

State of Florida
Southwood Shared Resource Center
2585 Shumard Oak Boulevard
Tallahassee, Florida 32399-0950



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<http://SSRC.myflorida.com>

Governor Rick Scott

Robert E. Poston, Interim Executive Director

AMENDED REQUEST FOR FISCAL YEAR 2013-14

March 5, 2013

Jerry L. McDaniel
Office of Policy and Budget
Executive Office of the Governor
1701 Capitol
Tallahassee, Florida 32399-0001

Mike Hansen, Staff Director
Senate Appropriations Committee
201 The Capitol
Tallahassee, Florida 32399-1100

JoAnne Leznoff, Staff Director
House Appropriations Committee
221 The Capitol
Tallahassee, Florida 32399-1300

Directors:

Pursuant to Chapter 216, Florida Statutes, enclosed is the Amended Request Number 1 for the 2013-14 Fiscal Year of the Southwood Shared Resource Center. The information contained herein is a true and accurate presentation of our amended legislative budget request for budget period 2013-14. This submission has been approved by Robert E. Poston, Interim Executive Director.

Sincerely,

Robert E. Poston, CISA, ITIL
Interim Executive Director

Enclosure

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement (the "Agreement") is by and between Southwood Shared Resource Center ("SSRC"), an agency of the State of Florida, with an address of 2585 Shumard Oak Boulevard, Tallahassee, Florida 32399, and Xerox State & Local Solutions, Inc. (formerly known as ACS State & Local Solutions, Inc.) ("Xerox"), with an address of 8260 Willow Oaks Corporate Drive, Fairfax, Virginia 22031.

On June 29, 2011, SSRC and Xerox entered into a contract (the "Contract") that required Xerox to build and maintain an enterprise email system for the State of Florida. Xerox has threatened litigation over the termination of the Contract, and Xerox asserts that it has expended significant costs in performance of the contract which costs have not been recovered by Xerox, because the costs were to be amortized over the entire term of the Contract.

In an effort to resolve the imminent litigation, the parties have entered into this Agreement. Neither party admits liability, nor agrees as to any amount of costs or damages, but has merely agreed to a settlement of these issues in order to avoid protracted and costly litigation.

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, SSRC and Xerox agree as follows.

1. SSRC will pay to Xerox the lump sum of \$7,000,000.00 (the "Settlement Amount") subject to the following conditions:

A. SSRC will submit to the Executive Office of the Governor and the Legislature a Supplemental Budget Request in the amount of \$7,000,000.00 to fund the Settlement Amount, with the intent that the Settlement Amount be included in the Legislature's

2013 Budget.

B. Xerox may lobby the Governor and/or the Legislature for approval of the Supplemental Budget Request, as it sees fit within the bounds of Florida law. SSRC believes the resolution provided for in this Agreement is fair and reasonable. However, SSRC and the Executive Office of the Governor have no affirmative duty to lobby the Legislature to approve the Supplemental Budget Request, or take any action other than to submit the Supplemental Budget Request and respond to any Legislative inquiries regarding the request or this Settlement Agreement..

2. If the Settlement Amount is approved in full by the Governor and Legislature during the 2013 legislative session, SSRC shall pay to Xerox the Settlement Amount of \$7,000,000.00, in full settlement of Xerox's claims, within thirty (30) days after the funds become available to SSRC through the appropriations process. At the time Xerox receives payment of the appropriated funds, Xerox and SSRC shall at the same time execute and exchange the attached mutual release (Exhibit 1). If for any reason the legislature fails or refuses during the 2013 legislative session to appropriate or approve full funding of the Settlement Amount or if for any other reason there is no funding to pay the Settlement Amount in full, this Agreement will be deemed automatically rescinded without further action by SSRC or Xerox, as if the Agreement had never been entered, with Xerox retaining all of its rights and claims including, without limitation, the right to file suit to recover its full damages together with any other relief available to Xerox under applicable law. However, the parties hereto agree that all applicable statutes of limitation are neither tolled nor suspended in any way, and neither party

waives its right to assert, raise, or plead by motion or otherwise any defense or claim based on any statute of limitations.

