All appeals to the Court of Appeals or Mississippi Supreme Court will be handled by the MDHS central office or approved by the MDHS central office and subsequently handled by the Contractor.

6.3 Monitoring:

6.3.1 Federal authorities review the State program for performance in accordance with federal standards, which will include Contractor activities. MDHS will monitor Contractor performance through on site visits, review of Contractor reports, case files and computer activity, data provided pursuant to this Contract and other relevant information. MDHS retains authority for interpreting performance under the terms of this Contract. MDHS may request a Corrective Action Plan to address any deficiency or deficiencies discovered by MDHS monitoring, State Auditor, Federal Auditor, or IRS.

6.3.2 MDHS shall review Contractor performance in reports submitted and on individual cases

for compliance with federal and State performance requirements. Reports are generated on non-complying cases and the Contractor must correct any deficiencies and report back to MDHS within the required timeframe, as set by MDHS.

6.4 Interstate:

6.4.1 To serve as the State Information Agency in interstate and international support matters as prescribed by State law, including, but not limited to, furnishing upon request copies of Miss. Code Ann. §93-25-1 et seq. and providing information regarding interstate statutes and procedures in other states.

6.4.2 To serve as the Central Registry for all incoming interstate IV-D case requests, including interstate wage withholding requests, and to disseminate these requests to the appropriate entity which will include the Contractor.

6.5 Miscellaneous:

6.5.1 The majority of the necessary child support enforcement forms are contained in METSS. MDHS will furnish prototypes of all federal, State and MDHS forms required and recommended for use in the administration of the CSE program from which the Contractor shall reproduce sufficient forms for their use.

6.5.2 To receive requests from the Contractor for permission to utilize a United States District Court for civil or criminal enforcement of a child support order against a parent or other responsible party who is present in another state.

6.5.3 To conduct regular meetings with the Contractor management and attorney staff.

6.5.4 To provide the Contractor with pertinent copies of statutory, regulatory and policy updates and changes.

6.5.5 MDHS will train up to ten (10) core Contractor employees on METSS (or any future enhancements) and relevant procedures. These Contractor employees will be responsible for training other Contractor employees.

6.5.6 To provide an SDU and instructions for handling all support collections under this Contract.

6.5.7 To provide a CSE program training manual, policy and procedures manual, and attorney manual.

6.5.8 MDHS will maintain performance information about Contractors which will be based upon site visits, review of case files, computer activity, data provided pursuant to this Contract, collection reports, timeliness in taking required actions and performing other Contract functions, and other relevant information. The Contractor may be required to provide certain reports to MDHS, which have not been developed at this time. Failure by the Contractor in any of the Contract functions could result in liquidated damages as set out in the Contract.

6.5.9 MDHS will continue to provide and manage contracts for the SDU, genetic testing and the call center.

6.5.10 MDHS will provide access to METSS.

7. Payment Terms and Conditions:

7.1 The Contractor shall provide a resource capacity level they deem to be adequate to perform the scope of services required in this Contract and sufficient to meet the performance standards specified herein. The Contractor shall provide MDHS with a price per year for this quantity of resources. This price must include labor, facilities, telephony, supplies, and technology and other equipment for the personnel to deliver the services. The price must include any other infrastructure and support the Contractor believes necessary to provide the services herein.

7.2 The Contractor shall provide a rate for adding an incremental CSEO resource to their team and a rate for adding an incremental attorney to their team. MDHS shall have sole authority to authorize this Additional Resource Capacity (ARC).

7.3 The Contractor shall provide a rate for decreasing a CSEO resource from their team and a rate for decreasing an attorney from their team. MDHS shall have sole authority to authorize this Reduced Resource Capacity (RRC).

7.4 MDHS anticipates infrequent changes to resource capacity requirements associated with this Contract. MDHS shall assess the resource capacity requirements at the end of case clean-up. MDHS shall assess the resource capacity requirements should there be changes to the scope of work of the existing Call Center contract. MDHS shall assess the resource capacity requirements should there be any changes in the way child support applications are processed or referred. MDHS shall assess the resource capacity requirements upon any significant event that materially changes the workload associated with the scope of services in this contract. MDHS will provide Contractor with two (2) months advance notice of any increase or decrease in authorized resource capacity.

7.5 MDHS seeks a fully staffed, productive team with low turnover. In the event the Contractor has not filled all authorized positions in a given month, the Contractor will invoice for the actual resource capacity working that month, not the authorized capacity. MDHS will not pay for resources above the authorized level.

7.6 In the event there are material changes to caseloads that cause the cost effectiveness performance level as measured by federal standards to drop below the level on the date of execution of this Contract, MDHS will invoke the right to make changes to the Resource Capacity.

