



North Carolina Department of Public Safety

Purchasing and Logistics

Roy Cooper, Governor
Erik A. Hooks, Secretary

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Purchasing & Logistics

IMPORTANT PROPOSAL ADDENDUM

March 26, 2019

FAILURE TO RETURN THIS ADDENDUM IN ACCORDANCE WITH INSTRUCTIONS MAY SUBJECT YOUR PROPOSAL TO REJECTION ON THE AFFECTED ITEM(S):

PROPOSAL Number: 19-RFP-014523-PTW

COMMODITY/SERVICE: Staff Augmentation for Community Development Block Grant Disaster Recovery Program Delivery & Oversight

ADDENDUM Number: 01

USING AGENCY: NCORR

PURCHASER: Tim Pendergrass

OPENING DATE/TIME: April 5, 2019, 2:00 pm

QUESTIONS AND ANSWERS:

	<u>Reference</u>	<u>Vendor Question</u>	<u>Answer</u>
1	Section 5.0, Scope of Work – pages 15-20	Can the scope of work requirements be performed by a Prime Contractor who is also a Subcontractor on the RFP for the North Carolina Construction Management Services for State’s Hurricane Recovery Program (#19-RFP-014582-WAX)?	The state will consider a Prime Contractor that is also a subcontractor on the NC Construction Management Services. If this is the case, Vendor shall provide a conflict of interest statement with its response insuring that no overlap or conflict between the two services will exist.
2	Section 2.7, Item c, page 8.	Please confirm that you are requesting Vendors to submit the entire body of the RFP, including the signed Execution pages and receipt pages from all Addenda, as part of the third required element of the proposal. Are Vendors required to mark the pages of the RFP in any way when submitting them in this manner? Should blank Attachments be submitted here, even if they are provided again later in the proposal?	Yes, at least one complete copy of the RFP should be returned with the signed execution page. As the entire RFP along with the vendors response will become the contract. The vendor needs to fill in any pages requiring input and put the vendor name on the top of each page. Only one copy of attached items needs to be included.
3	Section 2.7, Item e, page 8.	This item requires that the Vendor include “Resumes and bios of the personnel assigned to the project.” Are both resumes and bios required, or is one or the other sufficient?	Either would be acceptable as long as the required qualification are given.

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4227 Mail Service Center
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3030 Hammond Business Place
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4	Section 2.7, Items g and h, page 8.	<p>The RFP requires that Vendors include Attachment B, Instructions to Vendors, and Attachment C, North Carolina General Contract Terms and Conditions. These two items do not appear to require input from the Vendor. Please confirm that the Vendor is to include these documents in their proposal with no added content.</p> <p>If Vendors should add content to these Attachments, please identify this content.</p>	See response to question #2
5	Section 3.4, Item a, page 12, and Section 2.7, Item e, page 8.	<p>The evaluation criteria assign 45 points to "Vendor's proposed plan to meet the Scope of Work," but Section 2.7, Proposal Contents, does not mention inclusion of an approach section or similar plan to meet the Scope of Work. Please clarify where, among the proposal elements listed in Section 2.7, the Vendor should address its approach to meeting the Scope of Work.</p>	<p>See Section 5.2 first paragraph Vendor shall demonstrate in its proposal response how it meets the following requirements and how it will measure success:</p> <p><i>Vendor shall add the following to Section 2.7</i></p> <p>e) Also Vendor shall provide a description of how it will meet the requirements in Section 5.2</p>
6	General	<p>Do subcontractors also need to fill out any of the required forms, or are they only required for the prime contractor?</p> <p>If so, which ones?</p>	<p>Forms are only required to be filled out by the Vendor submitting a proposal.</p> <p>Vendor shall provide the names of all subcontractors with it proposal response. See Attachment C 17.</p>
7	General	<p>Is there currently an incumbent company, who has a similar contract performing these services?</p>	No.
8	General	<p>If so - can you please provide incumbent name, contract number, dollar value and period of performance?</p>	See response to question 7.
9	Section 3.4 – Evaluation Criteria, Page 12 and Section 2.7 – Proposal Contents Page 8	<p>Item a, Evaluation Criteria indicates the evaluation will be based, among other things, on the proposer's plan to meet the scope of work. Item e, Proposal Contents requests a brief history of the vendor, including general background, knowledge of CDBG-DR programs, and experience working with relevant agencies or programs including resumes and bios of the personnel assigned to the project, to demonstrate that staff meet the requirements outlined in this RFP for each role described, but requests no plan to meet the scope of work.</p> <p>What, if any, plan/technical approach to the tasks is required in a vendor's response to this RFP? If required, where should we provide the information?</p>	See response to question #5
10	Section 1.0 – Purpose and	<p>If firms are currently providing program management services, as a prime contractor or subcontractor, in support of CDBG-DR funding</p>	See response to question #1

