

CONTRACT FOR PROFESSIONAL SERVICES

1. This Contract is entered into as of the 5th day of January, 2023 between the Office of The State Auditor hereinafter referred to as “OSA” and HORNE hereinafter referred to as “Contractor.”
2. **Scope Of Work.** In exchange for the consideration set forth herein, Contractor shall provide services to OSA, as outlined in the Scope Statement below:

Scope Statement: Conduct Data Analysis using current OSA databases to identify “Fraud Risk” based upon the contents of such databases. Fraud Risk is defined as any relationship(s) or transaction(s) or patterns of relationship(s) or transaction(s) which indicate a suspicion of fraud or other violation of law concerning the disposition of public funds. The methodologies used must result in information which is reasonably reliable. The data analysis must include at a minimum: Accounts Payable Files Test; Employee File Field Test; Vendor File Field Test; Raw Scoring and Fraud Scoring. All test results must be presented in a meaningful manner and shall include, but not be limited to, an output file and report(s) with data visualization. Contractor shall provide ongoing updates to OSA’s designated representatives as to the progress and results. Confidentiality of OSA databases and information must be maintained at all times.

3. **Change In Scope Of Work.** OSA may order changes in the work, consisting of additions, deletions, or other revisions within the general scope of the Contract. If OSA orders changes in the work which are outside the general scope of the Contract, such changes in scope, and any corresponding changes to the amount of compensation or the schedule, shall be made by mutual written agreement, signed by both parties.
4. **Contract Term and Delivery Deadline.** The “Contract Period” shall be from January 9th through April 30th, 2023. Contractor shall commence the Work upon receipt of a Notice To Proceed and must constantly apply the necessary personnel and equipment to timely complete the Work and make Final Delivery on or before April 30th 2023.
5. **Ownership of Data and Work.** In further exchange for the consideration set forth herein, Contractor and OSA agree that the information and materials produced and/or delivered by the Contractor under this Contract (the “Work”) are the exclusive property of OSA and that the OSA owns all right, title, and interest in the Work and OSA Data without limit of any kind. The Contractor transfers and assigns to the OSA the entire right, title, and interest of Contractor in the Work without limit of any kind. The Contractor agrees to perform all acts necessary to secure for the OSA the rights herein assigned. At Final Delivery, Contractor must deliver to OSA all documents and electronic files concerning and/or reflecting the Work, except invoices and payment information, along with all data provided by OSA and Contractor must destroy and not retain any duplicate copies of such documents and electronic files or data, including but not limited to Confidential Information. OSA hereby

retains its entire right, title, and interest, including all intellectual property rights, in and to all Confidential Information. Any disclosure of such Confidential Information to Contractor hereunder shall not be construed as an assignment, grant, option, license, or other transfer of any such right, title, or interest whatsoever to the Contractor.

6. **Confidential Information.** Except as set forth in Section 7 below, “Confidential Information” means all OSA data and information to which Contractor has access by its performance under this contract, provided or exchanged orally or in written, electronic, or other media or form whatsoever, and whether or not marked, designated, or otherwise identified as “confidential,” including, without limitation:

- a. all non-public, confidential, or proprietary information disclosed to Contractor by OSA;
- b. all data and information which Contractor acquires from OSA and any other information designated in writing as confidential by OSA;
- c. those materials, documents, data, and other information which Contractor has designated in writing as proprietary and confidential;
- d. all papers, notes, images, documents, designs, audiovisual components, objects, schematics, summaries, compilations, drawings, and other writings or visual depictions, visualizations or reports made by or for Contractor in connection with the Work; and,
- e. all conversations, discussions and communications with OSA personnel concerning OSA data or the Work.

1. **Exclusions from Confidential Information.** Except as required by applicable federal, state, or local law or regulation, the term “Confidential Information” as used in this Agreement shall not include information that:

- a. is not allowed to be treated as confidential under Mississippi law and/or federal law; or
- b. at the time of disclosure is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any violation of this Agreement by the Contractor; or
- c. at the time of disclosure is, or thereafter becomes, available to the Contractor on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information to the Recipient by a legal, fiduciary, or contractual obligation to the Disclosing Party.

8. **Contractor Obligations concerning Nondisclosure and Confidentiality.** The Contractor shall not disclose such confidential information to a third party without specific written

consent of OSA. 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 such information, Contractor shall promptly inform OSA and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules and regulations. This Article shall survive termination or completion of this Contract and shall continue in full force and effect and shall be binding upon Contractor and its agents, employees, successors, assigns, subcontractors, or any party or entity claiming an interest in this Contract on behalf of, or under the rights of Contractor following any termination or completion of this Contract.