7.7 Contractor's monthly invoice shall contain the following items:

- 1) Contractor's fees;
- 2) Performance measure Liquidated Damages;

3) other Liquidated Damages;

4) Earn backs

8 General Contract Requirements:

8.1 The Contractor shall comply fully with the aforementioned and all other provisions of Title IV-D of the Social Security Act, as amended, Title 45, Code of Federal Regulations, Mississippi Statutes Annotated, and MDHS Policy or instructions.

Contractor represents and warrants that as federal and State regulations and laws are amended, the services being provided by Contractor will be modified by Contractor to comply with the new requirements, with said modifications being done at no cost to MDHS.

8.2 The Contractor agrees that all IV-D case files will be maintained and used solely for child support services and safeguarded as provided for by all federal and State statutes, and MDHS program rules and regulations pertaining to confidentiality.

8.3 Information obtained through the Federal Parent Locator Services, as well as address and asset information obtained through the Internal Revenue Service must be safeguarded according to regulations in 45 CFR 303.70 and Internal Revenue Code at 26 U.S.C. 6103(p)(4), Mississippi laws and regulations, and MDHS Policy, or as such laws or policy are amended.

8.4 The Contractor shall obtain locate information to the extent not prohibited by federal or State statute and agrees that any information received by the Contractor shall be used solely for purposes of fulfilling this Contract.

8.5 The Contractor shall only access databases or systems, which are accessible to the Contractor pursuant to this Contract, for purposes that are only directly related to performance under this Contract. Any and all information obtained in performance of this Contract shall be maintained in strict confidence and shall not be used for any other purpose.

8.6 Contractor shall maintain strict standards of confidentiality and physical security of records in accordance with the federal and State laws. Any information provided by MDHS relative to applicants or recipients of public assistance is to be used only for the administration of the Contract or in any investigation, prosecution or criminal or civil proceeding conducted pursuant to the Contract. Contractor shall provide safeguards to restrict the use or disclosure of any information concerning such applicants or recipients to purposes stated in this section. The safeguards provided shall prohibit disclosure of any information on child support applicants or recipients that identifies the name or address. Federal and State tax-related information shall be treated as confidential and shall be used solely for purposes of administering the child support program.

8.7 In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

8.7.1 All work will be done under the supervision of the Contractor or the Contractor's

employees.

8.7.2 Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Agreement. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this Agreement. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.

8.7.3 All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.

8.7.4 The Contractor certifies that the data processed during the performance of this Agreement will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

8.7.5 Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to MDHS or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide MDHS or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

8.7.6 All computer systems processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.

8.7.7 No work involving Federal tax information furnished under Contract will be subcontracted without prior written approval of the IRS.

8.7.8 The Contractor will maintain a list of employees authorized access. Such list will be provided to MDHS and, upon request, to the IRS reviewing office.

8.7.9 MDHS will have the right to terminate this Contract if the Contractor fails to provide the safeguards described above.

CRIMINAL/CIVIL SANCTIONS:

8.7.10 Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a

purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000.00 or imprisonment for as long as five (5) years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000.00 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

8.7.11 Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Agreement. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Agreement. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as one (1) year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee (United States for Federal employees) in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

8.7.12 Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.00.

8.7.13 Granting a contractor access to FTI must be preceded by certifying that each individual understands the MDHS's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (See *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for

reporting unauthorized disclosures and data breaches. For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

INSPECTION:

8.7.14 The IRS and the Customer shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this Agreement. On the basis of such inspection, specific measures may be required in cases where the Contractor is found to be noncompliant with contract safeguards.

8.9 At Contract initiation and throughout the life of the Contract, all Contractor employees who access METSS (or any future enhancements) in order to provide the services under this Contract shall sign and return the MIS Confidential Information Agreement form to MDHS prior to accessing METSS (or any future enhancements).

8.10 At Contract initiation and throughout the life of the Contract, all Contractor employees authorized to handle tax-related information and who have access to personal data deemed confidential shall complete and sign the Awareness/Security Training certification form.

At Contract initiation and throughout the life of the Contract, all Contractor employees shall be given a copy of MDHS's Conflict of Interest Policy and made aware of the requirements therein.

All Contractor employees who are a party to, or related to, or become related to a named party in a specific child support case shall complete and sign a Conflict of Interest Disclosure Statement and disclose the METSS person identification number of the named party(ies) to MDHS. Contractor employee shall refrain from working on any project pertaining to the named party(ies).

8.11 Statements of Confidentiality and Disclosure Statements shall be maintained by Contractor with copies emailed to MDHS. Failure of Contractor to maintain any of the aforementioned confidentiality/disclosure requirement documents for Contractor employees and forward copies to MDHS may be grounds for termination of the Contract.

8.12 Contractor and Contractor's employees shall not access any database or system with other State agencies or entities for any purpose not directly related to the performance of this Contract.

8.13 Contractor staff and management must complete quarterly IV-D wage certification.

8.14 If there is a suspected release of confidential information or breach of any handling of confidential information, the Contractor must immediately notify MDHS and follow any and all instructions provided.