	Background, Page 6	for Hurricane Matthew, are they conflicted from responding to this solicitation?	
11	Section 1.0 – Purpose and Background, Page 6	What other RFPs does the State plan to issue related to management, implementation, and/or monitoring of the CDBG-DR programs? Would a firm providing services under this solicitation be precluded from providing services for those solicitations?	The State doesn't plan to discuss anticipated RFP's. See response to question #1
12	Section 6.1 – Contract Administration : Project Manager and Customer Service, Page 21	This section indicates: "The Vendor shall designate and make available to the State a project manager." We see no position listed for this. Where should we provide the cost for this person?	The Project Manager for this contract will oversee the project. Separate costs will not be given. Cost may be included in the overhead for the other positions.
13	RFP Section 1.0, Purpose and Background, Page 6	What is the role of the NCORR staff vis a vis the staff who would be working on this contract?	Each NCORR division that this RFP is seeking staff augmentation for will have an NCORR staff lead—the staff being sought through this RFP will provide the services listed in Section 5.0, Scope of Work.
14	Section 4.8 Personnel, Page 14	The RFP states "Vendor shall not substitute key personnel..." Who is defined as key personnel?	Key Personnel is defined as individuals identified in the Vendor's response to the RFP.
15	Section 5.2, pages 15-19	Are contractors currently working in the positions listed in the requirement? If so, who is the current vendor/contractor?	No n/a
16	Section 2.7(e), page 8 Section 4.6, page 13	Do you want resumes of the people we are proposing to work in the positions, since the company will not be the awardee as of the date of the submission of the proposal?	Yes, resumes of all proposed staff must be provided.
17	Section 5.2, pages 15-19	How will contractors be trained on systems used for the project?	NCORR and its consultants will provide training for all new staff on the use of the System of Record. See specifications in 5.0, Scope of Work, for staff expectations with regard to system familiarity.
18	Section 3.1, pages 9-10	If the Agency chooses to award to multiple contractors, how will the project be divided?	See section 3.0 Method of Award and Proposal Evaluation Process. The State intends to award to a single Vendor. If the State awards to multiple vendors it would be divided by Tasks.
19	Attachment C	Would the State be willing to accept terms and conditions around loss limitations similar to other contracts between vendors and the State? Suggested language is as follows: Limitation of Liability. Notwithstanding anything else in this contract to the contrary, including all attachments, the liability of the Vendor on account of any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under the Contract shall	No.