9. **Remedies for Breach of Duty of Nondisclosure or Confidentiality.** The Contractor acknowledges that money damages might not be a sufficient remedy for any breach or threatened breach of the Contractor's duties of nondisclosure or confidentiality. Therefore, in addition to all other remedies available at law (which OSA does not waive by the exercise of any rights hereunder), OSA shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach of the Contractor's duties of nondisclosure or confidentiality, and the Contractor hereby waives any requirement to show actual monetary damages in connection with such claim.
10. **Warranty.** In addition to the other warranties set forth in this Contract and as further consideration exchanged between the parties, Contractor warrants the following: the consideration exchanged is sufficient; that it has the full right, power, and authority to enter into this Contract and to grant the rights granted herein; that it has not previously licensed the Work in whole or in part to any third party; and, that use of the Work in whole or in part will not violate any right or interest of any kind whatsoever of any third party; that Contractor presently has the resources and skill to timely complete the Work at a level meeting or exceeding a highest level of skill recognized within the applicable field; and that Contractor further warrants against all claims those rights, title, and interests in the Work transferred to OSA, or which OSA claims in the Work, including the copyright and all trademark, patent, and intellectual property rights.
11. **Indemnity By Contractor.** In further exchange for the consideration set forth herein, Contractor must indemnify, defend, save and hold completely harmless, and protect, and exonerate OSA and its 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, and without regard to merit, including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by Contractor and/or its partners, principals, agents, employees and/or Subcontractors in the failure to perform this Contract; arising out of or caused by any breach of any representation or warranty made by the Contractor herein; arising out of the existence, ownership or use of the Work by OSA; or arising out of any act or omission of the Contractor or its officers, agents, representatives, employees and/or contractors.

12. **Compensation.** Contractor shall receive as compensation for complete and satisfactory performance of each of its obligations hereunder and Final Delivery of the described services the total amount of \$7,500.00. The compensation due to the Contractor will never exceed the stated amount. Payment of compensation shall not be due nor owing unless and until Final Delivery. Final Delivery is defined as delivery to OSA of the output file(s) and final reports with visualization, along with all documents and electronic files concerning and/or reflecting the Work and along with all data provided by OSA; and, a series of no more than three live demonstrations of the results and reports with data visualization. Final Delivery is a condition precedent to any obligation of OSA to make payment.
13. **Acceptance Or Rejection Of The Work.** OSA's duly authorized representative is empowered to accept and approve, or reject the services furnished by Contractor in compliance with the provisions of this Contract. OSA has the right to reject, at any time during the contract period, any work not meeting the terms of this contract. Should the OSA reject any work, OSA's authorized representative shall notify Contractor in writing of such rejection giving reasons therefore. The right to reject any work shall extend throughout the terms of the contract.
14. **Applicable Law and Exclusive Venue.** The Contract shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws, provisions. Any litigation with respect thereto shall be brought, exclusively, in a court created by the Mississippi Constitution or by a Mississippi statute, and not in any other court or venue. Contractor shall comply with applicable federal, state, and local laws and regulations.
15. **Availability of Funds.** It is expressly understood and agreed that the obligation of the OSA to proceed under this Contract 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 Contract 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 the OSA, the OSA shall have the right upon ten (10) working days written notice to the Contractor, to terminate this Contract without damage, penalty, cost or expenses to the OSA of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. OSA shall have the sole right to determine whether funds are available for the payments or performances due under this Contract.
16. **Compliance with Laws.** Contractor understands that the OSA 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 Contractor agrees during the term of the Contract that Contractor will strictly adhere to this policy in its employment practices and provision of services. Contractor shall comply with, and all activities under this Contract 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.

