

***Sample contract language - Applicable if outsourcing a key internal control. Note that if the scope of work involves information technology, the IT/Data Processing contract template should be used, with this additional language.***

### ***INDEPENDENT ASSURANCES***

The State of Louisiana /State Agency will also require the Contractor and /or subcontractors, if performing a key internal control, to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures.

When required by the state agency, the contractor shall be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV &V), and other internal project/ program reviews and audits.

These audits will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the independent audit. The audit firm will submit to the State Agency and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

The Contractor shall supply the Department with an exact copy of the report within thirty (30) calendar days of completion. When required by the State agency, such audits may be performed annually during the term of the contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the State Agency. If cost of the audit is to be borne by the Contractor, it was included in the response to the RFP.