		<p>be limited to the amount of fees paid or owing to the Vendor under the Contract. In no event shall the Vendor be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, rule, regulation or tort (including but not limited to negligence) or otherwise, and shall survive contract termination or expiration.</p>	
20	Attachment C	<p>Can language be included in the contract to document use of third party vendors which support the Vendor in the conduct of their business? Suggested language is as follows:</p> <p>Use of Vendors. State acknowledges and agrees that in connection with the performance of services under the Contract, Vendor and its Member Firms, in their discretion or at the State's direction, may utilize the services of third parties within and outside of the United States to complete the services under the Contract. State further acknowledges and agrees that Vendor-controlled parties, member Firms of the Vendor, and other third party service providers (collectively, "Vendors") may have access to Confidential Information from offshore locations, and that the Vendor uses Vendors within and outside of the United States to provide at Vendor's direction administrative or clerical services to Vendor. These Vendors may in the performance of such services have access to the State's Confidential Information. Vendor represents to the State that with respect to each Vendor, Vendor has technical, legal and/or other safeguards, measures and controls in place to protect Confidential Information of the State from unauthorized disclosure or use. Vendor shall be responsible to the State for Vendor-controlled, member Firms or Vendor's failure to comply.</p>	<p>No. 3rd Party vendors are already addressed in the RFP. See Section 17. Subcontracting in the Attachment C</p> <p>See Section 3.5(d) Performance Outside the United States.</p>
21	Attachment C	<p>Based on the current proposed insurance terms, the State is stipulating that the Vendor must decide appropriate coverage limits. As the RFP does not identify specific coverage requirements applicable to the identified scope of work, can the selected Vendor, after contract award and prior to commencement of the work, work with the State to identify</p>	<p>No, the insurance terms will remain as written in Attachment C.</p>

		appropriate and mutually agreeable insurance requirements?	
22	Attachment C (General Contract Terms and Conditions)	An attached copy of Attachment C General Contract Terms and Conditions is provided with tracked changes to provide proposed edits within current provisions to be consistent with professional standards, internal vendor operational procedures, and/or industry practice for this type of work	The terms and conditions in Attachment C will remain as written.
23	Attachment G (NCORR Rules and Regulations)	<p>Can paragraph 6 be revised to include the provision as noted below:</p> <p>All of the reports, information, data etc., prepared or assembled by Vendor under this contract are confidential, and Vendor agrees they shall not be made available to any unauthorized individual or organization without prior written approval of NCORR.</p>	No, Rules and Regulations remain as written.
24	Attachment G (NCORR Rules and Regulations)	<p>Can paragraph 8.c. be revised to include the provision as noted below:</p> <p>In such event, all finished or unfinished documents, data, studies, and reports prepared by Vendor entitle Vendor's receipt of just and equitable compensation for any satisfactory work completed on such documents. The Vendor shall not have any liability to the State as a result of the State's use of any unfinished, incomplete, or draft deliverables that are furnished to the State, provided that the Vendor has notified the State of the incomplete status of such deliverables. Notwithstanding the above, Vendor shall not be relieved of liability to NCORR for damage sustained to NCORR by virtue of any breach of this Contract by Vendor. NCORR may withhold any payments to Vendor for the purpose of set off until such time as the exact amount of damages due NCORR from Vendor is determined.</p>	No, Rules and Regulations remain as written.
25	Attachment G (NCORR Rules and Regulations)	<p>Can paragraph 22 be revised to include the provision as noted below:</p> <p>Vendor agrees to allow the departments and agencies of the State of North Carolina, HUD, the Comptroller General of the United States, and any of their duly authorized representatives access to any timekeeping and expense records of Vendor which are directly pertinent to the CDBG-DR Program for the purpose of making audits, examinations, excerpts, and transcriptions. Any non-government employees will sign the Vendor's</p>	No, Rules and Regulations remain as written.