3. In the event that Xerox accepts the amount appropriated, SSRC shall take such steps as are necessary and lawful for payment of the appropriated amount. The parties agree that such funds are considered to be a lump sum payment for settlement of Xerox's disputed claims. The parties agree that each side will bear its own attorneys' fees and other costs and legal expenses related to the subject matter of this Agreement.

4. The Parties' breach, or alleged breach, of this Agreement will not be used by any Party as a basis for any further litigation. However, notwithstanding the preceding sentence, in the event the Settlement Amount is included in the Legislature's final 2013 Budget and signed into law, Xerox may, if necessary, pursue any and all available legal remedies to secure final payment.

5. By their signatures, the undersigned representatives warrant and represent that they are authorized to enter this Agreement on behalf of their respective parties and to bind their respective parties to the terms of this Agreement. The parties to this agreement further agree and covenant that this Agreement is binding on the parties, their heirs-at-law, and their assigns, subsidiaries, and successors in interest as evidenced by their signatures and lawful executions below.

6. The parties acknowledge that they have been represented by independent counsel of their own choice throughout all negotiations that have preceded the execution of this Agreement and the execution of same has been made with the advice of said counsel.

7. The parties acknowledge that no other party, or agent, or attorney of any other

party, has made any promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter hereof, to induce the other party to execute this Agreement, and the parties acknowledge that they have not executed this Agreement in reliance upon any such promise, representation, or warranty not contained herein.

8. The undersigned representatives further declare and represent that no promise, inducement, or agreement not herein expressed has been made to the undersigned, and that this Agreement contains the entire agreement between the parties hereto. This Agreement may not be interpreted for or against either party, regardless of which party drafted the Agreement.

9. This Agreement may be amended, modified, waived, discharged, or terminated only by a verified written instrument executed by both parties.

10. SSRC and Xerox further agree that this Agreement has been prepared as part of ongoing settlement negotiations and the Agreement will not be admissible in any action or suit for any purpose, other than to secure payment as contemplated in paragraph 4.

11. This Agreement represents the compromise of disputed claims by and between the parties. Neither the execution nor the performance of this Agreement, nor any of its terms or provisions, will be deemed a presumption, concession, statement or admission of any fact, liability, breach of contract, negligence, fault, or wrongdoing of any kind by either party, and neither this Agreement nor any of its terms can be used in any legal or equitable proceeding, other than to secure payment as contemplated in paragraph 4.

12. This Agreement will be governed by and construed in accordance with the laws of the State of Florida, without regard to conflicts of laws principles.

13. By execution of this Agreement, each party covenants and warrants that no claim,

right, or cause of action that it may now have or may have had in the past against the other party arising under or relating to the Contract previously has been conveyed, assigned, or in any manner transferred, in whole or in part, to any third parties.

14. This Agreement will be binding upon and inure to the benefit of SSRC and Xerox and any of their respective heirs, legal or personal representatives, employees, officers, directors, successors, predecessors, or assigns.

15. This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will constitute a single document. Execution of facsimile copies, telecopies, and other reproductions will be acceptable as counterparts.

16. This Agreement is be deemed to be executed on the date it is signed by the representative of SSRC.

IN WITNESS WHEREOF, SSRC and Xerox have executed this Settlement Agreement below:

Southwood Shared Resource Center,
an agency of the State of Florida

Xerox State & Local Solutions, Inc.