Violation of these provisions may result in termination of the Contract and possible criminal liability.

8.15 Contractor employees shall recognize the State of Mississippi Executive Director of MDHS as their client. Contractor employees shall not work additional jobs or privately represent any party in a legal action where there may be a conflict of interest with MDHS. Any outside employment must have prior written approval of MDHS.

8.16 Contractor performance under the Contract will not be contingent upon State personnel or the availability of State resources except those proposed actions of the Contractor specifically identified in the Contract as requiring MDHS approval or those actions arising out of the normal cooperation which can be expected in such a contractual relationship.

8.17 The Contractor shall notify MDHS immediately upon learning of any situation that might reasonably be expected to adversely affect office operations. The Contractor shall, within one (1) working day, email to the DFO Director the description of the situation, keep MDHS updated on the situation, and include resolution information.

Note: A Disaster Plan for the Contractor office(s) shall be submitted and must be developed into a fully functional and documented arrangement during the transition process. The disaster plan shall provide for the resumption of the Contractor office activities within four (4) work days of a given disaster and include appropriate methods for notifying clients. The Contractor's disaster plan is subject to approval by MDHS.

The Contractor shall immediately notify MDHS of any emergency requiring the initiation of the Disaster Plan and work closely and in consultation with MDHS for the appropriate solution.

8.18 Prior to initiating any contact with State or Federal Legislators, or media regarding child support or related issues, the Contractor shall obtain prior approval of MDHS. If the Contractor is contacted by any State or Federal Legislator or media, the Contractor must immediately notify MDHS and forward any request for information to MDHS.

8.19 MDHS shall retain ownership of any software and equipment (if any) which it purchases and places in the Contractor's office. Additionally, pursuant to IRS requirements all computer and network equipment used in the performance of this Contract will be considered property of the State during the Contract term. The Contractor agrees to be responsible for the accountability of such equipment and software. The Contractor shall notify MDHS immediately in writing of any loss of equipment and software describing reason(s) for the loss. Should State owned equipment be destroyed, lost or stolen, the Contractor shall be responsible to MDHS for the amount of the replacement cost. The Contractor must notify MDHS immediately regarding any release of confidential information on equipment, including a full description and extent of disclosure.

8.20 Contractor shall operate according to standard accounting principles and shall maintain standard accounting records including corporate balance sheets, statement of income, quarterly income statements and annual audits or annual budget reports for inspection by MDHS upon request at no cost to the State. The budget and expenditures for Contract operations shall be provided to the DFO Director annually, due each July 15th, and shall show funds expended by separate category including, but not limited to, payroll, facility

lease, utilities, equipment costs and maintenance, hardware and software costs and maintenance.

8.21 The Contractor must maintain and provide a complete set of any training and procedure manuals, CBT, CDs, and any updates to MDHS. The Contractor must also maintain, and provide to MDHS, a complete set of user and technical manuals, and any updates. The Contractor must maintain procedural manuals in a current and updated manner so that as staff turnover occurs, new staff can be immediately effective within their job function. At the State's request, the Contractor must train MDHS staff on any and all Contractor processes. **(Note: the Contractor's Project Plan and Transition plan must address all training and coordination thereof necessary to provide the services under this Contract.)**

8.22 The Contractor warrants that all legal representation provided under this Contract will be provided by qualified attorneys who are licensed to practice law in the State of Mississippi and who have satisfied all State and local requirements to practice law. Contractor must ensure annually by July 1st that all attorney staff are appropriately licensed to appear in Mississippi State and Federal Court.

8.23 If any subcontracts are approved by the State, such subcontractors shall be subject to the general provisions, operating conditions and performance standards of this Contract, and shall not release Contractor from any liability for failure to perform.

8.24 In the event the Contractor or the Contractor's attorney has a conflict of interest, regarding any case or cases, which prevents the Contractor from fulfilling any of the provisions of this Contract, the Contractor shall not be relieved of responsibility for performance under the Contract and shall take such steps as are necessary to ensure Contract duties are performed. If a subcontract is necessary it shall be at the sole expense of the Contractor at no cost to MDHS and subject to MDHS approval.

8.25 The Contractor's attorneys shall represent the State of Mississippi Executive Director of MDHS and shall accept the Executive Director of MDHS as their client. No attorney-client relationship will exist between the Contractor, Contractor's staff persons, subcontractors or subcontractor's staff persons and any applicant/recipient of IV-D services, child, custodial or non-custodial parent or alleged father.

8.26 Should disciplinary proceedings be initiated against any attorneys employed by the Contractor, the Contractor shall immediately notify MDHS within twenty-four (24) hours from the time Contractor discovers any such action is being taken against an attorney employed by the Contractor.

8.27 The Contractor is responsible for all costs associated with connecting to and remaining compatible with the State system including but not limited to Contractor site setup and installation of all equipment.