		form of non-disclosure agreement prior to being provided access to any Vendor information.	
26	Proposal Sign-off page	<p>Can the Execution paragraph be amended to include the below:</p> <p>In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, except as otherwise stated in the Vendor's proposal, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.</p>	No, the Execution paragraph will remain as written.
27	Section 5.0 Scope of Work, page 15	We are aware that you are under contract with other contractors for the scope of services and positions defined in this solicitation. There appears to be duplicative services, how do you reconcile the scope of services between the two (current contract and solicitation)?	NCORR does not have additional contracts for this scope of service.
28	Section 1 Purpose and Background, Page 6	Is the current contractor administering Program Management (Bid# 19-RFP-014128-WAX) for Hurricane Matthew and the current contractor administering homeowner services for Robeson County and the City of Fayetteville for Hurricane Matthew prohibited from bidding on this solicitation?	No.
29	Section 5.2 Tasks/Deliverables (Tasks 1-8), Page 15-20	How will the staff defined in the solicitation relate, interact, and/or overlap with already existing vendor personnel under Hurricane Matthew (DR-4285) Bid# 19-RFP-014128-WAX?	The Scope of Service for these two contracts will not overlap.
30	Section 5.0 Scope of Work, pages 15-20	Are vendors prohibited from offering services on only select task(s), or are vendors required to offer services only on all 8 tasks to be considered?	See response to question 18.
31	Attachment A: Pricing, pages 22-24	How will the cost component of As-Needed Project Managers be evaluated if no Estimated Maximum Hours are given?	The cost for the As-Needed Project Manager will not be included in the overall total cost or the evaluation.
32	Attachment E: Certification of Financial Condition, page 34	Are audited financial statements applicable to this RFP?	Attachment E must be filled out and submitted regarding financials. Audited Financial Statements are not required with proposal response, however the State reserves the right to request Audited Financial Statements from Vendors during the evaluation of proposals.

INSTRUCTIONS:

1. Check ONLY one of the following categories and return one properly executed copy of this addendum prior to proposal opening time and date.
 - Proposal has already been mailed. Changes resulting from this addendum are as follows:

 - Proposal has already been mailed. NO CHANGES resulted from this addendum.
 - Proposal has NOT been mailed and ANY CHANGES resulting from this addendum are included in our response.

Execute Addendum:

VENDOR: _____

ADDRESS (CITY & STATE): _____

AUTHORIZED SIGNATURE: _____

NAME and TITLE (Typed): _____

<u>DELIVERED BY US POSTAL SERVICE</u>
PROPOSAL NO. 19-RFP-014523-PTW North Carolina Department of Public Safety Purchasing & Logistics 3030 Hammond Business Place Raleigh, NC 27603

ATTACHMENT C: NORTH CAROLINA GENERAL CONTRACT TERMS & CONDITIONS

1. PERFORMANCE AND DEFAULT:

- a) It is anticipated that the tasks and duties undertaken by the Vendor shall include services or the manufacturing, furnishing, or development of goods and other tangible features or components as deliverables that are directly correlated and/or ancillary to the services performed. Except as provided immediately below, and unless otherwise mutually agreed in writing prior to award, upon final payment, any service deliverables ~~or ancillary services~~ provided by Vendor in performance of the contract shall remain property of the State. During performance, Vendor may provide proprietary components as part of the service deliverables provided it notifies the State of the use of such proprietary components before that are identified in the solicitation response. Vendor grants the State a royalty-free, non-exclusive, perpetual ~~personal, permanent~~, non-transferable license to use such proprietary components solely in connection with the State's use of the service deliverables ~~and other functionalities, as provided under this Agreement~~. Any technical and business information owned by Vendor or its suppliers or licensors made accessible or furnished to the State shall be and remain the property of the Vendor or such other party, respectively. Vendor agrees to perform its services under the contract in the same or similar manner provided to comparable users accordance with professional standards. The State shall notify the Vendor of any defects or deficiencies in performance of its services or failure of service deliverables to conform to the standards and specifications provided in this solicitation. Vendor agrees to remedy defective performance or any nonconforming deliverables upon timely notice provided by the State.
- b) Vendor has a limited, non-exclusive license to access and use State Data provided to Vendor, but solely for performing its obligations under this Agreement and in confidence as may be further provided herein. Vendor or its ~~suppliers~~ subcontractors shall at a minimum, and except as otherwise specified and agreed herein, provide assistance to the State related to all services performed or deliverables procured hereunder during the State's normal business hours. Vendor warrants that its support, customer service, and assistance will be performed in accordance with ~~generally accepted and~~ applicable industry professional standards.
- c) If, through any cause, Vendor shall fail to fulfill in a timely and proper manner the obligations under the Contract, the State shall have the right to terminate the Contract by giving written notice to the Vendor and specifying the effective date thereof. However, if the State seeks to terminate the Contract pursuant to this paragraph, the State shall first notify the Vendor in writing of its intent to terminate, identify the alleged deficiencies in performing giving rise to the intent to terminate, and shall not terminate the Contract unless the Vendor fails to cure the specified deficiencies within thirty (30) days of Vendor's receipt of notice of such deficiencies. In that event, any or all finished or unfinished deliverables under the Contract prepared by the Vendor shall, at the option of the State, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any ~~acceptable~~ work completed in accordance with the requirements of the Contract as to which the option is exercised. The Vendor shall not have any liability to the State as a result of the State's use of any unfinished, incomplete, or draft deliverables that are furnished to the State, provided that the Vendor has notified the State of the incomplete status of such deliverables. The Vendor may retain a copy of the deliverables and any information received, developed, or otherwise relating to this Contract in order to comply with its contractual obligations and applicable professional standards. Notwithstanding, Vendor shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the Contract, and the State may withhold any payment due the Vendor for the purpose of setoff until such time as the exact amount of damages due the State from such breach can be determined. The State may require at any time a performance bond or other acceptable alternative performance guarantees from a Vendor without expense to the State.
- d) In the event of default by the Vendor, the State may procure the goods and services necessary to complete performance hereunder from other sources and hold the Vendor responsible for any excess cost occasioned thereby. In addition, in the event of default by the Vendor under the Contract, or upon the Vendor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Vendor, the State may immediately cease doing business with the Vendor, immediately terminate the Contract for cause, and may take action to debar the Vendor from doing future business with the State.