By: Robert E. Foster

By: Don W. Zant

Title: Interim Executive Director, SSRC

Title: COO - State Equipment Solutions

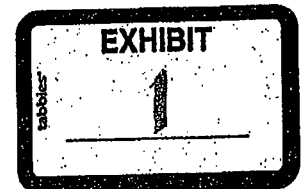
Date: 12/20/12

Date: 12-19-12

MUTUAL RELEASE

XEROX STATE & LOCAL SOLUTIONS, INC. (formerly known as ACS State & Local Solutions, Inc.) ("XEROX") with an address of 8260 Willow Oaks Corporate Drive, Fairfax, Virginia 22031, and SOUTHWOOD SHARED RESOURCE CENTER ("SSRC"), with an address of 2585 Shumard Oak Boulevard, Tallahassee, Florida 32399, entered into a settlement agreement (the "Settlement Agreement") on December 20, 2012, pertaining to the contract that required Xerox to build and maintain an enterprise email system for the State of Florida. XEROX and SSRC now intend to execute this mutual release (the "Mutual Release"), which is a prerequisite to XEROX receiving payment in settlement of XEROX's claims.

1. As a result of the consideration referred to in the Settlement Agreement, and for other good and valuable consideration, XEROX, for itself and its legal representatives, successors, and assigns, hereby, without reservation, voluntarily releases, waives, absolves, and forever discharges, to the full extent permitted by law, the SSRC, and its successors, elected officials, appointed officials, assigns, employees, agents, appointees, insurers, contractors, officers, servants, heirs, and legal representatives, as well as any and all other State of Florida governmental entities, elected officials, appointed officials, assigns, employees, agents, appointees, insurers, contractors, officers, servants, heirs, and legal representatives, all in their official and individual capacities, from any and all claims, demands, actions, liens, contracts, covenants, wages, obligations, debts, judgments, causes of action, or suits at law or in equity, of any kind or nature, by reason of any actual or potential damage, injury, or loss, arising out of, or in any way related to, the contract that required Xerox to build and maintain an enterprise email



system for the State of Florida, which could include, but are not limited to, compensatory damages, punitive damages, nominal damages, attorneys' fees, interest, costs, other special damages, general damages, and/or other equitable relief.

2. As a result of the consideration referred to in the Settlement Agreement, and for other good and valuable consideration, SSRC, and its successors, elected officials, appointed officials, assigns, employees, agents, appointees, insurers, contractors, officers, servants, heirs, and legal representatives, as well as any and all other State of Florida governmental entities, elected officials, appointed officials, assigns, employees, agents, appointees, insurers, contractors, officers, servants, heirs, and legal representatives, hereby, without reservation, voluntarily releases, waives, absolves, and forever discharges, to the full extent permitted by law, Xerox, for itself and its legal representatives, successors, and assigns, from any and all claims, demands, actions, liens, contracts, covenants, wages, obligations, debts, judgments, causes of action, or suits at law or in equity, of any kind or nature, by reason of any actual or potential damage, injury, or loss, arising out of, or in any way related to, the contract that required Xerox to build and maintain an enterprise email system for the State of Florida, which could include, but are not limited to, compensatory damages, punitive damages, nominal damages, attorneys' fees, interest, costs, other special damages, general damages, and/or other equitable relief.

3. This Mutual Release is made without reliance upon any statement or representation of any party hereby released except those contained herein.

4. This Mutual Release contains the entire understanding of both parties and may not be modified except by a writing signed by both parties to this agreement. Any oral or written promises or assurances not contained in this Mutual Release are waived, abandoned, withdrawn

and without legal effect.

5. This Mutual Release shall be treated as jointly drafted, and will not be construed against any party as the drafter. Accordingly, any uncertainty or ambiguity that may exist in this Mutual Release shall not be interpreted against any party as a result of the manner of the preparation of this Mutual Release. Additionally, each party has had experienced counsel that has contributed to the drafting of this Mutual Release, and therefore it shall not be construed more strictly against any party.

6. XEROX and SSRC affirm that they have been represented by counsel during negotiation of this Mutual Release, have read this Mutual Release, and have had ample opportunity to discuss it with their counsel, and further represent that they understand the purpose, tenure and effect of this Mutual Release, and acknowledge that it fully, completely, accurately, and truly sets forth the agreement between both parties. Therefore, XEROX and SSRC agree that signing this Mutual Release is done knowingly, freely, voluntarily and without the execution of duress.

