

AMENDMENT NO.: 1

Audits

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

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

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

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

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

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

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

C. Provide all future third-party audits submitted in the format referenced in subsection I.A. 30 days following the end of each Quarter. The Quarters coincide with the State Fiscal Year as follows:

Quarter 1 – July – September

Quarter 2 – October – December

Quarter 3 – January – March

Quarter 4 – April – June

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

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

1. A schedule for repayment of all previously identified overcharges, ensuring all impacted state agency customers are reimbursed the full amount owed;
2. A plan for avoiding any overcharges on future purchases under the Contract; and
3. A plan for reimbursement of any future overcharges incurred by state agencies on future purchases.

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

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

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

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

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

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

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

State of Florida:
Department of Management Services

Contractor:
SHI International Corporation

By: _____

By: _____

Name: David Clark

Name: _____

Title: Chief of Staff

Title: _____

Date: _____

Date: _____

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

State of Florida:
Department of Management Services

By: 

Name: David Clark

Title: Chief of Staff

Date: 1/31/19

Contractor:
SHI International Corp.

By: Natalie Castagno

Name: Natalie Castagno

Title: Director of Contracts & RFPs

Date: 1/31/19

Attachment 1 - Amendment 1

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

Attachment 1 - Amendment 1

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