9. INTELLECTUAL PROPERTY WARRANTY AND INDEMNITY: Vendor shall hold and save the State, its officers, agents and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any copyrighted material, patented or patent-pending invention, article, device or appliance delivered in connection with the Contract.

- a. Vendor warrants to the best of its knowledge that:
 - i. Performance under the Contract does not infringe upon any intellectual property rights of any third party; and
 - ii. There are no actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party;
- b. Should any deliverables supplied by Vendor become the subject of a claim of infringement of a patent, copyright, trademark or a trade secret in the United States, the Vendor, shall at its option and expense, either procure for the State the right to continue using the deliverables, or replace or modify the same to become non-infringing. If neither of these options can reasonably be taken in Vendor's judgment, or if further use shall be prevented by injunction, the Vendor agrees to cease provision of any affected deliverables and refund any sums the State has paid Vendor and make every reasonable effort to assist the State in procuring substitute deliverables. If, in the sole opinion of the State, the cessation of use by the State of any such deliverables due to infringement issues makes the retention of other items acquired from the Vendor under this Agreement impractical, the State shall then have the option of terminating the Agreement, or applicable portions thereof, without penalty or termination charge; and Vendor agrees to refund any sums the State paid for unused Services or Deliverables.
- c. The Vendor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the deliverables supplied by the Vendor, their use or operation, infringes on a patent, copyright, trademark or violates a trade secret in the United States. The Vendor shall pay those costs and damages finally awarded or agreed in a settlement against the State in any such action. Such defense and payment shall be conditioned on the following:
 - i. That the Vendor shall be notified within a reasonable time in writing by the State of any such claim; and
 - ii. That the Vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that the State shall have the option to participate in such action at its own expense.
- d. Vendor will not be required to defend or indemnify the State if any claim by a third party against the State for infringement or misappropriation results from [\(1\) use of the Services other than in accordance with applicable documentation or instructions supplied by Vendor or other than for the State's internal business purposes;](#) [\(2\) the State's material alteration, modification, or revision of any Vendor-branded deliverables or services, not expressly agreed to in writing by Vendor;](#) [\(3\) the combination of the Deliverables with materials not supplied or approved by the Vendor;](#) [\(4\) the Vendor's compliance with Client's specifications or requirements, including, but not limited to the required use of tangible or intangible items provided by the Client;](#) or [\(5\) or from the continued use of the deliverable\(s\) or Services after receiving notice of infringement on a trade secret of a third party.](#)