7. This Mutual Release may be executed in counterparts, each of which will be deemed an original, and all of which together will constitute a single document. Execution of facsimile copies, telecopies, and other reproductions will be acceptable as counterparts.

8. This Mutual Release is be deemed to be executed on the date it is signed by the representative of SSRC.

HAVING ELECTED TO SIGN THIS MUTUAL RELEASE, TO FULFILL THE PROMISES AND TO RECEIVE THE SUMS AND BENEFITS IN CONSIDERATION, XEROX AND SSRC ENTER INTO THIS MUTUAL RELEASE INTENDING TO

WAIVE, SETTLE AND RELEASE ALL CLAIMS REFERRED TO ABOVE.

Signed:

(Print Name)

(Print Title)

Xerox State & Local Solutions, Inc.

Date: _____, 2013

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____

2013, by _____, XEROX'S _____.

Personally known to me [], or

Produced identification []

Type of identification produced: _____

NOTARY PUBLIC

My Commission Expires:

(Print, type or stamp commissioned name
of Notary Public)

(Print Name)
Executive Director
Southwood Shared Resource Center

Date: _____, 2013

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, SSRC'S Executive Director.

Personally known to me [], or

Produced identification []

Type of identification produced: _____

NOTARY PUBLIC
My Commission Expires:

(Print, type or stamp commissioned name
of Notary Public)

ENTERPRISE EMAIL SERVICES CONTRACT

Confirmation of Return of Data and Completion of Final

Performance under Contract Section 10(d)

On behalf of Xerox State & Local Solutions, Inc., this will confirm that the following actions have been completed in accordance with s.287.0571(5)(j)4, F.S. and Section 10(d) of the Enterprise Email Services Contract:

- 1) Xerox has transferred to the State of Florida, at no cost, all Enterprise Email Data in its possession as of the termination of the Enterprise Email Services Contract.
- 2) Xerox has securely erased all Enterprise Email data from its records, including but not limited to, any back up data, or metadata used within the infrastructure for the enterprise email services (all local\NAS\DAS\SAN disks, removable media, routers, switches, firewalls, load balancers, anti-spam infrastructure, archive infrastructure, and other storage devices).
- 3) No copies of any Enterprise Email data have been retained by Xerox, its affiliates, employees or agents.

This confirmation is provided to the best of the signatory's knowledge and belief, based on reasonable investigation.

XEROX STATE & LOCAL SOLUTIONS, INC.

By: N. K. Nathan Kuhn

Title: Sr. Operations Mgmt.

Date: 2/17/13

ENTERPRISE EMAIL SERVICES CONTRACT

Acknowledgement of Return of Data and Receipt of Confirmation of
Final Performance under Contract Section 10(d)

On behalf of the Southwood Shared Services Center (SSRC), this will acknowledge the following items in connection with s.287.0571(5)(j)4 F.S. and Section 10(d) of the Enterprise Email Services Contract:

- 1) The SSRC has now received agency sign-off from each of the following agencies confirming that the data stored on the Enterprise Email system on their behalf has been returned satisfactorily:
 - DEM
 - DEO
 - DOR
 - DOT
 - EOG (for AEIT)
 - FCHR
 - JAC
 - SSRC
- 2) The SSRC has received from Xerox State & Local Solutions, Inc. (Xerox) the executed "Confirmation of Return of Data and Completion of Final Performance under Contract Section 10(d)" dated concurrently with the execution of this Acknowledgement.
- 3) Based on the above, there are no remaining items outstanding with respect to Xerox's obligations under Section 10(d) of the Enterprise Email Services Contract.

SOUTHWOOD SHARED RESOURCE CENTER

By: 

Title: Interim Executive Director

Date: 2/18/13