17. **Representation Regarding Contingent Fees.** Contractor represents that it has not retained a person to solicit or secure a OSA contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in writing prior to the making of this Contract.
18. **Representation Regarding Gratuities.** The Bidder, 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 Public Procurement Review Board Office of Personal Service Contract Review Rules and Regulations.
19. **Trade Secrets, Commercial and Financial Information.** It is expressly understood that Mississippi law requires that the provisions of this contract which contain the commodities purchased or the personal or professional services provided, the price to be paid, and the term of the contract shall not be deemed to be a trade secret or confidential commercial or financial information and shall be available for examination, copying, or reproduction.
20. **Stop Work Order.** At any time prior to acceptance of Final Delivery, OSA may issue a Stop Work Order to the Contractor. Upon receipt of a Stop Work Order the Contractor must comply. If the Stop Worker Order is not cancelled prior to the date of the expiration of the Contract Period then the Contract shall be terminated without damage, penalty, cost or expenses to the OSA of any kind whatsoever. In event of termination under this section, Contractor shall submit a claim for payment based upon the Contractor's cost actually incurred and paid. In no event will the Contractor submit a claim in an amount which exceeds the prorated amount of the total compensation set forth above. The proration shall be calculated using the month in which the Stop Work Order was issued. If OSA, in its sole discretion, elects to pay the claim then prior to payment Contractor shall deliver all documents and electronic files reflecting the development and progress of the Work and shall also provide those certifications required for any final payment in the absence of a Stop Work Order.
21. **E-Payment.** Contractor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. The OSA agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies" which generally provides for payment of undisputed amounts by the OSA within forty-five (45) days of receipt of the invoice. Mississippi Code Annotated § 31-7-301 et seq. Contractor shall submit invoices electronically to OSA using the processes and procedures identified by the State of Mississippi. Payments by state agencies using the Mississippi Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by OSA. These payments shall be deposited into the bank account of the Contractor's choice. Contractor understands and agrees that OSA is exempt from the payment of taxes. All payments shall be in United States currency. No payment, including final payment, shall

be construed as acceptance of defective or incomplete work, and the Contractor shall remain responsible and liable for full performance.

22. **E-Verification.** If applicable, Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008 and will register and participate in the status verification system for all newly hired employees. Mississippi Code Annotated §§ 71-11-1 et seq. 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. Contractor agrees to maintain records of such compliance. Upon request of the State and approval of the Social Security Administration or Department of Homeland Security when required, Contractor agrees to provide a copy of each such verification. Contractor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws. The breach of which may subject Contractor to the following: (1) termination of this Contract 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 cancellation/termination, Contractor would also be liable for any additional costs incurred by the State due to the Contract cancellation or loss of license or permit.
23. **Transparency.** This Contract, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," and its exceptions. See Mississippi Code Annotated §§ 25-61-1 et seq. and Mississippi Code Annotated § 79-23-1. In addition, this Contract is subject to provisions of the Mississippi Accountability and Transparency Act of 2008. Mississippi Code Annotated §§ 27-104-151 et seq. Unless exempted from disclosure due to a court-issued protective order, a copy of this executed contract is required to be posted to the Department of Finance and Administration's independent agency contract website for public access at <http://www.transparency.mississippi.gov>. Information identified by 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.
24. **Assignment.** Contractor acknowledges that it was selected by OSA to perform the services required hereunder based, in part, upon Contractor's representations of special skills and expertise. Contractor shall not assign, subcontract or otherwise transfer this Contract in whole or in part without the prior written consent of OSA, which the OSA 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 OSA 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 Contract. Subcontracts shall

be subject to the terms and conditions of this Contract and to any conditions of approval that OSA may deem necessary. Subject to the foregoing, this Contract shall be binding upon the respective successors and assigns of the parties.

25. **Independent Contractor, No Joint Venture, etc.** Contractor shall, at all times, be regarded as and shall be legally considered an independent contractor and shall at no time act as an agent for OSA or the State. Nothing contained herein shall be deemed or construed by OSA, the Contractor, or any third party as creating the relationship of principal and agent, master and servant, partners, joint ventures, employer and employee, or any similar such relationship between the OSA and Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of OSA or the Contractor hereunder creates or shall be deemed to create a relationship other than the independent relationship of OSA and the Contractor. Contractor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the State. Neither the Contractor nor its employees shall, under any circumstances, be considered servants, agents, or employees of the State; and the State shall be at no time legally responsible for any negligence or other wrongdoing by the Contractor, its servants, agents, or employees. OSA shall not withhold from the contract payments to Contractor any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to the Contractor. Further, OSA shall not provide to the Contractor any insurance coverage or other benefits, including Workers' Compensation, normally provided by the State for its employees. If any claims are made which are inconsistent with the provisions of this paragraph then Contractor must indemnify and hold harmless against any loss, expense or cost whatsoever the OSA, its successors and assignees and the State of Mississippi, its agencies, boards and commissions and employees and officials from and against any and all such claims.
26. **Quality Control.** The Contractor shall institute and maintain throughout the contract period a properly documented quality control program designed to ensure that the services are or will be provided at all times and in all respects in accordance with the contract. The Contractor's quality control program shall include providing supervision, conducting frequent inspections of the Contractor's staff and ensuring that accurate records. The records so created shall be communicated and open to inspection by the OSA.
27. **Attorney's Fees and Expenses.** In the event the Contractor defaults in any obligations under this Agreement, the Contractor shall pay to the State MORS all costs and expenses (including, without limitation, investigative fees, court costs, and attorneys' fees) incurred by the State of Mississippi, including OSA, in enforcing this Contract or otherwise reasonably related thereto. Contractor agrees that under no circumstances shall the OSA as a customer be obligated to pay any attorneys' fees or costs of legal action to the Contractor.
28. **Failure To Enforce.** Failure by OSA, at any time, to enforce the provisions of the Contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the Contract or any part thereof or the right of OSA to enforce any provision at any time in accordance with its terms.