10. TERMINATION FOR CONVENIENCE: If this Contract contemplates deliveries or performance over a period of time, the State may terminate this Contract at any time by providing 15 days' notice in writing from the State to the Vendor. In that event, any or all finished or unfinished deliverables prepared by the Vendor under this Contract shall, at the option of the State, become its property. [The Vendor shall not have any liability to the State as a result of the State's use of any unfinished, incomplete, or draft deliverables that are furnished to the State, provided that the Vendor has notified the State of the incomplete status of such deliverables. The Vendor may retain a copy of the deliverables and any information received, developed, or otherwise relating to this Contract in order to comply with its contractual obligations and applicable professional standards.](#) If the Contract is terminated by the State as provided in this section, the State shall pay for those items for which such option is exercised, less any payment or compensation previously made.

12. ACCESS TO PERSONS AND RECORDS: During and after the term hereof, the State Auditor and any using agency's internal auditors shall have access to persons and [timekeeping and expense](#) records related to the Contract to verify accounts and data affecting fees or performance under the Contract, as provided in G.S.143-49(9).

14.INSURANCE:

COVERAGE - During the term of the Contract, ~~the Vendor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Contract. As a minimum,~~ the Vendor shall provide and maintain the following coverage and limits:

- a) **Worker's Compensation** - The Vendor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Vendor's employees who are engaged in any work under the Contract in North Carolina. If any work is sub-contracted, the Vendor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the Contract within the State.
- b) **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit. Defense cost shall be in excess of the limit of liability.
- c) **Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used within North Carolina in connection with the Contract. The minimum combined single limit shall be \$250,000.00 bodily injury and property damage; \$250,000.00 uninsured/under insured motorist; and \$2,500.00 medical payment.

REQUIREMENTS - Providing and maintaining adequate insurance coverage is a material obligation of the Vendor and is of the essence of the Contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The Vendor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or the Contract. The limits of coverage under each insurance policy maintained by the Vendor shall not be interpreted as limiting the Vendor's liability and obligations under the Contract.

15. GENERAL INDEMNITY: The Vendor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind for death, bodily injury, or damage to tangible property, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, Services, materials, or supplies in connection with the performance of the Contract, ~~and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Vendor in the performance of the Contract and that are attributable to the negligence or intentionally tortious acts of the Vendor provided that the Vendor is notified in writing within 30 days from the date that the State has knowledge of such claims. The Vendor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of Vendor deliverables or Services to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of the Contract.~~

18. CONFIDENTIALITY: Any State information, data, instruments, documents, studies or reports given to or ~~prepared or assembled by~~ or provided to the Vendor under the Contract shall be kept as confidential, used only for the purpose(s) required to perform the Contract and not divulged or made available to any individual or organization without the prior written approval of the State-, except as required by law, legal process, applicable professional standards or otherwise permitted by the Contract.

19. CARE OF STATE DATA AND PROPERTY: The Vendor agrees that it shall be responsible for the proper custody and care of any data owned and furnished to the Vendor by the State (State Data), or other State property in the hands of the Vendor, for use in connection with the performance of the Contract or purchased by or for the State for the Contract. Vendor will reimburse the State for loss or damage of such property while in Vendor's custody. The State's Data in the hands of the Vendor shall be protected from unauthorized disclosure, loss, damage, destruction by a natural event or other eventuality. Such State Data shall be returned to the State in a form acceptable to the State upon the termination or expiration of this Agreement. The Vendor shall notify the State of any security breaches within 24 hours as required by G.S. 143B-1379. See G.S. 75-60 *et seq.* The Vendor may retain a State Data relating to this Agreement in order to comply with its contractual

obligations and applicable professional standards. State Data stored on routine back-up media for the purpose of disaster recovery will be subject to destruction in due course. Latent data such as deleted files and other non-logical data types, such as memory dumps, swap files, temporary files, printer spool files and metadata that can customarily only be retrieved by computer forensics experts and are generally considered inaccessible without the use of specialized tools and techniques will not be within the requirement for the return of State Data as contemplated by this paragraph.