29. **Conflicts Of Interest.** Contractor shall notify OSA of any potential conflict of interest resulting from the representation of or service to other clients. If such conflict cannot be resolved to OSA's satisfaction, OSA reserves the right to terminate this Contract with no further obligation to the Contractor.
30. **Sovereign Immunity.** By entering into this Contract with Contractor, the State of Mississippi does, in no way, waive its sovereign immunities or defenses, as provided by law.
31. **Authority To Contract.** Contractor warrants (a) that it is a validly organized business with valid authority to enter into this Contract; (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 Contract is not restricted or prohibited by any loan, security, financing, contractual, or other Contract of any kind, and (d) notwithstanding any other provision of this Contract 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 Contract.
32. **No Third Party Beneficiaries.** There are no expressed or implied third party beneficiaries of this Contract.
33. **Debarment and Suspension.** The Contractor certifies to the best of its knowledge and belief, that it: (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transaction by any Federal department or agency or any political subdivision or agency of the State of Mississippi; (2) Has not within a three year period preceding this contract been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of these offenses enumerated in subparagraph two (2) of this certification; and (4) Has not within a three-year period preceding this contract had one or more public transactions (Federal, State, or Local) terminated for cause or default.
34. **Termination.** Notwithstanding any other provision of this Contract, OSA may terminate this Contract with or without cause upon ten (10) days written notice to the Contractor. Contractor may terminate this Contract with cause upon thirty (30) days written notice to the OSA.
35. **Modification Or Amendment.** This Contract may be modified, altered or changed only by written Contract signed by the parties hereto.
36. **Notices.** All notices required or permitted to be given under this Contract must be in writing and personally delivered or sent by facsimile provided that the original of such notice is

sent by certified United States mail postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

For the Contractor:

Name Bruce Walt
Title Partner
Address 661 Sunnybrook Road, Suite 100
Address Ridgeland, MS 39157
Phone 601-326-1000
Fax

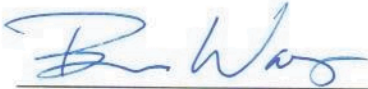
For the State Auditor's Office:

Michael Torres, CPA
Director of Interdivision Audit
Post Office Box 956
Jackson, MS 39205
601-576-2800
601-576-2650

37. **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.
38. **Interpretation.** As an additional exchange of consideration, the parties are in agreement that when any court is called upon to interpret this Contract or any provision thereof, no rule of construction based upon the drafting party shall be applied. The parties being in agreement that the Contract should be construed as if both parties had an equal hand in drafting the Contract.
39. **Miscellaneous.** The headings of this Contract are for convenience of reference and shall not form part of, or affect the interpretation of, this Contract. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Contract instead of just the provision in which they are found. Section headings are for informational purposes. The use of a particular pronoun shall include all applicable pronouns as might be required by context and without regard to form of contracting entity or person.
40. **Entire Contract.** The parties intend this Contract to constitute the complete, exclusive, and fully integrated statement of their agreement. This Contract is the entire Contract of the parties with respect to the subject matter contained herein, and supersedes or replaces any and all prior negotiations, understandings, and Contracts, written or oral, between the parties relating thereto. As such, it is the sole expression of their agreement, and they are not bound by any other agreements of whatsoever kind or nature.

This Contract has been entered into and executed by the parties hereto as of the day and year first above written.

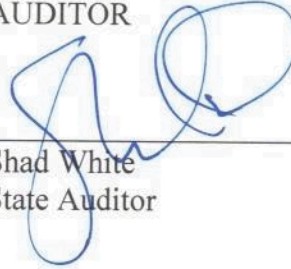
HORNE



Bruce Walt
Partner

1/5/2023
Date

MISSISSIPPI OFFICE OF THE STATE
AUDITOR



Shad White
State Auditor

1/12/23
Date